

TRATON

COMMITTED

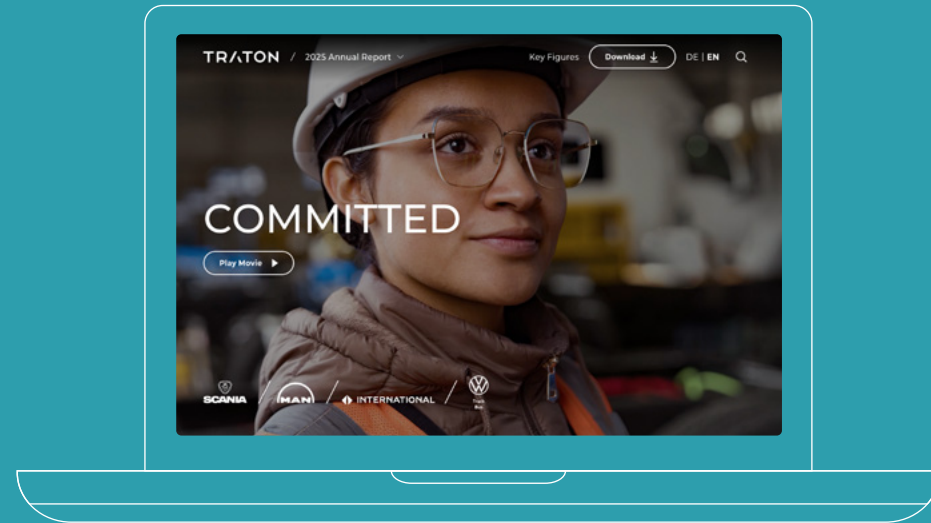


Annual Report
2025

The contents of this annual report are also available online as a user-friendly full HTML version, including an interactive key figure calculator, some in-depth articles on current topics in the TRATON GROUP, and a video featuring the highlights of 2025.



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COMMITTED

In a challenging environment, the TRATON GROUP remains committed to its purpose: Transforming Transportation Together. For a sustainable world.

Together with our partners and employees worldwide, we are staying on track – with an unwavering focus on the needs of our customers and on sustainable transport solutions.

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AT A GLANCE

	2025	2024	Change
Order situation (units)			
Incoming orders	281,325	263,575	7%
Unit sales	305,486	334,215	-9%
Trucks	239,783	278,130	-14%
Buses	34,359	28,413	21%
MAN TGE vans	31,344	27,672	13%
BEV unit sales ratio (excluding MAN TGE vans, in %)	1.2	0.5	0.6 pp
TRATON GROUP			
Sales revenue (€ million)	44,052	47,473	-7%
Operating result (adjusted) (€ million)	2,773	4,384	-1,611
Operating return on sales (adjusted) (in %)	6.3	9.2	-2.9 pp
Earnings per share (€)	3.09	5.61	-2.52
Active workforce ¹	107,454	105,541	1,913
TRATON Operations			
Sales revenue (€ million)	42,536	46,182	-8%
Operating result (adjusted) (€ million)	3,092	4,776	-1,684
Operating return on sales (adjusted) (in %)	7.3	10.3	-3.0 pp
Net cash flow (€ million)	1,643	2,834	-1,191
Primary R&D costs (€ million) ²	2,731	2,456	11%
Capex (€ million)	1,555	1,751	-11%
TRATON Financial Services			
Sales revenue (€ million)	2,188	1,932	13%
Earnings before tax (€ million)	172	212	-40
Equity (€ million) ¹	2,275	2,052	223
Return on equity (in %)	8.0	10.8	-2.8 pp

¹ As of December 31

² The previous year's figure was adjusted to the current presentation, see the Combined Management Report section [Financial management](#).



Incoming orders
(units)

281,325



Sales revenue
(€ million)

44,052



Operating return on sales
(adjusted)

6.3%



Active workforce

107,454

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TO OUR SHAREHOLDERS

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TO OUR SHAREHOLDERS

Dear shareholders,

2025 was a challenging year for the TRATON GROUP and our customers due to a volatile macroeconomic environment. Nevertheless, we can proudly look back on the many challenges we have tackled together while defending our market share. We delivered on a key milestone, the establishment of a TRATON GROUP R&D on July 1, 2025. The team of 9,000 engineers now jointly develop products for customers of all our brands and continue to contribute to our main competitive advantage: the TRATON Modular System (TMS). Standardized interfaces will ensure that the product offering fits our customers' needs globally. The work with the TRATON Modular System is not done. It is a complex task to implement it in all four brands, each with their unique competence and history. Overcoming this challenge will lead us to become stronger as a Group.

Another key milestone that I want to highlight is the bold steps we have taken in China, the world's largest truck market. We have succeeded in establishing an industrial hub in Rugao. Then the TRATON GROUP unveiled NEXT ERA, an 'In China, with China' tractor product range. Local production in Rugao and the evolution of the TMS allow for a further extension of our product and service portfolio and business models to better fit the Chinese long-haul market, and to drive change towards a more sustainable transport system.

Finally, we continue to push ourselves and our industry when it comes to our sustainability promise. At COP30 in Belém, Volkswagen Truck & Bus, together with a coalition of logistics companies, infrastructure providers, and the Brazilian government, presented the e-Dutra project, one of the largest private-sector collaborations to decarbonize freight in Brazil's transportation industry. By aggregating demand and aligning stakeholders, the initiative aims to reduce the risk of investment in charging infrastructure and accelerate the deployment of zero-emission trucks.

The TRATON leadership team has been very stable throughout the year. There have been no changes in the TRATON Executive Board. Karl Bernqvist joined us in the function of Chief Procurement Officer (CPO) at TRATON and CPO at MAN. He brings impressive experience from almost all the TRATON brands and many years in procurement.

The TRATON GROUP responded to the demanding economic and political environment in 2025 with adaptations in our roadmap, such as a slower ramp-up of electrification in North America. Furthermore, we have put cost control in focus while continuing to invest sensibly in areas that are vital for the future of the Group. Sadly, we had to say goodbye to some very talented colleagues whom I sincerely thank for their commitment to our mission. Despite headwind from the markets, this enabled us to mitigate the decline of financial key performance indicators. The TRATON GROUP's unit sales totaled 305,500 vehicles in 2025, 9% below the prior-year level. Sales revenue decreased by 7% to €44.1 billion. Adjusted operating result came in at around €2.8 billion, down 37% year-on-year. At 6.3%, operating return on sales was within the forecast range of 6.0 to 7.0%. This achievement would not have been possible without the commitment of every one of our 107,000 employees around the world.

As our shareholders, our performance benefited you in two ways. In May 2025, we paid out a dividend of €1.70 per share for the very successful fiscal year 2024, €0.20 more than the previous year. Along with the positive share price performance, this led to a total shareholder return of 15.2% in 2025, based on the Xetra listing. Our dividend policy is clear. It is based on a payout ratio of 30 to 40% of the Group's consolidated earnings after tax. Therefore, we are proposing to the Annual General Meeting 2026 that a dividend of €0.93 be paid out per share for this fiscal year.

I trust that we can continue to count on your support as our shareholders.

Kind regards



Christian Levin
CEO of TRATON SE

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Executive Board



CHRISTIAN LEVIN

Chairman of the Executive Board and Chief Executive Officer of TRATON SE, President and Chief Executive Officer of Scania AB/Scania CV AB



DR. MICHAEL JACKSTEIN

Member of the Executive Board of TRATON SE, responsible for Finance, Business Development, and Human Resources



CATHARINA MODAHL NILSSON

Member of the Executive Board of TRATON SE, responsible for Group Product Management



NIKLAS KLINGENBERG

Member of the Executive Board of TRATON SE, responsible for Group Research & Development



ALEXANDER VLASKAMP

Member of the Executive Board of TRATON SE, Chief Executive Officer of MAN



MATHIAS CARLBAUM

Member of the Executive Board of TRATON SE, Chief Executive Officer and President of International



ANTONIO ROBERTO CORTES

Member of the Executive Board of TRATON SE, Chief Executive Officer of Volkswagen Truck & Bus

Report of the Supervisory Board¹

Dear shareholders,

In fiscal year 2025, the Supervisory Board closely followed the development of the TRATON GROUP and worked with the Executive Board on key issues. During the reporting period, the Supervisory Board performed all of its duties and obligations in accordance with the law, the Articles of Association, and the Rules of Procedure. On the basis of written and oral reports from the Executive Board, we regularly and comprehensively reviewed the position and development of the Group, and monitored and advised the Executive Board in its management of the Group. We were involved in an advisory capacity in all matters and decisions of major importance for the TRATON GROUP and discussed them with the Executive Board. We also regularly discussed strategic matters with the Executive Board.

The Executive Board provided us with regular, timely, and comprehensive information on all matters relevant to the TRATON GROUP, in particular on business development, including the impact of geopolitical and economic developments on the TRATON GROUP, developments in China, the progress and implementation of the Group R&D carve-out project, the development of the TRATON Modular System (TMS), and relevant business events, corporate planning, and discrepancies between actual business performance and planning, along with their causes. The Executive Board also reported to the Supervisory Board on the TRATON GROUP's strategy and the implementation status of strategic projects, the TRATON GROUP's risk position and risk management, as well as compliance issues. In preparation for the meetings and resolutions, the Supervisory Board members were provided with the relevant documents and information in advance. We also received a detailed report on the current business situation from the Executive Board on defined dates. The Supervisory Board also met regularly without the Executive Board.

In addition, regular discussions took place outside of Supervisory Board meetings between the Chairman of the Supervisory Board and the Chairman of the Executive Board, as well as other members of the Executive Board, during which issues and topics relevant to the company were addressed, such as business development, planning, strategic projects, and matters relating to the risk position, risk management, and compliance. This ensured that the Supervisory Board was informed at all times about the intended business policy, corporate planning, including financial, investment, and HR planning, the company's profitability and the course of business, as well as the situation of the company and the Group. Where decisions or measures required the approval of the Supervisory Board, the Supervisory Board approved them after careful review, in some cases following preparation by the committees.

¹ In accordance with section 171 (2) of the Aktiengesetz (AktG — German Stock Corporation Act)

The Supervisory Board held seven meetings in fiscal year 2025. Five of these meetings were in-person, two were video meetings. In addition, the Supervisory Board attended a strategy day in Södertälje, Sweden, where it received extensive information on the topic of software-defined vehicles and gained an insight into the latest developments and cooperation within the Group. We adopted resolutions on specific, especially urgent matters in writing. The attendance rate of members at Supervisory Board meetings (calculated for all meetings in the fiscal year and for all Supervisory Board members in office) was 94.96% in fiscal year 2025. The individualized attendance of the members of the Supervisory Board at the meetings of the Supervisory Board and its committees is shown in the following overview:

	Supervisory Board		Presiding Committee		Audit Committee		Nomination Committee	
	No.	%	No.	%	No.	%	No.	%
Mr. Pötsch	7/7	100	6/6	100			0	0
Mr. Kerner	7/7	100	6/6	100				
Ms. Andersson	7/7	100						
Dr. Antlitz ¹	2/2	100						
Mr. Bechstädt	7/7	100			4/4	100		
Ms. Carlquist	7/7	100						
Mr. Cavallo	6/7	86						
Dr. Döss	6/7	86						
Mr. Kilian ²	4/4	100	3/3	100			0	0
Dr. Kirchmann	7/7	100						
Dr. Kuhn-Piëch	7/7	100			4/4	100		
Ms. Lorentzon ³	3/4	75			2/2	100		
Mr. Luthin	7/7	100						
Mr. Lyngsie	6/7	86	6/6	100				
Ms. Macpherson	7/7	100			4/4	100		
Dr. Dr. Porsche	6/7	86	6/6	100			0	0
Dr. Schmid	7/7	100						
Ms. Schnur	6/7	86	6/6	100	4/4	100		
Mr. Sedlmaier ⁴	7/7	100						
Mr. Wansch	7/7	100						
Mr. Widén ⁵	3/3	100			2/2	100		
Mr. Witter	6/7	86			4/4	100		

¹ Supervisory Board member since September 26, 2025

² Supervisory Board member and member of the Presiding Committee and the Nomination Committee until July 16, 2025

³ Supervisory Board member and member of the Audit Committee until June 30, 2025

⁴ Supervisory Board member until December 31, 2025

⁵ Supervisory Board member since July 1, 2025, and member of the Audit Committee since September 22, 2025

Committee activities

To discharge its duties, the Supervisory Board has formed the Presiding Committee and the Audit Committee, on each of which shareholders and employees are represented equally with three representatives each. The Nomination Committee, which consists solely of shareholder representatives, was also formed. The main role of the committees is to prepare Supervisory Board resolutions. In some cases, the Supervisory Board's decision-making powers or tasks are transferred to committees. The task of the Nomination Committee is to identify suitable candidates for Supervisory Board positions and to propose suitable persons to the Supervisory Board for its proposals for election to be submitted to the Annual General Meeting. It takes account of the targets defined by the Supervisory Board for its composition and the diversity concept applied to the composition of the Supervisory Board. In addition, care is taken to ensure that the skills and expertise profile for the entire body is met. In this function, the shareholder representatives on the Presiding Committee form the Nomination Committee.

Mr. Frank Witter was Chairman of the Audit Committee. I chaired the Presiding Committee in my capacity as Chairman of the Supervisory Board. At the Supervisory Board meetings, the Chairman of the Audit Committee and I provided regular reports on the work of the committees. The composition of the committees in fiscal year 2025 can be found in the [Corporate Governance Statement](#).

The **Presiding Committee** of the Supervisory Board held six meetings in the year under review. Two of these meetings were held in person and four were held as video conferences. At its meetings, the Presiding Committee carefully prepared the resolutions of the Supervisory Board and submitted recommendations for resolutions to the Supervisory Board. The focus of Executive Board and personnel matters was on the ESG-related performance evaluation of the Executive Board, the renewal of the Executive Board appointments of Dr. Jackstein and Catharina Modahl Nilsson, long-term succession planning for the Executive Board, and the appointment of Karl Bernqvist as a member of the Executive Board of MAN Truck & Bus SE for Procurement and as Chief Purchasing Officer of TRATON SE as of November 1, 2025. Other key areas of focus for the Presiding Committee included the planning round, which covers the pillars of medium- and long-term financial planning and the associated investment program, as well as further progress in the realignment of the Group's Research and Development division, and the Australian Medium-Term Note program (AMTN program).

The **Nomination Committee** did not meet in the year under review.

The **Audit Committee** held a total of four meetings in the year under review. All four meetings were held as video conferences. The Audit Committee dealt in detail with financial reporting, the 2024 Annual Financial Statements and Consolidated Financial Statements of TRATON SE, and the audit reports submitted by the auditor, EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft (EY). It also addressed the requirements of the Corporate Social Responsibility Directive, the export control requirements applicable to the Group, and the corresponding internal organization.

The committee discussed the quarterly reports and the half-year financial report with the Executive Board prior to their publication. EY reviewed the TRATON GROUP's Half-Year Financial Report for the period ended June 30, 2025. The review did not lead to any objections. The committee discussed the findings of the review with the auditors in detail.

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The Audit Committee additionally discussed the engagement of the auditor to audit the 2025 Annual Financial Statements (including the areas of emphasis of the 2025 audit). In addition, the committee regularly addressed the business performance in the TRATON GROUP, the internal control system, risk management and the risk management system, and the TRATON GROUP's impending and pending litigation, among other things. The Audit Committee also addressed compliance and internal audit issues, such as an assessment of geopolitical procurement principles from a risk management perspective, as well as the TRATON GROUP's internal audit system, the audit plans for the TRATON GROUP's Internal Audit function, as well as the implementation status. The head of Group Audit of the TRATON GROUP and the Chief Compliance Officer of the TRATON GROUP reported to the committee in person on a regular basis. Regular reports were also provided on progress in sustainability reporting and export control. The Audit Committee regularly consulted with the auditors without the Executive Board.

The members of the Supervisory Board are responsible for obtaining the education and training necessary for them to perform their duties, for example with regard to changes in the legal environment. In addition, they are supported by the company (e.g., through training measures). In addition, topics relating to the Group are regularly discussed in depth at Supervisory Board meetings. On the one hand, this related to the BEV strategy together with the battery and cell strategy. On the other, further regulatory developments and requirements regarding sustainability reporting, more in-depth information on software and software-defined vehicles, and anti-corruption issues in the context of sustainability reporting were relevant topics. In addition, the Supervisory Board received several hours of training on the topic of cybersecurity, with a focus on its duties as a supervisory body. New Supervisory Board members are additionally given the opportunity to receive in-depth training on specific topics relating to the Supervisory Board of TRATON SE as part of their onboarding process. This regularly includes information on key legal frameworks and corporate governance issues that are relevant to the performance of their duties.

Issues addressed by the Supervisory Board

Topics discussed regularly by the Supervisory Board included trends with respect to orders, sales revenue, earnings, and employment within the TRATON GROUP, in particular the impacts of the geopolitical and economic environment on the TRATON GROUP. We also regularly addressed key strategic matters and projects, as well as programs for the future at subsidiaries of TRATON SE. In general, the shareholder and employee representatives met for separate preliminary discussions before each of the Supervisory Board meetings.

The following additional information relates to the Supervisory Board meetings held in 2025:

Supervisory Board meeting on February 11, 2025

At our meeting, we discussed the planned strategic partnership in the field of software-defined vehicles with US company Applied Intuition and approved a corresponding cooperation agreement between TRATON SE and Applied Intuition, Inc.

Supervisory Board meeting on March 3, 2025

At this meeting, following detailed examination and discussion, we approved the Annual Financial Statements for TRATON SE and the Consolidated Financial Statements with the Combined Management Report, including the Nonfinancial Group Statement, for TRATON SE and the TRATON GROUP for fiscal year 2024 prepared by the Executive Board. The Supervisory Board also prepared the remuneration report for fiscal year 2024. In addition, the Supervisory Board examined the report on relationships with affiliated companies (Dependent Company Report). On completion of our examination, we raised no objections to the Dependent Company Report. Additionally, the Supervisory Board resolved to issue the audit engagement letter for the 2025 Annual and Consolidated Financial Statements and to engage the auditors to review the TRATON GROUP's Half-Year Financial Report for the period ended June 30, 2025, and the remuneration report for fiscal year 2025. Other items on the agenda included setting targets for Executive Board compensation, reviewing the appropriateness of Executive Board remuneration, and the corporate governance statement with the Executive Board's diversity concept and the independence of Supervisory Board members. We also discussed the agenda for the 2025 Annual General Meeting and approved the Supervisory Board's proposed resolutions for the 2025 Annual General Meeting. In addition, the Executive Board provided an update on the BEV strategy, which we discussed with the Executive Board.

Supervisory Board meeting on April 25, 2025

During our meeting, the developments of the TRATON Modular System (TMS) were presented to us and discussed.

Supervisory Board meeting on May 12, 2025

At this meeting, regarding Executive Board and Supervisory Board matters, we discussed and decided on the appointment of Mats Gunnarson as the new CEO of TRATON Financial Services AB and approved the replacement of the Member of the Executive Board responsible for Production and Logistics at VWTB. We also received information about the launch of an Australian Medium-Term Note Program (AMTN program) for TRATON SE. We also received a comprehensive project update on the Group R&D carve-out project and re-examined the TMS and the progress of the project.

Supervisory Board meeting on September 22, 2025

At our meeting, regarding Executive Board and Supervisory Board matters, we discussed and decided on the Social subtarget as a criterion for the variable remuneration of the Executive Board for fiscal year 2026. In addition, Christina Widén was elected as a new member of the Audit Committee, and the appointment of Karl Bernqvist as the new Executive Board member for Procurement at MAN Truck & Bus SE and Chief Procurement Officer at TRATON SE was approved, among other things. We also received an update on the progress of the TMS project and discussed the annual planning round and the investment program. Other focus areas included reporting on developments in the China business case and on the topic of battery strategy.

Supervisory Board meeting on November 21, 2025

At this meeting, among other things, we discussed and decided on the renewal of the appointments of Dr. Michael Jackstein and of Catharina Modahl Nilsson as members of the Executive Board of the TRATON GROUP and discussed and resolved the allocation of working hours for individual members of the Executive Board for activities in subsidiaries. In addition, the annual planning round and investment program were again presented and discussed. We also adopted the Declaration of Conformity with the German Corporate Governance Code and took note of and approved the Executive Board's decision with regard to the execution of the 2026 Annual General Meeting. We then received an update on the status of the EU truck cases relating to MAN Truck & Bus SE and Scania CV AB. Finally, we evaluated and discussed the results of the Supervisory Board's self-assessment.

Supervisory Board meeting on December 19, 2025

At our meeting, we once again discussed the planning round and the investment program in detail and adopted them by means of a corresponding resolution.

Resolutions adopted in writing

In addition to the topics referred to above, we approved a secondary activity for Ms. Modahl Nilsson, among other things, by means of resolutions adopted in writing. In addition, a resolution was adopted to launch an Australian medium-term note program for TRATON SE, and the appointment of Gabriel Duarte-Urrutia as the new member of the Executive Management of International Motors LLC. responsible for HR was approved.

Conflicts of interest

No conflicts of interest involving members of the Supervisory Board within the meaning of recommendation E.1 of the German Corporate Governance Code were reported in the year under review.

Corporate Governance and Declaration of Conformity

Implementation of the GCGC recommendations and suggestions was on the agenda of the Supervisory Board meeting on November 21, 2025. We discussed the requirements in detail and, together with the Executive Board, issued the annual declaration on the GCGC recommendations in accordance with section 161 of the *Aktiengesetz* (AktG — German Stock Corporation Act). The declarations are permanently available on TRATON SE's website at <https://ir.traton.com/en/corporate-governance>. The departures from the recommendations of the German Corporate Governance Code are described in detail and substantiated in the Declarations of Compliance.

Further information on corporate governance at TRATON is available in the [Supplemental Information on Fiscal Year 2025](#) section of this Annual Report under [Corporate Governance](#).

Audit of the Annual and Consolidated Financial Statements and of the Dependent Company Report

The Annual General Meeting of TRATON SE elected EY as the auditor of the Annual Financial Statements and the Consolidated Financial Statements for fiscal year 2025 on May 14, 2025. The Supervisory Board issued the concrete audit engagement letter to EY in line with the Audit Committee's recommendations and specified the areas of emphasis of the audit.

The auditor audited the 2025 Annual Financial Statements of TRATON SE and TRATON's 2025 Consolidated Financial Statements, together with the Combined Management Report, and in each case issued unqualified auditor reports. In addition, the auditor audited the remuneration report for fiscal year 2025 prepared jointly by the Executive Board and the Supervisory Board in accordance with section 162 of the *Aktiengesetz* (AktG — German Stock Corporation Act).

In addition, the auditor assessed the internal control system and the risk management system and concluded that the Executive Board had taken the measures required by section 91 (2) of the AktG to identify at an early stage any risks that could endanger the Group's continued existence.

The Executive Board of TRATON SE prepared a report on relationships with affiliated companies (Dependent Company Report) in accordance with section 312 of the AktG for fiscal year 2025. The auditor audited the Dependent Company Report and issued the following opinion:

"Based on our audit performed in accordance with professional standards and our professional judgment, we confirm that:

1. The factual statements contained in the report are correct.
2. The consideration paid by the company for the legal transactions stated in the report was not excessive or any disadvantages were offset.
3. There are no circumstances that would support a materially different assessment of the actions or omissions stated in the report from that of the Executive Board."

The Supervisory Board concurred with the result of the audit of the Dependent Company Report by the auditor.

The above-mentioned annual financial statements, including the dependent company report, the audit reports, and the Executive Board's proposal for the appropriation of net profit, were made available to the members of the Audit Committee and the Supervisory Board in good time before the meetings of these bodies dealing with the 2025 annual financial statements.

These documents were discussed in detail at the Audit Committee meeting on February 25, 2026, in the presence of the auditor. The auditors reported to the Audit Committee in detail on the key findings of their audits and were available to provide additional information.

Based on the audit reports by the auditor and its discussion with the auditor, as well as its own findings, the Audit Committee prepared the Supervisory Board's examination of the Consolidated Financial Statements and the Annual Financial Statements of TRATON SE, as well as the Combined Management Report (including the Nonfinancial Group Statement) and the Dependent Company Report, and reported on them in the Supervisory Board meeting on February 25, 2026.

We examined these documents in depth in the knowledge of, and taking into account, the report by the Audit Committee and the auditor's report, and in our discussions with them. We came to the conclusion that there were no objections to the Annual Financial Statements and Consolidated Financial Statements prepared by the Executive Board for fiscal year 2025, and that the assessments by the Executive Board of the position of the company and the Group presented in the Combined Management Report correspond to those of the Supervisory Board.

In the meetings on February 25, 2026, we concurred with the results of the audit by the auditor in line with the Audit Committee's recommendation and our own examination and approved the Annual Financial Statements prepared by the Executive Board and the Consolidated Financial Statements. The Annual Financial Statements are thus adopted.

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We examined the Executive Board's proposal on the appropriation of net earnings after considering in particular the interests of the company and its shareholders and concurred with the proposal.

On completion of our examination, we raise no objections to the declaration by the Executive Board at the end of the Dependent Company Report.

Changes to the composition of the Supervisory Board and the Executive Board

Niklas Klingenberg has been a member of the Executive Board of TRATON SE since January 1, 2025, responsible for Group Research & Development. Effective the end of June 30, 2025, Lisa Lorentzon resigned from her position as employee representative on the Supervisory Board and thus also left the Audit Committee. Christina Widén succeeded her as a member of the Supervisory Board effective July 1, 2025, and was elected to the Audit Committee on September 22, 2025. On the shareholder side, Gunnar Kilian resigned from his position as a member of the Supervisory Board effective the end of July 16, 2025. As a result, Mr. Kilian also left the Presiding Committee and the Nomination Committee. Dr. Arno Antlitz was appointed as a member of the Supervisory Board by order of the Munich Local Court on September 16, 2025. In addition, Josef Sedlmaier resigned from his position as a member of the Supervisory Board effective the end of December 31, 2025. Dirk Fuhrig has been a member of the Supervisory Board since January 1, 2026, when he succeeded Mr. Sedlmaier. We would like to thank the outgoing members of the Supervisory Board for their cooperation and constructive support for TRATON SE over the past years.

We would like to thank the Executive Board, the Works Council, the management, all employees of TRATON SE, and the employees of its affiliated companies for their work in 2025, and extend our special appreciation to them. 2025 was another year that brought many challenges, some of them considerable, that had to be overcome. With their great personal dedication and high level of motivation, they all made a decisive contribution to the TRATON GROUP's successful performance in fiscal year 2025.

Munich, February 25, 2026

On behalf of the Supervisory Board,



Hans Dieter Pötsch
Chairman of the Supervisory Board

TRATON on the Capital Markets

Open dialog with the capital markets in fiscal year 2025

TRATON continued its open and transparent dialog with the capital markets in fiscal year 2025. The Investor Relations department kept institutional investors, private investors, financial analysts, and rating agencies continuously updated on market developments and business performance, the TRATON GROUP's strategic focus, as well as current topics and significant events within the company. The main discussion topics over the course of 2025 were: US tariffs, investments in a new production facility in China, the advantages of Group R&D and the corresponding effects on the TRATON Modular System (TMS), as well as cost-cutting measures in response to declining market conditions.

In the run-up to the quiet period for the quarterly financial statements, TRATON organized pre-close calls throughout fiscal year 2025. To promote transparent dialog, the capital markets were once again provided with a current overview of the latest developments and statements by management, as well as key messages for the quarter. To publish and present its financial results, TRATON hosted virtual analyst and investor conferences via audio or video each quarter, followed by a Q&A round. Following the publication of the annual and quarterly figures, the Investor Relations department organized roadshow activities together with the Executive Board.

This was supplemented by ongoing dialog with the capital markets during the fiscal year in the form of investor conferences and one-on-one and group meetings. These formats were implemented both in-person and virtually. A total of 19 conference and roadshow activities were held during fiscal year 2025, including four events for investors in debt instruments. The in-person events focused on Europe and North America, in particular the financial centers Frankfurt, Stockholm, London, Paris, and New York. All dates for the publication of financial results, the Annual General Meeting, and investor relations activities are announced in advance and continuously updated in the financial and event calendar on the Investor Relations website at <https://ir.traton.com/en/financial-dates-events>.

TRATON is increasingly focusing on digital channels in addition to direct capital market dialog. The TRATON Investor Relations website serves as a central source of information and offers continuous relevant content over and above the obligatory disclosures. TRATON also uses social media to regularly publish posts with a capital market and financial focus, thereby reaching out to a broad target group.

The Annual General Meeting of TRATON SE was held in Munich on May 14, 2025, without the physical presence of shareholders and their representatives. Around 370 people followed the virtual shareholders' meeting online, including approximately 70 shareholders who registered via the shareholder portal.

Positive equity market performance in 2025

The performance of the international equity markets was mixed in the reporting year, but positive overall. While stock markets in Europe initially performed better than those in the United States, US trade policy in particular led to increased volatility and falling prices, following the imposition of import tariffs. The equity markets recovered from their losses over the course of the year, with prices in the United States in particular rising sizably on the back of expectations of further interest rate cuts and strong performance by technology stocks. Overall, interest rate cuts by the leading central banks, the Fed (US) and the ECB

(Europe), progress in the global trade dispute, the ceasefire in the Middle East conflict, and news of peace negotiations for Ukraine supported the mood on the stock markets over the course of the year.

At 24,611 points, the German Dax benchmark index reached a new all-time high on October 9, 2025, and closed the trading year at 24,490 points, an increase of 23.0%. The MDax, which comprises the 50 most important companies in Germany below the Dax and where TRATON is listed, closed the year up 19.7% on the previous year-end. The Stoxx Europe 600 Industrial Goods & Services (SXNP) index, whose members are the largest listed European companies in the industrial goods and services sector, including TRATON, rose by 21.8% in 2025.

TRATON share price sees increase

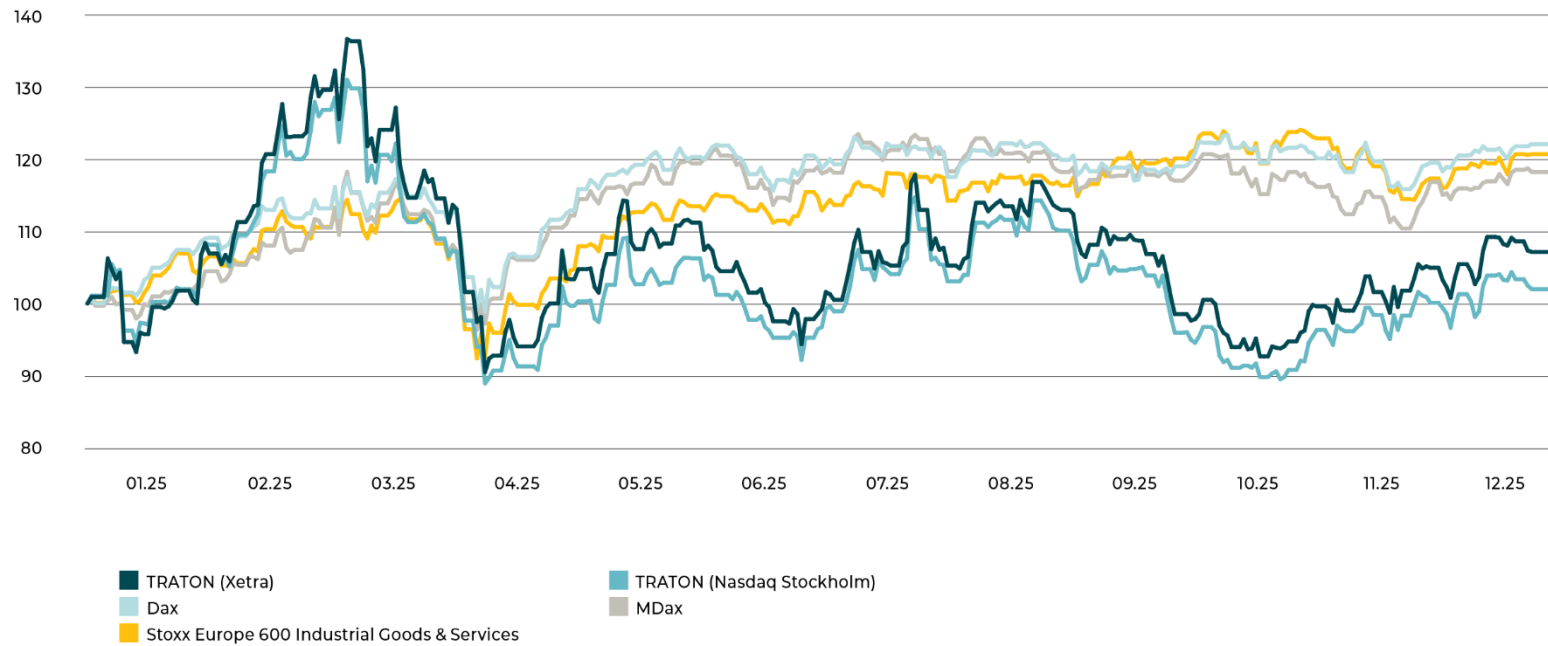
TRATON SE shares initially performed well at the beginning of the year, riding the wave of positive sentiment on the equity markets. However, the import tariffs imposed by the US government weighed on the markets later in the year. The measures announced in March and implemented at the beginning of April led to a noticeable correction in the share price at the end of the first quarter and beginning of the second quarter. A migration of capital from the United States to Europe as a result of US tariff policy supported a significant recovery in the share price in the following months. At the end of July, the TRATON GROUP had to downgrade its outlook for full-year 2025 in an increasingly difficult operating market environment with lower-than-expected sales figures. The additional US tariffs on medium-duty and heavy-duty trucks announced in September under Section 232 of the Trade Expansion Act of 1962 (Section 232) further dampened sentiment in the commercial vehicle sector at the end of the third quarter. As a result, TRATON shares initially lagged behind the major benchmark indices, but performed overall in line with the European commercial vehicle sector. Subsequently, the share price stabilized again at the end of the year and followed the largely positive capital market trends. Overall, TRATON shares recorded a positive performance in 2025.

TRATON shares were priced at €30.50 on Deutsche Börse's Xetra trading system and 334.00 SEK on Nasdaq Stockholm on December 31, 2025. This resulted in price increases of 9.1% and 4.7% compared with the end of 2024. Including the dividend of €1.70 distributed for 2024, the total return to our shareholders was 15.2% and 10.5%, respectively.

As of the end of 2025, 23 financial analysts rated TRATON shares, of which 7 issued a positive recommendation ("buy" or "overweight"). 13 analysts rated the shares as "neutral". The median analyst target price at year-end was €30.50.

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TRATON share price performance in 2025 compared with selected indices since January 1, 2025 (indexed; January 1, 2025 = 100%)



Indicators for TRATON shares

	2025	2024
Earnings per share in € (diluted/basic)	3.09	5.61
Price-earnings ratio (PE ratio) ¹	9.9	5.0
Dividend per share (€) ²	0.93	1.70
Dividend yield (in %) ³	3.0	6.1
Payout ratio (in %)	30	30
Xetra (in €)		
Year-end closing price	30.50	27.95
Annual average price	29.86	29.28
Annual high	38.30	35.45
Annual low	25.28	20.46
Nasdaq Stockholm (SEK)		
Year-end closing price	334.00	319.00
Annual average price	330.80	335.08
Annual high	419.00	407.00
Annual low	283.40	230.00
Number of shares (million) ⁴	500	500
Market capitalization (€ billion) ⁴	15.3	14.0

¹ Year-end closing Xetra price in relation to earnings per share

² 2025: proposed dividend, subject to approval by the 2026 Annual General Meeting

³ Dividend per share based on the year-end closing price of TRATON shares (Xetra trading)

⁴ As of December 31

Increase in the free float and trading volume of TRATON shares

Volkswagen International Luxembourg S.A., Strassen, Luxembourg, a Volkswagen Group company, reduced its equity interest in the TRATON SE on March 19, 2025. A total of €360 million in shares were placed at a price of €32.75 per share. This reduced Volkswagen International Luxembourg S.A.'s interest in the share capital by 2.2%, from 89.7% to 87.5%. The free float increased accordingly and stood at 12.5% at the end of 2025, with the trading volume of TRATON shares also growing. The free float shareholder base comprises both institutional investors and retail shareholders from countries including Sweden, Germany, the UK, and the US, and was further expanded by the share placement.

Efficient use of the debt market

TRATON also expanded its activities in the debt market. Despite continued geopolitical tensions and weak economic growth, the debt market proved robust and receptive to large issuance volumes in 2025. Declining ECB key interest rates and stable corporate data supported demand, while default rates remained historically low. Record issuance activity in the fourth quarter was also absorbed well by the market. Overall, 2025 offered a sufficient number of time windows to TRATON for placements.

TRATON was able to continue relying on its sound credit ratings, which are influenced by Volkswagen AG's ratings, among other factors. TRATON SE has had long-term issuer ratings from Moody's Investors Service (Moody's) and S&P Global Ratings (S&P) since June 17, 2020. Since September 12, 2023, it has also had short-term ratings from both rating agencies. The outlook for TRATON's ratings was downgraded by one notch in each case in the fourth quarter of 2025.

Ratings (as of December 31, 2025)

	Long-term rating	Outlook	Short-term rating
Standard & Poor's	BBB	negative	A-2
Moody's	Baa2	stable	P-2

Expansion of the debt capital framework programs

The European Medium Term Notes program (EMTN program) launched on March 12, 2021, was updated on March 24, 2025, and increased from €12.0 billion to €18.0 billion. In addition to TRATON SE, the company's indirect subsidiary TRATON Finance Luxembourg S.A. can also issue bonds under this program. The issuance program is used for general corporate purposes, with the capital raised being used as needed within the TRATON GROUP. In 2025, public bonds were again issued under the EMTN program in Swedish kronor and Swiss francs, in addition to bonds in euros. The bonds were issued by TRATON Finance Luxembourg S.A. and are listed on the Regulated Market of the Luxembourg Stock Exchange or, for Swiss francs, on the Swiss Stock Exchange.

Outstanding bonds of TRATON Finance Luxembourg S.A.

Million		EUR	SEK	GBP	CHF
Outstanding bonds	12/31/2024	8,650	12,550	450	500
	Issuances	2,850	8,350	–	160
	Repayments	–3,050	–	–	–
Outstanding bonds	12/31/2025	8,450	20,900	450	660

In addition, Scania CV AB, an indirect subsidiary of TRATON SE, continued to have bonds outstanding under its €5 billion bond issuance program in 2025. These mature at the end of the first quarter of 2027.

Outstanding bonds of Scania CV AB

Million		EUR	SEK	NOK
Outstanding bonds	12/31/2024	500	11,225	1,100
	Issuances	–	–	–
	Repayments	500	8,375	800
Outstanding bonds	12/31/2025	–	2,850	300

To ensure further diversification, TRATON successfully launched an Australian Medium-Term Note program (AMTN program) with a volume of AUD 5.0 billion (approximately €2.8 billion) in 2025. TRATON used this step to expand its financing strategy and opened up access to new investor groups in Australia, New Zealand, Japan, Singapore, and Hong Kong. The AMTN program supplements the existing EMTN program. As of December 31, 2025, no bonds had been issued under the new AMTN program.

In addition, as part of its sustainability strategy, the TRATON GROUP launched a Green Finance Framework in the fourth quarter of 2025 that serves to finance and refinance sustainable investments in battery-electric vehicles (BEVs) along its entire value chain. As of December 31, 2025, TRATON did not issue any financing instruments with reference to the Green Finance Framework.

Regular financing under the Commercial Paper program

In addition to the aforementioned framework programs, TRATON regularly uses the commercial paper program (CP program) established in 2023 for short-term funding with maturities of up to one year, which can be utilized with a total volume of €2.5 billion. The issuers under the CP program are TRATON SE and its indirect subsidiaries TRATON Finance Luxembourg S.A. and TRATON Treasury AB. Through the CP program, TRATON can issue bonds in various currencies, and the funds raised are intended for general corporate purposes.

Further information about TRATON shares, outstanding bonds, and TRATON's ratings, as well as financial news, financial reports, presentations, and information about the Annual General Meeting can be found on our Investor Relations website at <https://ir.traton.com/en/>.

TRATON Way Forward

Ongoing climate change, the growing importance of sustainability, decarbonization and geopolitical changes, and digital transformation pose complex challenges for TRATON, yet also present a large number of opportunities. The TRATON GROUP's strategy, the TRATON Way Forward, is based on a long-term vision that describes how TRATON will manage this environment and hence the resulting changes expected in the transportation and logistics industry. As part of this strategy, TRATON has set itself the overarching goal of acting sustainably and responsibly at all times.

The TRATON Way Forward consists of three pillars, together with an additional focus on the systematic implementation and execution of the strategy. The elements are: (1) Responsible Company; (2) Value Creation; (3) TRATON Accelerated!; and (4) Strategy Execution.



All four elements of the TRATON Way Forward are interconnected, making it possible for the TRATON GROUP to pave the way toward a sustainable future.



Responsible Company

The TRATON GROUP and its brands are committed to becoming more sustainable, focusing on a number of areas, including decarbonization and battery electric vehicles.



Value Creation

The TRATON GROUP is deploying comprehensive solutions to optimize its sales revenue and cost basis and continuing to focus on the US as a growth market. Its presence in China has also been expanded while maintaining the focus on customer needs for each brand.



TRATON Accelerated!

We have a clear roadmap for our electrified, connected, and automated commercial vehicles. We are developing new business models and strengthening partnerships.



Strategy Execution

Executing this strategy is critical for the Group's success. Progress is already being made with the new Group functions for R&D and by coordinating purchasing, production, logistics, and building the TRATON Modular System.

1. Responsible Company

The TRATON GROUP intends to become even more responsible as a company in every respect. Decarbonization, circularity, and human rights play a key role in this endeavor and are a top priority for the company. Together with our brands, we are working hard on our purpose of continuing to transform transportation in a sustainable way. Our objective is to generate the greatest possible benefit for our customers and society as a whole across the entire life cycle of our products. The TRATON GROUP has a strong focus on achieving its environmental objectives and fostering sustainable conduct toward people: employees, customers, suppliers, and strategic partners. Being responsible has the highest priority and influences everything we do.

As part of its decarbonization strategy, the TRATON GROUP is focusing on battery-electric vehicles. A condition for this is the rapid development of the conditions needed to achieve this, such as the corresponding charging infrastructure and relevant grid connections, as well as a supportive regulatory environment. It will also allow us to make a significant contribution to the decarbonization of the global transportation sector. One example of our stronger sense of responsibility is the establishment of the Milence charging joint venture, which we operate together with Daimler Truck and the Volvo Group. Joint investments of €500 million to build high-performance charging points along all major trans-European transportation networks in Europe are key factors for expanding electric mobility.

Responsible Company also includes a corporate culture that focuses on people and diversity. Our understanding of the term goes beyond the popular notion of diversity. The TRATON GROUP will strengthen its actions to consciously bring together and secure the inclusion of people with different experiences, educational backgrounds, and personalities. To be able to act responsibly, the company also continues to focus increasingly on ethical principles in corporate governance.

2. Value Creation

For TRATON, customers are at the heart of value creation, which is why this is the second pillar of TRATON's strategy. TRATON can only be successful as a company and build a foundation for creating value for all TRATON GROUP stakeholders in the long term if it can sustainably create value for its customers and enhance their business success. Unlocking additional revenue streams and developing important markets are key elements of this strategy. The TRATON GROUP has defined ambitious medium-term business performance targets. Adjusted operating return on sales is expected to be between 9 and 11% in 2029. Over the period from 2024 to 2029, the TRATON GROUP's sales revenue is projected to grow between 20 and 40%. By the end of the decade, TRATON also aims to completely eliminate net debt in the TRATON Operations business area, including Corporate Items. Making all TRATON brands even stronger is another objective. Each brand has a clearly defined, brand-specific strategic target return and works to deliver on it.

TRATON's entry into the North American market in 2021 strengthened its global footprint by giving it access to the world's largest profit pool in the commercial vehicle industry. International plays a key role in this regard and will be led to new strengths as part of our strategy. The measures for doing this range from using the powerful component and technology setup within the TRATON GROUP and expanding the financial services business, all the way to even more effectively leveraging International's dealer and service network, which is one of the largest independent networks in the North American market. The development and launch of the new International S13 Powertrain on the basis of the Group-wide 13-liter Common Base Engine (CBE) diesel engine was a key milestone.

Moreover, as part of its global expansion, the TRATON GROUP will further strengthen its presence in Asia. In October 2025, Scania took a highly significant step by inaugurating its new plant in Rugao, China. China is the world's largest commercial vehicle market. Fleet customers in China are showing growing interest in high-quality vehicles, which is why expectations for efficiency and safety are also continuing to rise. TRATON will continue to meet these requirements in the future with appropriate investments in the Asian region. In addition to the new, additional production capacity on site, the presence in China also offers TRATON the opportunity to benefit from technological innovations in the Chinese market.

3. TRATON Accelerated!

The third element of the TRATON strategy is particularly forward-looking. In a world increasingly shaped by electrification, autonomous driving, and connectivity, TRATON will create more added value for customers in the future by creating new business models, solutions, and partnerships. The TRATON GROUP is accordingly expanding its perspective on business potential beyond pure transportation. What matters here is developing the right capabilities and partnerships in order to be able to help shape the transformation of the industry. TRATON successfully launched commercial autonomous driving operations with safety drivers in the US in 2025, meeting the milestone goal set. Further expansion of commercial routes in Texas, USA, is being prepared for 2026 in collaboration with partner PlusAI, based in California, USA.

4. Strategy Execution

The fourth element is focused on executing the strategy. TRATON has set out the strategic framework for the coming years with the TRATON Way Forward. The task now is to implement this strategy systematically. One core element is expanding the TRATON Modular System to concentrate development capabilities and hence strengthen the overall competitiveness by and through closer organizational integration. We laid the cornerstone by establishing new Group functions (Group Industrial Functions) for product management, research & development and by coordinating purchasing, production, and logistics across the whole Group.

All four elements of the TRATON Way Forward are interconnected. Together, they form the strategy that makes it possible for the TRATON GROUP to create an even more responsible company, add value, and pave the way toward a sustainable future.

Highlights 2025

The TRATON GROUP made important decisions at Group level in 2025 to ensure its future success in the global commercial vehicle market.

The TRATON GROUP's Group-wide research and development function started operating on July 1, 2025, marking a strategic milestone. Around 9,000 employees from the R&D departments of the TRATON brands Scania, MAN, International, and Volkswagen Truck & Bus moved to the new Group R&D department, which was established at the beginning of 2025 and is headed by Niklas Klingenberg, member of the Executive Board responsible for Group Research & Development. The employees in Group R&D will be working closely with approximately 3,000 colleagues in the R&D departments of the TRATON brands. They ensure that work on brand-specific solutions is successfully continued in Brand Identity Development (BID).

In addition, TRATON Financial Services AB (TFS) completed the rollout of the framework agreement with Volkswagen Financial Services (VWFS) for the rights to provide financial solutions in 14 strategic markets on June 30, 2025. In the second half of the year, TFS continued its multi-brand expansion by entering the Czech Republic and Denmark. TFS now operates in more than 60 countries, with more than 20 markets serving multiple TRATON brands.

The Group made clear progress in implementing the TRATON Modular System in 2025. In October, for example, Scania broke ground on a new body factory in Oskarshamn, Sweden, which will produce the cab as part of the TRATON Modular System. Looking ahead, MAN has decided to invest in the next generation of vehicles in Eastern Europe as well to support the TRATON Modular System.

At the end of November 2025, the TRATON SE's Supervisory Board also made two important personnel decisions that will ensure the Group continues on its successful course. The contract of Dr. Michael Jackstein as Executive Board member responsible for Finance, Business Development, and Human Resources was extended, as was the contract of Catharina Modahl Nilsson, who is the Executive Board member responsible for Group Product Management.

The TRATON GROUP brands reported numerous strategy and product highlights in fiscal year 2025:

Scania

Scania opened a new production facility in Rugao, China, on October 15, 2025. The plant is aligned with Scania's global production standards and incorporates the requirements of the TRATON GROUP's Modular System. It will both serve the Chinese domestic market and export products to Asia and Oceania. Scania also presented its NEXT ERA product line, which is tailored to the Chinese market. It will complement the premium vehicles that Scania developed to meet individual customer requirements.

Scania is pursuing the goal of contributing to sustainable transportation in the future through efficiency improvements in the field of diesel engines. The new Super 11 engine, which was introduced in mid-May 2025, will play an important role in supplementing the drive portfolio. This 11-liter engine is 85 kilograms lighter than the Super 13 engine and achieves fuel savings of up to 7% compared with the 9-liter engines of the current generation.

MAN

MAN started series production of battery-electric heavy-duty trucks at its original plant in Munich in June 2025. Electric and diesel trucks are now being manufactured in series there on the same production line in a fully integrated mixed production process. With the Lion's Coach E model, MAN was also the first European manufacturer to launch an all-electric coach, which received the "Sustainable Bus of the Year 2026" award in October 2025.

In April 2025, MAN paved the way for future success by launching its own battery production in Nuremberg. The investment volume for this large-scale battery production amounted to around €250 million. This step will enable MAN to increase vertical integration at its Nuremberg site. This means that, in addition to the packs consisting of several modules, the modules themselves, which combine several battery cells, will also be produced in Nuremberg for the next generation of batteries.

Also at the Nuremberg plant, MAN started production of the efficient new 13-liter MAN D30 diesel engine in February 2025, which is based on the Group-wide Common Base Engine (CBE) drive, along with the eCoach. This is the largest standard engine in the brand portfolio and is installed in the 40-ton MAN TGX and MAN TGS semitrailer tractors.

International

International has made significant progress in the development of self-driving trucks. In collaboration with PlusAI, a company that specializes in autonomous driving, International began conducting test drives with customer vehicles in September 2025. International has established a dedicated autonomous driving hub in San Antonio, USA, to work with fleet customers and accelerate the adoption of autonomous technologies in logistics companies.

International is also making progress toward sustainable transportation in the field of diesel engines. International is also using the TRATON GROUP's efficient CBE drive platform in its S13 Integrated Powertrain. Its market penetration increased sharply in 2025. In the Class 8 segment, which is important for the USA, almost every second truck sold by International in 2025 was equipped with this state-of-the-art drive system. It reduces fuel consumption by up to 15% compared with its predecessor.

Volkswagen Truck & Bus

Volkswagen Truck & Bus (VWTB) consistently generates strong returns and cash flows even in difficult market conditions. VWTB has also been offering financial services to customers in Mexico since April 2025 and in Brazil since July 2025 under the umbrella of TRATON Financial Services. Banco TRATON Brazil has been awarded an AAA rating by the local rating agency Moody's.

VWTB battery-electric commercial vehicles exceeded the 3 million test kilometer mark in 2025. VWTB is currently conducting more than 50 tests for electric vehicles. The new e-Volksbus 22L, for example, is already operating in São Paulo in cooperation with VWTB customers.

Together with Scania do Brasil and the TRATON GROUP, VWTB is supporting the e-Dutra Corridor, as the first Zero-Emission Corridor in Brazil. The e-Dutra Corridor is part of the Global Green Road Corridors Initiative. VWTB completed the first trip of a battery-electric truck along the Corridor in November 2025 in collaboration with Scania, leveraging the existing infrastructure.

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All figures shown are rounded, so minor discrepancies may arise from addition of these amounts. Comparable prior-year figures are presented in brackets alongside the figures for the fiscal year under review.

Key Information about the TRATON GROUP

1. Business activities and organization

With its four brands Scania, MAN, International, and Volkswagen Truck & Bus, the TRATON GROUP is one of the world's leading manufacturers of commercial vehicles. The portfolio consists of trucks, buses, and light-duty commercial vehicles, as well as the sale of spare parts and customer services. In addition, the TRATON GROUP offers a large number of financial services to its customers.

The four brands of the TRATON GROUP are clearly positioned:

Scania is a proud leader in premium transportation solutions, specializing in heavy-duty trucks and offering an array of tailored services and applications. Scania empowers business partners and customers to progress through strong and trusted collaboration and a firm commitment to guiding them through the shift to fossil-free transportation. With a global footprint, Scania serves markets across Europe, North and South America, Asia, Africa, and Oceania.

MAN is a strong German heritage brand, operating internationally across Europe, Asia, the Middle East, Africa, and South America. MAN's strength lies in its extensive range of transportation solutions, from light commercial options to durable construction vehicles and heavy-duty trucks. What truly sets MAN apart is its unwavering commitment to its customers, constantly striving to optimize their businesses and adapt to the dynamic changes in their requirements.

International's roots in North America date back to the 1800s, when its predecessors pioneered mechanized harvesting. Today, International offers comprehensive mobility solutions in particular for North America. Among its key strengths are its vast dealer network, the deep industry expertise, and its exceptionally strong and loyal customer relationships.

Volkswagen Truck & Bus (VWTB) stands for unparalleled value-for-money solutions. Its core competence is vehicles that are robust, reliable, and efficient — tailored to meet the unique conditions of emerging growth markets and the specialized applications required there. Its strong presence in South America and Mexico underlines its adaptability and commitment to meeting the specific needs of its customers in these dynamic regions.

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The largest production sites of Scania and MAN are located in Europe. The original plants are located in Södertälje, Sweden, and Munich, Germany. International produces vehicles in the United States and Mexico. Scania and VWTB trucks and buses are also manufactured in Brazil. Scania is expanding its presence in China and opened a new production facility in Rugao for this purpose in October 2025.

The TRATON Financial Services segment is a global, brand-neutral financial services provider. The services include financing options to cover demand for new technologies and business models. With its own financial brands, the company offers financing, leasing, insurance, and modular finance solutions in more than 60 countries worldwide and supports vehicle sales and the Vehicle Services business in close cooperation with all brands of the TRATON GROUP. The TRATON Financial Services segment focuses on a diversified financing strategy that targets efficient, sustainable growth. In the long term, its priorities are to expand BEV financing, optimize the operating model, and create business models such as Transportation as a Service (TaaS).

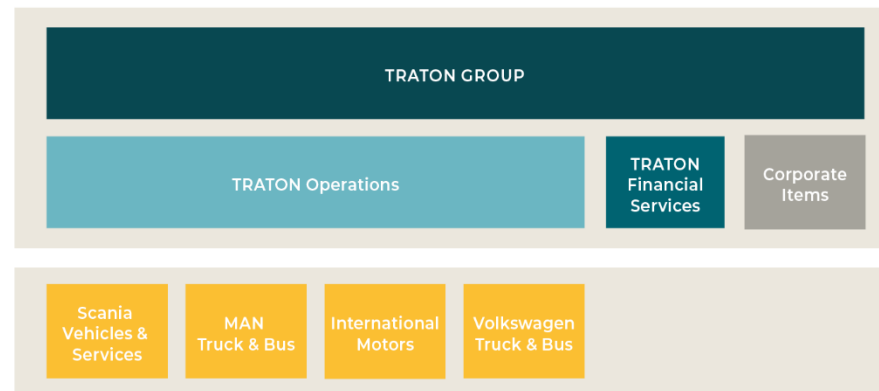
The TRATON GROUP is committed to sustainably continuing to transform transportation. Among other things, compliance with emissions and CO₂ standards for commercial vehicles in the European Union, North America, Brazil, and China, as well as the success of the TRATON GROUP's transformation toward sustainable transportation, depends on the relevant political conditions, such as an efficient, widespread charging infrastructure, as well as developments in trade and tariff policy.

The Executive Board of TRATON SE manages the company and steers the strategic focus of the TRATON GROUP. This board currently consists of seven members. The experienced management team consists of the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and Chief Human Resources Officer (CHRO), as well as another Executive Board member responsible for TRATON GROUP Product Management, and the CEOs of Scania, MAN, International, and VWTB. As of January 1, 2025, the Executive Board team was expanded to include a member for the new Group R&D function. The Group's research and development activities are now pooled directly in the Executive Board. Around 9,000 employees from the R&D departments of the TRATON brands have come together under the umbrella of Group R&D to collectively advance the TRATON Modular System.

At the end of 2025, the Group employed a total of 107,454 (105,541) people worldwide.

TRATON GROUP reporting structure

The TRATON GROUP's reporting is based on the following presentation:



The TRATON GROUP's activities are divided into the industrial business (TRATON Operations) and financial services (TRATON Financial Services) business areas. The TRATON Operations business area consists of the four segments Scania Vehicles & Services (brand name: Scania), MAN Truck & Bus (brand name: MAN), International Motors (brand name: International), and Volkswagen Truck & Bus (brand name: Volkswagen Truck & Bus — VWTB). The centralized activities of Group R&D are included in the TRATON Operations business area for accounting purposes.

Corporate Items contains the following items within the organizational structure and financial reporting:

- TRATON Holding (consisting of TRATON SE and its investees not allocated to specific segments),
- consolidation effects between the business areas as well as with TRATON Holding,
- and the effects of purchase price allocation from the acquisition of individual segments are summarized under Corporate Items.

2. Research & development

The TRATON GROUP aims to drive forward the transition to sustainable transportation with its investments in research & development. The TRATON Modular System (TMS) plays a central role here. The TMS will also increasingly be a catalyst for commercial success because it supports efficiency and global scalability. This strategic approach ensures versatile, efficient solutions and enables the TRATON brands to deploy competitive innovative technologies. The heart of this approach is the development of modular components with universal applicability across brands and applications. This approach reduces complexity, streamlines product development and is thus a significant driver on the road to sustainable transportation solutions.

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The integration of significant parts of the R&D departments of the individual brands into a cross-brand organization was completed on June 30, 2025, with the result that Group R&D was able to commence operations on July 1, 2025. This saw the TRATON GROUP reach a strategic milestone. Approximately 9,000 employees from the research and development departments of the TRATON brands Scania, MAN, International, and VWTB are now working under the umbrella of Group R&D. As a result, there was a change in the Group management of the TRATON GROUP, which impacts segment reporting. This change is described in detail in the [Financial management](#) section.

The TRATON GROUP not only focuses systematically on innovation, but also on harmonizing product modules and securing different performance steps. In addition, the company is making substantial investments in forward-looking key areas, such as electrification and autonomous driving. In this context, expenditures of more than €2.4 billion are planned for the years from 2026 to 2030.

Since July 1, 2025, Group R&D has focused its research and development activities on the TRATON Modular System and related components projects. These include electric drives, the next generation of electrical/electronic architecture (E/E architecture), and compliance with future emissions legislation such as the Euro 7 and EPA 2027 emissions standards for the Group-wide 13-liter powertrain. In addition, Group R&D and US software company Applied Intuition, a vehicle software provider based in Silicon Valley, have started working together to build a software platform for all of the Group's brands. The aims are to develop software-defined vehicles and introduce digital innovations more quickly and efficiently.

Scania's research and development activities in 2025 continued to focus on electric mobility. Scania also invested in the expansion of the R&D department in China. In the future, vehicles will be offered that are specifically tailored to Chinese market conditions and customer requirements. In November 2025, Scania unveiled the new NEXT ERA series in China, a locally developed truck platform for long-haul transportation. AI-based systems have proven the performance of self-driving trucks and demonstrated their precision and safety. In parallel, Scania is driving forward the introduction of autonomous solutions for hub-to-hub transportation and mining — a crucial step towards more efficient and sustainable transportation solutions.

MAN's research and development activities in 2025 focused on truck electrification, including the continued development, integration, and type approval (homologation) of battery technology in production-ready battery-electric vehicles, as well as the 2028 model year for the next generation of trucks. Work also continued on the TRATON Modular System and the development of the Euro 7 emissions standard for the D08 diesel engine.

International's R&D expenditure in 2025 focused primarily on optimizing the Class 8 truck product range, more advanced safety systems, and connectivity features. However, work on the electric regional transportation project was discontinued and development of the next generation of battery-electric vehicles was terminated in order to align the future product portfolio with market requirements and regulatory conditions.

In South America, VWTB focused its research and development efforts in 2025 primarily on projects to meet statutory requirements and an expanded technology package for the truck series.

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Research & development in figures, TRATON Operations

€ million	2025	2024	Change
Primary R&D costs, TRATON Operations ¹	2,731	2,456	276
of which capitalized development costs ¹	1,215	976	239
Capitalization ratio (in %) ¹	44.5	39.7	4.8 pp
Amortization of, and impairment losses on, capitalized development costs	620	530	91
Research & development costs recognized in the income statement	2,137	2,010	127
Sales revenue, TRATON Operations	42,536	46,182	-3,646
R&D ratio (in %)	6.4	5.3	1.1 pp
R&D employees (as of 12/31)	12,411	12,527	-116

¹ The previous year's figure was adjusted to the current presentation, see the [Combined Management Report](#) section [Financial management](#).

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3. Financial management

Internal management process within the TRATON GROUP

The TRATON GROUP is included in the Volkswagen Group's internal financial management process. The starting point for the TRATON GROUP's internal management is medium-term planning, which is prepared once per year over a period of five years. The core of the planning includes the long-term unit sales plan, the product program, and the capacity and utilization planning for the individual sites. The TRATON GROUP's financial medium-term planning comprises the income statement, cash flow and balance sheet planning, profitability and liquidity, as well as investments.

The first year of the medium-term planning period is then fixed and a budget drawn up for the individual months at the level of the operating cost centers. The budget is reviewed each month to establish the degree to which the targets have been met. Important control tools are target/actual comparisons, prior-year comparisons, variance analyses, and, if necessary, action plans to ensure budgetary targets are met. For the relevant current fiscal year, detailed revolving forecasts for the full year are made based on the reporting in February, May, August, and October. These take into account current risks and opportunities. The focus of intra-year internal management is on measures for quickly adapting operating activities. At the same time, the current forecast serves as an ongoing, potential corrective to the medium-term and budget planning that follow on from it.

The merger of significant parts of the research and development departments of the individual brands into a cross-brand, Group-wide research and development (Group R&D) organization was completed as of June 30, 2025. This required a change in the TRATON GROUP's Group management, which impacts segment reporting. The number and designations of the segments remain unchanged. The change impacts capitalized development costs, expenses, and intercompany income incurred and generated in cross-brand research and development.

Until June 30, 2025, cross-brand R&D projects were assigned to one segment and R&D expenses were recharged to the other segments that benefited from this research and development in the usage phase by means of licenses. Since July 1, 2025, cross-brand R&D projects have been recorded primarily on a centralized basis. Intercompany R&D expenses and income arising between Group R&D and the segments are now eliminated for segment reporting purposes. R&D expenses and capitalized development costs in Group R&D that are not eliminated are allocated to the segments in the TRATON Operations business area that benefit from the development project in accordance with predefined principles.

To ensure comparability, the corresponding prior-year figures for the individual segments were restated accordingly. The following table presents the resulting impact on sales revenue, operating result (adjusted), operating return on sales (adjusted), and investments for the period January 1 to December 31, 2024. Note that the impact on the Scania Vehicles & Services segment is also attributable to the fact that this segment played a leading role in research and development within the TRATON GROUP prior to the change. There is no impact on the TRATON Operations business area as a whole.

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2024 comparative figures restated due to R&D reorganization

€ million	Scania Vehicles & Services			MAN Truck & Bus			International Motors			Volkswagen Truck & Bus		
	2024	Change	2024 (adjusted)	2024	Change	2024 (adjusted)	2024	Change	2024 (adjusted)	2024	Change	2024 (adjusted)
Sales Revenue	18,907	–	18,907	13,732	–81	13,652	11,116	–	11,116	2,918	–	2,918
Operating result (adjusted)	2,666	135	2,801	985	–66	919	791	–66	724	349	–3	346
Operating return on sales (adjusted) (in %)	14.1	0.7	14.8	7.2	–0.4	6.7	7.1	–0.6	6.5	12.0	–0.1	11.9
Investments	1,487	–100	1,387	631	68	699	571	32	603	92	–	92

Most important key performance indicators of the TRATON GROUP

As in the previous year, the following most important key financial and nonfinancial performance indicators were defined for the TRATON GROUP and the TRATON Operations and TRATON Financial Services business areas during fiscal year 2025:

	2025		
	TRATON GROUP	TRATON Operations	TRATON Financial Services
Unit sales	x	x	–
Sales revenue	x	x	–
Operating return on sales (adjusted)	x	x	–
Net cashflow	–	x	–
Primary R&D costs	–	x	–
Capex	–	x	–
Return on equity	–	–	x

In order to focus on the key control elements and reduce the complexity of our reporting, we have decided not to list the key performance indicators Primary research and development costs and Capital expenditures as the most important key performance indicators, but as additional performance indicators, starting in fiscal year 2026. As a result, no forecast for fiscal year 2026 is provided for these performance indicators in the Report on Expected Developments.

Unit sales

Unit sales represent the number of vehicles sold by Scania, MAN, International, and VWTB. They reflect the demand for our products and are decisive for the development of sales revenue.

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Sales revenue

Sales revenue reflects our market performance in financial terms. For the segments within the TRATON Operations business area, it is based in particular on unit sales of new and used vehicles and on sales of spare parts and customer services. Sales revenue is also generated by the rental and leasing business and by interest from the financial services business in the TRATON Financial Services segment.

Operating return on sales (adjusted)

Operating return on sales (adjusted) is the ratio of operating result (adjusted) to sales revenue and expresses the economic performance of our business activities after accounting for the use of resources. Operating return on sales (adjusted) measures the TRATON GROUP's profitability.

Adjustments are made in order to ensure the greatest possible transparency of our business performance. The adjustments to operating result concern certain items in the financial statements that, in the opinion of the Executive Board, can be presented separately to enable a more appropriate assessment of financial performance. They include, in particular, costs of restructurings and structural measures as well as one-time events with a material impact on the TRATON GROUP's earnings.

Net cash flow

Net cash flow in the TRATON Operations business area comprises net cash provided by/used in operating activities and net cash provided by/used in investing activities attributable to operating activities and indicates the excess funds from operating activities in the reporting period.

Primary R&D costs

Primary research & development costs in the TRATON Operations business area contain both capitalized development costs (excluding capitalized borrowing costs) and research & development costs not eligible for capitalization. They represent expenditures ranging from futurology down to the market-ready development of our products and services. Calculation of the primary research and development costs in the TRATON Operations business area was adjusted so that the capitalized development costs included are now recognized net of the capitalized borrowing costs. The prior-year figure was correspondingly adjusted.

Capital expenditures

Capital expenditures in the TRATON Operations business area represent the TRATON GROUP's investments in the future. They consist of the cash investments in property, plant, and equipment and in intangible assets (excluding capitalized development costs) that are reported in the statement of cash flows.

Return on equity

For the TRATON Financial Services business area, return on equity describes the profitability of the capital employed. It is calculated as the ratio of earnings before tax to average equity. Average equity is calculated from the equity at the beginning and the end of the reporting year. If calculated during the year, earnings before tax for the period in question are extrapolated to the full fiscal year on a straight-line basis.

Additional key performance indicators of the TRATON GROUP

In addition to the most important key performance indicators, the following additional performance indicators are defined for the TRATON GROUP or for the individual business areas or segments:

Capitalization ratio

The capitalization ratio is defined as the ratio of capitalized development costs (excluding capitalized borrowing costs) to primary research & development costs. It indicates which proportion of primary research & development costs is required to be capitalized. Calculation of the capitalization ratio in the TRATON Operations business area was adjusted such that capitalized development costs are no longer included.

Incoming orders

Incoming orders are defined as legally effective, binding orders.

BEV unit sales ratio

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.

Book-to-bill ratio

The ratio of incoming orders to unit sales.

Gross margin

The gross margin is calculated as the percentage ratio of gross profit to sales revenue for the period in question.

EBITDA (adjusted)

EBITDA (earnings before interest, taxes, depreciation, and amortization) reflects operating performance before interest, taxes, depreciation, and amortization, after accounting for the use of resources. Since depreciation and amortization may depend on the chosen accounting policies, the carrying amounts, the capital structure, and the way in which an asset was acquired, EBITDA (adjusted) is used as a key performance indicator for peer group comparisons, in particular. Adjustments to operating result are also taken into account in determining EBITDA (adjusted). EBITDA (adjusted) is calculated for the TRATON Operations business area including Corporate Items, as it is taken into account for the calculation of the net financial debt/EBITDA (adjusted) ratio for the TRATON Operations business area including Corporate Items.

Equity ratio

The equity ratio indicates the ratio of total equity to total capital. For the TRATON Operations and TRATON Financial Services business areas, it is calculated from the perspective of the business area in question.

R&D ratio

Ratio of primary R&D costs to sales revenue.

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Net liquidity/net financial debt

Net liquidity or net financial debt is calculated as gross liquidity, meaning cash and cash equivalents, marketable securities, investment deposits, and loans to affiliated companies (incl. restricted cash), less third-party borrowings (noncurrent and current financial liabilities). It reflects cash and cash equivalents, marketable securities, investment deposits, and loans to affiliated companies not financed by third-party borrowings.

Net financial debt/EBITDA (adjusted) ratio

The net financial debt to EBITDA (adjusted) ratio is calculated by dividing net liquidity/net financial debt by EBITDA (adjusted) for the past twelve months and is determined for the TRATON Operations business area, including Corporate Items.

Operating result (adjusted)

Operating result (adjusted) is calculated to ensure the greatest possible transparency of our business performance by making adjustments to our operating result. These adjustments concern certain items in the financial statements that, in the opinion of the Executive Board, can be presented separately to enable a more appropriate assessment of financial performance. They include, in particular, costs of restructurings and structural measures as well as one-time events with a material impact on the TRATON GROUP's earnings.

Capex ratio

The capex ratio indicates the ratio of capital expenditures to sales revenue and is calculated for the TRATON Operations business area.

Report on Economic Position

1. Macroeconomic environment

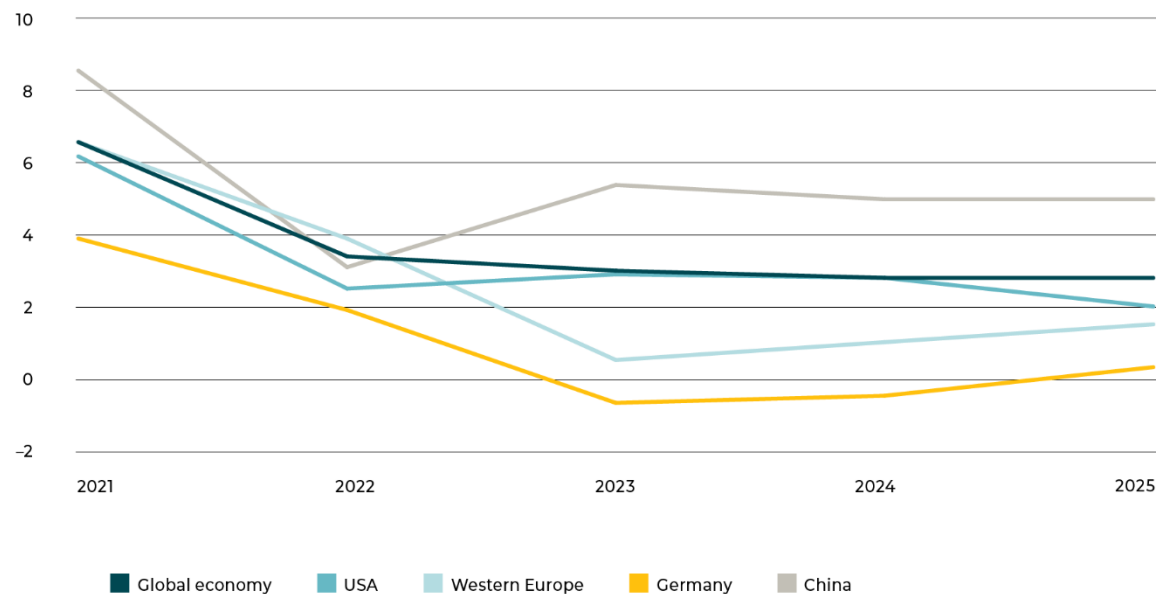
Developments in the global economy

The global economy continued to grow in 2025, at a similar pace to the previous year. In the context of this development, a slight increase in momentum was observed in the emerging economies, whereas in the advanced economies it remained broadly unchanged from the previous year. Inflation rates declined in many countries, but remained at elevated levels in some countries. Due to these differing conditions, not all central banks reduced their key interest rates to the same extent. Overall, geopolitical uncertainties, particularly in connection with the economic policy stance of the US and the increase in geoeconomic measures, weighed on the global economic environment.

Europe

The Western European economy recorded positive growth overall in the reporting period, above the previous year's level. Developments varied in the individual countries of Northern and Southern Europe. With inflation rates dropping, the European Central Bank cut its key interest rates in three steps starting in June 2024.

Economic growth: GDP change (in %)



In 2025, the economies of Central Europe recorded overall growth that was slightly higher on average than in the same period of the previous year, while Eastern Europe experienced a smaller increase.

Germany

German gross domestic product stalled at the previous year's level in 2025, after declining in each of the two preceding years. Compared with 2024, the unemployment rate rose somewhat on average over the year as a whole. The harmonized inflation rate in the reporting period was slightly below the previous year's level.

North America

US gross domestic product grew at a somewhat slower rate in the reporting period than in the previous year. The US Federal Reserve had lowered its key interest rates in several steps in the previous year, but interrupted this easing cycle during the reporting year due to the uncertain effects of the new US administration's economic policies, and did not resume monetary easing until September 2025. Canada and Mexico both recorded slightly lower economic growth than a year earlier.

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South America

In Brazil, economic output grew at a slightly slower pace, while central bank interest rates rose. By contrast, economic growth in Argentina increased distinctly after two consecutive years of negative development.

Asia/Pacific

Growth in Chinese economic output exceeded the global average and remained approximately at the previous year's level in the reporting period.

2. Exchange rates

Significant foreign currencies

	Average rate for the year		Year-end closing rate	
	2025	2024	2025	2024
BRL/EUR	6.3077	5.8262	6.4350	6.4314
GBP/EUR	0.8567	0.8467	0.8731	0.8302
MXN/EUR	21.6764	19.8219	21.1008	21.5892
SEK/EUR	11.0640	11.4329	10.7997	11.4501
USD/EUR	1.1297	1.0820	1.1748	1.0410

The euro appreciated against the US dollar and sterling on average over the year in 2025. The euro depreciated slightly against the Swedish krona on average over the year. Mexican pesos and Brazilian reais were weaker against the euro on average over the year than in 2024.

3. Market environment

The most important truck and bus markets (> 6t) for the TRATON GROUP are the EU27+3 region (European Union, the United Kingdom, Norway, Switzerland), the North America region (the USA, Canada, and Mexico), and South America. In North America, the truck market is divided into weight Classes ranging from 1 through 8. The market relevant for International is the Class 6–8 segment. This corresponds approximately to weight class > 9t.

In 2025, the TRATON GROUP's most important truck markets (> 6t) reported an overall noticeable decline in demand. Following a slight decline in 2024, new truck registrations in the EU27+3 region fell noticeably year-on-year. The weakness of the construction sector and manufacturing industry continued to be a key factor in the ongoing reluctance to spend. Most countries in this region saw a decline, although it varied from country to country. For example, the United Kingdom and France recorded a noticeable decline. In Germany, the market losses were even more pronounced than in most of its neighboring countries. Conversely, a number of Eastern European EU countries recorded an increase in new registrations.

There was also a significant decline in demand in North America in 2025. Demand for heavy trucks in particular was impacted by the ongoing recession in freight transportation and increasing uncertainties surrounding trade policy, especially the new tariffs. New truck registrations in the USA/Canada were down significantly year-on-year, while the market in Mexico declined very sharply.

By contrast, the South American truck market continued its recovery from the previous year and grew slightly again in 2025. Whereas the economic situation in Brazil and thus also the truck market there weakened, the other countries in the region more than offset this decline.

The TRATON GROUP's most important bus markets recorded noticeable growth compared with the previous year. In the EU27+3 region, new bus registrations in 2025 were significantly higher than in the previous year, although the trend varied in the individual countries. The North American market grew slightly year-on-year. The positive trend continued in South America, where the market grew noticeably.

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4. Results of operations

Incoming orders and unit sales

Incoming Orders and Unit Sales by Country, TRATON Operations

Units	Incoming orders			Unit sales		
	2025	2024	Change	2025	2024	Change
Total	281,325	263,575	7%	305,486	334,215	-9%
of which all-electric vehicles	2,823	3,851	-27%	3,226	1,739	86%
BEV unit sales ratio (excluding MAN TGE vans, in %)	-	-	-	1.2	0.5	0.6 pp
Trucks	224,243	208,519	8%	239,783	278,130	-14%
EU27+3	106,034	77,991	36%	103,870	104,521	-1%
of which in Germany	26,492	20,145	32%	26,816	26,904	0%
North America	37,098	48,193	-23%	50,937	82,198	-38%
in the USA/Canada	30,486	38,930	-22%	43,779	66,354	-34%
in Mexico	6,612	9,263	-29%	7,158	15,844	-55%
South America	53,575	59,086	-9%	57,767	62,257	-7%
of which in Brazil	40,047	49,152	-19%	44,071	52,300	-16%
Other regions	27,536	23,249	18%	27,209	29,154	-7%
Buses	27,932	32,235	-13%	34,359	28,413	21%
EU27+3	6,393	6,554	-2%	7,121	4,912	45%
of which in Germany	1,610	1,485	8%	1,689	895	89%
North America	10,211	14,281	-28%	15,180	12,874	18%
in the USA/Canada	9,158	11,357	-19%	13,606	9,711	40%
in Mexico	1,053	2,924	-64%	1,574	3,163	-50%
South America	8,113	8,567	-5%	8,922	7,899	13%
of which in Brazil	6,174	6,795	-9%	6,861	6,246	10%
Other regions	3,215	2,833	13%	3,136	2,728	15%
MAN TGE vans	29,150	22,821	28%	31,344	27,672	13%
EU27+3	28,390	22,400	27%	30,572	27,239	12%
of which in Germany	9,380	6,873	36%	10,552	8,369	26%
Other regions	758	421	80%	770	433	78%

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Incoming orders were up noticeably on the previous year in the reporting year. The TRATON GROUP recorded a very strong increase in orders in the truck business in the EU27+3 region, primarily as a result of replacement demand following the reduction in the strong order book in the previous years. Customers in North America were still holding back due to uncertainty about the impact of US tariff policy and in the wake of the persistent recession in the freight market, which hurt incoming orders for trucks. The additional US tariffs on medium-duty and heavy-duty trucks, which came into force on November 1, 2025, as part of the Section 232 order, put additional pressure on incoming orders. In South America, a slowdown in momentum was observed in an increasingly challenging economic environment, which originated in Brazil in particular and was reflected in lower truck incoming orders across the entire region in the medium-duty and, above all, heavy-duty truck segments. Incoming orders for buses declined sizably, primarily in North America, mainly due to restrictive order acceptance in the middle of the year caused by limited capacity and a general reluctance to buy. Demand for the MAN TGE van rose sharply, partly as a result of the further expansion of the sales organization.

In a weak market environment characterized by uncertainty, unit sales were noticeably below the previous year's level. In the EU27+3 region, unit sales were only down slightly year-on-year. The pace of growth improved gradually over the four quarters of 2025. For the reasons mentioned above, truck sales in North America were down very sharply year-on-year. South America experienced a noticeable decline in truck sales, primarily due to a slowdown in the Brazilian economy, rising interest rates, and high inflation. The bus business recorded a sharp increase in unit sales, after the previous year had been strongly impacted by the delayed ramp-up of the new school bus model at International, among other factors.

The book-to-bill ratio in the reporting period was 0.9 (previous year: 0.8).

1,281 (previous year: 430) all-electric trucks, 1,923 (previous year: 1,190) all-electric buses, and 22 (previous year: 119) MAN eTGE vans were sold in the reporting year.

Sales revenue

Sales revenue by product group

€ million	2025	2024	Change
TRATON GROUP	44,052	47,473	-7%
TRATON Operations	42,536	46,182	-8%
New Vehicles	28,941	32,202	-10%
Vehicle Services business ¹	8,742	8,751	0%
Others	4,853	5,230	-7%
TRATON Financial Services	2,188	1,932	13%
Corporate Items	-672	-642	5%

¹ Including genuine parts and workshop services

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The TRATON GROUP's sales revenue in the reporting year declined by €3.4 billion. This development is attributable primarily to the noticeable decline in unit sales and sales revenue for new vehicles at the TRATON Operations business area. The Vehicle Services business reported stable growth. The share of the Vehicle Services business in the sales revenue of the TRATON Operations business area rose from 18 to 21%. By contrast, the lower sales revenue for used and third-party vehicles led to a significant decline in other sales revenue. Sales revenue in the TRATON Financial Services segment increased by €256 million compared with the prior-year period. This was due primarily to an increase in portfolio volume, particularly in the wake of the expansion of the financial services business at MAN, and Volkswagen Truck & Bus.

Profit and loss

Condensed Income Statement of the TRATON GROUP

€ million	TRATON GROUP		TRATON Operations		TRATON Financial Services		Corporate Items	
	2025	2024	2025	2024	2025	2024	2025	2024
Sales revenue	44,052	47,473	42,536	46,182	2,188	1,932	-672	-642
Cost of sales	-35,630	-37,373	-34,678	-36,499	-1,491	-1,315	539	440
Gross profit	8,421	10,100	7,858	9,684	696	617	-133	-202
Distribution expenses	-3,835	-3,813	-3,282	-3,320	-311	-243	-242	-249
Administrative expenses	-1,645	-1,710	-1,484	-1,478	-30	-47	-130	-184
Other operating result	-515	-368	-347	-285	-188	-122	20	38
Operating result	2,426	4,209	2,745	4,601	167	205	-486	-597
Operating result (adjusted)	2,773	4,384	3,092	4,776	167	205	-486	-597
Operating return on sales (adjusted) (in %)	6.3	9.2	7.3	10.3	7.6	10.6	-	-
Financial result	-402	-639	-126	-777	5	7	-282	130
Earnings before tax	2,024	3,569	2,619	3,824	172	212	-768	-467
Income taxes	-479	-766	-694	-732	-39	-57	254	23
Earnings after tax	1,545	2,803	1,925	3,092	133	155	-514	-444

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Operating result

The TRATON GROUP recorded a €1.7 billion or 17% decline in gross profit in the reporting year. Lower truck unit sales in the TRATON Operations business area were the major factor behind this decrease in gross profit. Gross profit was additionally impacted by decreased capacity utilization due to lower production volumes for heavy-duty trucks especially, expenses related to the termination of a development project in the USA as a result of delays in the pace of transition to battery-electric vehicles, and currency effects, primarily due to the appreciation of the Swedish kronor. Gross profit was also negatively impacted by higher expenses in connection with the start of production at the new plant in China in October 2025, the impact of the tariffs increased by the USA under Section 232, and effects related to the EU truck cases in individual countries. Gross margin decreased by 2.2 percentage points to 19.1% (previous year: 21.3%) in the TRATON GROUP and by 2.5 percentage points to 18.5% (previous year: 21.0%) in the TRATON Operations business area.

The TRATON GROUP's distribution and administrative expenses were reduced by 1% year-on-year. The increase in distribution expenses in the TRATON Financial Services segment was primarily driven by new hires and largely offset by lower distribution expenses in the TRATON Operations business area. The ratio of distribution and administrative expenses to sales revenue rose by 0.8 percentage points to 12.4% (previous year: 11.6%), primarily because of the decline in sales revenue.

Other operating result decreased by €147 million compared with the prior-year level. The main drivers behind the decline were exchange rate losses, particularly from the valuation of foreign currency receivables, and higher expenses related to restructurings. Offsetting factors were currency gains, predominantly from the valuation of foreign currency liabilities, as well as positive effects from the measurement of derivatives.

Operating result was reduced by expenses of €173 million (previous year: €162 million) for civil lawsuits against Scania Vehicles & Services and MAN Truck & Bus in connection with the EU truck cases in individual countries, as well as restructuring expenses of €46 million (previous year: €14 million). In addition, expenses of €128 million were incurred in the year under review in connection with the termination of a BEV development project at International Motors. €100 million of this amount was attributable to the derecognition of capitalized development costs. Furthermore, US tariffs imposed under Section 232 had a €60 million negative impact on earnings.

Due to the effects described above, in particular because of the decrease in gross profit, the TRATON GROUP's operating result in fiscal year 2025 decreased by €1.8 billion or 42% compared with the previous year.

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Adjustments to operating result

Adjustments (€ million)	2025	2024
Scania Vehicles & Services	68	109
legal proceedings and related measures	26	101
restructuring measures	42	7
MAN Truck & Bus	151	66
legal proceedings and related measures	147	60
restructuring measures	4	6
International Motors	128	-
termination of a development project for battery-electric vehicles	128	-
TRATON Operations	347	175
TRATON GROUP	347	175

Adjustments in the TRATON Operations business area in the reporting year amounted to €347 million (previous year: €175 million). They were composed of the following items:

- Negative impact of €173 million (previous year: €162 million) in connection with civil lawsuits against Scania and MAN as a result of the EU truck cases in individual countries. They were calculated based on an updated risk assessment and including foreign exchange effects.
- Expenses of €128 million (previous year: €– million) relating to the termination of a BEV development project at International Motors.
- Expenses of €42 million (previous year: €7 million) for severance payments in connection with the restructuring of central functions at Scania Vehicles & Services. Expenses in the previous year related to the realignment of the Scania bus business.
- Expenses of €4 million (previous year: €6 million) for an internal reorganization at MAN Truck & Bus.

The TRATON GROUP's operating result (adjusted) fell by €1.6 billion (37%) year-on-year. The TRATON GROUP's operating return on sales (adjusted) declined by 2.9 percentage points to 6.3% (previous year: 9.2%). In the TRATON Operations business area, operating return on sales (adjusted) decreased by 3.1 percentage points to 7.3% (previous year: 10.3%).

Financial result

The TRATON GROUP's financial result improved by €237 million compared with the prior-year figure. The main factors driving this increase were the absence of negative currency translation effects recorded in the previous year and lower interest expenses in the current reporting period. The TRATON Operations business area recorded a gain of €290 million from an adjustment of the ownership structure of the financial services business, although this was eliminated at the level of the TRATON GROUP.

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Taxes

Income taxes decreased in 2025 by €287 million year-on-year, mainly due to earnings-related factors. The tax rate was up on the previous year, at 24% (previous year: 21%). Valuation allowances on tax loss carryforwards had a particularly negative impact on the tax rate. In the previous year, the tax rate had been reduced primarily by higher tax-exempt income.

Earnings after tax

Earnings after tax declined by €1.3 billion in the reporting year. For 2025, this resulted in a reduction in earnings per share by 45% to €3.09 (previous year: €5.61) per share. Calculation of earnings per share was still based on an average of 500 million shares.

Segments of the TRATON GROUP

Scania Vehicles & Services

	2025	2024	Change
Incoming orders (units)	92,351	81,012	14%
Sales (units)	94,073	102,069	-8%
of which trucks	87,588	96,443	-9%
of which buses	6,485	5,626	15%
Book-to-bill ratio	0.98	0.79	0.19
Sales revenue (€ million)	17,945	18,907	-5%
New Vehicles	11,696	12,883	-9%
Vehicle Services business ¹	4,020	3,839	5%
Others	2,230	2,185	2%
Operating result (adjusted) (€ million) ²	1,926	2,801	-875
Operating return on sales (adjusted) (in %) ²	10.7	14.8	-4.1 pp

¹ Including genuine parts and workshop services

² Prior-year figures adjusted, see the [Financial management](#) section

Scania Vehicles & Services recorded a significant year-over-year increase in incoming orders in 2025. A challenging environment in South America, especially Brazil, with substantial lower incoming orders was more than offset by a very strong increase in the EU27+3 region supported by a stronger sales execution in that region.

Truck unit sales fell noticeably compared to the good level of the previous year. In the EU27+3 region, the weak economic environment with a lack of growth impetus led to a slight decline. In Brazil, Scania Vehicles & Services experienced a very sharp decline in unit sales in a difficult market environment characterized by rising interest rates and high inflation. Bus unit sales rose substantially due to delayed deliveries in the previous year.

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The overall decline in truck unit sales was the main reason for the moderate reduction in sales revenue, which mainly affected the New Vehicles business. This was only partially offset by the moderate growing Vehicle Services business.

The main driver of the decline in operating result (adjusted) was the volume-related decline in revenue. In addition, negative currency effects and higher expenses for the ramp-up of the new Chinese production site had a negative impact on operating result (adjusted).

MAN Truck & Bus

	2025	2024	Change
Incoming orders (units)	99,961	77,108	30%
Sales (units)	101,642	96,037	6%
of which trucks	63,296	63,655	-1%
of which buses	7,002	4,710	49%
of which MAN TGE vans	31,344	27,672	13%
Book-to-bill ratio	0.98	0.80	0.18
Sales revenue (€ million)¹	14,095	13,652	3%
New Vehicles	8,783	8,383	5%
Vehicle Services business ²	2,928	2,902	1%
Others ¹	2,384	2,367	1%
Operating result (adjusted) (€ million) ¹	904	919	-15
Operating return on sales (adjusted) (in %) ¹	6.4	6.7	-0.3 pp

¹ Prior-year figures adjusted, see the [Financial Management](#) section

² Including genuine parts and workshop services

MAN Truck & Bus recorded a very strong increase in incoming orders in 2025 compared with the prior-year figure. This was due in particular to a very strong increase in demand for trucks in the EU27+3 region. At the same time, demand for the MAN TGE van rose sharply, which is attributable, among other things, to the success of the business's internationalization strategy.

Unit sales were up moderately year-on-year, primarily as a result of higher sales figures for buses and MAN TGE vans. Unit sales of trucks were marginally below the previous year's level, but posted a slight increase in the EU27+3 region.

Sales revenue was up slightly year-on-year on the back of higher unit sales of new vehicles. This also reflected a shift in the product mix toward buses and the MAN TGE van. The Vehicle Services business delivered constant growth.

Operating result (adjusted) was slightly lower than in the previous year. The main reasons for this were a change in the product and regional mix and higher production costs.

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International Motors

	2025	2024	Change
Incoming orders (units)	46,177	56,616	-18%
Sales (units)	63,732	90,562	-30%
of which trucks	50,112	79,300	-37%
of which buses	13,620	11,262	21%
Book-to-bill ratio	0.72	0.63	0.10
Sales revenue (€ million)	8,169	11,116	-27%
New Vehicles	5,924	8,263	-28%
Vehicle Services business ¹	1,645	1,860	-12%
Others	599	994	-40%
Operating result (adjusted) (€ million) ²	9	724	-715
Operating return on sales (adjusted) (in %) ²	0.1	6.5	-6.4 pp

¹ Including genuine parts

² Prior-year figures adjusted, see the [Financial management](#) section

Demand in North America remained subdued in 2025, as tariff challenges and persistent weakness in the freight market led to a significant year over year decline in incoming orders at International Motors.

As a result, truck unit sales fell very sharply. Weaker demand in Mexico also had a negative impact, following the prior year's temporary boost from Euro 5 prebuy effects. In contrast, bus sales increased compared with the previous year, as the first half of 2024 had been adversely affected by delays in ramping up the new school bus model.

The combination of soft demand and declining unit volumes led to a strong decrease in new vehicle sales as well as a significant drop in vehicle service revenues.

The negative earnings impact from lower unit sales on adjusted operating result could only be partially mitigated through reductions in product and fixed costs. Elevated tariff expenses further weighed on performance, resulting in only a slightly positive adjusted operating result.

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Volkswagen Truck & Bus

	2025	2024	Change
Incoming orders (units)	42,988	48,865	-12%
Sales (units)	46,171	45,846	1%
of which trucks	38,862	39,018	0%
of which buses	7,309	6,828	7%
Book-to-bill ratio	0.93	1.07	-0.13
Sales revenue (€ million)	2,768	2,918	-5%
New Vehicles	2,549	2,698	-6%
Vehicle Services business ¹	173	179	-3%
Others	46	42	10%
Operating result (adjusted) (€ million) ²	323	346	-23
Operating return on sales (adjusted) (in %) ²	11.7	11.9	-0.2 pp

¹ Including genuine parts and workshop services

² Prior-year figures adjusted, see the [Financial management](#) section

In 2025, Volkswagen Truck & Bus recorded a significant year-on-year decline in incoming orders compared with the previous year's figure in a market environment characterized by increased dealer inventories, high interest rates and inflationary pressure, especially in Brazil.

In 2025, truck unit sales were slightly above previous year's level. A decline in Mexico was fully offset by higher truck unit sales in markets such as Argentina, Chile and Colombia. In the core market of Brazil, truck sales for the year as a whole were on a level with the previous year, despite a slowdown in the second half of the year. Bus sales increased noticeably compared to the previous year.

Sales revenue was mainly impacted by currency effects and were moderately lower year-over-year.

This was also the main reason for the moderate decline in operating result (adjusted).

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TRATON Financial Services

	2025	2024	Change
Sales revenue (€ million)	2,188	1,932	13%
Earnings before tax (€ million)	172	212	-40
Equity (€ million) ¹	2,275	2,052	223
Return on equity (in %)	8.0	10.8	-2.8 pp

¹ As of December 31

After acquiring the rights to the future MAN financial services business in several countries in the previous year, TRATON Financial Services fully completed its acquisition in the 1st half of 2025. As part of this expansion, the rights to the financial services business for MAN and Volkswagen Truck & Bus were acquired in additional countries, including Brazil, for a total purchase price of €72 million (previous year: €254 million).

In the TRATON Financial Services segment, sales revenue increased significantly, due to the continued growth in the portfolio. Portfolio expansion was primarily driven by additional financing volumes of MAN and Volkswagen Truck & Bus.

The ramp-up of financing activities in several new markets led to higher costs in 2025 that could not be offset by higher interest income from the increased portfolio volume. In addition, higher financing costs, impairments and derecognition of receivables, particularly in Brazil in the 4th quarter 2025, as well as increased competitive pressure, had a negative impact on earnings before tax.

At the end of 2025, TRATON Financial Services' equity increased by €223 million year-on-year to €2.3 billion, reflecting the continued strengthening of the capital base in line with portfolio growth. Intra-Group contributions of €161 million (previous year: €229 million) in the reporting period had an increasing effect on equity. This was partly offset by the difference between the consideration transferred and net assets at book value after deferred taxes of €43 million (previous year: €164 million), incurred in connection with the acquisition dates and offset against equity.

As a result of the lower earnings before tax during the ramp-up phase and the higher equity base, return on equity decreased.

5. Financial position

Principles and goals of financial management

Financial management contributes to the value of the TRATON GROUP by optimizing the outcome of all financing measures, liquidity and capital structure, and also by managing risks.

All external and internal financial transactions are solely generated to fulfill financing needs or to limit risks from an actual underlying business transaction and therefore do not serve any speculative purpose. Strong dependencies on particular financial partners are systematically avoided. All financial transactions are concluded under standard market conditions.

Financial management has the duty to manage all financial transactions and financial risks in the TRATON GROUP with a focus on achieving the following objectives:

- Ensuring the solvency of all Group companies at all times as well as the financing of all Group business activities
- Limiting of market price risks (from interest rates, foreign currencies/exchange rates, commodity prices) and default risk of financial counterparties
- Optimization of costs from funding activities and returns on financial investments
- Securely processing financial and payment transactions and pooling group liquidity

Financing strategy

It is the TRATON GROUP's goal to finance ongoing investment requirements of the TRATON Operations business area including Corporate Items from operating cash flow. For this reason, the TRATON Operations business area, including Corporate Items, should not report any net financial debt in a normal business environment. Depending on the gearing ratio and the liquidity position, other capital spending projects, such as acquisitions, should be financed by a balanced mixture of equity and debt. The composition can be adapted to reflect the relevant capital market environment. TRATON strives to reduce net financial debt in the TRATON Operations business area, including Corporate Items, to zero by the end of the decade. In the TRATON Financial Services business area, it is ensured that leased or financed assets are financed at matching maturities.

As a general rule, the capital structure of the TRATON Operations business area including Corporate Items should correspond to an implied solid investment-grade classification. The net financial debt/EBITDA (adjusted) ratio is a key performance indicator in this context. If justified by extraordinary financing requirements or special market circumstances, this target can be temporarily relaxed subject to certain conditions. TRATON SE has been awarded external credit ratings by Moody's and Standard & Poor's (S&P) since June 2020. Moody's is currently awarding a long-term rating of Baa2 (stable outlook), and S&P's rating is BBB (negative outlook). Both ratings are investment-grade range.

Financing mix

Financial liabilities are intended to comprise a balanced mix of capital market financing, bank liabilities, the asset-backed securities (ABS) portfolios of the TRATON Financial Services segment, and other financing sources. No single source of financing should permanently exceed 60% of the total financing volume. It is intended to use a wide range of financing instruments for current financial liabilities in particular.

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Liquidity

The TRATON GROUP strives to maintain adequate available liquidity from net cash flow in the TRATON Operations business area. In addition to TRATON's access to the debt market, liquidity is supplemented by the syndicated revolving credit line and by credit lines from Volkswagen AG and banks, among others, to cover liquidity requirements at all times.

Maturity profile

The TRATON GROUP generally aims to achieve a balanced maturity profile for its liabilities so that it can cover amounts that fall due during the year from net cash flow to the greatest extent possible. To reduce funding risk in the TRATON Financial Services business area, the maturity profile should not be considerably shorter than the portfolio of underlying customer contracts.

Dividends policy

The TRATON GROUP intends to pay a dividend of 30 to 40% of its annual consolidated earnings after tax. The resolution to pay out a dividend for a particular fiscal year is adopted by the Annual General Meeting in the following year. The dividend is paid once a year. The proposal by the Executive Board and Supervisory Board concerning the amount of the dividend generally considers business performance and other influencing factors.

Risk management

TRATON operates an appropriate risk management system, including financial instruments such as derivatives, to hedge the Group's financial risks, for example exchange rate risks or commodity price risks. Order book and other probable future sales and purchase contracts are partly hedged within defined limits. Commodity price risks are also partly hedged, while counterparty risks are closely monitored. Management of foreign currency, interest rate, and commodity exposure is not central but at the discretion of each brand. The relevant requirements of each company are considered since different functional currencies and business environments apply. The Group's activities in the TRATON Financial Services business area are managed to largely match assets and liabilities in order to minimize interest rate mismatches using appropriate methods to manage risks.

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Financing in 2025

Gross financial liabilities amounted to €27.4 billion (previous year: €24.3 billion) as of December 31, 2025. €17.1 billion (previous year: €15.3 billion) of this amount was attributable to capital market instruments, €6.4 billion (previous year: €5.4 billion) to bank funding, €2.6 billion (previous year: €2.4 billion) to Volkswagen Group loans, and €1.3 billion (previous year: €1.2 billion) to lease liabilities.

Financial liabilities of the TRATON GROUP as of 12/31/2025 € billion

	Carrying amount	Nominal value						
	Total	Total	Due 2026	Due 2027	Due 2028	Due 2029	Due 2030	Due 2031 or later
Bonds	15.5	15.6	4.2	3.5	2.9	2.4	1.3	1.3
of which for the financial services business		12.9	4.1	3.5	2.4	1.1	1.3	0.5
Commercial paper	1.2	1.2	1.2	–	–	–	–	–
of which for the financial services business		1.2	1.2	–	–	–	–	–
Liabilities to banks	6.4	6.4	3.3	1.5	0.6	0.2	0.7	–
of which for the financial services business		2.9	1.3	0.9	0.4	0.2	0.1	–
Schuldscheindarlehen	0.4	0.4	0.3	–	0.1	–	–	–
of which for the financial services business		–	–	–	–	–	–	–
Volkswagen Group liabilities	2.6	2.6	1.2	0.7	0.7	–	–	–
of which for the financial services business		1.5	1.2	0.2	–	–	–	–
Total financial liabilities (excluding lease liabilities)	26.1	26.2	10.3	5.7	4.3	2.6	2.0	1.3
of which for the financial services business		18.5	7.8	4.6	2.9	1.3	1.4	0.5
Lease liabilities¹	1.3	1.3						
Total financial liabilities	27.4	27.5						
of which for the financial services business		18.5						

¹ The maturity structure of the lease liabilities (IFRS 16 Leases) is as follows: < 1 year: €267 million; 1–5 years: €725 million; > 5 years: €283 million.

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TRATON GROUP
as of 12/31/2024 € billion**

	Carrying amount	Nominal value						
	Total	Total	Due 2025	Due 2026	Due 2027	Due 2028	Due 2029	Due 2030 or later
Bonds	14.7	14.8	4.9	3.5	1.3	1.0	2.2	1.8
of which for the financial services business		10.9	3.8	3.3	1.3	0.5	1.0	1.0
Commercial paper	0.2	0.2	0.2	–	–	–	–	–
of which for the financial services business		0.2	0.2	–	–	–	–	–
Liabilities to banks	5.4	5.4	2.0	2.4	0.5	0.2	0.1	0.2
of which for the financial services business		2.5	1.3	0.5	0.4	0.2	0.1	–
Schuldscheindarlehen	0.4	0.4	–	0.3	–	0.1	–	–
of which for the financial services business		–	–	–	–	–	–	–
Volkswagen Group liabilities	2.4	2.4	0.9	0.6	0.6	0.3	–	–
of which for the financial services business		1.5	0.7	0.6	0.2	–	–	–
Total financial liabilities (excluding lease liabilities)	23.1	23.2	7.9	6.8	2.5	1.7	2.3	2.0
of which for the financial services business		15.1	6.0	4.4	1.9	0.7	1.1	1.0
Lease liabilities ¹	1.2	1.2						
Total financial liabilities	24.3	24.4						
of which for the financial services business		15.1						

¹ The maturity structure of the lease liabilities (IFRS 16 *Leases*) is as follows: < 1 year: €254 million; 1–5 years: €698 million; > 5 years: €219 million.

Financing of the TRATON GROUP

The European Medium Term Notes program (EMTN program), which the TRATON GROUP has had since March 12, 2021, was updated on March 24, 2025, and increased from €12.0 billion to €18.0 billion. In addition to TRATON SE, the company's indirect subsidiary TRATON Finance Luxembourg S.A., Strassen, Luxembourg (TRATON Finance) can also issue bonds under this program. The total principal amount of bonds as of December 31, 2025, was €11.6 billion (previous year: €10.8 billion), which were issued under the EMTN program by TRATON Finance. During the course of 2025, bonds with a principal amount of €2.9 billion were issued in euros, €773 million were issued in Swedish kronor, and €172 million in Swiss francs. The bonds issued under the EMTN program are hedged in part by interest rate derivatives. In addition, Scania is using a €5.0 billion EMTN program, of which a total principal amount of €289 million (previous year: €1.6 billion) had been drawn down as of year-end 2025. Since August 2025, TRATON has had an Australian Medium Term Notes program (AMTN program) with a volume of AUD 5.0 billion or approximately €2.8 billion. No bonds were issued under this program in fiscal year 2025.

Bonds from the EMTN program in the principal amount of approximately €9.1 billion (previous year: €7.3 billion) were used for financial services transactions. In addition, companies in the TRATON Financial Services segment issued bonds totaling €1.4 billion (previous year: €2.0 billion) as of December 31, 2025. In 2025, Scania Finance Southern Africa (Pty) Ltd., Johannesburg, South Africa, established a South African rand (ZAR) medium-term notes program with a volume of ZAR 10.0 billion, or approximately €515 million. Issuances under this program amounted to the equivalent of €288 million as of

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December 31, 2025. In addition, the TRATON Financial Services segment has bonds totaling €2.5 billion (previous year: €1.6 billion) from asset-backed securities transactions. The bonds, including asset-backed securities transactions for financial services transactions, increased by approximately €2.0 billion.

The TRATON GROUP's drawdowns from the €2.5 billion commercial paper program (CP program) as of December 31, 2025, amounted to a principal amount of €1.2 billion (previous year: €189 million), which were issued by TRATON Finance and were used exclusively to finance the TRATON Financial Services segment. In addition to TRATON Finance, TRATON SE and TRATON Treasury AB, Södertälje, Sweden (TRATON Treasury AB) can also issue commercial paper under the CP program. The CP program covers the short-term financing requirements of the TRATON Financial Services segment. The short-term P-2 credit rating assigned by Moody's and the A-2 rating assigned by S&P correspond to TRATON SE's long-term investment-grade ratings.

The TRATON GROUP also had bank liabilities of €6.4 billion (previous year: €5.4 billion) as of December 31, 2025. Of this amount, €2.3 billion (previous year: €2.0 billion) were attributable to TRATON SE. TRATON SE repaid bank liabilities of €250 million prematurely over the course of 2025. In addition, €350 million in loan liabilities of TRATON SE were prolonged. As its only new bank loan, TRATON SE entered into a bilateral loan agreement with the European Investment Bank (EIB) on December 2, 2025, for up to €500 million to finance the costs of the TRATON Modular System project in the years 2025 to 2027. The entire loan amount was disbursed on December 19, 2025, with a term of five years. The TRATON SE also has €467 million (previous year: €483 million) in unused unconfirmed credit lines from banks at its disposal in order to enhance flexibility in financing decisions. In addition, TRATON SE's financing using *Schuldschein-darlehen* as of December 31, 2025, remained unchanged at €350 million (previous year: €350 million).

Via TRATON SE, the TRATON GROUP has access to revolving credit lines of €4.3 billion (previous year: €4.3 billion) from Volkswagen AG, of which €250 million (previous year: €943 million) had been drawn down as of December 31, 2025, as well as a €681 million revolving credit line from Volkswagen Group of America Finance, LLC, Reston, USA, to Navistar Financial Corporation, of which €344 million (previous year: €95 million) had been drawn down as of December 31, 2025. Further, Navistar Financial Corporation took out a one-year loan of €128 million in December 2025. In addition to the loan of €339 million (previous year: €383 million) received in fiscal year 2024, International Motors took out a two-year loan of €127 million and a further three-year loan of €467 million from Volkswagen Group of America Finance, LLC, Reston, USA. The two loans, financed by Volkswagen International Finance N.V., Amsterdam, Netherlands in 2024 — one loan of €500 million with a term of two years and another loan of €191 million with a term of three years — remained unchanged as of December 31, 2025.

The TRATON GROUP also has an unused confirmed credit line of €4.5 billion (previous year: €4.5 billion) available as a liquidity reserve, which TRATON SE agreed with a banking consortium of 23 banks. After exercising both extension options, the revolving credit line has a total term of seven years and expires on December 16, 2028. The credit line serves general corporate purposes as well as to safeguard the TRATON GROUP's liquidity.

In October 2025, the TRATON GROUP successfully introduced a Group-wide Green Finance Framework to support investments in battery-electric mobility. The Framework forms the basis for a wide range of green financing instruments, including green bonds, loans, *Schuldscheindarlehen*, and asset-backed securities. The TRATON GROUP received a second party opinion on this from S&P Global Ratings. The Framework was rated "Dark Green," the highest possible category.

The broad range of funding contracts entail interest rates in keeping with market conditions, which differ according to the respective financial instrument, maturity, currency, funding purpose, volume, and region.

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Financial liabilities of the TRATON GROUP by currency

€ billion	12/31/2025	12/31/2024
EUR	15.1	14.4
SEK	3.1	2.8
USD	2.4	1.5
BRL	1.5	0.8
GBP	1.0	1.0
MXN	0.6	0.7
CHF	0.7	0.5
ZAR	0.4	0.4
Other currencies	1.4	0.8
Lease liabilities	1.3	1.2
Total financial liabilities	27.4	24.3

The TRATON GROUP's credit facilities contain standard market change-of-control clauses. This means that the counterparty may demand early repayment in the event of significant changes in ownership. Two loans of a subsidiary of the TRATON GROUP used to develop and construct production and assembly facilities in China (China loans), with a total life of ten years each, include financial covenants. For loan liabilities with a carrying amount of €221 million (previous year: €308 million) as of December 31, 2025, the ratio of total liabilities to total assets of the subsidiary may not exceed 90%. For the second loan, which was refinanced in fiscal year 2025, the subsidiary's net profit must be positive and the debt service coverage ratio may not fall below 1.2. The debt service coverage ratio describes the ratio between the subsidiary's net profit before interest expenses attributable to the China loans and depreciation and amortization, to the principal amount, interest payments, and interest due on both China loans. The carrying amount of the loan as of December 31, 2025, is €395 million (previous year: €– million).

Liquidity

Cash and cash equivalents amounted to €2.8 billion (previous year: €2.5 billion) as of December 31, 2025. Cash and cash equivalents in certain countries (e.g., Brazil, China, and Argentina) in the amount of €736 million (previous year: €834 million) are subject to exchange controls and are not available to the Group for cross-border transactions without restriction. Such amounts are used locally to cover the financing needs of the operating business.

€103 million (previous year: €120 million) was reported in other financial assets as restricted cash as of December 31, 2025. This is mainly used as collateral in asset-backed securities transactions. In the previous year, restricted cash included an additional €41 million for the gradual acquisition of key aspects of the global financial services businesses of MAN and VWTV.

The TRATON GROUP's financial management manages cash pool structures at brand level, wherever legally and economically appropriate and feasible. The TRATON segments manage operational cash themselves. Excess cash in the TRATON segments is usually managed at TRATON SE level.

Individual TRATON GROUP companies are also continuing to sell a limited volume of current receivables on a revolving basis as part of their receivables management. This also involves selling trade receivables to TRATON Financial Services companies. In addition, certain companies use supplier finance arrangements, in which suppliers, with the involvement of a bank or a third-party provider, can decide to receive payment of individual invoices before they are due. The contractual terms (e.g., payment terms) do not change, or do not change materially, due to the involvement of the bank or third-party provider. Accordingly, the payment obligations are recognized under trade payables and the cash outflow is recognized in net cash provided by/used in operating activities.

Equity

Equity ratio

€ million	TRATON GROUP		TRATON Operations		TRATON Financial Services		Corporate Items	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Equity	18,636	17,844	14,738	11,728	2,275	2,052	1,624	4,064
Total assets	68,202	65,547	45,181	42,867	23,419	20,431	-398	2,249
Equity ratio (in %)	27.3	27.2	32.6	27.4	9.7	10.0	-	-

The increase in equity in the TRATON Operations business area compared with the previous year is primarily attributable to the merger of significant parts of the research and development departments of the individual brands into a cross-brand, Group-wide research and development organization, as described in the [Financial Management](#) section. This also applies to the decrease in equity in Corporate Items compared with the previous year.

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Condensed statement of cash flows of the TRATON GROUP

€ million	TRATON GROUP		TRATON Operations		TRATON Financial Services		Corporate Items	
	2025	2024	2025	2024	2025	2024	2025	2024
Cash and cash equivalents as of 01/01	2,542	1,730	6,715	4,256	394	246	-4,567	-2,772
Gross cash flow	3,983	5,654	4,267	5,809	539	512	-823	-666
Change in working capital	-3,081	-3,315	80	-311	-3,592	-3,585	431	581
Net cash provided by/used in operating activities	902	2,340	4,347	5,498	-3,054	-3,073	-392	-85
Net cash provided by/used in investing activities attributable to operating activities	-2,748	-2,782	-2,704	-2,663	-60	-81	16	-38
Change in marketable securities, investment deposits, and loans	20	-29	-83	1,294	17	-25	86	-1,299
Net cash provided by/used in investing activities	-2,728	-2,811	-2,787	-1,369	-43	-105	102	-1,337
Net cash provided by/used in financing activities	2,021	1,392	329	-1,579	3,264	3,337	-1,573	-366
Effect of exchange rate changes on cash and cash equivalents	70	-109	45	-91	-2	-11	27	-7
Change in cash and cash equivalents	264	812	1,935	2,459	165	148	-1,836	-1,795
Cash and cash equivalents as of 12/31	2,805	2,542	8,650	6,715	558	394	-6,403	-4,567
Gross cash flow	3,983	5,654	4,267	5,809	539	512	-823	-666
Change in working capital	-3,081	-3,315	80	-311	-3,592	-3,585	431	581
Net cash provided by/used in investing activities attributable to operating activities	-2,748	-2,782	-2,704	-2,663	-60	-81	16	-38
Net cash flow	-1,846	-442	1,643	2,834	-3,113	-3,154	-376	-123

The TRATON GROUP's net cash provided by/used in operating activities fell by €1.4 billion year-on-year to €902 million. This was a result primarily of the €1.7 billion lower gross cash flow, which above all reflects the €1.8 billion decrease in operating result. This was partly offset by a €233 million decrease in working capital, which was due primarily to a €746 million reduction in financial services receivables, as reflected in the net cash flow of the TRATON Financial Services segment. There was also an improvement of €643 million due to the current reduction in inventories at the TRATON Operations business area, in contrast to the increase in inventories in the previous year. Working capital was negatively impacted primarily at the TRATON Operations business area by the €710 million increase in assets leased out and the €479 million effect of the current increase in receivables, compared with the decrease in the previous year.

Cash tied up in working capital rose by a total of €3.1 billion in the reporting period. The principal driver was the €2.2 billion increase in financial services receivables and reported in net cash flow in the TRATON Financial Services segment. The increase in products leased out of €1.2 billion and, conversely, the decrease in inventories of €429 million, which occurred primarily within the TRATON Operations business area, also had an impact.

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The TRATON GROUP's net cash used in investing activities attributable to operating activities declined by €34 million year-on-year to €-2.7 billion. This was primarily attributable to a €187 million decrease in investments in property, plant, and equipment, and other intangible assets, as well as a €79 million decrease in cash outflows from investments in subsidiaries and other investees. This was partially offset by a €242 million increase in addition to capitalized development costs.

In the reporting period, net cash provided by/used in financing activities in the TRATON Operations business area was negatively impacted by dividend and profit and loss transfer payments of €1.2 billion (previous year: €1.3 billion) to TRATON Holding companies, included in Corporate Items. Offsetting this, there were positive effects from capital increases by TRATON Holding companies reported under Corporate Items to companies in the TRATON Operations business area in the amount of €1.7 billion (previous year: €0 million). Further information on the capital increases within the TRATON Operations business area can be found in the [Equity](#) section. The effects described in this paragraph were all eliminated at the level of the TRATON GROUP.

The TRATON GROUP's net cash provided by/used in financing activities increased by €628 million year-on-year to €2.0 billion. It includes bond issuances by the TRATON GROUP amounting to €5.6 billion (previous year: €5.4 billion), including €3.8 billion (previous year: €4.0 billion) issued by TRATON Finance Luxembourg S.A., Strassen, Luxembourg (TRATON Finance), allocated to Corporate Items. These were partly offset by repayments in the total amount of €4.9 billion (previous year: €2.6 billion). €3.1 billion (previous year: €1.5 billion) of this was predominantly attributable to TRATON Finance within Corporate Items and €1.3 billion (previous year: €692 million) to Scania Vehicles & Services in the TRATON Operations business area. The bond issues and repayments related primarily to the European Medium Term Notes programs (EMTN programs). Other bond issues and redemptions mainly relate to bonds from asset-backed securities transactions used by companies in the TRATON Financial Services segment for financing purposes.

Commercial paper programs recorded inflows of €1.3 billion (previous year: €91 million) and, on the other hand, redemptions of €322 million (previous year: €829 million). Commercial paper is mainly attributable to TRATON Finance within Corporate Items. In the previous year, *Schuldscheindarlehen* of €350 million were also redeemed.

In addition, long-term loan liabilities to Volkswagen Group of America Finance, LLC, Reston, USA, amounting to €646 million (previous year: €367 million) were incurred within the TRATON Operations business area, and short-term loans to Volkswagen Group of America Finance, LLC, by the TRATON Financial Services segment of €258 million were incurred, in contrast to the previous year, when loans of €278 million were redeemed. By contrast, loan liabilities of €693 million (previous year: €104 million) were repaid to Volkswagen AG. Further, miscellaneous financial liabilities increased by €1.1 billion, in contrast to the reduction of €268 million in the previous year, largely attributable to loan liabilities to banks. In the current fiscal year, it should be noted that TRATON SE raised a €500 million loan liability with the European Investment Bank (EIB), allocated to Corporate Items. In the previous year, long-term loans of €692 million were taken out from Volkswagen International Finance N.V., Amsterdam, Netherlands, and of €250 million from Volkswagen AG.

Additionally, in May 2025, TRATON SE paid out a dividend of €850 million (previous year: €750 million) for fiscal year 2024.

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Net liquidity/net financial debt of the TRATON GROUP

€ million	TRATON GROUP		TRATON Operations		TRATON Financial Services		Corporate Items	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Cash and cash equivalents	2,805	2,542	8,650	6,715	558	394	-6,403	-4,567
Marketable securities, investment deposits, and loans to affiliated companies	127	201	178	102	97	154	-148	-54
Gross liquidity	2,933	2,743	8,828	6,817	656	547	-6,551	-4,621
Third-party borrowings	-27,391	-24,277	-6,317	-6,901	-19,952	-17,178	-1,122	-197
thereof intra-group financing ¹	-	-	-2,686	-4,143	-12,620	-11,834	15,307	15,978
Net liquidity/net financial debt	-24,458	-21,534	2,511	-85	-19,296	-16,631	-7,673	-4,818

¹ Intragroup financing in the TRATON GROUP

Net financial debt rose by €2.9 billion to €24.5 billion in the reporting period, driven mainly by the development of net cash flow and the dividend payout amounting to €850 million (previous year: €750 million). More detailed information explaining changes in net cash flow can be found in the [Cash flow](#) section.

The net financial debt/EBITDA (adjusted) ratio for the TRATON Operations business area including Corporate Items was -1.1 as of December 31, 2025, and hence down on the prior-year comparative figure of -0.8 as of December 31, 2024. This is attributable to an increase in net financial debt in the TRATON Operations business area including Corporate Items to €5.2 billion (previous year: €4.9 billion) and a decrease in EBITDA (adjusted) in the TRATON Operations business area including Corporate Items for the past ten months to €4.7 billion (previous year: €6.0 billion).

The following table shows the reconciliation of operating result to EBITDA (adjusted) for the TRATON Operations business area including Corporate Items for the period January to December 2025.

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EBITDA (adjusted), TRATON Operations including Corporate Items

€ million	2025	2024
Operating result, TRATON Operations	2,745	4,601
Operating result, Corporate Items	-486	-597
Operating result, TRATON Operations including Corporate Items	2,259	4,004
Adjustments	347	175
Operating result (adjusted), TRATON Operations including Corporate Items	2,606	4,179
plus share of earnings of equity-method investments	214	236
plus other financial result	-204	-394
plus depreciation and amortization of, and impairment losses on, intangible assets, and property, plant, and equipment, net of impairment reversals ¹	1,518	1,423
plus amortization of, and impairment losses on, capitalized development costs, net of impairment reversals ²	520	530
plus impairment losses on equity investments, net of impairment reversals	34	1
EBITDA (adjusted), TRATON Operations including Corporate Items	4,689	5,974

1 Adjusted for impairment losses in the adjustments to operating result amounting to €8 million (previous year: €- million)

2 Adjusted for impairment losses in the adjustments to operating result amounting to €100 million (previous year: €- million)

Investments

Investments by segment

€ million	2025	2024	Change
TRATON GROUP	2,861	2,884	-24
TRATON Operations	2,801	2,780	20
Scania Vehicles & Services ¹	1,417	1,387	30
MAN Truck & Bus ¹	687	699	-12
International Motors ¹	611	603	8
Volkswagen Truck & Bus ¹	85	92	-7
Reconciliation	2	0	1
TRATON Financial Services	66	68	-2
Corporate Items	-6	36	-42
Investments, TRATON Operations	2,801	2,780	20
of which capex	1,555	1,751	-196
Capex ratio (in %)	3.7	3.8	-0.1 pp
Capitalized development costs	1,220	978	242
Other investees	25	51	-26

1 Prior-year figures adjusted, see the [Financial management](#) section

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Investments by Scania Vehicles & Services in 2025 were above the previous year's figure. These were driven by work on the TRATON Modular System. A key component of capital expenditures was the development of the production site in China. The plant in Rugao was officially opened on October 15, 2025, and started producing Scania trucks in the same month. Delivery of the first vehicles for the new NEXT ERA product line, which is tailored to the Chinese market, is also planned for March 2026.

Investments at MAN Truck & Bus declined year-on-year following the completion of the first expansion stage of the battery factory in Nuremberg and the start of production in the first half of 2025, as well as the integration of the new D30 engine into the product range. Increased investment in the TRATON Modular System and the new generation of the MAN TGE van are planned for the coming years.

International Motors' investments in 2025 mainly focused on optimizing the Class 8 product range and investing in the S13 powertrain. Expansion investments in a new paint shop at the Escobedo site in Mexico declined. It is scheduled to go into operation at the beginning of 2026.

Volkswagen Truck & Bus invested primarily in meeting legal requirements in the reporting year 2025. It also invested in IT and the facility structure.

On December 15, 2021, the TRATON GROUP signed the contract to establish the Commercial Vehicle Charging Europe B.V, Amsterdam, Netherlands (Milence) charging infrastructure joint venture together with Daimler Truck and the Volvo Group, and undertook to invest a total amount of up to €167 million in this joint venture. €40 million (previous year: €38 million) was paid into Milence's equity in this context in the reporting year.

The TRATON GROUP's off-balance sheet commitments

€ million	12/31/2025	12/31/2024	Change
TRATON GROUP			
Contingent liabilities ¹	3,342	4,458	-1,116
Purchase order commitments for property, plant, and equipment, and intangible assets	677	837	-160
Obligations under irrevocable credit commitments ¹	631	725	-94
Off-balance sheet commitments under rental and lease contracts	82	91	-10
Miscellaneous financial obligations	112	170	-59

¹ Prior-year amount adjusted

Contingent liabilities included buyback guarantees of €1.7 billion (previous year: €2.5 billion) under which TRATON is obliged to buy back vehicles from the financial services company in the event of default. The year-on-year decline relates to obligations arising from buyback guarantees in connection with the acquisition of key aspects of the global financial services business of Volkswagen Financial Services for MAN by the TRATON Financial Services segment.

They also included guarantees by International of €247 million (previous year: €492 million). These are mostly default guarantees in favor of banks.

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Miscellaneous financial obligations were impacted by the obligations of the TRATON GROUP amounting to €45 million (previous year: €85 million) arising from the agreement signed on December 15, 2021, to set up the Milence charging infrastructure joint venture together with Daimler Truck and the Volvo Group.

For information on contingent liabilities, refer to Note [31. Contingent liabilities and commitments](#). For all other off-balance sheet commitments, refer to Note [33. Other financial obligations](#).

6. Net assets

Balance sheet analysis

Condensed Balance Sheet of the TRATON GROUP

€ million	TRATON GROUP		TRATON Operations		TRATON Financial Services		Corporate Items	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Goodwill	5,967	6,154	387	365	–	–	5,580	5,789
Intangible assets	7,664	7,389	5,633	4,898	21	20	2,011	2,471
Property, plant, and equipment	10,111	9,646	9,719	9,256	26	18	366	372
Assets leased out	5,316	5,168	5,173	5,021	1,436	1,057	–1,293	–911
Equity-method investments	1,770	1,641	410	387	8	6	1,352	1,247
Other equity investments	83	139	218	272	54	24	–190	–158
Deferred and current income taxes	3,126	3,027	2,978	3,127	345	274	–197	–374
Financial services receivables	17,906	15,984	0	0	17,887	15,986	19	–2
Inventories	7,016	7,532	6,987	7,529	–	3	29	0
Trade receivables	3,126	3,096	2,205	2,476	1,139	992	–218	–372
Other assets	3,289	3,183	2,799	2,806	1,943	1,623	–1,453	–1,247
Marketable securities and investment deposits	22	46	22	14	–	32	–	–
Cash and cash equivalents	2,805	2,542	8,650	6,715	558	394	–6,403	–4,567
Total assets	68,202	65,547	45,181	42,867	23,419	20,431	–398	2,249
Equity	18,636	17,844	14,738	11,728	2,275	2,052	1,624	4,064
Financial liabilities	27,391	24,277	6,317	6,901	19,952	17,178	1,122	197
Provisions for pensions and other post-employment benefits	1,644	1,909	1,626	1,878	12	18	6	13
Deferred and current income taxes	864	1,219	604	948	157	150	102	121
Other provisions	3,989	3,835	3,921	3,722	16	18	52	95
Other liabilities	10,203	11,114	12,566	12,354	715	634	–3,078	–1,874
Trade payables	5,474	5,349	5,409	5,336	291	381	–225	–368
Total equity and liabilities	68,202	65,547	45,181	42,867	23,419	20,431	–398	2,249

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As of December 31, 2025, the TRATON GROUP's total assets increased by approximately €2.7 billion compared with December 31, 2024. This was attributable primarily to a €1.9 billion rise in financial services receivables, the €465 million growth in property, plant, and equipment, the €275 million increase in intangible assets, and the €264 million increase in cash and cash equivalents. This was offset by a €516 million decline in inventories and a €187 million decline in goodwill. On the liabilities side of the balance sheet, financial liabilities increased by €3.1 billion and equity increased by €793 million. This was partly offset by the €911 million decline in other liabilities.

The decrease in goodwill is mainly attributable to negative effects from the translation of financial statements of foreign operations into euros. This reflected in particular the negative development of the US dollar against the euro.

The increase in intangible assets primarily reflects increased investments in new developments.

Property, plant, and equipment increased by €465 million, due in particular to capital expenditures for the establishment of the production site in China.

Equity-method investments rose by €129 million. This was attributable primarily to the positive earnings contributions from Sinotruk (Hong Kong) Limited, Hong Kong, China, (Sinotruk) and Rheinmetall MAN Military Vehicles GmbH, Munich, (RMMV) and to further investments in the Milence joint venture.

The main reason for the €1.9 billion increase in financial services receivables was primarily the €1.2 billion expansion of finance leasing activities in the MAN and VWTB Financial Services business. In addition, customer financing rose by €949 million, mainly in Brazil. This was offset by a €226 million reduction in dealer finance, primarily in Mexico.

Inventories decreased by €516 million compared with December 31, 2024. The decline is mainly due to lower production levels at International Motors, Scania Vehicles & Services, and Volkswagen Truck & Bus.

The €264 million increase in cash and cash equivalents is mainly attributable to positive financing activities of €2.0 billion. This was largely offset by negative net cash flow of around €1.8 billion (for further information, see the [Cash flow](#) section).

The TRATON GROUP's equity as of December 31, 2025, rose to €18.6 billion. The main driver of the increase was the positive total comprehensive income of €1.7 billion. This was the result of positive earnings after taxes of €1.5 billion and positive other comprehensive income after tax of €144 million. This was primarily due to income from pension plan remeasurements recognized in equity, net of tax, and from the fair value measurement of other investments and marketable securities. Negative effects from translating the financial statements of foreign operations were generally an offsetting factor. The dividend payout of €850 million resulted in a corresponding reduction in equity. The equity ratio increased slightly year-on-year to 27.3% (previous year: 27.2%) (see the [Statement of Changes in Equity](#) in the Consolidated Financial Statements).

Financial liabilities rose by €3.1 billion in the 2025 reporting year. This was mainly the result of the net recognition of further commercial paper liabilities by TRATON Finance amounting to €993 million, the net recognition of bonds from asset-backed securities transactions amounting to €829 million, and the net recognition of loan liabilities to Volkswagen Group of America Finance amounting to €799 million. Additionally, financial liabilities increased due to the

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net recognition of €960 million in loans from banks, of which €500 million was from the European Investment Bank. This was largely offset by the repayment of loan liabilities to Volkswagen AG in the amount of €693 million (for further information, see the [Financial position](#) section).

Provisions for pensions and other post-employment benefits decreased by €265 million due to various factors, including payments in the USA and the higher discount rates in Germany and Sweden.

Other liabilities decreased by approximately €911 million. This is primarily attributable to lower fair values of derivative financial instruments, reduced liabilities from buyback obligations as a result of the integration of the financial services business of Volkswagen Financial Services, and lower liabilities from wages and salaries.

Trade liabilities increased by €125 million. The increase is primarily attributable to the higher production level at MAN and the launch of production at Scania in China. Conversely, trade payables at International Motors declined due to lower production volumes.

In addition to the assets recognized in the consolidated balance sheet, the TRATON GROUP also uses assets that are not eligible for recognition, such as individual brands, internally developed patents, and employee expertise. Expenditures on these assets are investments in the future that safeguard market success in the coming years.

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7. Target achievement in 2025 and summary of economic position

	Actual 2024	Forecast for 2025	Forecast for 2025	Actual 2025
TRATON GROUP				
Sales (units)	334,215	-5 – 5%	-10 – 0%	305,486
Sales revenue (€ million)	47,473	-5 – 5%	-10 – 0%	44,052
Operating return on sales (adjusted) (in %)	9.2	7.5 – 8.5	6.0 – 7.0	6.3
TRATON Operations				
Sales revenue (€ million)	46,182	-5 – 5%	-10 – 0%	42,536
Operating return on sales (adjusted) (in %)	10.3	8.5 – 9.5	7.0 – 8.0	7.3
Net cash flow (€ million)	2,834	2,200 – 2,700	1,000 – 1,500	1,643
Primary R&D costs (€ million) ¹	2,456	slight decrease	slight increase	2,731
Capex (€ million)	1,751	noticeable increase	noticeable increase	1,555
TRATON Financial Services				
Return on equity (in %)	10.8	8.0 – 11.0	8.0 – 11.0	8.0

¹ Prior-year amount adjusted, see the [Financial management](#) section

Against the backdrop of numerous trade and geopolitical challenges that intensified over the course of the year, the Executive Board of TRATON SE considers the business performance in the 2025 reporting period to have been challenging. As a result, the forecast was adjusted upon publication of the half-year financial report. Overall, the Executive Board is not satisfied with target achievement and has adopted further measures to strengthen the earnings situation. In 2025, the TRATON GROUP's most important truck markets (> 6 t) worldwide recorded a noticeable decline in new registrations, while the TRATON GROUP's most important bus markets recorded significant growth compared with the previous year. Overall, TRATON GROUP unit sales were down 9% year-on-year, primarily as a result of the significant decline in truck sales, but still within the adjusted forecast range.

The TRATON GROUP's sales revenue in the reporting period was also noticeably below the prior-year level. This was mainly due to the noticeable decline in unit sales and a change in the market and product mix, among other factors. By contrast, the TRATON Financial Services segment was able to increase its sales revenue significantly compared with the level of the comparative period. The decline in sales revenue at the TRATON GROUP and the TRATON Operations business area was therefore within the adjusted forecast range, at -7% and -8%, respectively.

The TRATON GROUP's operating return on sales (adjusted) amounted to 6.3% in the reporting period. It was therefore also within the adjusted forecast range.

Primary R&D costs rose significantly in 2025 rather than increasing slightly, as indicated in the adjusted forecast. This development is attributable primarily to higher investments in forward-looking technologies and compliance with regulatory requirements. Capital expenditure fell significantly in 2025 instead of rising significantly, as forecast. This shortfall was a result of the postponement of investment projects.

Net cash flow for the TRATON Operations business area noticeably exceeded the upper end of the adjusted forecast range. This was primarily due to better-than-expected working capital management and significantly lower capital expenditure. It was not possible to reach the original forecast due to the numerous trade and geopolitical challenges described above, which intensified over the course of the year.

TRATON SE (German GAAP, condensed)

TRATON SE has its registered office in Munich and is the parent and holding company of the TRATON GROUP. TRATON SE is the (direct or indirect) parent company of Scania AB, Södertälje, Sweden (Scania AB), MAN Truck & Bus SE, Munich (MAN Truck & Bus SE), International Motors LLC, Lisle, Illinois, USA (International), Volkswagen Truck & Bus Indústria e Comércio de Veículos Ltda., São Paulo, Brazil (Volkswagen Truck & Bus Ltda.), TRATON Financial Services AB, Södertälje, Sweden (TRATON Financial Services AB), and a large number of other companies.

The performance of TRATON SE is strongly influenced by that of the TRATON GROUP, which is presented in detail in the [Report on Economic Position](#) section. Profit and loss transfer agreements enable TRATON SE to participate in the operating results of individual subsidiaries. In addition, TRATON SE profits from dividend payouts. TRATON SE is integrated into the TRATON GROUP's internal management process, and generally the same key performance indicators apply as for the TRATON GROUP.

1. Results of operations

Income Statement of the TRATON SE

€ million	2025	2024	Change
Net investment income	559	381	178
Income from other securities and long-term loans	17	27	-9
Net interest expense	-236	-289	53
Sales revenue	56	46	10
Cost of sales	-49	-41	-8
Gross profit	7	5	2
General and administrative expenses	-166	-158	-8
Other operating income	621	440	181
Other operating expenses	-579	-537	-42
Income taxes	-29	39	-68
Earnings after tax	195	-92	287
Net loss/profit	195	-92	287
Profit carried forward from the previous year	60	202	-142
Withdrawal from capital reserves	300	800	-500
Allocation to the statutory reserve	-10	-	-10
Net retained profit	546	910	-365

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For fiscal year 2025, TRATON SE reported earnings after tax of €195 million (previous year: €-92 million). The €287 million increase was primarily attributable to net investment income and higher other operating income. This was offset by the tax result and higher other operating expenses. As a result, net investment income did improve, as forecast in the previous year.

Net investment income predominantly includes income of €569 million (previous year: €361 million) from profit transfer agreements, investment income of €54 million (previous year: €50 million), and expenses of €64 million (previous year: €31 million) from loss absorption. The €178 million improvement in net investment income is mainly the result of the profit transfer from MAN Truck & Bus SE and the loss transfer from MAN Finance & Mobility Services GmbH, Munich.

The interest result consists mainly of interest income and expenses on group internal receivables and liabilities as well as bank interest and commissions. The change in the interest result is mainly due to the increase in interest rate hedges and interest rate currency hedges concluded for interest rate-sensitive base transactions of TRATON Financial Services.

Sales revenue mainly comprises services and cost allocations charged to affiliated companies. These increased by €10 million to €56 million in 2025. General and administrative expenses increased by €8 million to €166 million. This is predominantly attributable to higher consulting costs in connection with the implementation of the TRATON Way Forward strategy.

The changes in other operating income and other operating expenses resulted mainly from foreign currency translation and income and expenses from financial instruments.

2. Assets and financial position

Balance sheet of TRATON SE

€ million	12/31/2025	12/31/2024	Change
Fixed assets	27,053	22,819	4,233
Receivables and other assets ¹	3,706	2,837	869
Bank balances	494	459	35
Total assets	31,253	26,115	5,137
Equity	13,279	13,934	-655
Liabilities to banks ²	2,632	2,365	267
Miscellaneous provisions and liabilities ¹	15,341	9,816	5,525
Total equity and liabilities	31,253	26,115	5,137

¹ Including accruals and deferrals

² including *Schuldscheindarlehen*, for further explanations see [Financial position, TRATON GROUP financing](#) section in the Combined Management Report.

Total assets increased by €5.1 billion year-on-year to €31.3 billion.

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Fixed assets primarily comprise interests in TRATON International S.A., Strassen, Luxembourg (TRATON International S.A.) and MAN Truck & Bus SE. This also contained loans of €301 million (previous year: €801 million) to affiliated companies in 2025. The change in noncurrent assets was primarily attributable to the increase in the interest in TRATON International S.A. in the amount of €4.7 billion. By contrast, loans decreased due to the repayment of a loan from TRATON Treasury AB, Södertälje, Sweden (TRATON Treasury AB), in the amount of €500 million.

Receivables and other assets rose by €869 million to €3.7 billion. The increase is mainly due to internal refinancing in the Group.

The decrease in equity was the result of the net profit for 2025 of €195 million less the dividend of €850 million paid out in the reporting period for fiscal year 2024. The equity ratio decreased to 42.4% (previous year: 53.4%) as of December 31, 2025.

TRATON SE's capital reserves of €12.2 billion (previous year: €12.5 billion) constitute the contributions by Volkswagen AG to TRATON SE, in particular from the contribution of MAN SE and Scania AB. €300 million (previous year: €800 million) was withdrawn from the capital reserves during fiscal year 2025.

Miscellaneous provisions and liabilities contain, in particular, liabilities to affiliated companies and other provisions. In 2025, significant items were the increases in liabilities to TRATON Finance Luxembourg S.A., Strassen, Luxembourg by €2.2 billion, to TRATON Sweden AB, Södertälje, Sweden by €1.7 billion, and to Scania CV AB by €1.0 billion for internal financing.

Net liquidity/net financial debt comprises bank balances, intragroup receivables from financing transactions, loans to Group companies, and marketable securities less financial liabilities to banks/others and less intragroup liabilities from financing transactions. TRATON SE's net financial debt was €13.9 billion (previous year: €8.2 billion) as of December 31, 2025. For further information, see the [Financing of the TRATON GROUP](#) section in the Combined Management Report.

3. Proposed dividend

The Executive Board and Supervisory Board of TRATON SE will propose the payout of a dividend of €0.93 (previous year: €1.70) per share for fiscal year 2025 to the shareholders at the Annual General Meeting. This proposal corresponds to a total payout of €465 million (previous year: €850 million).

4. Opportunities and risks

The business performance of TRATON SE is essentially exposed to the same risks and opportunities as that of the TRATON GROUP. TRATON SE's exposure to the risks of its equity investments and subsidiaries is proportionate to the stakes it holds in these. The risks and opportunities are outlined in the [Report on opportunities and risks](#). In addition, the relationship with equity investments may result in payments arising from statutory or contractual liability (especially financing) and write-downs of shares in affiliated companies and equity investments.

5. Report on expected developments

TRATON SE is the parent and holding company of the TRATON GROUP. The results reported by its subsidiaries are distributed or transferred to TRATON SE. The expectations with regard to the TRATON GROUP's business performance as described in the outlook also affect the earnings of TRATON SE. The outlook for the TRATON GROUP thus also applies to TRATON SE. Taking into account the expectations with regard to the TRATON GROUP's key performance indicators, strongly increased income from equity investments will have a positive impact on the result for 2026. For further information, refer to the TRATON GROUP's [Report on expected developments](#).

6. Dependent Company Report

The Executive Board of TRATON SE prepared a report on relationships with affiliated companies (Dependent Company Report) in accordance with section 312 of the Aktiengesetz (AktG — German Stock Corporation Act), which concluded with the following declaration: "We declare that TRATON SE received appropriate consideration for every legal transaction, or that any disadvantages have been compensated, and that it was not disadvantaged as a result of taking any measures listed in this report on relationships with affiliated companies in fiscal year 2025 in accordance with the circumstances known to us at the time the legal transactions were conducted or the measures taken. There were no measures we refrained from taking in the reporting period."

Report on Expected Developments, Opportunities, and Risks

1. Report on expected developments

This report describes the estimated expected development of the TRATON GROUP's most important key performance indicators for fiscal year 2026. These estimates are based on assumptions concerning the development of opportunities and risks, the economy as a whole, and our most important truck and bus markets. The assessments presented for future development of the business are based on the targets of our segments. Developments that run counter to our assumptions and expectations may lead to corresponding adjustments to the forecast. We present risks and opportunities that could cause deviations from the forecast developments in the section [Report on opportunities and risks](#).

Expected macroeconomic developments

We assume that the global economy will grow at a similar pace in 2026 as in the previous year. A further decline in inflation across major economic regions, coupled with continued monetary easing should positively impact consumer spending. Lower inflation and declining interest rates typically benefit the truck markets as well. We continue to believe that risks will arise from the growing fragmentation of the global economy, protectionist tendencies, turbulence in the financial, energy, and commodity markets, and structural deficits in individual countries. The growth outlook is also clouded by persistent geopolitical tensions and conflicts. Major risks include the Russia-Ukraine conflict, Middle East tensions, increasing uncertainties related to US economic policy, and rising global geoeconomic measures that may worsen geopolitical tensions. We expect the advanced economies to exhibit a similar pace of growth on average, and the group of emerging markets to grow at a slightly slower pace than in the reporting period.

Expected sectoral developments

Following a decline in the previous year, we expect our most important truck and bus markets (EU27+3, North America, and South America) to stabilize as a whole in 2026 with a positive tendency. In light of the numerous risks mentioned above, we continue to operate in a highly volatile macroeconomic environment. These risks could also significantly impact our industry.

In the EU27+3 region, we forecast a slight increase in new registrations of medium and heavy trucks (> 6t). In the North American market, we also expect a slight increase, although uncertainty is particularly high in this region as a result of the tariff policy. In South America, by contrast, we forecast a moderate decline in the truck market.

With the establishment of our new plant in Rugao, the Chinese market is becoming increasingly important for us. We anticipate a slight decline in the heavy-duty truck market (>16t) in China in 2026.

For buses, we anticipate a slight decline across our most important markets (EU27+3 region, North America, and South America) in 2026, albeit with regional variations. In the EU27+3 region, we forecast a moderate decline after a record year in 2025. We expect a noticeable increase in new registrations in North America. In South America, we forecast a substantial market decline, following a noticeable increase in the reporting period.

Foreign exchange rate developments

For 2026, we expect the euro to appreciate against the US dollar and sterling. We anticipate that the Swedish krona will move sideways against the euro. The Brazilian real and the Mexican peso are expected to devalue against the European single currency to varying degrees.

Interest rate developments

After key interest rates were cut in most major Western industrialized countries and in many emerging markets in 2025, further changes in 2026 will depend on future inflation trends and the economic developments in the countries concerned. Overall, we assume that interest rates in 2026 will be slightly lower on average than in 2025.

Forecast of the most important key performance indicators*Unit sales 2026*

We forecast unit sales across all brands and all vehicle classes (including the MAN TGE) to fall within a range of –5 to +7% compared with the previous year. The range mainly arises from the high level of uncertainty and reflects various scenarios relating to the impact of tariff and industrial policy in North America, the German fiscal stimulus program for infrastructure and climate change, and the upcoming presidential elections in Brazil. Additionally, we plan for increasing unit sales in Asian markets thanks to our new production facility in China.

Sales revenue 2026

We expect the TRATON GROUP's sales revenue and the sales revenue of the TRATON Operations business area to develop along similar lines to unit sales, in the range of –5 to +7% compared with the previous year. Within this forecast range, we stand to benefit from the resilience of the service business, expansion of the Financial Services business and an expected increase in the number of battery-electric vehicles with higher sales prices.

Return on sales 2026

For fiscal year 2026, we forecast an operating return on sales (adjusted) of between 5.3 and 7.3% for the TRATON GROUP. We plan to offset additional costs from tariffs as much as possible through mitigation and cost measures. These measures will only take effect successively over the course of the year. As a result, the operating return on sales (adjusted) in the first quarter of 2026 is expected to be below the forecast range for the full year. The forecast is based on the tariff situation prevailing at the end of 2025. For the TRATON Operations business area, we expect an operating return on sales (adjusted) of between 6.1 and 8.1%.

For the TRATON Financial Services business area, we forecast a return on equity of 8.0 to 11.0%.

Net cash flow 2026

Based on the forecast range for operating return on sales (adjusted) and taking into account higher volatility in working capital, we expect the TRATON Operations business area to generate net cash flow of between €0.9 billion and €1.7 billion for fiscal year 2026. As in the 2025 reporting period, we anticipate a positive net cash flow to materialize only in the second half of 2026.

Summary of expected developments

Compared with the previous year, the 2026 forecast reflects significantly greater uncertainty, as seen in the chosen forecast ranges of the key performance indicators. The forecast is subject in particular to geopolitical risks and unexpected impacts of US trade policy.

At the same time, the TRATON GROUP needs to invest in new products and future technologies, while implementing cost-cutting measures, to stay competitive and financially resilient.

Nevertheless, we aim to achieve results at least at the level of the reporting period. This applies in particular to the key performance indicators operating return on sales (adjusted) of the TRATON GROUP and the TRATON Operations business area, as well as net cash flow at the TRATON Operations business area.

	Actual 2025	Forecast 2026
TRATON GROUP		
Sales (units)	305,486	-5 to +7%
Sales revenue (€ million)	44,052	-5 to +7%
Operating return on sales (adjusted) (in %)	6.3	5.3 to 7.3
TRATON Operations		
Sales revenue (€ million)	42,536	-5 to +7%
Operating return on sales (adjusted) (in %)	7.3	6.1 to 8.1
Net cash flow (€ million)	1,643	900 to 1,700
TRATON Financial Services		
Return on equity (in %)	8.0	8.0 to 11.0

2. Report on opportunities and risks (contains the report required by section 289 (4) of the HGB)

The TRATON GROUP is exposed to numerous risks in a wide range of categories. Entrepreneurial risks are acceptable to a reasonable extent, but they need to be managed effectively and controlled with appropriate risk response measures. Risks that pose a threat to the continued existence of the TRATON GROUP or any TRATON brand must be avoided.

In this context, the term “risk” describes the possibility of events or developments occurring that may — individually or together with other circumstances — have a significant effect on achieving the TRATON GROUP’s targets, plans or strategies. Risks with a positive effect are referred to as “opportunities.” In addition, risks to society and the environment are taken into consideration, which relate to the aspects presented in the Group Sustainability Report. Such risks may impact TRATON’s business activities, society, and the environment, or a combination thereof. Risks arising from the supply chain and the use of TRATON’s products and services are also included.

The TRATON GROUP promotes a risk awareness culture that is characterized by transparency and encourages people throughout the Group to address and manage risks openly. Transparency is fundamental for dealing effectively with risks and avoiding blind spots, in other words, risks that remain undetected and therefore are not addressed properly.

TRATON is a dynamically evolving company that is characterized by various transformation projects (e.g., formation of Group Industrial Functions, expansion of TRATON Financial Services, development of the TRATON Modular System). To address these changes, the TRATON GROUP continuously reviews and enhances its risk management and internal control systems in order to ensure effective and uniform minimum standards across the whole TRATON GROUP.

Risk management organization

The Executive Board of TRATON SE holds the ultimate responsibility for implementing and monitoring effective risk management in the TRATON GROUP. In order to fulfill this obligation, the Executive Board provides strategic focus, takes decisions on major risk management matters, and acknowledges TRATON GROUP’s significant risks. Furthermore, the Executive Board provides summarized information to the Audit Committee and Supervisory Board of TRATON SE so that these can fulfill their oversight role.

The mandate to develop the Group’s risk management framework has been assigned to the Governance, Risk & Compliance (GRC) function at TRATON SE. Together with the corresponding functions in the brands, it is responsible for designing, implementing, and coordinating the respective processes across the TRATON GROUP.

As a principle, all managers across the organization have a responsibility to manage risks within their area of responsibility (risk ownership). As soon as these risks fulfill the relevant reporting criteria and thresholds, they must be reported openly and promptly along the defined reporting channels and additionally to the respective risk management function.

The TRATON Audit function provides independent assurance about the effectiveness and efficiency of the TRATON GROUP’s risk management activities.

Risk management framework

The TRATON risk management framework covers several risk and control related processes within the TRATON GROUP and shows how these correlate. The framework addresses relevant legal requirements and further makes reference to generally accepted principles defined by external framework and standard setters (e.g., COSO, ISO).

The purpose of risk management at TRATON is to define binding minimum standards for effective risk management across the whole TRATON GROUP. It provides a transparent description of the current TRATON risk exposure and ensures that clear responsibilities are allocated for all relevant risks. In general, all processes included in the framework follow the same generic cycle:

- **Identify** relevant risks that affect the business, society, or the environment
- **Assess** and prioritize relevant risks based on financial effect, likelihood, and further criteria
- **Respond** to risks by implementing appropriate risk responses (e.g., controls or action plans)
- **Report** to management on the company's risk status
- **Monitor** the company's risk status and the effectiveness of risk response measures

The risk management framework deals with risks in a narrower sense, thus without considering opportunities. Instead, for external reporting purposes opportunities are collected periodically from dedicated functions, especially Controlling, Sustainability and Strategy.

Risk management processes

Enterprise risk management (ERM)

The ERM process is designed to provide management with transparency regarding the TRATON GROUP's current risk exposure. To achieve this, it focuses on concrete risks which, isolated or in combination with other risks, may have a significant effect on TRATON and its Brands' strategies, plans and objectives or on society and the environment. ERM encompasses all organizational rules and measures to identify and assess such concrete risks from a broad range of categories. It helps management to ensure that all relevant risks are clearly assigned to an owner and to monitor the implementation of appropriate measures. ERM serves as the core process for satisfying a variety of internal and external reporting obligations, as outlined in the related chapters below.

It should be noted that ERM and Double Materiality Analysis (DMA) (for more information, refer to the Sustainability Report) are separate processes. Interfaces between ERM and DMA have been defined to combine information gained through both processes. The impacts, risks, and opportunities identified in the DMA are incorporated into the ERM process. Conversely, the results of the ERM process are considered when updating the DMA.

Risks are assessed on a net basis in terms of their probability of occurrence and financial effect, which already factors in any implemented risk response measure. The assessment also covers the qualitative criteria of reputational loss, effect on legal and compliance, and effect on society and the environment. A risk score is calculated from the quantitative and qualitative criteria. Risks are ranked according to this risk score, if necessary, considering an additional professional judgement by management.

For risk aggregation purposes, the two quantitative criteria of probability of occurrence and financial effect are used. TRATON uses a Monte Carlo simulation to analyze the aggregate effect of the risks on its financial position. The expected maximum loss at a defined confidence level (value-at-risk) is then compared with the Group's risk-bearing capacity. Risk-bearing capacity is defined as recognized equity plus the planned financial result after tax of the TRATON GROUP. The outcome of this comparison is included in the overall assessment of the TRATON GROUP's risk and opportunity position.

Internal control system (ICS)

The ICS is a recurring process for managing and monitoring systemic or inherent risks at process level. It covers all prescribed procedures, methods, and measures that serve to provide reasonable assurance regarding the reliability of financial reporting and selected compliance topics (e.g., anti-corruption, antitrust law, tax compliance, product compliance) as well as reliance regarding sustainability reporting. ICS as a process comprises the selection of entities to be included (scoping), the risk-based selection and documentation of relevant control activities, assessment of control design and operating effectiveness, remediation of identified control deficiencies, and management reporting.

In response to the European Union's (EU) Corporate Sustainability Reporting Directive (CSRD), TRATON already implemented internal controls for sustainability reporting as well during 2024. During fiscal year 2025, the project to further improve controls in the area of sustainability reporting was continued. The focus was increasingly placed on the risk-based control approach, which will be implemented in the coming years.

Risk reporting

The Executive Board, the Audit Committee, and the Supervisory Board of TRATON SE are informed regularly about the TRATON GROUP's risk position and risk management. The same applies to the executive and supervisory bodies of the TRATON brands and Group companies.

On behalf of TRATON SE's Executive Board, the TRATON Governance & Risk Board (GRB) deals with risk management, internal controls, and other related topics within the TRATON GROUP on a quarterly basis. During the reporting year, the board was re-named to TRATON Risk & Control Board (RCB). The RCB is hosted by the GRC function and is composed of the Chief Financial Officers of TRATON SE and the brands as well as other managers from the levels below the Executive Board.

In addition to the criteria for regular risk reporting processes, criteria have been defined across the TRATON GROUP for when an urgent risk notification to the Executive Board is required. That is the case if a new risk emerges that may have a material impact on the TRATON GROUP's targets, or if an already reported risk increases significantly.

Finally, TRATON satisfies several other internal and external reporting requirements. These include risk reporting to Volkswagen AG and external risk reporting in the Combined Management Report of the statutory financial reporting.

Appropriateness and effectiveness of risk management

Monitoring the appropriateness and effectiveness of risk management, in particular the ERM and ICS processes, is one of the core tasks of the RCB. It collates and evaluates relevant information that allows conclusions to be drawn on the appropriateness and effectiveness of risk management. This includes findings from internal and external audits, results from control evaluations as part of the ICS and status reports on risk management projects. If weaknesses are identified, the RCB initiates appropriate corrective measures and monitors their implementation. The results are integrated into the reports to the Executive Board, Audit Committee, and the Supervisory Board of TRATON SE.

Based on the measures described above for monitoring the appropriateness and effectiveness of risk management, the company is not aware of any evidence that would indicate any material weakness in risk management. It should be noted that even an appropriate, effective risk management system cannot offer any absolute certainty that all relevant risks will be identified in good time and will be mitigated by suitable measures and controls.

Main characteristics of the internal control system for financial reporting

The TRATON GROUP's internal control system is designed, among other things, to provide reasonable assurance that TRATON's consolidated financial statements are accurate, in other words without material errors or omissions. The internal control system for sustainability reporting was introduced in 2024. Given the recent developments in the relevant legislation, the desired future level of reliance is being reviewed.

As sustainability reporting is expected to become more mature over the coming years, TRATON is striving to gradually improve the level of reliance that is ensured also by controls. At TRATON SE, the Accounting and ESG functions prepare the consolidated financial and sustainability statements, respectively. The two functions are responsible for TRATON's frameworks for financial reporting and sustainability reporting, respectively. Among other things, these include reporting manuals, policies, definitions of procedural instructions, and internal controls. Furthermore, both functions monitor legislative requirements relevant to their area of responsibility and review the consistency and continuity of financial and sustainability reporting across the TRATON GROUP.

To ensure the validity of financial reporting, typical control mechanisms are systematically applied to all relevant processes, in particular comprehensive verification and review mechanisms, approval hierarchies, segregation of duties, and the four-eyes-principle. For sustainability reporting, typical control mechanisms are systematically applied to processes of data collection and data aggregation, such as comprehensive plausibility checks, review mechanisms, and approval hierarchies. Since financial reporting and consolidation rely heavily on the use of information technology, appropriate IT controls are in place for all relevant systems, e.g., access controls, backup/recovery procedures, and change management, including controls over external service providers. For sustainability reporting, TRATON expects greater reliance on information technology in the future and will use IT controls to mitigate the underlying risks. The TRATON GROUP's internal control system for financial reporting not only covers accounting at TRATON SE but also includes other functions and subsidiaries where material reporting-relevant information is generated. The internal controls for sustainability reporting cover not only the ESG activities of TRATON SE, but also other functions at Group level in which material information on sustainability reporting is consolidated and reported. Consolidation and aggregation of data relevant for sustainability reporting is also monitored by controls at brand level.

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The effectiveness of the internal control system for financial reporting is assessed at least annually during the ICS process. The implementation status of the internal controls for sustainability reporting in fiscal year 2024 was tracked and documented. In the course of an ongoing CSRD ICS project, a continuous evaluation approach for internal controls over sustainability reporting has been implemented for the 2025 reporting year. This first control evaluation will be performed in the period of Q4 2025 to Q2 2026. Any identified control deficiencies are centrally monitored until remediation measures have been implemented.

Opportunities and risks

Significant opportunities and risks that may have an effect on the TRATON GROUP's net assets, financial position, and results of operations, as well as on society and the environment, are classified into five categories: Strategic Risks, Market Risks, Operational Risks, Legal & Compliance Risks, and Financial Risks.

Strategic risks

The TRATON GROUP's strategy, the TRATON Way Forward, is based on the long-term vision of how TRATON will manage the growing importance of sustainability, decarbonization, and digital transformation, and hence the resulting changes expected in the transportation and logistics industry. This strategic framework aims to leverage the opportunities resulting from these changes. TRATON is committed to operating sustainably and responsibly at all times, irrespective of individual corporate decisions.

The TRATON Way Forward consists of four elements. The elements are: (1) Responsible Company; (2) Value Creation; (3) TRATON Accelerated!; and (4) Strategy Execution & Governance. Implementing these elements is associated with various opportunities and risks.

1. Responsible Company

Commercial vehicles are subject to increasingly rigorous environmental requirements and other regulations worldwide. The goal of climate neutrality by 2050 defined in the European Green Deal for the 27 member states of the EU and the associated ambitious CO₂ reduction targets (general reduction of CO₂ emissions in the EU by at least 55% by 2030 vs. 1990 and by 90% by 2040 vs. 1990) poses a significant challenge for TRATON and the entire transportation sector. In mid-2024, for example, the European Union set new ambitious targets for manufacturers of heavy-duty commercial vehicles such as the TRATON GROUP to reduce CO₂ emissions in Europe in the course of two decades in the new Regulation (EU) 2024/1610 (CO₂ regulation). The target set for 2025 of reducing CO₂ emissions from heavy-duty commercial vehicles with more than 16 tons by 15% is already in force. In 2024, however, the EU increased its reduction target from 30 to 45% by 2030, and set targets for commercial vehicles of 65% by 2035 and 90% by 2040. The targets are based on a benchmark from the period July 2019 to June 2020. In addition, these targets have been extended to other commercial vehicle sub-groups. This concerns medium and heavy commercial vehicles over 5 tons, including interurban buses and coaches. Some special vehicles will continue to be exempt. To stimulate faster deployment of zero-emission city buses, the EU has further decided that all new city buses must be zero-emission starting in 2035, with an interim target of 90% in 2030. If these emissions targets are not met, there are to be penalties of €4,250 for every gram of CO₂ emitted per ton-kilometer (tkm) that exceeds the limits starting in 2025. The new Euro 7 emissions standards to limit harmful pollutants such as nitrous oxide (NO_x) or particulate matter from vehicle exhaust gases have been agreed in the EU. The corresponding law was published in May 2024. The final text is very challenging in terms of both limit values and testing methods. Many technical details remain to be set in so-called secondary legislation.

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In the USA, the current administration's move to roll back federal emissions standards for medium and heavy-duty trucks presents significant regulatory and market risks. At the core of this reversal is the proposed repeal of the 2009 Endangerment Finding, the legal basis for the U.S EPA's regulation of greenhouse gas (GHG) emissions under the Clean Air Act. This repeal will eliminate the agency's authority to regulate vehicle GHG emissions, disrupting long-term compliance frameworks. In parallel, the US administration has advanced proposals to rescind the Greenhouse Gas Phase III standards and reconsider NO_x emissions limits under EPA's 2027 rulemaking. These actions may loosen short-term compliance obligations, but will also increase the probability of future regulatory reversals and litigation-driven policy reinstatements. The administration has also invoked the Congressional Review Act (CRA) to overturn California's Clean Air Act waivers, which enables it and other "Section 177 states" to adopt stricter vehicle emissions standards. These rollbacks are under legal challenge, and their outcomes could redefine the balance of state and federal regulatory authority — introducing years of policy uncertainty. Collectively, these measures represent a dramatic shift in US climate and emissions policy. This transition increases regulatory volatility, exposure to stranded asset, and potential misalignment with global sustainability trends, particularly to the extent that Mexico, Canada, the EU, and Asian markets maintain or tighten emissions requirements.

In Brazil, TRATON is affected by the CO₂ reduction and energy efficiency program, which is based on European directives and the VECTO program for calculation. The program, following an adaptation to Brazilian conditions, will be finalized by December 2026. Targets are scheduled to be established in early 2029, with vehicles expected to meet them starting in 2033. The city of São Paulo, which is a benchmark for other cities in the country in decarbonization initiatives, remains committed to meeting the legal requirement to eliminate the use of fossil fuels by 2038 in some transportation sectors. Currently, in terms of the vehicle applications under the city's control, the focus is on urban buses, which have aggressive targets for replacing their fleet with pure electric vehicles. Another topic under discussion in Brazil is the consideration of the entire product life cycle. The corresponding requirements are scheduled to come into force in 2027.

Along with other important markets in which the TRATON GROUP sells its products, in 2023 China set the China 6 (CN 6) emission standard for reducing pollutions for all heavy-duty commercial vehicles. Also, China introduced new Stage IV Fuel Consumption Limits in July 2025, as well the New Energy Vehicle Credit Policy plan, which is estimated to be implemented from 2028 to reduce CO₂ emissions for all commercial vehicles. The progress of new regulation drafting, and regulation revision goes rapidly, especially on Advanced Driver-Assistance Systems (ADAS), Intelligent and Connected Vehicles (ICV) and New Energy Vehicle (NEV) areas.

Adapting commercial vehicles to new emissions standards is technologically challenging and costly, especially considering often differing regulations for CO₂ and other pollutant emissions produced by combustion engines. To meet the EU, North America, Brazil, and China targets, it is imperative to deploy new technologies to reduce CO₂ and other exhaust emissions. TRATON is therefore investing to a substantial extent in climate-friendly alternative drive systems, primarily battery-electric commercial vehicles.

However, the medium- to long-term transition from combustion engines to zero-emission commercial vehicles is associated with uncertainties that are reflected in various risks and opportunities. The current and future investments in battery-electric vehicles might not generate the expected income, especially in the United States market. On the one hand, the gradual, well-timed switch to battery-electric vehicles offers TRATON the opportunity to meet CO₂ emissions standards worldwide, respond better and faster to customer wishes, and gain market share by entering the market at an early stage. On the other hand, the limited availability of batteries and the current higher purchase costs for battery-electric commercial vehicles represent risks to the transition to zero-emission commercial vehicles. An additional very important and necessary condition for the transition is a powerful, widespread charging

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infrastructure tailored specifically to commercial vehicles. To speed the market acceptance of battery-electric commercial vehicles in the European market, the TRATON GROUP has established the Milence joint venture together with Daimler Truck and the Volvo Group. This partnership aims to develop a publicly accessible, high-performance charging network for battery-electric commercial vehicles in Europe that is open to vehicles from all manufacturers. Despite the common efforts in the Milence joint venture, the development of an adequate pan-European charging infrastructure remains a challenge. Brazil faces a structural challenge in decarbonizing its transportation sector due to severe infrastructure limitations. According to the Confederação Nacional do Transporte (CNT), Brazil's transportation federation, only about 12% of Brazil's federal road network is paved, leaving approximately 88% unpaved or in poor condition. This will delay the large-scale deployment of electric long-haul transportation since effective electrification presupposes a robust and paved highway network capable of supporting both logistics and energy infrastructure. Despite these infrastructural limitations, Brazil has a comparative advantage when it comes to the immediate decarbonization of transportation. For example, the new Law No. 14,993/2024 (Lei do Combustível do Futuro) creates a legal framework for combustion engines that run on renewable fuels, in particular biodiesel and biomethane. In China, economies of scale created for electric vehicles present an opportunity to intensify sourcing of cost competitive parts. In addition, TRATON could potentially sell more electric vehicles in China than in Europe. This would increase the chances of achieving the CO₂ reduction targets set by the TRATON GROUP. However, the imminent risk in China is that the TRATON GROUP might not be ready with a commercial product once the enabling regulatory and technological conditions are all in place.

By aspiring to be a Responsible Company, TRATON continues its aim to foster diversity and inclusion throughout the company and ensure good standards of governance and ethical conduct by its employees. During these efforts, TRATON is exposed to various challenges that may result in the company not achieving the targets it has set itself. Altogether, the company will gain access to various long-term opportunities, for example, if it succeeds in attracting investors with a strong focus on sustainability criteria.

2. Value Creation

Within the TRATON GROUP, each brand has a clearly defined strategic target return and is seeking to achieve this return by gaining market share, improving unit price realization, and enhancing efficiency. The TRATON GROUP operates in an industry where improving brand performance is crucial in order to maintain competitiveness and increase profitability. Moreover, cooperation between the brands is generating significant opportunities due, in particular, to additional economies of scale. The future success of the TRATON GROUP may be jeopardized if long-term synergies from cooperation between the brands fail to materialize and successful operational efficiency enhancements within the individual units are not achieved.

In addition, TRATON's presence on the North American market is creating opportunities from leveraging the powerful component and technology base within the TRATON GROUP, expanding the financial services business, and further leveraging International's dealer and service network, which is one of the largest independent networks in the North American market. However, the success of this complex and long-term process is associated with uncertainties, which are also influenced by decisions made by the current US administration.

In the course of its global expansion, the TRATON GROUP intends to close the most important gap it still has — Asia. China is the world's largest commercial vehicle market by volume. TRATON intends to respond to local demand through appropriate investments and market entry strategies. However, this exposes TRATON to certain risks associated with the Chinese market. These include growing geopolitical uncertainties that could lead to new trade barriers and the decoupling of economic areas. In addition, the company's activities in China are under particular scrutiny regarding the respect for human rights. Various operational risks are also associated with investments in China, such as risks from legislation, and risks from the local market and competitive environment.

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3. TRATON Accelerated!

In a world that will be shaped by electrification, autonomous driving, and connectivity, the TRATON GROUP aims to create more added value for customers in the future through new business models, solutions, and partnerships. The Group is expanding its perspective on business beyond pure transportation through an active role in shaping the transportation and logistics ecosystem of the future. Moving into new business areas such as logistics, new solutions for customers, and other digital business models entails risks for TRATON but also offers it sustainable opportunities to position itself competitively in the long term during the transformation of technologies and markets. In addition, the development of the TRATON Financial Services segment into an integrated captive Financial Services unit for the whole Group enables comprehensive financing options to meet the demand for new technologies and business models.

4. Strategy Execution and Governance

The fourth element of the TRATON Way Forward focuses on executing the strategy. The goal is to concentrate capabilities and hence strengthen the overall competitiveness by developing a Group-wide modular system with standardized interfaces for the most important technology areas (TRATON Modular System) and through closer organizational integration. TRATON laid the foundation by establishing new Group Industrial Functions for research and development and by coordinating purchasing, production, and logistics across the whole Group. If the TRATON GROUP fails in achieving the desired synergy and efficiency improvements, this could have a substantial adverse effect on its long-term business, operating result, financial position, and future prospects.

Market risks

The commercial vehicle industry is heavily influenced by economic and political conditions globally and in the TRATON GROUP's regional and product-specific core markets. For that reason, the industry is subject to significant cyclicity. Deviations from expected developments in the economic environment and fluctuations in the business climate may result in both opportunities and risks when it comes to the demand for TRATON GROUP's products and services.

In general, demand for commercial vehicles is highly cyclical, i.e., periods of high customer investment in commercial vehicles are typically followed by phases of reduced demand. The length, timing, and intensity of these demand cycles can vary depending on the market segment, customer group, and region. Additionally, these cycles are influenced by external political and economic factors and hence generally subject to uncertainty. Such variable demand patterns can lead to a rapid rise or fall in demand for the TRATON GROUP's products and services. The global macroeconomic situation, which is characterized, among other factors, by growing geopolitical tensions, has led to a continuing imbalance between supply and demand.

Risks to global economic development also stem from increasing political uncertainty, protectionist tendencies, and structural deficits that threaten the development of individual advanced economies and emerging markets. The increasing ecological challenges, which affect individual countries and regions to different degrees, are another contributing factor. Inflation has recently decreased in many regions, prompting central banks to cut interest rates. The extent to which this monetary policy course will continue is uncertain. The TRATON GROUP can miss growth opportunities if it fails to expand beyond the current regional core markets. The Group could lose market share to new and existing competitors if it fails to meet customers' and regulatory requirements alike. In case of political turmoil, it could be partially or fully shut out of important markets.

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The TRATON GROUP aims to benefit from accessing growing addressable markets in emerging economies. The addressable market for western vehicle manufacturers in these markets is expected to grow as stricter regulations and emissions standards are implemented globally over the coming years. However, economic growth in some emerging markets is overshadowed, in particular, by dependency on energy and commodity prices, a shortage of capital imports, as well as by socio-political tensions, conflicts, corruption, inadequate government structures, and a lack of legal reliability. Increasing competition from non-western manufacturers, especially from China, adds to the difficulty in gaining market share in emerging economies.

Geopolitical tensions and conflicts, such as the war in Ukraine, tensions between China and Taiwan, and the conflict in the Middle East, as well as signs that the global economy is becoming increasingly fragmented are additional material risk factors for the development of individual countries and regions. In addition, the tensions between the USA, the EU, China and other countries on trade barriers, including national protective measures (e.g., increased tariffs imposed by the US Administration or any potential retaliatory measures worldwide) may lead to considerable risks that could adversely affect the TRATON GROUP's operations. These are increasingly leading to sanctions, tariff barriers, and other protectionist obstacles to trade. Considering the existing strong global interdependence, local developments may also negatively impact the global economy. The same applies to violent conflicts, terrorist activities, cyberattacks, and the spread of infectious diseases, which may prompt unexpected, short-term responses from the markets.

International's business in North America gives the TRATON GROUP access to a large, high-margin part of the global transportation market. This opens additional growth potential for the TRATON GROUP and ensures a better balance between regional market developments in the cyclical commercial vehicle industry. In addition, International Motors has substantial growth opportunities in its primary North American markets if the International brand can progressively restore its market share to the levels seen in the past. However, increased tariffs or other protectionist measures introduced by the USA, or any retaliatory measures may have a significant influence on this market development, which is why the TRATON GROUP is monitoring them closely.

The TRATON GROUP is subject to intense competition, which may increase further in the future, e.g., as a result of new competitors entering primary markets. TRATON GROUP's future success depends on the Group's ability to address the key factors of competition in the commercial vehicle industry. These are, in particular, its innovative capacity, which has a positive effect on the total cost of ownership of TRATON GROUP products, the ability to address specific customer needs with tailored solutions such as after-sales and financing services, and the availability of technological innovations that drive major trends in the industry (i.e., alternative drives, connectivity, and autonomous driving). If the TRATON GROUP fails to successfully compete in changing markets, this may result in pricing pressure, loss of sales revenue, and lower margins.

The TRATON GROUP can address the fluctuation in the demand for its products with flexible production and labor concepts, among other measures. Furthermore, the international footprint of the TRATON GROUP helps to buffer market volatility that is limited to specific regions, at least to some extent. As a further option, we may implement structural adjustments if a market downturn cannot be addressed by temporary measures. Such adjustments may involve substantial nonrecurring expenses.

Operational risks

The TRATON GROUP's future success depends on its ability to correctly assess and respond to the industry's major trends with innovative, commercially attractive products, technologies, and services. Furthermore, growing climate and environmental awareness, increasingly strict energy efficiency and exhaust emissions regulations have resulted in a shift towards the development of commercial vehicles with alternative drive systems, and vehicles powered by alternative fuels or electricity. Timely innovations in disruptive trends like autonomous driving, digital connectivity, and electric powertrains provide

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business opportunities. Therefore, the TRATON GROUP is investing substantially in research and development. This may also involve partnerships and co-operation with suppliers or other organizations outside TRATON GROUP's core competencies.

The development of new products involves large and complex projects that are subject to various risks. These may result from several factors, including inaccurate assumptions with respect to planning and implementation costs, unexpected technical challenges, weaknesses in project design and management, or poor performance of third-party suppliers and partners. These factors, if they materialize, could result in cost overruns, delays in new product launches, delivery delays, quality issues, and damage to customer relationships. Substantial risks relating to the delayed ramp-up of sales of BEVs could lead to risks of TRATON's product portfolio not meeting the CO₂ and other emission regulations. To address these risks, the TRATON GROUP and its brands have set up a strategic planning process based on an analysis of trends in the market and business environment. The resulting product plans are used to manage TRATON GROUP's extensive research & development activities.

As commercial vehicle technology becomes increasingly complex, the risks from vehicle defects, cybersecurity and quality issues generally rise. Substandard quality may result in manufacturers' guarantee, statutory warranty, and ex gratia repair costs as well as the loss of market share or lower product margins. Moreover, if security issues arise, the software included in vehicles could impact the functionality of vehicles and jeopardize the safety of vehicle users and other traffic participants. The TRATON GROUP and its brands have implemented dedicated management systems aiming to prevent such risks (Cyber Security Management System and Software Update Management System). However, in severe cases, TRATON may be exposed to product recalls as well as product liability and compensation claims. Alternatively, superior product quality may strengthen the company's positioning within the competitive environment.

The impact of these factors may be further increased as the TRATON GROUP employs a modular system concept in the production of its vehicles. The Group's risk exposure with respect to product defects is further amplified because individual components are used in several vehicle types, models and brands. Conversely, the Modular System opens up various opportunities for the TRATON GROUP. These include economies of scale in production and procurement, as well as a better distribution of development costs.

In order to maintain high quality standards for its products and comply with government-prescribed safety and other standards, the company incurs costs for monitoring, certification, and quality assurance. The TRATON GROUP has implemented a comprehensive quality management system that begins at the product gestation stage and extends to manufacturing, suppliers, and in-life monitoring of the entire Group's products. Furthermore, TRATON generally records warranty provisions in its accounts based on past experience, known claims as well as technological progress and solutions for known quality issues.

A lack of availability of bought-in components, for example semiconductors, and increasing costs for energy and certain raw materials such as rare earth elements can lead to significant uncertainties for the TRATON GROUP. If suppliers are unable or unwilling to fulfil delivery obligations, for example due to supply shortages, tariffs, trade or regulatory barriers, labor strikes, capacity allocation to other customers, or financial distress, the TRATON GROUP would face risks of production downtimes and inventory backlogs. Moreover, any escalation of regional conflicts could trigger further disruptions in global supply chains and energy and commodity markets. TRATON has intensified monitoring of its supplier network as it relies heavily on the timely delivery of high-quality materials and components by its suppliers.

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In addition, the TRATON GROUP's corporate responsibility to respect human rights and the environment is anchored within its own business area and within the business relationships in its sphere of influence. TRATON's Policy Statement on Human Rights outlines its commitment to comply with applicable national and international human rights legislation. However, due to the TRATON GROUP's international business activities, risks in this regard cannot be completely ruled out.

The TRATON GROUP's success depends on the uninterrupted operation of its manufacturing activities. Unforeseen disruption of a production facility represents a risk and may be caused by a number of incidents — for example maintenance outage, power failure, equipment failure, fires, floods, social unrest or terrorist activity, labor difficulties, risks to public health, or other operational problems. Furthermore, accidents or technical faults in production facilities may cause hazardous substances to contaminate water, soil, and air. The TRATON GROUP has taken a variety of preventive and detective measures to mitigate these risks. These measures include preventive plant maintenance and servicing, regular checks by qualified personnel, on-site inspections, risk avoidance plans, hazardous substance management, and plant fire departments.

Due to the high level of competition in the commercial vehicle industry, efficiency improvements and cost savings are crucial to maintain competitiveness and profitability. The TRATON GROUP is focusing on significant long-term synergies from Group-wide cooperation initiatives in the areas of procurement, modularization of parts and components, shared drive platforms, new technologies, production and logistics sites, and research and development. Furthermore, TRATON has operational efficiency initiatives in place for each of its brands. However, there can be no assurance that these programs will yield the targeted improvements permanently, or that they will not entail higher implementation costs than expected.

The TRATON GROUP's business processes rely heavily on information technology. As well as opportunities for improving the efficiency and effectiveness of TRATON's operations, this also gives rise to risks. Parts of the infrastructure may fail as a result of accidents, disasters, technical damage, outdated technology, or cyberattacks, thereby impairing business processes or bringing them to a complete standstill. There is also the risk of unauthorized access to confidential business data and information stored on the company's IT systems or those of its business partners. In order to ensure the availability, integrity, and confidentiality of information, the TRATON GROUP uses a risk-based information security management system as well as a combination of the latest hardware and software technologies, effective IT organizational mechanisms, and an IT-related internal control system.

In addition, the company's business performance depends on the TRATON GROUP being able to stand out through its human resources strategy. Considering external factors such as demographic shifts, labor market volatility, and regulatory changes in employment law ensures that the strategic program remains adaptable and compliant. The TRATON GROUP leverages the strength of its brands, focuses on common prioritized topics, and uses joint resources effectively to enable the business to succeed. The key is to utilize the potential of the company's employees to achieve the strategic goals while mitigating potential challenges such as the loss or non-utilization of expertise. Attracting, developing, and retaining talent is therefore of crucial importance. Enhancing recruitment, people development and employee-retention strategies allows TRATON to mitigate risks of talent shortages and presents opportunities to attract, hire, develop, and retain experienced management and personnel for the Group. TRATON's management team has substantial expertise and industry experience, and the loss of key members of management or employees with critical core competencies may adversely impact the TRATON GROUP's ability to execute its strategic objectives. Attracting and retaining these employees depends on a variety of factors. Therefore, TRATON has set the goal of becoming and remaining an employer of choice. These factors include a strong organizational culture, flexible working opportunities, various compensation and benefit programs, an attractive work environment, good career development opportunities, a strong commitment to diversity, high health and safety standards, and a positive public image.

Legal & compliance risks

The TRATON GROUP is involved in various legal disputes and legal proceedings in the ordinary course of its business. Some of the associated risks are considerable. See the "Important legal cases" section for further information. Furthermore, the company may be subject to proceedings by governmental authorities if it fails to comply with laws and regulations. In connection to its global business operations, the TRATON GROUP must comply with a broad range of legal and regulatory requirements in areas such as anti-bribery, corruption, and money-laundering. Violations are punishable by civil penalties as well as criminal fines and imprisonment. Furthermore, any violation could negatively affect the Group's reputation.

In particular, the TRATON GROUP is subject to antitrust regulation in the European Union and other jurisdictions and thus exposed to the risks of related enforcement actions and damage claims. Competition in the commercial vehicle industry is increasingly concentrated, which is why it is subject to heightened scrutiny by antitrust authorities. An infringement of antitrust regulations could adversely affect the TRATON GROUP in a variety of ways, including significant fines, private enforcement claims, disclosure of and changes in business practices, and reputational damage.

The TRATON GROUP is subject to data protection regulations with respect to, among other things, the use and disclosure of personal data, and the confidentiality, integrity, and availability of such information. In particular, TRATON SE is subject to the stringent requirements of the EU's General Data Protection Regulation (GDPR), which entered into force in May 2018. If TRATON fails to comply with the requirements of this regulation, this could result in claims for damages and other liabilities, significant fines and other penalties, as well as the loss of customers and reputation.

The TRATON GROUP's global footprint and large number of products and services expose us to risks arising from breaches of the company's patents by third parties, or the unauthorized disclosure of company-specific TRATON expertise by third parties. To address these risks, the company reviews the specific legal situation in each case, if appropriate, with the support of external legal advisors. This enables TRATON to defend itself against unjustified claims and to assert own claims. Further, the TRATON GROUP has set up and is continuously enhancing a comprehensive compliance program with a special focus on combating corruption, antitrust law, preventing money laundering, and business and human rights, among other things.

Financial risks

Due to its global business activities and international nature, the TRATON GROUP is exposed to considerable financial risks. The prevailing geopolitical uncertainties, such as the war in Ukraine, tensions between the US, the EU, China, and other countries regarding trade barriers, and the conflict in the Middle East, are affecting exchange rate risks, liquidity risks, interest rate risks, and commodity price risks. The TRATON GROUP manages these risks using a Group-wide financial risk management system.

If the TRATON GROUP carries out transactions in a currency other than its functional currency, it is exposed to currency risk. The TRATON GROUP therefore partly hedges currency risk arising from receivables and liabilities, and from the existing order backlog, and planned unit sales. The inclusion of subsidiaries or other affiliated companies in countries outside the eurozone in the consolidated financial statements represents a risk and an opportunity as a result of currency translation. As a general rule, TRATON does not use derivatives to hedge these translation risks.

Interest rate risk results from interest rate-sensitive assets and liabilities. The goal of interest rate risk management is to largely reduce these risks through the use of derivative financial instruments.

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The manufacture of the TRATON GROUP's products requires commodities. Price trends on the commodity markets or price escalation clauses in supplier contracts may entail commodity price risks. These risks are managed through long-term supplier contracts, price escalation clauses in customer contracts, and targeted commodity price hedging in the banking market.

Liquidity risk describes the risk that the TRATON GROUP may have difficulties in meeting obligations associated with financial liabilities. To always ensure sufficient liquidity, cash inflows and outflows are continuously monitored and managed. In addition, changes in the TRATON GROUP's liquidity are monitored using a detailed financial plan. The TRATON GROUP's financial management manages automated cash pools, wherever legally and economically appropriate and feasible.

For external financing purposes, the opportunities available on the financial market are tracked continuously to ensure the TRATON GROUP's financial flexibility. Additionally, the TRATON GROUP has access to Volkswagen Group intragroup financing.

Credit risk is the risk that a party to a contract will fail to meet its contractual obligations as a result of its own financial situation or the political environment, thereby causing a financial loss for the TRATON GROUP. The credit risk is reduced through the careful selection of business partners, through appropriate contractual and payment terms, and through guarantees and documentary credits. In addition, central cash management functions and a central limit allocation system are used to distribute investments of cash funds across financial institutions.

The TRATON GROUP is exposed to a risk of impairment affecting earnings if equity-method investments are impaired.

The company grants its employees pension commitments and other long-term benefits. The present value of these liabilities depends largely on the discount rate used to discount future benefits, the inflation rate as the basis of future benefit adjustments, expected salary trends, the development of health and nursing care insurance contributions, the contribution payments to be made, and the life expectancy of the beneficiaries. In order to reduce the financial risks inherent in pension commitments, some of the TRATON GROUP's pension plans are funded on a mandatory or voluntary basis through pension plan assets that can be offset against pension plan liabilities in the balance sheet. The fair value of plan assets can be negatively impacted, in particular, by changes in exchange rates, interest rates, credit risks, and securities prices. Any significant increase in the present value of pension commitments and other long-term benefits granted by TRATON to its employees and/or significant reductions in the fair value of plan assets could materially adversely affect the TRATON GROUP's net assets, financial position, and results of operations.

The TRATON GROUP's financial planning is based on assumptions made by the Group's management. These assumptions relate to business developments or other external factors that are difficult to predict or cannot be influenced by TRATON, as well as measures, some of which still have to be implemented. There is therefore a risk that the planning assumptions may be incomplete or incorrect, and that a variance between the planned and actual outcomes may arise. Opportunities for TRATON may materialize if actual developments differ from expected developments in a positive way.

Furthermore, the TRATON GROUP is subject to income and other taxes in multiple jurisdictions. Provisions for income, sales, value-added, and other taxes, including withholding taxes, are primarily determined on the basis of responsible judgment and estimates of tax bases. Accordingly, in the ordinary course of our business, there are various transactions and calculations, including, for example, intercompany transactions and cross-jurisdictional transfer pricing

and transactions with specific documentation requirements, for which the final tax assessments are or the timing of the tax effect is subject to some uncertainty.

TRATON is regularly subject to tax audits conducted by the tax authorities responsible, which may disagree with the tax positions that have been included. Even if the TRATON GROUP considers the reported tax positions appropriate, an external tax audit may affect the tax positions reported. As a result, TRATON may be subject to additional tax liabilities, interest, penalties, or any regulatory, administrative, or other sanctions relating thereto.

Aggregated representation on the basis of risk categories

The Combined Management Report outlines risks that could have a significant impact on the achievement of the company's goals based on financial criteria as well as on the society and the environment. The ERM process defines brand-specific thresholds for internal risk reporting in the net risk impact amount of between €7.5 million and €15 million. These criteria are validated on a regular basis and adjusted if necessary.

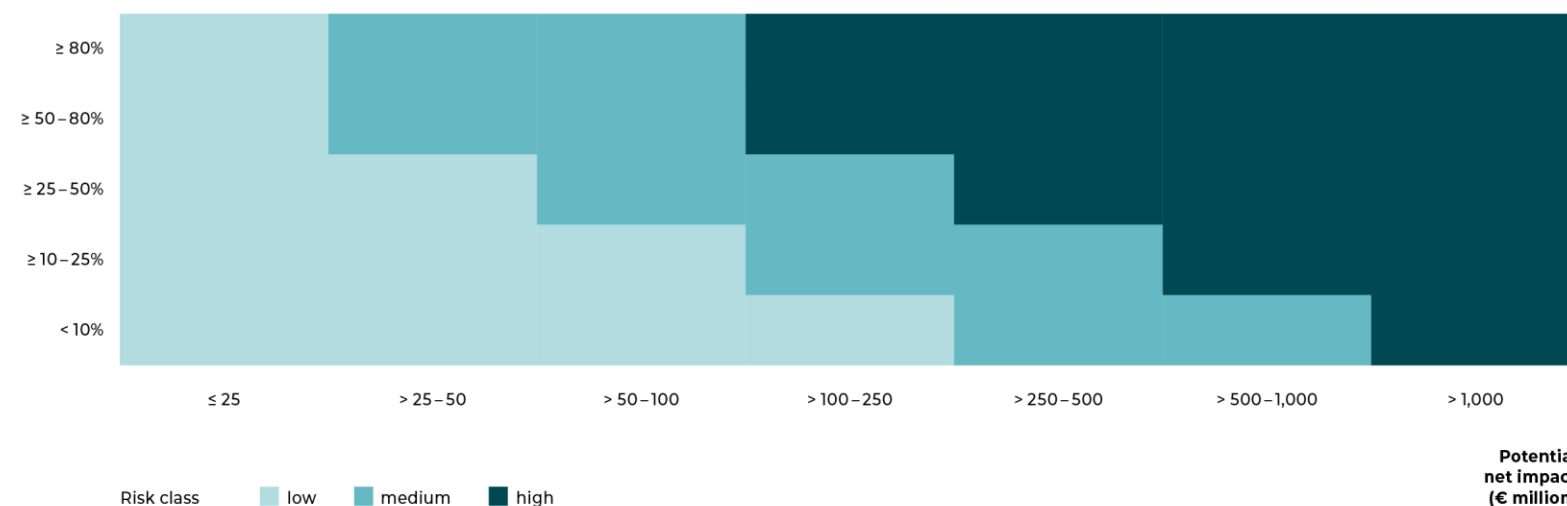
For risk aggregation purposes, we run a Monte Carlo simulation. As part of this process, we analyze the identified risks' potential impact and probability of occurrence considering any risk-mitigating measures that may have already been implemented. The outcome of the Monte Carlo simulation for each risk category is then set in relation to the TRATON GROUP's planned operating result to calculate the corresponding risk class. The matrix below forms the basis of this process. If there are more risks or if they have a higher net impact, the risk class itself is higher, while a planned higher operating result with an unchanged risk assessment results in a lower risk class.

Risks belonging to the "Strategic Risks" category usually have a long-term effect, which is difficult to quantify in the short term. TRATON therefore does not quantify these risks. The risk class for strategic risks is assessed through expert opinion.

The aggregated risk situation of the reported risks for each risk category is represented in the following table on the basis of the three risk classes (Low, Medium, High) and the risk categories described above:

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Likelihood



Risk category	Risk Class – 2025 Annual Report	Risk Class – 2024 Annual Report
Strategic risks	High	High
Market risks	High	Medium
Operational risks	High	High
Legal & compliance risks	High	High
Financial risks	High	High

The current geopolitical environment, uncertainty surrounding emissions regulations, increasing trade barriers, challenges in supply chains, and future developments regarding the costs of bought-in components, energy, and raw materials, are all contributing to a continued high level of uncertainty. This means that the Strategic Risks, Operational Risks, Legal & Compliance Risks, and Financial Risks categories are assessed as “High”, which is unchanged compared with the previous year. The “Market Risks” category is now rated as high rather than medium, in particular because a difficult market environment is expected.

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Overall assessment of the TRATON GROUP's risk and opportunity position

According to its own evaluation, risks in the market risks category have the most considerable impact on the TRATON GROUP. In addition to the general cyclicity of and intense competition in the commercial vehicle industry, these also include the economic environment. Growing geopolitical tensions between the US, the EU, China, and other countries are leading to increasing trade barriers and protectionist measures (e.g., new or increasing tariffs by the US administration or possible worldwide retaliatory measures). These may have a negative impact on sales volumes and sales margins. In the area of Strategic Risks, the requirements and risks arising from the CO₂ emissions regulation in the EU, as well as uncertainty about CO₂ and nitrogen oxides (NO_x) rules in North America, remain a particular focus. Operational risks chiefly comprise supply chain risks, risks in conjunction with EU CO₂ penalties for exceeding fleet limits, and general raw material cost increase risks. Whereas operational business risks posed the greatest risk to TRATON in the 2024 Annual Report, they are less pronounced than market risks in the reporting period. Legal & Compliance Risks comprise mainly litigation risks involving the TRATON GROUP. Among the Financial Risks, future currency developments continue to be an area of considerable uncertainty that may have both a positive and a negative effect on the TRATON GROUP.

Overall, the TRATON GROUP is exposed to significant levels of uncertainty that it can influence only partially. In the aggregate, the described risks generally outweigh the corresponding opportunities. TRATON has determined that there are no risks that could endanger its continued existence, either individually or in combination with other risks.

In light of the highly dynamic nature of the current business environment, the company will continue to closely monitor its principal risks and opportunities in the future.

Important legal cases

MAN and Scania/EU antitrust proceedings

In July 2016, the European Commission reached settlements (the "Settlement Decision") with MAN and four other European truck manufacturers (excluding Scania) finding collusive arrangements on pricing and the timing and the passing on of costs for emission technologies for medium- and heavy-duty trucks from January 17, 1997, to January 18, 2011 (for MAN: until September 20, 2010). MAN was granted immunity from fines since it had revealed these practices to the European Commission in September 2010. Scania decided not to apply for leniency and not to settle this antitrust case and, by decision of the European Commission dated September 27, 2017 (the "Scania Decision"), received a fine in the amount of approximately €880.5 million. Scania appealed the Scania Decision to the General Court of the European Union and asked for full annulment. On February 2, 2022, the General Court rendered its judgment, whereby Scania's appeal was dismissed in its entirety and the amount of fines set by the European Commission upheld. On April 8, 2022, Scania appealed against the judgment of the General Court of the European Union from February 2, 2022, to the European Court of Justice. The €880.5 million fine plus interest from the EU antitrust proceedings was paid on April 12, 2022, to avoid additional interest penalties. On February 1, 2024, the European Court of Justice decided to dismiss Scania's appeal. Following the Settlement Decision, a significant number of (direct and indirect) truck customers in various jurisdictions have initiated or joined lawsuits against MAN and/or Scania. With the merger of MAN SE with TRATON SE taking effect, TRATON SE has — in most jurisdictions — automatically assumed the procedural role of MAN SE as legal successor in the respective proceedings (and is insofar covered by "MAN-companies"). Even if such claims may have expired under the respective applicable local laws, it cannot be excluded that further lawsuits will be filed. The claims against MAN companies differ significantly in scope; while some truck customers only bought or leased a single truck, other cases concern a multitude of trucks. Furthermore, some truck customer damages claims have been combined in class actions or through claim aggregators to which the truck customers assigned

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their respective damages claims. A number of (direct and indirect) customers in various jurisdictions have initiated or joined lawsuits against Scania. Further, Scania has received a number of third party notices from other defendant commercial vehicle manufacturers. As is the case for MAN, the claims against Scania differ significantly in scope as some customers only bought or leased one truck while others operate a whole fleet of commercial vehicles. Furthermore, some customer damages claims in other jurisdictions have been combined in class actions or through claim aggregators.

MAN and Scania take the view that there are well-founded arguments against such claims and take appropriate steps to defend themselves. However, it cannot be excluded that these claims result in substantial liabilities for MAN and/or Scania including significant costs for their defense, which may have a material adverse effect on MAN's and/or Scania's financial results, cash flows and financial positions. Given the inherently complex nature of these claims and the different stages of the proceedings (with a number of cases still in a rather early stage), it is not possible to make a reliable estimate of the total liability that may arise from these claims. MAN and Scania are continuously monitoring the development and re-assesses the respective risks on a regular basis.

TRATON recognized a negative impact on its operating result in the amount of €173 million (€162 million) for cases in which, as a result of a reassessment of the risks, a final and unappealable ruling under which MAN or Scania would have to pay damages is more likely than unlikely at present. In accordance with IAS 37 *"Provisions, Contingent Liabilities and Contingent Assets"* (paragraph 92), no further information is disclosed so as not to prejudice TRATON's position.

VW Truck & Bus Ltda.

In the tax proceedings between Volkswagen Truck & Bus Indústria e Comércio de Veículos Ltda. (VW Truck & Bus Ltda.), formerly MAN Latin America Indústria e Comércio de Veículos Ltda. (MAN Latin America), and the Brazilian tax authorities, the Brazilian tax authorities took a different view of the tax implications of the acquisition structure chosen by MAN SE (now merged with TRATON SE) for the acquisition of VW Truck & Bus Ltda. in 2009. The tax proceedings have been divided into two auditing periods, covering the years 2009–2011 (Phase 1) and 2012–2014 (Phase 2). In December 2017, an adverse last instance judgment was rendered by the Brazilian Administrative Court (Phase 1), which was negative for VW Truck & Bus Ltda. VW Truck & Bus Ltda. appealed this judgment before a regular judicial court in 2018. This lawsuit was dismissed in 2019, and an appeal was filed against the dismissal. The appeal was then rejected in June 2023, and a petition for review was filed in July 2023. In the tax proceeding related to Phase 2, a partial success was achieved that partly reduced the penalties. An appeal against this decision was filed, which was rejected in September 2023, thus concluding the Administrative Court proceedings. As a result of a new law regarding the handling of casting vote decisions in September 2023, VW Truck & Bus Ltda. filed an objection to the determinations in October 2023. In May 2024, the amendment to the law already resulted in a significant reduction in penalties in Phase 2, and in November 2024 the complete abolition of isolated and qualified penalties in Phase 2 was finally achieved. In May 2025, the Brazilian Office of the Attorney General of the National Treasury reviewed Phase 1 of the proceedings. As a result of this review, the amount in dispute was reduced due to the partial removal of penalties, the associated interest, and the related legal costs.

Due to the potential range of penalties plus interest which could apply under Brazilian law, the estimated size of the risk in the event that the tax authorities are able to prevail overall with their view is uncertain. As a result of the partial success in Phase 1, the risk has been reduced from approximately BRL 3.1 billion (€477 million; conversion as at December 31, 2024) to around BRL 2.4 billion (€366 million; conversion as at December 31, 2025) for the total contested period from 2009 onwards.

MAN SE merger squeeze-out

The merger of MAN SE with TRATON SE was entered in the commercial register of MAN SE and TRATON SE on August 31, 2021. With this, MAN SE ceased to exist as an independent legal entity, and all rights and obligations were transferred to TRATON SE. MAN SE shares were delisted at the same time.

Cash compensation in the amount of €70.68 per common and preferred share was paid out to MAN SE noncontrolling shareholders on September 3, 2021. This marked the conclusion of the MAN SE merger squeeze-out. The appropriateness of the cash compensation will be reviewed by a court-appointed auditor as part of the judicial award proceedings initiated by affected noncontrolling interest shareholders as applicants.

By way of a ruling dated December 20, 2024, which is not yet final, the Regional Court of Munich I increased the cash compensation to €79.71 per common and preferred share. Various applicants as well as TRATON SE appealed against this ruling in January 2025. The appeal proceedings are currently pending in the second instance at the Bavarian Higher Regional Court. Expenses of €3 million (€98 million) were recognized for this transaction in other financial income and interest expense in fiscal year 2025.

Nonfinancial Group Statement

TRATON SE is exercising its option under section 315b(2) of the HGB to exempt itself from the requirement to issue a nonfinancial Group statement and refers to the combined nonfinancial statement of the Volkswagen Group and Volkswagen AG for fiscal year 2025, which is part of the Group Management Report in the Volkswagen Group's 2025 Annual Report. This will be available at <https://www.volkswagen-group.com/Financial-Reports> as of March 10, 2026.

Comprehensive information on the TRATON GROUP's sustainability activities can also be found in the [Sustainability Report](#) chapter.

EU Taxonomy disclosures

1. Background and objectives

Under the European Green Deal, the European Union (EU) has put the issues of climate change mitigation, environmental protection, and sustainability at the center of its political agenda. It has defined the goal of achieving climate neutrality by 2050. In this context, the EU published the Strategy on Financing the Transition to a Sustainable Economy in 2021 in order to support the financing of the transformation to a sustainable economy. This strategy is based on the 2018 EU action plan on financing sustainable growth. It aims to reorient capital flows toward sustainable investments, mainstream sustainability into risk management, and foster transparency and long-termism. The action plan consists of ten actions and has as its core Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (Regulation 2020/852)¹, as well as the related delegated acts (hereinafter referred to collectively as "EU Taxonomy").

The EU Taxonomy is a classification system for sustainable economic activities. Economic activities that fall under the EU Taxonomy, and are thus taxonomy-eligible, are those that are described in the delegated acts and for which technical screening criteria are available for one of the six environmental objectives. Economic activities are deemed to be environmentally sustainable, and thus taxonomy-aligned, if they make a substantial contribution to the achievement of at least one of six environmental objectives ("substantial contribution"), do not significantly harm (DNSH) one or more environmental objectives (substantial contribution and DNSH are together referred to as "technical screening criteria"), and also meet certain minimum safeguards that apply to all economic activities with a primary focus on human rights and social and labor standards. The six environmental objectives relate to:

- Climate change mitigation
- Climate change adaptation
- The sustainable use and protection of water and marine resources
- The transition to a circular economy
- Pollution prevention and control
- The protection and restoration of biodiversity and ecosystems

¹ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088

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All other economic activities are taxonomy-non-eligible economic activities.

2. Reporting on fiscal year 2025

For fiscal year 2025, the TRATON GROUP is reporting on the six environmental objectives mentioned above in accordance with Article 8 of Regulation 2020/852 and Article 10(4) of the Delegated Regulation on Article 8 of the aforementioned Regulation, including Delegated Regulation (EU) 2026/73 of July 4, 2025. With the entry into force of Delegated Regulation (EU) 2026/73, various simplifications were enacted with regard to the substance and presentation of the information to be reported. In particular, the associated reduction in the complexity of the DNSH criterion for preventing and controlling pollution means that TRATON can again provide evidence of full compliance with the DNSH criterion for all Scania and MAN sites included in the analysis and can therefore report taxonomy-aligned sales revenue, capital expenditure, and operating expenditure. In the previous year, it was not possible to demonstrate full compliance with the aforementioned DNSH criterion. The comparative figures for the previous year were not retroactively adjusted to reflect the simplifications introduced by Delegated Regulation (EU) 2026/73.

In addition, the EU Taxonomy contains wording and terms that are subject to interpretation uncertainties and could lead to changes in the reporting if they are subsequently clarified by the EU. There is a risk that the reported key performance indicators must be assessed differently. The TRATON GROUP's interpretation is presented in the following.

3. Economic activities of the TRATON GROUP

With its four brands Scania, MAN, International, and Volkswagen Truck & Bus, the TRATON GROUP is one of the world's leading manufacturers of commercial vehicles. The portfolio consists of trucks, buses, and light-duty commercial vehicles, as well as the sale of spare parts and customer services. In addition, the TRATON GROUP offers a broad range of financial services to its customers. The TRATON GROUP's activities are divided into the industrial business (TRATON Operations) and financial services (TRATON Financial Services) business areas.

3.1 Taxonomy-eligible economic activities

The TRATON GROUP's economic activities were analyzed based on its business model as a manufacturer of commercial vehicles and fall under code C.29.10 (Manufacture of motor vehicles and motor vehicle engines) of the EU's Statistical Classification of Economic Activities (NACE).

In terms of the "climate change mitigation" environmental objective pursuant to Annex I to Regulation 2020/852, this means that the economic activities related to the manufacture, repair, maintenance, retrofitting, or upgrade of vehicles are allocated to economic activity 3.3 "Manufacture of low-carbon technologies for transport." The allocation of economic activity is independent of the drive technology of the underlying vehicle.

In detail, the manufacture and related selling activities for all new and used vehicles (including the sale of leased used vehicles) as well as financial services are allocated to economic activity 3.3 under the "climate change mitigation" environmental objective. In addition, service activities such as maintenance and repair, including the genuine parts used for this purpose, are also allocated to this economic activity.

In contrast, economic activities where TRATON acts as dealer of vehicles or as supplier of components and parts for non-battery-electric vehicles are assigned to the taxonomy-non-eligible activities. They relate to economic activities for vehicles not manufactured internally being sold by the TRATON GROUP brands as well as those in connection with engines, powertrains, and parts deliveries.

Hedging transactions and individual activities that are reported in the "Other sales revenue" item in the Consolidated Financial Statements as of December 31, 2025, do not conform to the descriptions of economic activities in the delegated acts and are therefore classified as taxonomy-non-eligible.

In the course of an analysis of economic activity within the framework of the EU Taxonomy, no activities were identified for TRATON that specifically account for any of the five other environmental objectives. However, the dynamic evolution of EU Taxonomy rules may lead to modifications of economic activities in the future.

3.2 Taxonomy-aligned economic activities

Substantial contribution

The criteria for assessing the substantial contribution of economic activity 3.3 defined in Annex I to Regulation 2020/852 are based on the relevant vehicle classes and the associated CO₂ emissions and drive technologies. For the TRATON GROUP, all internally produced, all-electric vehicles (BEVs) meet the criteria for a significant contribution. This means that economic activities associated with BEVs make a significant contribution to climate change mitigation.

DNSH criteria

The analysis of the DNSH criteria was conducted at the level of the relevant sites. In addition to production sites, component plants and research & development units that are associated with vehicles that meet the technical screening criteria for substantial contribution, or will do so in the next five years, were also analyzed. The majority of the sites included in the analysis are located in countries within the EU, in the USA, and in South America. Our production site in Rugao, China, was not conclusively assessed due to the ongoing changes in its operational and organizational structure. The EU Taxonomy is subject to interpretation uncertainties with regard to the DNSH criteria and poses particular challenges for sites outside the EU due to the potentially different legal situation there.

The assessment of the DNSH criteria was based on the requirements applicable in the EU in 2025 for ongoing business operations as well as on internal policies and processes. Country-specific requirements and internal processes were used for sites outside the EU. In contrast to the previous year, when it was not possible to demonstrate full compliance with the DNSH criterion for the prevention and control of pollution, the assessment of the DNSH criteria for the Scania and MAN brands' sites included in the analysis was completely positive. This is due to simplifications enacted in 2025 affecting the substance and presentation of the information to be reported. See also the [Reporting on fiscal year 2025](#) section. The TRATON GROUP's approach to assessing the DNSH criteria is presented in detail in the following.

Climate change adaptation

A climate risk and vulnerability assessment was performed to identify sites that could be impacted by physical climate risks. The assessment of the chronic and acute physical climate risks analyzed was performed in line with the useful life of the relevant assets in relation to economic activity 3.3. TRATON's climate-based DNSH assessment is based on Shared Socioeconomic Pathway (SSP) 8.5 of the 6th Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) up to the year 2050 and thus assumes the highest expected CO₂ concentration according to the IPCC. In addition, risk-specific analyses were conducted with additional data sources based on the exact locations. Identified threats were assessed for relevance in the local environment, and any necessary risk mitigation measures were developed.

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The sustainable use and protection of water and marine resources

Environmental impact assessments, ISO 14001 certificates, local legislation, internal policies and processes, and other external data sources were used to analyze compliance with the DNSH criterion. To achieve good water status and good ecological potential, risks of environmental damage related to maintaining water quality and avoiding water scarcity were identified and analyzed. Countermeasures have been implemented at sites with an increased risk.

The transition to a circular economy

Sustainability is an established concept within the TRATON GROUP brands. The transition to a circular economy is defined in the strategic focus areas specified by TRATON. Specifically, a review was carried out at the level of the brand in question to determine the extent to which local legislation or internal rules cover the specific requirements.

Pollution prevention and control

In order to be considered environmentally sustainable, an economic activity cannot result in a substantial increase in air, water, or ground pollution compared to the levels before it began. The automotive industry is already extremely regulated on the whole — among other things, this is reflected in the publicly accessible Global Automotive Declarable Substance List (GADSL). Implemented approval and control processes are designed to ensure compliance with the legal requirements and internal regulations applicable to ongoing business operations. In this context, we are already actively addressing the use of alternative, less harmful substances in our analyses and assessments.

TRATON has established processes and standards that aim to minimize and substitute the use of substances of very high concern (SVHCs). As part of our analysis to assess the substitutability of SVHCs, we include the vehicle-related materials and components as well as their suppliers. Among other things, we consider technical and economic criteria. Our current processes are founded on our suppliers complying with TRATON's Supplier Code of Conduct and its updates. The Code of Conduct is an integral part of our long-term strategy for supplier relations. Suppliers are automatically notified about changes to our standards and our Code. For the Scania and MAN brand sites that were included in full in the analysis, the audit yielded a positive result, as they have already implemented cross-company processes to restrict the use of SVHCs. Evidence of compliance could not be provided for the other brand sites.

The protection and restoration of biodiversity and ecosystems

To verify compliance with the requirements governing biodiversity and ecosystems, the relevant areas were identified using various information sources (including Natura 2000 areas and environmental impact assessments). To the extent that biodiversity-sensitive areas are close to a site, an assessment of the associated risks and impacts on the area was performed. If necessary, compensatory or remedial measures are generally taken to ensure that the business activity has no significant impact on the conservation objectives of the protected area.

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Minimum safeguards

Minimum safeguards ensure compliance with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the fundamental principles and rights from the eight core conventions set out in the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, and the guiding principles from the International Bill of Human Rights. The analysis was based on the recommendations on minimum safeguards issued by the Platform on Sustainable Finance in October 2022. They require TRATON to have in place effective processes, controls, and compliance measures with regard to the following four core topics:

- Human rights, including workers' rights
- Bribery/corruption
- Taxation
- Fair competition

The TRATON GROUP is guided by the implementation of its duty to ensure respect for human rights as required by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. This is reflected in various Group-wide policies and our Code of Conduct. Additionally, the TRATON GROUP recognizes the International Bill of Human Rights and bases its approach to human rights issues on the UN Guiding Principles on Business and Human Rights and the ILO core conventions.

Regular risk analyses identify, assess, and take action to prevent, terminate, and mitigate negative impacts in our own business activities and within the supply chain. The effectiveness of the implementation of the underlying regulations is reviewed with the help of the internal control system (ICS). Regular Group-wide communication relating to compliance and integrity takes place across hierarchical levels and brands using various channels and promotes employee awareness of ethical behavior. In addition, TRATON has various whistleblower channels for reporting violations at any time, in all languages, and anonymously if desired. As a result, TRATON ensures that the minimum safeguard requirements are met.

4. Key performance indicators pursuant to the EU Taxonomy

The key performance indicators (KPIs) for fiscal year 2025 included the taxonomy-aligned turnover, capital expenditure (capex), and operating expenditure (opex) of the TRATON GROUP. Only transactions with third parties have been taken into account. Turnover, capital expenditure, and operating expenditure relate in full to the "climate change mitigation" environmental objective.

To determine the percentages, the taxonomy-eligible and taxonomy-aligned turnover, capital expenditure, and operating expenditure are each set in relation to total turnover, total capital expenditure, and total operating expenditure within the meaning of the EU Taxonomy.

The tables required by the EU Taxonomy are shown at the end of the chapter.

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4.1 Turnover

	Turnover		Substantial contribution to climate change mitigation		Compliance with DNSH criteria	Compliance with minimum safeguards	Taxonomy-aligned turnover	
	€ million	% ¹	€ million	% ¹	Y/N	Y/N	€ million	% ¹
2025								
A. Taxonomy-eligible activities								
3.3 Manufacture of low-carbon technologies for transport	40,972	93%	1,191	3%	Y/N	Y	1,005	2%
B. Taxonomy-non-eligible activities	3,080	7%						
Total (A+B)	44,052							

¹ The percentage amount shown relates to the total turnover as defined by the EU Taxonomy.

Turnover was calculated on the basis of the sales revenue (denominator) reported in the income statement for the period from January 1 to December 31, 2025, in the Consolidated Financial Statements as of December 31, 2025, which amounted to €44.1 billion in fiscal year 2025.

Economic activity 3.3 accounted for €41.0 billion of this total, or 93% of the TRATON GROUP's sales revenue, which was classified as taxonomy-eligible turnover. This includes in particular revenue from the sale, lease, and financing of new and used vehicles manufactured internally, as well as revenue from genuine parts and workshop services. By contrast, revenue from the sale of vehicles that are not manufactured internally or revenue in connection with engines, powertrains, and parts deliveries is not included. Other taxonomy-non-eligible turnover is contained in the "Other sales revenue" item in the Consolidated Financial Statements as of December 31, 2025.

In fiscal year 2025, TRATON reports taxonomy-aligned sales revenue of €1.0 billion, or 2%, whereas there was no taxonomy-aligned sales revenue in the previous year. The change compared with the previous year is due to the introduction of new rules. See also the sections [Reporting on fiscal year 2025](#) and [DNSH criteria](#).

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The following table contains a breakdown of taxonomy-aligned turnover:

€ million	2025	2024
Taxonomy-compliant revenue from battery-electric new vehicles	961	–
Other taxonomy-compliant revenue	44	–
Total	1,005	–

4.2 Capital expenditure

2025	Capital expenditure		Substantial contribution to climate change mitigation		Compliance with DNSH criteria	Compliance with minimum safeguards	Taxonomy-aligned capital expenditure	
	€ million	% ¹	€ million	% ¹	Y/N	Y/N	€ million	% ¹
A. Taxonomy-eligible activities								
3.3 Manufacture of low-carbon technologies for transport	5,129	97%	761	14%	Y/N	Y	690	13%
B. Taxonomy-non-eligible activities	163	3%						
Total (A+B)	5,292							

¹ The percentage amount shown relates to the total capital expenditure as defined by the EU Taxonomy.

Capital expenditure was calculated on the basis of additions included in the Consolidated Financial Statements as of December 31, 2025, and additions from business combinations to intangible assets, property, plant, and equipment, and assets leased out, which amounted to €5.3 billion in fiscal year 2025. Additions to goodwill are not included in the denominator.

Economic activity 3.3 accounted for €5.1 billion of this total, or 97% of the TRATON GROUP's capital expenditure classified as taxonomy-eligible. This includes in particular capital expenditure related directly to taxonomy-eligible economic activities. Capital expenditure on administration or distribution primarily benefits taxonomy-eligible economic activities and has therefore been included. By contrast, capital expenditure incurred in connection with vehicles not manufactured internally or the business with engines, powertrains, and parts deliveries is taxonomy-non-eligible. Also excluded is capital expenditure on investment property since it is not economically required by TRATON to manufacture low-carbon technologies for transport.

In fiscal year 2025, TRATON reports taxonomy-aligned capital expenditure of €690 million, or 13%, whereas there was no taxonomy-aligned capital expenditure in the previous year. The change compared with the previous year is due to the introduction of new rules. See also the sections [Reporting on fiscal year 2025](#) and [DNSH criteria](#).

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The following table contains a breakdown of taxonomy-aligned capital expenditure:

€ million	2025	2024
Attributable to intangible assets	315	–
Attributable to property, plant and equipment	232	–
Attributable to leased assets	143	–
Taxonomy-compliant capital expenditures for the reporting year	690	–

4.3 Operating expenditure

	Operating expenditure		Substantial contribution to climate change mitigation		Compliance with DNSH criteria	Compliance with minimum safeguards	Taxonomy-aligned operating expenditure	
	€ million	% ¹	€ million	% ¹	Y/N	Y/N	€ million	% ¹
2025								
A. Taxonomy-eligible activities								
3.3 Manufacture of low-carbon technologies for transport	1,943	97%	266	13%	Y/N	Y	229	11%
B. Taxonomy-non-eligible activities	54	3%						
Total (A+B)	1,996							

¹ The percentage amount shown relates to the total operating expenditure as defined by the EU Taxonomy.

Operating expenditure is determined on the basis of noncapitalized research & development costs. These are calculated by subtracting capitalized development costs from primary R&D costs. The calculation of the denominator of the KPI includes the following:

- Maintenance expenses for owned or leased real estate and other assets
- Expenses attributable to short-term leases (up to twelve months) and not recognized as right-of-use assets in the balance sheet

The TRATON GROUP's total operating expenditure as defined by the EU Taxonomy amounted to €2.0 billion in the year under review.

Economic activity 3.3 accounted for €1.9 billion of this total, or 97% of the TRATON GROUP's operating expenditure, which was classified as taxonomy-eligible. This only included operating expenditure incurred in direct connection with taxonomy-eligible economic activities. Operating expenditure related to taxonomy-non-eligible economic activities, such as the business with engines, powertrains, and parts deliveries, has therefore not been included in the numerator.

In fiscal year 2025, TRATON reports taxonomy-aligned operating expenditure of €229 million, or 11%, whereas there was no taxonomy-aligned operating expenditure in the previous year. The change compared with the previous year is due to the introduction of new rules. See also the sections [Reporting on fiscal year 2025](#) and [DNSH criteria](#).

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The following table contains a breakdown of taxonomy-aligned operating expenditure:

€ million	2025	2024
Taxonomy-compliant operating expenses from non-capitalized research & development costs related to battery-electric vehicles	201	–
Other taxonomy-compliant operating expenses	28	–
Total	229	–

4.4 Disclosures on the capex plan

Under the EU Taxonomy, taxonomy-aligned capital expenditure in the reporting year is divided into a) capital expenditure relating to assets or processes already associated with environmentally sustainable economic activities and b) capital expenditure that is part of a plan to expand taxonomy-aligned economic activities, or to upgrade taxonomy-eligible economic activities to taxonomy-aligned economic activities (capex plan). The capex plan includes the aggregated capital and operating expenditure incurred and expected to be incurred during the reporting period and within the next five years to expand taxonomy-aligned economic activities or to upgrade taxonomy-eligible economic activities to taxonomy-aligned economic activities.

In the course of the allocation, all taxonomy-aligned additions to assets leased out (primarily vehicle leases) were entirely taken into account as capital expenditure that was already associated with environmentally sustainable economic activities because the underlying vehicles are already manufactured and taxonomy-aligned. These were therefore not included in the capex plan. By contrast, taxonomy-aligned additions to intangible assets and to property, plant, and equipment as well as noncapitalized research & development costs are allocated to the capex plan on a pro rata basis with the help of the allocation key. The allocation key compares the ratio of the production volume of taxonomy-aligned vehicles for the reporting year in question with the average taxonomy-aligned production volume under the five-year plan. The proportion over and above is allocated to the capex plan. As a result, €482 million of the taxonomy-aligned capital expenditure for the reporting year is allocated to the capex plan, while €177 million of the taxonomy-aligned operating expenditure is allocated to the capex plan. The total capital expenditure of the capex plan incurred in the reporting period and expected to be incurred during the five-year planning period amounts to €9.2 billion.

4.5 Table overview according to the EU Taxonomy

Proportion of turnover, capital expenditure, and operating expenditure from products or services associated with taxonomy-eligible or taxonomy-aligned economic activities

KPI	Total	Breakdown of taxonomy-aligned activities by environmental objective													
		Proportion of taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of taxonomy-aligned activities	Climate change mitigation	Climate change adaptation	Water	Circularity	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Activities not assessed that are not considered material	Taxonomy-aligned activities in the 2024 reporting period	Proportion of taxonomy-aligned activities in the 2024 reporting period
	€ million	%	€ million	%	%	%	%	%	%	%	%	%	%	€ million	%
Turnover	44,052	93%	1,005	2%	2%	–	–	–	–	–	2%	–	–	–	–
Capital expenditure	5,292	97%	690	13%	13%	–	–	–	–	–	13%	–	–	–	–
Operating expenditure	1,996	97%	229	11%	11%	–	–	–	–	–	11%	–	–	–	–

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Turnover

Proportion of turnover from products or services related to taxonomy-eligible or taxonomy-aligned economic activities

Economic activities	Code	Environmental objective of taxonomy-aligned activities											
		Taxonomy-eligible turnover (proportion of taxonomy-eligible turnover)	Taxonomy-aligned turnover (monetary value of turnover)	Taxonomy-aligned turnover (proportion of taxonomy-aligned turnover)	Climate change mitigation	Climate change adaptation	Water	Circularity	Pollution	Biodiversity	Enabling activity	Transitional activity	Ratio of taxonomy-aligned turnover to taxonomy-eligible turnover
		%	€ million	%	%	%	%	%	%	%	E	T	%
Manufacture of low-carbon technologies for transport	CCM 3.3	93%	1,005	2%	2%	–	–	–	–	–	E	–	2%
Total alignment per objective					2%	–	–	–	–	–			
Total turnover		93%	1,005	2%	2%	–	–	–	–	–	2%	–	2%

1 Abbreviations used in the table: CCM: Climate change mitigation, E: Enabling activity, T: Transitional activity.

Capital expenditure

Proportion of capital expenditure from products or services related to taxonomy-eligible or taxonomy-aligned economic activities

Economic activities	Code	Environmental objective of taxonomy-aligned activities											
		Taxonomy-eligible capital expenditure (proportion of taxonomy-eligible capital expenditure)	Taxonomy-aligned capital expenditure (monetary value of capital expenditure)	Taxonomy-aligned capital expenditure (proportion of taxonomy-eligible capital expenditure)	Climate change mitigation	Climate change adaptation	Water	Circularity	Pollution	Biodiversity	Enabling activity	Transitional activity	Ratio of taxonomy-aligned capital expenditure to taxonomy-eligible capital expenditure
		%	€ million	%	%	%	%	%	%	%	E	T	%
Manufacture of low-carbon technologies for transport	CCM 3.3	97%	690	13%	13%	–	–	–	–	–	E	–	13%
Total alignment per objective						–	–	–	–	–			
Total capital expenditure		97%	690	13%	13%	–	–	–	–	–	13%	–	13%

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Operating expenditure

Proportion of operating expenditure from products or services related to taxonomy-eligible or taxonomy-aligned economic activities

Economic activities	Code	Environmental objective of taxonomy-aligned activities										
		Taxonomy-eligible operating expenditure (proportion of taxonomy-eligible operating expenditure)	Taxonomy-aligned operating expenditure (monetary value of operating expenditure)	Taxonomy-aligned operating expenditure (proportion of taxonomy-eligible operating expenditure)	Climate change mitigation	Climate change adaptation	Water	Circularity	Pollution	Biodiversity	Enabling activity	Transitional activity
		%	€ million	%	%	%	%	%	%	%	E	T
Manufacture of low-carbon technologies for transport	CCM 3.3	97%	229	11%	11%	–	–	–	–	–	E	–
Total alignment per objective						–	–	–	–	–		
Total operating expenditure		97%	229	11%	11%	–	–	–	–	–	11%	–

Supplemental Information on Fiscal Year 2025

1. Corporate Governance Statement²

TRATON SE uses this Group Corporate Governance Statement in accordance with section 289f and section 315d of the *Handelsgesetzbuch* (HGB — German Commercial Code) to report on the corporate governance principles of TRATON SE and the Group, taking into account the recommendations of the German Corporate Governance Code (GCGC). Good corporate governance that complies with both national and international standards is of central importance for ensuring responsible management with a long-term focus. It forms the basis for the responsible leadership and control of our company as well as sustainable business performance. At the same time, good corporate governance fosters the confidence that the financial markets, our investors, customers, business partners, and employees have in our company, the Group, and in the work we do.

The topic of sustainability is an integral part of TRATON's corporate governance and strategy. For more information, refer to the [Sustainability Report](#) chapter.

Corporate Governance at TRATON

As a European stock corporation (*Societas Europaea*, SE) whose registered office is in Germany, the company is subject to the European and German SE rules as well as German stock corporation law. TRATON SE has a two-tier board system consisting of an Executive Board and a Supervisory Board. In accordance with section 161 of the AktG in conjunction with Article 9(1)(c)(ii) of the SE Regulation, the Executive Board and Supervisory Board are required to issue a Declaration of Conformity with the recommendations of the GCGC at least once a year.

Declaration of Conformity

The Executive Board and Supervisory Board of TRATON SE addressed the recommendations and suggestions of the GCGC in detail and issued their annual Declaration of Conformity in December 2025 as follows:

"The Executive Board and Supervisory Board of TRATON SE declare that the recommendations of the Government Commission on the German Corporate Governance Code as amended April 28, 2022 ("the GCGC"), published by the German Federal Ministry of Justice in the official section of the *Bundesanzeiger* (the Federal Gazette) on June 27, 2022, were complied with in the period since the publication of the last regular Declaration of Conformity and continue to be complied with, except for the recommendations set out below, for the reasons and periods indicated below:

² The Corporate Governance Statement in accordance with sections 289f and 315d of the *Handelsgesetzbuch* (HGB — German Commercial Code) forms part of the combined management report and is not included in the audit.

1. Pursuant to recommendation B.5 GCGC (age limit of members of the Executive Board), an age limit is to be specified for members of the Executive Board and disclosed in the Corporate Governance Statement. This was implemented. In March 2023, the Supervisory Board reappointed Mr. Antonio Roberto Cortes and thus in this exceptional case exceeded the specified age limit. The Supervisory Board, however, considers the reappointment of Mr. Cortes to be in the best interest of the company. In particular, Mr. Cortes has had the leading responsibility for the South American market for a long time, which faces significant challenges in the coming years. The reappointment of Mr. Cortes ensures that the strategy for South America designed by him can be efficiently and effectively implemented. Mr. Cortes's term of office also continues in the current financial year. The Supervisory Board adheres to the age limit determined for the Executive Board in all other respects. However, it cannot be ruled out that deviating from a specific age limit only once can be regarded as deviation from recommendation B.5 GCGC. As a precautionary measure, such a deviation is therefore declared.
2. The recommendation in C.5 GCGC (Upper limit of offices for Board members) is not fulfilled to the extent that, in addition to his seat on the Supervisory Board of TRATON SE, the Chairman of the Supervisory Board discharges one further mandate as Chairman of the Supervisory Board of Volkswagen AG, a listed company, as well as having seats on the Supervisory Board of Dr. Ing. h.c. F. Porsche Aktiengesellschaft, likewise a listed company, and Bertelsmann SE & Co. KGaA, and is also Chairman of the Board of Management of Porsche Automobil Holding SE. Volkswagen AG, Dr. Ing. h.c. F. Porsche Aktiengesellschaft and TRATON SE do not form a group with Porsche Automobil Holding SE within the meaning of the German Stock Corporation Act. Nonetheless, we are of the opinion that the Chairman of the Supervisory Board has sufficient time available to discharge his mandate.
3. With regard to the recommendation in C.13 GCGC (Disclosure in the event of election proposals), the guidelines in the GCGC are vague and the definitions unclear. A departure from the GCGC is therefore being declared as a precautionary measure. Notwithstanding this, the Supervisory Board will make every effort to comply with the requirements of the recommendation in C.13 GCGC.
4. The recommendation in G.13 sentence 1 GCGC (Severance cap) is not fulfilled. According to recommendation G.13 sentence 1 GCGC, payments made to a member of the Executive Board due to early termination of their Board activity shall not exceed twice the annual remuneration (severance cap) and shall not constitute remuneration for more than the remaining term of the employment contract. It is not clear to the Executive Board and the Supervisory Board of TRATON SE whether recommendation G.13 sentence 1 GCGC only refers to severance payments or also to payments made to a member who has left the Executive Board that result from a continuing employment contract. In July 2020, Mr. Joachim Drees, among others, left the Executive Board by mutual consent. The employment contract between Mr. Drees and TRATON SE, in agreement with Mr. Drees, continued following his departure and remained in force for more than two additional years. Although the employment contract of Mr. Drees expired at the beginning of 2024, not all of the contractual remuneration payments based on this employment contract have been fully processed and paid.

Mr. Drees shall accordingly not receive severance but may continue to receive his contractual remuneration for a period of more than two years following his departure. Components of this remuneration have also been paid out in the period since the submission of the last Declaration of Conformity and have not yet been liquidated completely. In light of the above, the Executive Board and Supervisory Board of TRATON SE declare a departure from recommendation G.13 sentence 1 GCGC as a precautionary measure."

The Declaration of Conformity is available on the company's website at <https://ir.traton.com/en/corporate-governance>.

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Swedish Corporate Governance Code

Furthermore, TRATON SE has published a statement regarding departures by its corporate governance system from the Swedish Corporate Governance Code. It is also available on the company's website at <https://ir.traton.com/en/corporate-governance>.

The Swedish Corporate Governance Code states that companies that are listed on the capital markets in Sweden can decide whether to comply with the Swedish code or with the relevant local regulations in the countries where those companies are headquartered. TRATON SE has decided to comply with the GCGC and not with the Swedish Corporate Governance Code.

Executive Board

The Executive Board is responsible for managing the company independently in the interests of the company in accordance with the statutory provisions, the Articles of Association, and the Rules of Procedure for the Executive Board. Its area of responsibility extends in particular to the strategic orientation and management of the TRATON GROUP. In this context, the Executive Board decides on matters of particular importance and significance for the TRATON GROUP, as well as on the establishment and monitoring of an appropriate and effective risk management and internal control system. It is also responsible for preparation of the annual financial statements and interim statements, and ensures compliance with statutory provisions, official requirements, and internal policies. In its decisions, the Executive Board considers the various aspects of sustainability and addresses their material impacts, risks, and opportunities for the TRATON GROUP's business development. It also monitors sustainability-related targets and department-specific sustainability activities.

How the Executive Board works

The Executive Board exercises its management function as a collegial body. The members of the Executive Board are jointly responsible for managing the company. They decide collectively on all matters of material significance. In addition, each member of the Executive Board is personally responsible for managing their assigned area and is also responsible for the material impacts, risks, and opportunities, including sustainability-related aspects, within their own department. The various tasks of the Executive Board are allocated to the individual Executive Board departments in line with functional and regional aspects. All members of the Executive Board keep each other informed through reports from their own areas of responsibility. The List of Responsibilities forms part of the Rules of Procedure for the Executive Board.

The Executive Board holds regular meetings. The meetings are generally convened and chaired by the Chair of the Executive Board. In addition, any member of the Executive Board can require that an Executive Board meeting be convened without undue delay, notifying the subject to be discussed or an agenda item to be added. As a rule, the Executive Board makes its decisions at meetings. In urgent cases, after extensive preparatory work, or if no member of the Executive Board objects without undue delay, the Executive Board may also adopt resolutions through a conference call or video conference or by circulating written documents for approval, as directed by the Chair of the Executive Board. Resolutions of the Executive Board are adopted by a majority of the votes cast by the members of the Executive Board participating in the vote, unless other majorities are prescribed by law, the Articles of Association, or the Rules of Procedure. In the event of a tie, the Chair of the Executive Board has a casting vote.

Executive Board members must disclose any conflicts of interest to the Chair of the Supervisory Board and the Chair of the Executive Board without undue delay and inform the other Executive Board members. In accordance with the requirements of the *Aktiengesetz* (AktG — German Stock Corporation Act) and recommendation E.3 of the Code, members of the Executive Board may undertake secondary activities only with the Supervisory Board's consent.

Composition and diversity

In accordance with Article 8(1) of the Articles of Association, the Executive Board of TRATON SE must consist of at least two persons. The Supervisory Board determines the specific number of Executive Board members. The company's Executive Board currently has seven members. In accordance with section 16 (2) of the *SE-Ausführungsgesetz* (SEAG — German SE Implementation Act), TRATON SE's Executive Board must include at least one woman and one man. TRATON SE complied with this requirement in the year under review. This Executive Board consisted of seven members in fiscal year 2025. As of December 31, 2025, the proportion of female Executive Board members was approximately 14.29%, while the proportion of male Executive Board members was approximately 85.71%.

Information on the composition of the Executive Board can be found in the section [Members of the Executive Board and their appointments](#).

The Supervisory Board takes diversity into account in the composition of the Executive Board and has adopted the following diversity concept for the Executive Board:

- As a rule, appointments of members of the Executive Board should end when those members reach the age of 65, although an extension by a maximum of three more years is possible.
- Members of the Executive Board should have long-standing management experience and contribute as much experience as possible from a range of different activities.
- The Executive Board should collectively have leadership experience in an international context.
- The Executive Board should collectively possess long-standing experience in the fields of machinery/vehicle manufacturing, finance, and HR management.
- Both genders should be adequately represented on the Executive Board. The company is subject to the statutory representation requirement that the Executive Board must include at least one man and at least one woman.

The diversity concept aims to encourage a good understanding of the organizational and business affairs of TRATON SE through diversity. The Supervisory Board decides which individual should be appointed to a specific Executive Board position in the interests of the company, taking all the circumstances of the individual case into consideration. These requirements governing the composition of the Executive Board ensure that the Executive Board has relevant experience in the sectors, products, and geographic locations in which the TRATON GROUP operates. In the Supervisory Board's opinion, the current composition of the Executive Board substantially implements the diversity concept. All members of the Executive Board have many years of management experience, including in an international context, and also contribute experience from a range of different activities. The Executive Board collectively possesses long-standing experience in the fields of machinery/vehicle manufacturing, finance, and HR management. By extending the appointment of Antonio Roberto Cortes to the Executive Board, the Supervisory Board has, exceptionally, exceeded the age limit defined for the Executive Board. The reasons for this and the precautionary departure from recommendation B.5 of the German Corporate Governance Code ("GCGC") are set out in section 1 of the Declaration of Conformity.

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All seven members of the Executive Board in office in fiscal year 2025 have relevant sustainability expertise as they are responsible for developing and shaping the strategy, including on the topic of sustainability, in their roles as CEOs of the brands, CFO, and as the members of the Executive Board responsible for Group Product Management and Group R&D. Because all Executive Board members are also members of the TRATON Sustainability Board (TSB), this expertise also includes the assessment of TRATON's material impacts, risks, and opportunities (IROs) that were identified in accordance with the European Sustainability Reporting Standards (ESRS). These IROs were confirmed by the TSB and are managed and monitored by it. In their role and functions also as members of the TSB, the members of the Executive Board have access to relevant expert knowledge and can call on relevant experts.

Cooperation with the Supervisory Board

The Executive Board and Supervisory Board work together in a trust-based relationship for the benefit of the company. Dialog between the two bodies is the basis for efficient corporate governance. The Executive Board reports to the Supervisory Board regularly, promptly, and comprehensively in written or oral form on all issues of relevance for the company with regard to strategy, planning, and the position of the company, the business performance, the risk position, risk management, and compliance. The Supervisory Board monitors the Executive Board and advises it on the management and conduct of the company. Monitoring and advising the Executive Board also includes in particular sustainability issues. The Supervisory Board is directly involved in decisions of fundamental importance through its rights of veto.

The Supervisory Board Chair is also in regular contact with the Executive Board outside meetings. They are informed without undue delay by the Chair of the Executive Board about important events that are of material significance for assessing the situation and ongoing development of the company and its Group companies, as well as for its management.

Supervisory Board

In TRATON SE's two-tier governance structure, the Supervisory Board is the oversight body. The Supervisory Board performs the duties assigned to it by law, by the Articles of Association, and by the Supervisory Board's Rules of Procedure. In particular, the Supervisory Board has responsibility for Human Resources matters relating to the Executive Board. It appoints the members of the Executive Board and decides on all matters concerning the members of the Executive Board. In particular, the Supervisory Board, based on a proposal by the Presiding Committee, adopts a clear and comprehensible system for the remuneration of the members of the Executive Board and submits it to the Annual General Meeting for approval in the event of any significant amendment, but at a minimum every four years.

Please refer to the [Report of the Supervisory Board](#) for additional information on the performance of duties, in particular the number of meetings and the focus topics, the work of the committees described below, and cooperation with the Executive Board.

How the Supervisory Board works

The Supervisory Board has issued Rules of Procedure for its work, which can be downloaded at <https://traton.com/en/company/supervisory-board.html>.

The Chair of the Supervisory Board coordinates work in the Supervisory Board, chairs its meetings, and represents the concerns of the Supervisory Board externally. The Supervisory Board holds at least two meetings each calendar half-year. It also meets regularly without the Executive Board. The Supervisory Board has a quorum if at least half of the members of which it is required to consist take part in the adoption of the resolution. Notwithstanding any other

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statutory provisions to the contrary, resolutions are adopted by a simple majority of the votes cast. The Supervisory Board Chair has the casting vote in the event of a tie.

Each member of the Supervisory Board must disclose any conflicts of interest to the Chair of the Supervisory Board, in particular those that may arise from an advisory or governance role at customers, suppliers, lenders, or other business partners.

Supervisory Board Committees

The Supervisory Board has established two committees with equal representation of shareholder and employee representatives: the **Presiding Committee** and the **Audit Committee**. The **Nomination Committee** consists solely of shareholder representatives.

The Presiding Committee prepares the Supervisory Board meetings and the resolutions of the Supervisory Board, including the resolutions of the Supervisory Board relating to Executive Board matters. It supports and advises the Chair of the Supervisory Board and, together with the Chair of the Executive Board, prepares the long-term succession planning for the Executive Board. In addition, among other things the Presiding Committee is assigned responsibility for deciding on transactions or measures requiring approval up to a certain value limit, in place of the Supervisory Board. The Presiding Committee also acts as a "Remuneration Committee" and prepares the decisions of the Supervisory Board on matters relating to Executive Board remuneration.

The Presiding Committee comprised the following Supervisory Board members in the reporting period: Hans Dieter Pötsch (Chair), Jürgen Kerner (Deputy Chair), Gunnar Kilian (until July 16, 2025), Dr. Dr. Christian Porsche, Michael Lyngsie, Karina Schnur.

The Audit Committee deals in particular with preparing the decision by the Supervisory Board regarding the adoption of the annual financial statements and the approval of the consolidated financial statements, monitoring and the integrity of the financial reporting process, monitoring financial reporting, the effectiveness of the internal control system, of the risk management system, and of the internal audit system, and with financial statements audit and compliance. Furthermore, the Audit Committee submits a reasoned recommendation for the choice of external auditor to the Supervisory Board, obtains a statement regarding the auditor's independence, deals with the additional services provided by the auditor, drafts the resolution on issuing the audit engagement letter, and also deals with determining the areas of emphasis of the audit and agreeing the auditor's fees with the auditor.

The following Supervisory Board members were members of the Audit Committee in the reporting period: Frank Witter (Chair), Torsten Bechstädt (Deputy Chair), Dr. Julia Kuhn-Piëch, Nina Macpherson, Lisa Lorentzon (until June 30, 2025), Karina Schnur, Christina Widén (since July 1, 2025).

The Nomination Committee identifies candidates for Supervisory Board positions and recommends suitable candidates to the Supervisory Board for the latter's proposals for election to the Annual General Meeting.

The following Supervisory Board members were members of the Nomination Committee in the reporting period: Hans Dieter Pötsch (Chair), Gunnar Kilian (until July 16, 2025), Dr. Dr. Christian Porsche.

Information on the composition of the Supervisory Board can be found in the section [Members of the Supervisory Board and their appointments](#).

Self-assessment of the Supervisory Board

In line with recommendation D.12 GCGC, the Supervisory Board assesses, at regular intervals, how effectively it as a whole and its committees fulfill their tasks. As part of the self-assessment, the members of the Supervisory Board receive in advance a detailed questionnaire that enables them to submit their appraisal of the procedures of the Supervisory Board and its committees, and make proposals for improvements. The results are discussed in a following meeting of the Supervisory Board and, if necessary, in further individual conversations. The results are used to derive measures for improving the work of the Supervisory Board. The self-assessment was positive overall. The Supervisory Board considers its work in terms of its work in plenary sessions and in committees to be predominantly good and efficient. The most recent self-assessment of the Supervisory Board took place in fiscal year 2025.

Long-term succession planning for the Executive Board

The Supervisory Board's Presiding Committee works with the Chairman of the Executive Board to ensure long-term succession planning for the Executive Board. The topics discussed include the terms of the contracts and renewal options for current Executive Board members, as well as potential internal and external candidates. In particular, the Supervisory Board discusses the knowledge, experience, and professional and personal skills that should be represented on the Executive Board with regard to the corporate strategy and current challenges, and the extent to which the current composition of the Executive Board already reflects these requirements. In addition to the statutory requirements, the requirements of the GCGC, and the Rules of Procedure of the Supervisory Board, long-term succession planning is based on the corporate strategy and culture and takes in account the criteria laid down in the diversity concept resolved by the Supervisory Board for the composition of the Executive Board.

After additionally considering the specific qualification requirements, the Presiding Committee prepares a requirements profile in specific individual instances, on the basis of which it then selects the most suitable candidates. After interviewing the candidates, the Presiding Committee makes a proposal to the Supervisory Board for resolution. If necessary, the Supervisory Board and Presiding Committee are supported by external consultants when developing requirements profiles and selecting candidates.

Composition and diversity

In accordance with the Articles of Association, the company's Supervisory Board consists of 20 members: ten Supervisory Board members who are shareholder representatives and ten Supervisory Board members who are employee representatives. In accordance with Article 11 (2) sentence 1 of TRATON SE's Articles of Association, shareholder representatives are elected by the Annual General Meeting without being bound by election proposals, whereby Dr. Arno Antlitz was appointed by the Local Court of Munich by a resolution dated September 16, 2025, after Gunnar Kilian's resignation. The employee representatives are elected directly by the relevant employee representative bodies in accordance with the provisions in the Agreement on Employee Involvement (*Beteiligungsvereinbarung*). In accordance with section 17 (2) of the *SE-Ausführungsgesetz* (SEAG — German SE Implementation Act), women and men must each account for at least 30% of the Supervisory Board of TRATON SE. As of December 31, 2025, 30% of the members of the Supervisory Board of TRATON SE on the shareholder side were women: Ödgård Andersson, Dr. Julia Kuhn-Piëch, and Nina Macpherson, and 70% were men. On the employee side, 40% women were represented on the Supervisory Board: Daniela Cavallo, Mari Carlquist, Lisa Lorentzon (until June 30, 2025), Karina Schnur, and Christina Widén (since July 1, 2025), and 60% men on this date. The statutory quotas are therefore met by both the shareholder and the employee representatives on the Supervisory Board.

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The Supervisory Board is composed in such a way that its members collectively possess the knowledge, skills, and professional experience necessary to properly perform their duties. TRATON SE's Supervisory Board aims, in light of the business areas, the size of the TRATON SE, and the proportion of its international business activities, to take the following factors into account for its composition:

- At least three members of the Supervisory Board should be persons who embody the criterion of internationality to a particularly high degree.
- At least two Supervisory Board positions on the shareholder side are reserved for persons with no potential conflicts of interest, and who are independent within the meaning of the GCGC.
- Any person that sits on a governing body or is involved in an advisory capacity at one of the company's major competitors should not be a member of the Supervisory Board.
- In addition, proposals for election should not, as a rule, include any persons who have reached the age of 75 at the time of the election or who have been a member of the company's Supervisory Board for more than 15 years.

Furthermore, the Supervisory Board of TRATON SE should collectively possess the following skills and expertise:

- Knowledge and experience of the company itself
- Leadership or oversight experience in other medium-sized or large companies
- Experience in industries that are of importance to the TRATON GROUP, such as the engineering, automotive, and information technology sectors
- Knowledge of capital markets
- Human resources expertise (particularly the search for and selection of members of the Executive Board, and the succession process) and knowledge of incentive and remuneration systems for the Executive Board
- Expertise in the areas of financial reporting/auditing
- Expertise in the areas of law and compliance
- Expertise in the sustainability issues important for the company

The targets defined by the Supervisory Board for its composition and the skills and expertise profile of the Supervisory Board also describe the concept with which the Supervisory Board strives to achieve a diverse composition. The diversity concept aims to encourage a good understanding of the organizational and business affairs of TRATON SE through diversity. This is intended to enable the members of the Supervisory Board to constructively question the decisions of the Executive Board and to be open to innovative ideas. All aims as well as the competence profile have been fulfilled or taken into consideration, respectively. These requirements governing the composition of the Supervisory Board ensure that the body as a whole has relevant experience in the sectors, products, geographic locations, and relevant markets in which the TRATON GROUP operates.

The diversity concept for the Supervisory Board comprises the following elements:

- The defined goals for the composition of the Supervisory Board
- The skills and expertise profile for the Supervisory Board
- The gender quota of 30% for the composition of TRATON SE's Supervisory Board that is already imposed by law and must therefore be complied with in accordance with section 17 (2) of the SEAG

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The proposals to the Annual General Meeting for electing members of the Supervisory Board take into account the requirements of the diversity concept, the specific targets for the composition of the Supervisory Board, and the skills and expertise profile. The Supervisory Board also recommends that employee representatives and trade unions, who have the right to make proposals in employee elections, take into account the diversity concept, the composition targets, and the skills and expertise profile. The same applies to persons who have the right to make proposals in the context of any necessary court-ordered replacement appointments.

With regard to the composition of the Supervisory Board, the independence of the Supervisory Board members is also observed. In the opinion of the shareholder representatives on the Supervisory Board, regarding the appropriate number of independent shareholder representatives within the meaning of recommendation C.6 of the GCGC, the Supervisory Board should have at least two shareholder representatives who are independent overall, i.e., independent both of the company and of the Executive Board in accordance with recommendations C.7 and C.8 of the GCGC, and of a controlling shareholder in accordance with recommendation C.9 of the GCGC. In the opinion of the shareholder representatives on the Supervisory Board, five shareholder representatives may be considered independent in this respect. These are Ms. Andersson and Ms. Macpherson, as well as Dr. Kirchmann, Dr. Schmid, and Mr. Witter.

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The current implementation status of the skills and expertise profile is shown in the following qualification matrix:

Members of the Supervisory Board Skills and expertise profile requirements	Pötsch	Kerner	Andersson	Dr. Antlitz	Bechstädt	Carlquist	Cavallo	Dr. Döss	Fuhrig	Dr. Kirchmann	Dr. Kuhn-Plösch	Luthin	Lyngsie	Macpherson	Dr. Dr. Porsche	Dr. Schmid	Schnur	Wansch	Widén	Witter
Knowledge and experience of the company itself	X	X				X			X	X	X	X	X		X		X	X	X	
Leadership or oversight experience in other medium-sized or large companies	X	X	X	X		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Experience in industries that are of importance to the TRATON GROUP, such as the engineering, automotive, and information technology sectors	X		X	X		X			X	X		X	X			X	X	X	X	
Knowledge of capital markets	X	X	X	X	X		X	X		X				X		X			X	X
Human resources expertise (particularly the search for and selection of members of the Executive Board, and the succession process) and knowledge of incentive and remuneration systems for the Executive Board	X	X	X	X	X		X	X		X						X	X			X
Expertise in the areas of financial reporting/auditing	X			X	X		X			X						X	X		X	X
Expertise in the areas of law and compliance	X	X		X	X		X	X		X	X			X			X			X
Expertise in the sustainability issues important for the company	X	X	X	X	X		X	X		X	X		X				X			X

The assignment of competencies in the qualification matrix is based on a self-assessment of the respective Supervisory Board member. In line with the requirements of the AktG and the recommendation of the Code, Mr. Witter (Chairman of the Audit Committee) and Mr. Bechstädt (Deputy Chairman of the Audit Committee) in particular have expertise in the areas of financial reporting (including internal control and risk management systems) and auditing. Mr. Witter has extensive experience in the areas of financial reporting and auditing of the financial statements, including sustainability reporting and audits, in particular by virtue of his many years of experience as chief financial officer of various Volkswagen Group companies and from his time as Chief Financial Officer of Volkswagen AG (2015 to 2021). Mr. Bechstädt has extensive experience in the areas of financial reporting and auditing of the financial statements due to his many years of work in the Group Finance department of Volkswagen AG, and as a member of the Examination Committee for Accountants of the Hannover Chamber of Commerce and Industry. This also includes experience in sustainability reporting/auditing. Christina Widén has extensive experience in financial reporting and auditing thanks to her academic background and many years of professional experience as a business controller and in accounting. Of the members of the Audit Committee, Ms. Schnur also has experience in the fields of financial reporting and auditing of the financial statements,

including sustainability reporting and their audit, by virtue of her membership of the Audit Committee. The experience and skills of the Supervisory Board members on key aspects of corporate policy, as well as individual expertise on sustainability aspects relevant to the TRATON GROUP, result in particular from their (full-time) activities, and from management and supervisory board mandates of other companies as well as training provided by the company.

The members of the Supervisory Board are individually responsible for completing the training and professional development measures necessary to perform their duties and are supported in this by TRATON SE, for example through regular training courses. To ensure comprehensive knowledge of current developments in the field of ESG reporting, the Supervisory Board attended ESG training courses in 2023, 2024, and 2025, which dealt in particular with regulatory requirements in the area of sustainability. In these training courses, the members of the Supervisory Board had the opportunity to engage in in-depth discussions with internal and external experts on the topics covered. In addition, TRATON SE hosted a training session on cybersecurity and related regulatory issues. When new members of the Supervisory Board take up their mandate, they receive regular information on key legal frameworks and corporate governance issues that are relevant to the performance of their duties as part of the onboarding process.

All aims as well as the competence profile have been fulfilled or taken into consideration, respectively. The resumes of the members of the Supervisory Board, updated each year, can be viewed at <https://traton.com/en/company/Supervisory-Board.html>.

Remuneration of the Executive Board and Supervisory Board

The current remuneration system in accordance with section 87a (1) and (2) sentence 1 of the AktG, the last resolution on remuneration in accordance with section 113 (3) of the AktG, the remuneration report for the past fiscal year, and the audit opinion in accordance with section 162 of the AktG can be found on our website at <https://ir.traton.com/en/corporate-governance>.

Relevant disclosures on corporate governance practices

Compliance/risk management

The Governance, Risk & Compliance (GRC) function is managed by the Head of GRC/Chief Compliance Officer of the Group, who reports directly to the Chief Executive Officer of TRATON SE. GRC is comprised by the Corporate GRC Office at TRATON SE and the decentralized GRC functions at the brands. The Corporate GRC Office of TRATON SE and the decentralized GRC functions are jointly responsible for compliance and risk management throughout the entire TRATON GROUP.

The Corporate GRC Office plays a central control and support role in respect of the Group's risk management and compliance activities. This includes defining GRC principles and consistent minimum standards for the entire Group, as well as giving the brands the flexibility they need to implement specific GRC measures that are appropriate for their particular organization and environment. On the one hand, the processes for whistleblowing and internal investigations are strictly standardized, with a central Investigation Office in place at TRATON SE. By contrast, GRC communication is primarily embedded at brand level. The Corporate GRC Office also coordinates IT support systems and takes action to monitor and continuously improve the Group's GRC activities in terms of effectiveness and efficiency.

The Head of GRC/Chief Compliance Officer reports regularly, at least every quarter, to the Executive Board of the TRATON GROUP on the Group's risk exposure as well as on the current situation and on the GRC function's main activities. The Risk & Control Board (RCB), previously called Governance & Risk Board

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(GRB), as well as the Compliance Board (CB) have also been set up at TRATON level. These enable top-level executives from the entire Group to discuss relevant GRC issues regularly and in detail.

The GRC functions at brand level are responsible for implementing the compliance management and risk management systems at each brand. Each brand maintains a GRC organization, i.e., employees fully assigned to the GRC function. This organization is supported by a network of employees in the brands' subsidiaries, who are responsible for certain GRC activities, in particular risk reports, internal control systems, and compliance.

For a detailed description of TRATON's risk management system as well as its risk and opportunity position, refer to the [Report on opportunities and risks](#) contained in the Combined Management Report.

The TRATON GROUP GRC functions' (including the GRC functions within the brands) main duties include:

- Supporting a risk management process that makes the Group's key business risks transparent and ensures a clear line of responsibility for risks and for implementing risk-reducing measures
- Providing a system for monitoring the effectiveness of internal controls and for taking the appropriate remedial action where necessary
- Providing and continuously improving a compliance program covering anti-corruption activities, antitrust law, the prevention of money laundering, and respect for human rights, based on a comprehensive compliance-related risk assessment
- Coordinating policy management throughout the TRATON GROUP
- Developing policies for relevant GRC issues, such as how to manage gifts, hospitality, and invitations to events, how to manage conflicts of interest, preventing money laundering and terrorist financing, and implementing internal investigations
- Tool-based integrity checks for business partners. This relates primarily, albeit not exclusively, to business partners with sales support functions.
- Providing various training courses to foster awareness and knowledge of GRC-relevant topics
- A range of different communication activities to strengthen compliance and integrity in accordance with each of the codes of conduct of the TRATON GROUP and the individual brands
- Providing compliance-related advice to all employees at central and local levels (Compliance Helpdesk)
- Providing a whistleblower system, including examining and investigating the tip-offs received, so that any violations are identified, clarified, and remedied internally at an early stage. Potential violations include violations that cause reputational damage or have financial consequences, or violations of corporate values and human rights. An investigation is launched after a careful examination of the tip-off and if there are concrete indications of a violation. Matters are investigated accordingly and, if necessary, appropriate measures are taken to mitigate or eliminate violations and/or risks.

Further explanations about selected GRC activities, especially in respect of human rights, are contained in the [Sustainability](#) chapter.

Transparency and communication

The <https://ir.traton.com/en/> page provides shareholders with access to the company's Articles of Association, consolidated financial statements for the TRATON GROUP, the financial calendar with all the relevant dates, and information about upcoming events.

TRATON SE's ad hoc releases can also be accessed on TRATON SE's website at <https://ir.traton.com/en/financial-news/> immediately after they have been published in compliance with the law.

Notifications of voting rights pursuant to section 33ff. of the *Wertpapierhandelsgesetz* (WpHG — German Securities Trading Act) can be found on the same page, and disclosures of managers' transactions in accordance with Article 19 of the European Market Abuse Directive at <https://ir.traton.com/en/corporate-governance>. Information on the Executive Board and Supervisory Board of TRATON SE is available on the company's website at <https://traton.com/en/company>.

The above-mentioned information and documents are available in both German and English.

Financial reporting

The year-end consolidated financial statements of the TRATON GROUP are prepared by the Executive Board on the basis of the International Financial Reporting Standards (IFRSs), while the single-entity financial statements of TRATON SE are prepared in accordance with German GAAP. The Executive Board discusses the half-year financial report with the Audit Committee prior to its publication.

The publication deadlines set out in recommendation F.2 of the Code are complied with.

Other corporate governance practices

TRATON has a Code of Conduct, which is the mandatory guideline on acting with integrity at TRATON and applies equally to all employees — from the Executive Board and managers down to each individual employee. The Code of Conduct focuses on integrity and the responsibility that each individual has — responsibility as a member of society, as a business partner, and in the workplace. With the aid of practical examples, it also explains how each individual can live up to this responsibility and behave with integrity, especially in conflict situations.

Furthermore, TRATON also expects its suppliers and business partners as well as their employees to act responsibly, comply with applicable laws everywhere and at all times, and respect core ethical values. TRATON has therefore issued its own Code of Conduct for Suppliers and Business Partners, which details minimum ethical standards to be met by TRATON's suppliers and business partners.

The Code of Conduct as well as the Code of Conduct for Suppliers and Business Partners are available at <https://traton.com/en/governance-risk-compliance/compliance-integrity-program.html>.

Sustainability is an integral component of TRATON's strategy and is a firmly established concept within the TRATON GROUP brands. For our Group and our brands, sustainability means understanding and proactively addressing global challenges and recognizing the opportunities and risks of sustainable development. TRATON takes the expectations of our customers, of politicians, and of society on board and provides specific answers to the various challenges posed by sustainable mobility. Wherever we operate in the world, our goal is to uphold high standards and work with companies that are leaders in sustainability.

For more information on sustainability, refer to the company's website at <https://traton.com/en/sustainability.html>.

Target for proportion of women

The Executive Board has defined the following targets for the proportion of women in the two management levels of TRATON SE in Germany below the Executive Board for the period from January 1, 2024, to December 31, 2028:

- 30% for females in the first management level of TRATON SE in Germany below the Executive Board
- 30% for females in the second management level of TRATON SE in Germany below the Executive Board

As of December 31, 2025, this target for the proportion of women at the first management level below the Executive Board had been exceeded at 39%. At 28%, the target for the percentage of women in the second management level below the Executive Board set for December 31, 2028, had not yet been reached. The initiatives to promote diversity in management remain a high priority. We are therefore confident that we will be able to achieve the targets set for the proportion of women at both management levels below the Executive Board by December 31, 2028.

For the corresponding disclosures by TRATON SE subsidiaries, which are required by law to set target percentages, refer to the MAN Truck & Bus SE website (<https://www.man.eu/corporate/en/about-man/management/management.html>).

2. Members of the Executive Board and their appointments

Christian Levin

Lidingö, Sweden, born in 1967

Chairman of the Executive Board and Chief Executive Officer of TRATON SE
President and Chief Executive Officer Scania AB/Scania CV AB

- 2 MAN Truck & Bus SE (Chairman)
- 3 Vattenfall AB, Sweden
- 4 Navistar International Corporation, USA
 Scania Growth Capital AB, Sweden
 Scania Growth Capital II AB, Sweden
 TRATON AB, Sweden (Chairman)
 TRATON Financial Services AB, Sweden (Chairman)
 Volkswagen Truck & Bus Indústria e Comércio de Veículos Ltda., Brazil (Chairman)

Mathias Carlbaum

Hinsdale, USA, born in 1972

Member of the Executive Board of TRATON SE
Chief Executive Officer and President of Navistar International Corporations/International Motors, LLC

- 4 TRATON Financial Services AB, Sweden

Antonio Roberto Cortes

São Paulo-Indianópolis, Brazil, born in 1955

Member of the Executive Board of TRATON SE
Chief Executive Officer of Volkswagen Truck & Bus

- 4 TRATON Financial Services AB, Sweden
-

Dr. Michael Jackstein

Braunschweig, born in 1977

Member of the Executive Board of TRATON SE, responsible for Finance, Business Development, and Human Resources

- 2 MAN Truck & Bus SE
- 4 Navistar International Corporation, USA
- Scania AB, Sweden (Chairman)
- Scania CV AB, Sweden (Chairman)
- TRATON AB, Sweden
- TRATON Financial Services AB, Sweden
- TRATON Sweden AB, Sweden (Chairman)
- TRATON US, LLC, USA
- Volkswagen Middle East QFZ LLC, Qatar
- Volkswagen Truck & Bus Indústria e Comércio de Veículos Ltda., Brazil

Niklas Klingenberg

Bromma, Sweden, born in 1975

Member of the Executive Board of TRATON SE, responsible for Group Research & Development
Managing Director and Head of Group R&D of TRATON AB

- 3 Cummins Scania XPI Manufacturing Södertälje AB, Sweden
-

Catharina Modahl Nilsson

Stockholm, Sweden, born in 1963

Member of the Executive Board of TRATON SE, responsible for Group Product Management

- 3Chalmers Tekniska Högskola Aktiebolag (Chalmers University of Technology AB), Sweden
Knightec Group AB, Sweden
Modahlen Group AB, Sweden
EXRX Group AS, Norway (since June 17, 2025)
- 4TRATON AB, Sweden

Alexander Vlaskamp

Munich, born in 1971

Member of the Executive Board of TRATON SE
Chief Executive Officer of MAN Truck & Bus SE

- 2MAN Truck & Bus Deutschland GmbH (Chairman)
- 3Rheinmetall MAN Military Vehicles GmbH
- 4TRATON Financial Services AB, Sweden

As of December 31, 2025, unless otherwise stated

- 1 Membership of statutory German supervisory boards
- 2 Membership of statutory German supervisory boards, Volkswagen AG Group appointments
- 3 Membership of comparable German or foreign governing bodies
- 4 Membership of comparable German or foreign governing bodies, Volkswagen AG Group appointments

3. Members of the Supervisory Board and their appointments

Hans Dieter Pötsch*Wolfsburg, born in 1951*

Chairman of the Executive Board of Porsche Automobil Holding SE

Chairman of the Supervisory Board of Volkswagen AG

Chairman of the Supervisory Board

- 1 Bertelsmann Management SE
Bertelsmann SE & Co. KGaA
Wolfsburg AG
- 2 AUDI AG
- 2, 5 Dr. Ing. h.c. F. Porsche AG
Volkswagen AG (Chairman)
- 4 Autostadt GmbH
Porsche Austria Gesellschaft m.b.H., Austria (Chairman)
Porsche Holding Gesellschaft m.b.H., Austria (Chairman)
Porsche Retail GmbH, Austria (Chairman)
VfL Wolfsburg-Fußball GmbH (Deputy Chairman)

Jürgen Kerner**Munich, born in 1969*

Second Chair of IG Metall

- 1, 5 Siemens AG
Siemens Energy AG
Thyssenkrupp AG (Deputy Chairman)
 - 2 MAN Truck & Bus SE (Deputy Chairman)
-

Ödgård Andersson

Gothenburg, Sweden, born in 1972

Chairwoman of the Executive Board of Zenseact AB, Sweden

3 Stiftelsen Chalmers Tekniska Högskola, Sweden (since May 6, 2025)

Dr. Arno Antlitz (since September 26, 2025)

Braunschweig, born in 1970

Member of the Board of Management of Volkswagen AG (Finance and Operations)

- 2, 5 Dr. Ing. h.c. F. Porsche AG
 - 2 PowerCo SE
 - Volkswagen Financial Services AG (Chairman)
 - 4 Porsche Austria Gesellschaft m.b.H., Austria (Deputy Chair)
 - Porsche Holding Gesellschaft m.b.H., Austria (Deputy Chairman)
 - Porsche Retail GmbH, Austria (Deputy Chairman)
 - Volkswagen (China) Investment Co., Ltd., China
 - Volkswagen Group of America, Inc. (USA) (until December 9, 2025)
-

Torsten Bechstädt*

Helmstedt, born in 1973

Head of Supervisory Board matters of the Chair of the Group Works Council of Volkswagen AG

- 2 Volkswagen Financial Services Overseas AG
-

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Mari Carlquist*

Södertälje, Sweden, born in 1969

Representative of PTK (Privattjänstemannakartellen, Confederation of Labor Unions in Sweden) at Scania

- 4 Scania AB, Sweden
- Scania CV AB, Sweden
- TRATON Financial Services AB, Sweden

Daniela Cavallo*

Wolfsburg, born in 1975

Chairwoman of the General and Group Works Councils of Volkswagen AG

- 1 Wolfsburg AG
- 2, 5 Volkswagen AG
- 2 PowerCo SE (Deputy Chairwoman)
- 3 Brose Sitech Sp. z o.o., Poland
- 4 Autostadt GmbH
- Porsche Holding Gesellschaft m.b.H., Austria
- SEAT, S.A., Spain
- Skoda Auto a.s., Czech Republic
- VfL Wolfsburg-Fußball GmbH
- Volkswagen Group Services GmbH

Dr. Manfred Döss

Wolfsburg, born in 1958

Member of the Executive Board of Porsche Automobil Holding SE (Legal Affairs and Compliance)

Member of the Board of Management of Volkswagen AG (Integrity and Legal Affairs)

- 2 AUDI AG (Chairman)
- PowerCo SE (since August 7, 2025)
- 3 Grizzlys Wolfsburg GmbH

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Dirk Fuhrig (since January 1, 2026)

Arnsberg, born in 1970

Chair of the Central Works Council of MAN Truck & Bus Deutschland GmbH

- 2 MAN Truck & Bus SE
 MAN Truck & Bus Deutschland GmbH (Deputy Chairman)

Gunnar Kilian (until July 16, 2025)

Lehre, born in 1975

Member of the Board of Management of Volkswagen AG (HR and Trucks)

- 1 Wolfsburg AG (Deputy Chairman)
 - 2 AUDI AG
 Everlence SE (formerly: MAN Energy Solutions SE) (Chairman)
 MAN Truck & Bus SE
 PowerCo SE
 Volkswagen Group Services GmbH
 - 3 FAW-Volkswagen Automotive Co., Ltd., China
 - 4 Autostadt GmbH (Chairman)
 Scania AB, Sweden
 Scania CV AB, Sweden
 VfL Wolfsburg-Fußball GmbH
 Volkswagen (China) Investment Co., Ltd., China (since February 1, 2025)
 Volkswagen Immobilien GmbH (Chairman)
-

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Management Report**[Consolidated
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Report](#)[Further
Information](#)**Dr. Albert X. Kirchmann***Lindau, Bodolz, born in 1956*

Independent industrial consultant

- 1 Stremler AG
- 2 MAN Truck & Bus SE
- 3, 5 Sumida Corporation, Japan

Dr. Julia Kuhn-Piëch*Salzburg, Austria, born in 1981*

Real estate manager

- 2 AUDI AG
- MAN Truck & Bus SE
- 4 Scania AB, Sweden
- Scania CV AB, Sweden

Lisa Lorentzon* (until June 30, 2025)*Huddinge, Sweden, born in 1982*

Chair of the Labor Unions for Graduate Employees at Scania

- 4 Scania AB, Sweden
- Scania CV AB, Sweden
- TRATON Financial Services AB, Sweden

Bo Luthin**Södertälje, Sweden, born in 1967*

Head of Occupational Health and Safety at Scania Södertälje and Coordinator for IF Metall (labor union in Sweden)

Michael Lyngsie*
Gnesta, Sweden, born in 1977
Chair of IF Metall (labor union in Sweden) at Scania

- 4 Scania AB, Sweden
- Scania CV AB, Sweden

Nina Macpherson
Stocksund, Sweden, born in 1958
Member of the Board of Directors of Scania AB and Scania CV AB

- 3 M&K Industrials AB, Sweden (Deputy Member)
- 3, 5 Netel Holding AB, Sweden
- Scandinavian Enviro Systems AB, Schweden (until June 10, 2025)
- 4 Scania AB, Sweden
- Scania CV AB, Sweden

Dr. Dr. Christian Porsche
Salzburg, Austria, born in 1974
Specialist in Neurology

- 2 MAN Truck & Bus SE
 - 4 Scania AB, Sweden
 - Scania CV AB, Sweden
-

Dr. Wolf-Michael Schmid

Helmstedt, born in 1947
Businessman (Managing Director of the Schmid Group)

- 1
- BRW Finanz AG (Chairman)

Karina Schnur*

Reichertshofen, born in 1977
Chairwoman of the SE Works Council and Chairwoman of the Group Works Council of TRATON SE
Chairwoman of the SE Works Council and the General and Group Works Council of MAN Truck & Bus SE
Chairwoman of the Works Council of MAN Truck & Bus SE, Munich
Chairwoman of the General Works Council of TRATON R&D Germany GmbH

- 2
- MAN Truck & Bus SE
- 2, 5
- Volkswagen AG
- 3
- Rheinmetall MAN Military Vehicles GmbH

Josef Sedlmaier* (until December 31, 2025)

Weichs, born in 1964
Chairman of the Works Council of TRATON SE

Markus Wansch*

Schwabach, born in 1971
Deputy Chairman of the Group Works Council of TRATON SE and Chairman of the Works Council of MAN Truck & Bus SE, Nuremberg plant

- 2
- MAN Truck & Bus SE

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Christina Widén (since July 1, 2025)

Södertälje, Sweden, born in 1965

Chair of the Labor Unions for Graduate Employees at Scania and TRATON

Chairwoman of the Board of Directors of Scania Resultatsbonusstiftelse & TRATON Resultatsbonusstiftelse

3 Scania Pensionsstiftelse

Frank Witter

Braunschweig, born in 1959

Former member of the Board of Management of Volkswagen AG

Member of the Supervisory Board

1, 5 Deutsche Bank AG

3, 5 CGI Inc., Kanada (until January 28, 2026)

* Elected by the workforce

As of December 31, 2025, unless stated otherwise, or date of joining or departure

1 Membership of statutory German supervisory boards

2 Membership of statutory German supervisory boards, Volkswagen AG Group appointments

3 Membership of comparable German or foreign governing bodies

4 Membership of comparable German or foreign governing bodies, Volkswagen AG Group appointments

5 Listed company

4. Takeover-related disclosures in accordance with sections 289a and 315a of the HGB

Composition of subscribed capital

The subscribed capital (share capital) of TRATON SE amounts to €500,000,000 and is composed of 500,000,000 no-par value bearer shares with a notional value of €1.00 each. All shares convey the same rights. Information on the composition of subscribed capital can be found in the corresponding sections on equity in the annual and consolidated financial statements.

Significant shareholdings in TRATON SE

The largest single shareholder of TRATON SE is Volkswagen International Luxembourg S.A., Strassen, Luxembourg, a Volkswagen Group company, which held 87.52% of the share capital as of the December 31, 2025, reporting date. Disclosures on indirect interests in the capital of TRATON SE that are over the threshold of 10% of voting rights attributed in accordance with sections 34f of the *Wertpapierhandelsgesetz* (WpHG — German Securities Trading Act) are explained in the overview below:

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Porsche Piech Holding GmbH, Salzburg, Austria	Dr. Hans-Michel Piëch, born 01/10/1942	Mag. Josef Ahorner, born 03/26/1960	– Dr. Wolfgang Porsche, born 05/10/1943; – Dr. Dr. Christian Porsche, born 03/21/1974; – Dipl.-Design. Stephanie Porsche-Schröder, born 02/11/1978; – Ferdinand Rudolf Wolfgang Porsche, born 04/14/1993; – Felix Alexander Porsche, born 02/15/1996; – Gerhard Anton Porsche, born 06/05/1938; – Dr. Ferdinand Oliver Porsche, born 03/13/1961; – Mag. Mark Philipp Porsche, born 09/17/1977; – Kai Alexander Porsche, born 12/14/1964; – Dr. Geraldine Porsche, born 07/22/1980; – Peter Daniell Porsche, born 09/17/1973; – Diana Porsche, born 03/03/1996 – Andreas Johann Kiesling, BA, MA, born 08/29/1989 – Hubertus Josef Kiesling, BSc, born 09/23/1992	
			Ferdinand Porsche Familien-Privatstiftung	Familie WP Holding GmbH
			Ferdinand Porsche Familien-Holding GmbH	
			Ferdinand Alexander Zweite Porsche GmbH	
Porsche Gesellschaft m.b.H.	Dr. Hans-Michel Piëch GmbH	Ahorner Holding GmbH	Ferdinand Alexander Porsche GmbH	
Porsche Gesellschaft mit beschränkter Haftung	HMP Vermögensverwaltung GmbH	Ahorner GmbH	Familie Porsche Beteiligung GmbH	
Porsche Automobil Holding SE				
Volkswagen AG				
Volkswagen Finance Luxemburg S.A.				
Volkswagen International Luxemburg S.A. ¹				

¹ Direct shareholder of TRATON SE

TRATON SE has not been notified of, nor is it aware of, further existing direct or indirect interests in the capital of the company that exceed the relevant threshold of 10% or the relevant thresholds of the WpHG. Current notifications of voting rights can be downloaded at <https://ir.traton.com/en/financial-news/>. The free float was 12.48% as of the December 31, 2025, reporting date.

Restrictions on voting rights

Each TRATON SE share conveys one vote at the Annual General Meeting and is relevant for determining the shareholders' interest in the earnings of the company. This does not apply to treasury shares held by the company, which do not convey any rights for the company. In cases of section 136 of the *Aktiengesetz* (AktG — German Stock Corporation Act), voting rights from the affected shares are excluded by law.

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Statutory provisions and provisions of the Articles of Association governing the appointment and dismissal of the Executive Board and amendments to the Articles of Association

The appointment and dismissal of members of the company's Executive Board is governed by Articles 39 (2) and 46 of the SE Regulation in conjunction with sections 84 and 85 of the AktG and Article 8 of the company's Articles of Association. These state that the Executive Board must consist of at least two persons. In other respects, the Supervisory Board determines the number of members of the Executive Board. The members of the Executive Board are appointed for a period of up to five years. If the Executive Board consists of more than three persons, it must include at least one woman and at least one man (section 16 (2) of the *SE-Ausführungsgesetz* (SEAG — German SE Implementation Act)). Members of the Executive Board may be reappointed. The Supervisory Board is entitled to revoke the appointment of a member of the Executive Board for cause (Article 39 (2) of the SE Regulation, section 84 of the AktG).

Amendments to the company's Articles of Association are resolved by the Annual General Meeting and are governed by Article 59 of the SE Regulation, section 51 of the SEAG, sections 179ff. of the AktG, and the Articles of Association. Unless otherwise required by law, amendments to the Articles of Association require a majority of two-thirds of the valid votes cast or, if at least half of the share capital is represented, a simple majority of the valid votes cast (Article 59(1), (2) of the SE Regulation in conjunction with section 51 of the SEAG, Article 21 (1) of the Articles of Association). If the law prescribes a capital majority in addition to a majority of votes for resolutions of the Annual General Meeting, a simple majority of the share capital represented at the time the resolution is adopted is sufficient, to the extent permitted by law. The majority requirement set out in section 103 (1) sentence 2 of the AktG remains unaffected.

In accordance with Article 13 (4) of the company's Articles of Association, the Supervisory Board may pass resolutions to amend the Articles of Association that alter only its wording. Additionally, in accordance with Article 5 (3) of the company's Articles of Association, the Supervisory Board is authorized to amend the wording of Article 5 of the Articles of Association following the complete or partial implementation of the capital increase from Authorized Capital 2023 or after the expiration of the authorization period, in line with the scope of the capital increase.

Powers of the Executive Board, in particular to issue new shares and repurchase shares

The powers of the Executive Board are governed by Article 39 of the SE Regulation in conjunction with sections 77ff. of the AktG and Article 9 of the Articles of Association of the company. These provisions require the Executive Board to manage the company independently and to represent the company both in court and otherwise.

In accordance with Article 5 (3) of the Articles of Association, the Executive Board is authorized to increase the company's share capital on one or several occasions by a total of up to €200,000,000 by issuing up to 200,000,000 no-par value bearer shares on a cash and/or noncash basis on or before May 31, 2028, subject to the Supervisory Board's approval (Authorized Capital 2023). The dividend entitlement of new shares can be determined contrary to the provisions of section 60 (2) of the AktG. Shareholders must be granted preemptive rights unless the Executive Board makes use of one of the following authorizations to disapply preemptive rights, with the consent of the Supervisory Board. The new shares may also be underwritten by a credit institution or an entity operating pursuant to section 53 (1) sentence 1 of the *Kreditwesengesetz* (KWG — German Banking Act) or section 53b (1) sentence 1 or (7) of the KWG (financial institution) to be designated by the Executive Board, or by a consortium of such credit or financial institutions, with the obligation to offer them for sale to shareholders of the company. The Executive Board is authorized, with the consent of the Supervisory Board, to disapply shareholders' preemptive rights in the following cases:

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- a) To settle fractions resulting from a capital increase
- b) To the extent necessary to grant holders or creditors of convertible loan agreements or bonds with warrants, as well as convertible profit participation rights, issued by the company and/or its direct or indirect majority investees a preemptive right to new shares in the amount to which they would be entitled following the exercise of their options or conversion rights or after meeting their exercise of option or conversion obligations
- c) If the new shares are issued against cash contributions and the issue price of the new shares is not materially lower than the quoted market price of existing listed shares of the company at the date when the issue price is finally determined, which should be as close as possible to the placement of the shares. However, this authorization to disapply preemptive rights applies only to the extent that the notional amount of the share capital attributable to the shares issued with preemptive rights disappplied in accordance with section 186 (3) sentence 4 of the AktG does not exceed a total of 10% of the share capital, meaning neither the share capital existing when this authorization takes effect, nor the share capital existing at the date when this authorization is exercised. Shares that (i) are sold or issued, with preemptive rights disappplied, during the term of this authorization up to the date of its exercise on the basis of other authorizations in direct application, or application with the necessary modifications, of section 186 (3) sentence 4 of the AktG, or (ii) shares that were issued or will be issued, with preemptive rights disappplied, to settle bonds or profit participation rights with conversion or exercise rights or obligations will be counted toward this limit, to the extent that the bonds or profit participation rights were issued during the term of this authorization up to the date of its exercise, in application, with the necessary modifications, of section 186 (3) sentence 4 of the AktG.
- d) To the extent that the capital increase is implemented to grant shares against noncash contributions, in particular for the purposes of acquiring companies, parts of companies, or investments in companies, or other assets

The Executive Board is also authorized to define further details of the capital increase and its implementation, with the consent of the Supervisory Board. The Supervisory Board is authorized to amend the wording of Article 5 of the Articles of Association following the complete or partial implementation of the capital increase from Authorized Capital 2023 or after the expiration of the authorization period, in line with the scope of the capital increase.

Additionally, under Article 5 (4) of the company's Articles of Association, the company's share capital may also be increased by up to €50,000,000 on a contingent basis through the issue of up to 50,000,000 bearer shares (no-par value shares) (Contingent Capital 2023). The sole purpose of Contingent Capital 2023 is to issue new shares to the holders/creditors of bonds which are issued by the company or by other companies in which the company directly or indirectly holds a majority interest up to May 31, 2028, in accordance with a resolution passed by the shareholders under item 10.2 of the agenda for the meeting of June 1, 2023, in the event that conversion and/or option rights are exercised or conversion or option exercise obligations are settled or the company makes use of its right to grant shares in the company, either in full or in part, in lieu of payment of the respective cash amount. The shares are issued at the conversion or option price to be determined in accordance with the aforementioned resolution. The contingent capital increase will only be implemented to the extent that conversion rights or options are exercised or conversion or option exercise obligations are settled, or the company exercises its right to grant shares of the company, either in full or in part, in lieu of payment of the cash amount due, and to the extent that other instruments are not used to settle the conversion rights or options.

The new shares carry dividend rights from the beginning of the fiscal year in which they are issued. To the extent permitted by law, the Executive Board may, with the consent of the Supervisory Board, determine the dividend rights in derogation of the above and of section 60 (2) of the AktG, including for a fiscal year that has already closed. The Executive Board is authorized to define further details of the implementation of the contingent capital increase, with the consent of the Supervisory Board.

In addition, by virtue of the resolution of the Annual General Meeting on June 1, 2023, the Executive Board may, in the period up to May 31, 2028, acquire treasury shares up to a total of 10% of the share capital existing at the time of the resolution or, if this value is lower, of the share capital existing at the time this authorization is exercised. The acquired shares, together with other treasury shares held by TRATON SE or attributable to it in accordance with sections 71a ff. of the AktG, may at no time account for more than 10% of the share capital. The treasury shares acquired on the basis of the authorization resolved by the Annual General Meeting on June 1, 2023, or an earlier authorization may be used for any permissible purpose, in particular the purposes specified in the authorization of the Annual General Meeting, with the approval of the Supervisory Board and with preemptive rights disapplied. In addition, treasury shares may be acquired through the use of derivatives in the period up to May 31, 2028, on the basis of the further authorization resolved at the Annual General Meeting on June 1, 2023. Acquisitions of shares using derivatives are limited to a maximum of 5% of the share capital existing at the time of the resolution by the Annual General Meeting or, if this value is lower, at the time the authorization is exercised. The acquired shares also count toward the aforementioned 10% limit of the authorization to acquire treasury shares resolved by the Annual General Meeting. For the relevant details of the authorization to acquire treasury shares, please refer to the resolutions proposed by the Executive Board and Supervisory Board on agenda items 11 and 12 of our Annual General Meeting on June 1, 2023, that were published in the *Bundesanzeiger* (the Federal Gazette) on April 17, 2023.

Material agreements of TRATON SE that are subject to a change of control as a result of a takeover bid

As of December 31, 2025, TRATON SE had taken out bilateral loan agreements in the amount of €1.75 billion. The agreements grant the lenders in question the right to terminate the contract in line with standard market practice in the event of a change of control. A change of control is considered to have occurred if Volkswagen AG no longer holds more than 50% of the shares or voting rights in TRATON SE, either directly or indirectly. A syndicated multi-currency revolving credit facility agreement with a banking consortium with a credit line of €4.5 billion and *Schuldscheindarlehen* agreements with a total volume of €350 million are also in place. Both of these grant the lenders the right to terminate the agreements in the event that Volkswagen AG ceases to be a controlling company of TRATON SE within the meaning of section 17 of the *Aktiengesetz* (AktG — German Stock Corporation Act). In addition, a bilateral loan agreement with the European Investment Bank (EIB) in the amount of €500 million to finance the TRATON Modular System (TMS) has been in place since December 2025. In the event that Volkswagen AG is no longer the controlling company of TRATON SE within the meaning of section 17 of the AktG, the agreement provides for a termination right for the lender.

Under the EMTN program, TRATON Finance Luxembourg S.A. has issued bonds in various currencies, including euro, Swedish kronor, sterling, and Swiss francs, since 2021. As of December 31, 2025, the volume of bonds outstanding under the EMTN program totaled a nominal amount equivalent to approximately €11.6 billion. All bonds are guaranteed by TRATON SE. In the event of a change of control (defined as obtaining any form of direct or indirect legal or beneficial ownership or any form of direct or indirect legal or beneficial power of disposition (as described in section 34 of the *Wertpapierhandelsgesetz* (WpHG — German Securities Trading Act) for a total of more than 50% of the shares of TRATON SE that carry voting rights) and the subsequent deterioration of TRATON SE's credit rating within 120 days of the change of control taking effect, creditors of the bonds outstanding under the EMTN program have the right to demand that TRATON Finance Luxembourg S.A. buy them back. More detailed information on the bonds and their terms can be found on the company's website at <https://ir.traton.com/en/bonds/>.

There has also been an AMTN program in place since 2025 under which TRATON Finance Luxembourg S.A. can issue bonds in the amount of AUD 5.0 billion. The terms of the bonds state that all bonds would be guaranteed by TRATON SE. In the event that bonds are issued, it cannot be ruled out that change-of-control arrangements will also be agreed. More detailed information on the bonds and their terms can be found on the company's website at <https://ir.traton.com/en/bonds/>. No bonds had been issued under the AMTN program as of December 31, 2025.

In addition, there is a revolving credit facility agreement, among others, in the overall amount of €4.0 billion in place with Volkswagen AG. Although the agreement does not contain a contractual provision for the event of a change of control over TRATON SE, Volkswagen AG is authorized to terminate the revolving credit facility agreement at any time and without cause. In the event that Volkswagen AG ceases to be a direct or indirect controlling company of TRATON SE, it cannot be ruled out that Volkswagen AG exercises this termination right. In addition, there are other agreements, in particular guarantee lines with financial institutions under which it can be assumed, even without contractual provisions, that the relevant contracting parties could effectively terminate the agreement in question and/or require additional collateral in the event of a change of control.

Other takeover-related disclosures, in particular compensation agreements of the company

Employees who hold shares in TRATON SE exercise the rights associated with these shares in the same way as other shareholders in accordance with the statutory provisions and the provisions of the Articles of Association. The company has not entered into any compensation agreements with members of the Executive Board or employees in the event of a takeover bid.

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AS OF DECEMBER 31, 2025

Income Statement

of the TRATON GROUP for the period from January 1 to December 31

€ million	Note	TRATON GROUP	
		2025	2024
Sales revenue	[1]	44,052	47,473
Cost of sales	[2]	-35,630	-37,373
Gross profit		8,421	10,100
Distribution expenses	[2]	-3,835	-3,813
Administrative expenses	[2]	-1,645	-1,710
Net impairment losses on financial assets	[28/29]	-143	-132
Other operating income	[3]	1,386	1,678
Other operating expenses	[3]	-1,758	-1,915
Operating result		2,426	4,209
Share of earnings of equity-method investments	[12]	215	238
Interest income ¹	[4]	235	317
Interest expense ¹	[4]	-656	-808
Other financial result	[5]	-196	-387
Financial result		-402	-639
Earnings before tax		2,024	3,569
Income taxes	[6]	-479	-766
current		-728	-978
deferred		249	212
Earnings after tax		1,545	2,803
shareholders of TRATON SE		1,547	2,804
noncontrolling interests		-2	-1
Earnings per share in € (diluted/basic)	[7]	3.09	5.61

¹ Prior-year period adjusted, see Note 1. [Basis of preparation — Accounting policies — Prior-period information](#)

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Statement of Comprehensive Income

of the TRATON GROUP for the period from January 1 to December 31

€ million	Note	2025	2024
Earnings after tax		1,545	2,803
Pension plan remeasurements recognized in other comprehensive income		–	–
Pension plan remeasurements recognized in other comprehensive income, before tax	[24]	128	32
Deferred taxes relating to pension plan remeasurements recognized in other comprehensive income		–34	–12
Pension plan remeasurements recognized in other comprehensive income, net of tax		95	20
Fair value measurement of other equity investments		–	–
Fair value measurement of other equity investments, before tax	[28]	91	–132
Deferred taxes relating to the fair value measurement of other equity investments		–13	18
Fair value measurement of other equity investments, net of tax		78	–114
Share of other comprehensive income of equity-method investments that will not be reclassified subsequently to profit or loss, net of tax	[12]	1	1
Items that will not be reclassified subsequently to profit or loss		174	–92
Currency translation differences			
Unrealized currency translation gains/losses		–56	–388
Transferred to profit or loss		2	0
Currency translation differences, before tax		–54	–388
Deferred taxes relating to currency translation differences		0	1
Currency translation differences, net of tax		–54	–387
Cash flow hedges		–	–
Fair value changes recognized in other comprehensive income	[28]	81	–84
Transferred to profit or loss	[28]	–32	24
Cash flow hedges, before tax		49	–60
Deferred taxes relating to cash flow hedges		–17	21
Cash flow hedges, net of tax		33	–40

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€ million	Note	2025	2024
Cost of hedging			
Cost of hedging recognized in other comprehensive income	[28]	-10	-1
Transferred to profit or loss	[28]	15	-3
Cost of hedging, before tax		6	-4
Deferred taxes relating to cost of hedging		-2	2
Cost of hedging, net of tax		4	-3
Share of other comprehensive income of equity-method investments that will be reclassified subsequently to profit or loss, net of tax	[12]	-12	6
Items that will be reclassified subsequently to profit or loss		-30	-424
Other comprehensive income, before tax		209	-545
Deferred taxes relating to other comprehensive income		-65	29
Other comprehensive income, net of tax		144	-516
Total comprehensive income		1,688	2,288
shareholders of TRATON SE		1,690	2,288
noncontrolling interests		-2	-1

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Balance Sheet

Assets of the TRATON GROUP as of December 31, 2025, and December 31, 2024

€ million	Note	TRATON GROUP	
		12/31/2025	12/31/2024
Noncurrent assets			
Goodwill	[8]	5,967	6,154
Intangible assets	[9]	7,664	7,389
Property, plant, and equipment	[10]	10,111	9,646
Assets leased out	[11]	5,316	5,168
Equity-method investments	[12]	1,770	1,641
Other equity investments	[13]	83	139
Noncurrent income tax receivables		156	130
Deferred tax assets	[6]	2,552	2,604
Noncurrent financial services receivables	[14]	10,571	9,090
Other noncurrent financial assets	[15]	594	516
Other noncurrent receivables	[16]	234	266
		45,019	42,744
Current assets			
Inventories	[17]	7,016	7,532
Trade receivables	[18]	3,126	3,096
Current income tax receivables		417	293
Current financial services receivables	[14]	7,335	6,894
Other current financial assets	[15]	891	825
Other current receivables	[16]	1,570	1,576
Marketable securities and investment deposits		22	46
Cash and cash equivalents	[19]	2,805	2,542
		23,183	22,804
Total assets		68,202	65,547

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Equity and liabilities of the TRATON GROUP as of December 31, 2025, and December 31, 2024

€ million	Note	TRATON GROUP	
		12/31/2025	12/31/2024
Equity	[20]		
Subscribed capital		500	500
Capital reserves		12,195	12,495
Retained earnings		9,054	8,135
Accumulated other comprehensive income		-3,115	-3,293
Equity attributable to shareholders of TRATON SE		18,633	17,838
Noncontrolling interests		3	6
		18,636	17,844
Noncurrent liabilities			
Noncurrent financial liabilities	[21]	17,103	15,759
Provisions for pensions and other post-employment benefits	[24]	1,644	1,909
Deferred tax liabilities	[6]	512	672
Noncurrent income tax provisions		139	136
Other noncurrent provisions	[25]	1,761	1,727
Other noncurrent financial liabilities	[22]	1,584	1,970
Other noncurrent liabilities	[23]	2,167	2,271
		24,910	24,444
Current liabilities			
Current financial liabilities	[21]	10,288	8,517
Trade payables		5,474	5,349
Current income tax payables		192	304
Current income tax provisions		20	107
Other current provisions	[25]	2,228	2,108
Other current financial liabilities	[22]	1,868	2,121
Other current liabilities	[23]	4,585	4,753
		24,655	23,260
Total equity and liabilities		68,202	65,547

Statement of Changes in Equity¹

of the TRATON GROUP for the period from January 1 to December 31

€ million				Accumulated other comprehensive income		
	Subscribed capital	Capital reserves	Retained earnings	Items that will be reclassified subsequently to profit or loss		
				Currency translation	Cash flow hedges	Equity-method investments
Balance as of 01/01/2024	500	13,295	5,464	-2,096	13	5
Earnings after tax	-	-	2,804	-	-	-
Other comprehensive income, net of tax	-	-	-	-387	-42	6
Total comprehensive income	-	-	2,804	-387	-42	6
Dividend payout	-	-	-750	-	-	-
Release of distributable capital reserves	-	-800	800	-	-	-
Effect from business combinations under common control ²	-	-	-164	-	-	-
Other changes	-	-	-20	1	0	0
Balance as of 12/31/2024	500	12,495	8,135	-2,482	-29	11
Balance as of 01/01/2025	500	12,495	8,135	-2,482	-29	11
Earnings after tax	-	-	1,547	-	-	-
Other comprehensive income, net of tax	-	-	-	-54	36	-12
Total comprehensive income	-	-	1,547	-54	36	-12
Dividend payout	-	-	-850	-	-	-
Release of distributable capital reserves	-	-300	300	-	-	-
Effect from business combinations under common control ²	-	-	-43	-	-	-
Other changes	-	-	-36	-	-	-
Balance as of 12/31/2025	500	12,195	9,054	-2,536	7	-1

¹ For further information, see Note [20. Equity](#)

² For further information, see Note [Acquisitions](#)

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	Accumulated other comprehensive income					
	Items that will not be reclassified subsequently to profit or loss					
€ million	Remeasurements of pension plans	Equity-method investments	Other equity investments	Equity attributable to shareholders of TRATON SE	Noncontrolling interests	Total
Balance as of 01/01/2024	-162	-3	-534	16,482	6	16,488
Earnings after tax	-	-	-	2,804	-1	2,803
Other comprehensive income, net of tax	20	1	-114	-516	0	-516
Total comprehensive income	20	1	-114	2,288	-1	2,288
Dividend payout	-	-	-	-750	0	-750
Release of distributable capital reserves	-	-	-	-	-	-
Effect from business combinations under common control ²	-	-	-	-164	-	-164
Other changes	-	0	0	-20	1	-20
Balance as of 12/31/2024	-142	-1	-648	17,838	6	17,844
Balance as of 01/01/2025	-142	-1	-648	17,838	6	17,844
Earnings after tax	-	-	-	1,547	-2	1,545
Other comprehensive income, net of tax	95	1	78	145	0	144
Total comprehensive income	95	1	78	1,691	-2	1,689
Dividend payout	-	-	-	-850	-	-850
Release of distributable capital reserves	-	-	-	-	-	-
Effect from business combinations under common control ²	-	-	-	-43	-	-43
Other changes	-	-	33	-3	-1	-4
Balance as of 12/31/2025	-47	-1	-537	18,633	3	18,636

¹ For further information, see Note [20. Equity](#)

² For further information, see Note [Acquisitions](#)

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Statement of Cash Flows¹

of the TRATON GROUP for the period from January 1 to December 31

€ million	TRATON GROUP	
	2025	2024
Cash and cash equivalents as of 01/01	2,542	1,730
Gross cash flow		
Earnings before tax	2,024	3,569
Income taxes paid	-1,111	-1,068
Depreciation and amortization of, and impairment losses on, intangible assets, property, plant, and equipment, and investment property ²	1,537	1,434
Amortization of, and impairment losses on, capitalized development costs ²	620	530
Impairment losses on equity investments ²	34	1
Depreciation of and impairment losses on products leased out ²	1,024	1,012
Change in pension obligations	-1	7
Earnings on disposal of noncurrent assets and equity investments	-15	-4
Share of earnings of equity-method investments	-79	-79
Other noncash income/expense	-50	252
Change in working capital		
Change in inventories	429	-214
Change in receivables (excluding financial services)	-78	401
Change in liabilities (excluding financial liabilities)	-279	-375
Change in provisions	281	345
Change in products leased out	-1,228	-518
Change in financial services receivables	-2,206	-2,953
Net cash provided by operating activities	902	2,340
Investments in intangible assets (excluding capitalized development costs), in property, plant, and equipment and in investment property	-1,576	-1,763
Additions to capitalized development costs	-1,220	-978
Investments to acquire subsidiaries and other businesses	-21	-69
Investments to acquire other investees	-43	-74

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€ million	TRATON GROUP	
	2025	2024
Proceeds from the disposal of subsidiaries	21	31
Proceeds from the disposal of other investees	10	10
Proceeds from the disposal of intangible assets, property, plant, and equipment, and investment property	81	61
Change in marketable securities and investment deposits	23	39
Change in loans	-3	-69
Net cash used in investing activities	-2,728	-2,811
Dividend payouts	-850	-750
Proceeds from the issuance of bonds	5,627	5,448
Repayment of bonds	-4,864	-2,555
Proceeds from <i>Schuldscheindarlehen</i> and commercial paper programs ⁵	1,314	91
Payments from <i>Schuldscheindarlehen</i> and commercial paper programs ⁵	-322	-1,179
Loans extended by Volkswagen companies ³	1,032	1,309
Loan repayment to Volkswagen companies ⁴	-770	-428
Change in miscellaneous financial liabilities ⁵	1,146	-268
Repayment of lease liabilities	-292	-276
Net cash provided by financing activities	2,021	1,392
Effect of exchange rate changes on cash and cash equivalents	70	-109
Change in cash and cash equivalents	264	812
Cash and cash equivalents as of 12/31	2,805	2,542

1 For further information, see Note [27. Statement of cash flows](#)

2 Net of impairment reversals

3 Volkswagen AG, Volkswagen International Finance, Volkswagen Group of America Finance, Volkswagen North American Region Payment Services, LLC

4 Volkswagen AG, Volkswagen Financial Services AG, Volkswagen Group of America Finance

5 Prior-year figures adjusted to reflect the current presentation. Cash inflows of €91 million and cash outflows of €-829 million from commercial paper programs, which were reported under "Changes in miscellaneous financial liabilities" in the previous year, are now reported under "Cash inflows from *Schuldscheindarlehen* and commercial paper programs" and "Payments from *Schuldscheindarlehen* and commercial paper programs."

Notes to the Consolidated Financial Statements

Basis of preparation

Information about the company and basis of reporting

TRATON SE, Munich, Germany, is the parent company of the TRATON GROUP (TRATON). TRATON SE is a European stock corporation (*Societas Europaea*) whose registered office is in Munich, Germany. It is registered in the commercial register of the Munich Local Court under the register number HRB 246068, under the address Hanauer Strasse 26, 80992 Munich.

With its four brands Scania, MAN, International, and Volkswagen Truck & Bus, the TRATON GROUP is one of the world's leading manufacturers of commercial vehicles. The portfolio consists of trucks, buses, and light-duty commercial vehicles, as well as the sale of spare parts and customer services. In addition, the TRATON GROUP offers a large number of financial services to its customers.

As of the reporting date of December 31, 2025, TRATON SE was an 87.52%-owned direct subsidiary of Volkswagen International Luxembourg S.A., Strassen, Luxembourg (Volkswagen International Luxembourg), which in turn is a wholly owned subsidiary of Volkswagen Finance Luxembourg S.A., Strassen, Luxembourg (Volkswagen Finance Luxembourg). All of the shares of Volkswagen Finance Luxembourg are held in turn by Volkswagen Aktiengesellschaft, Wolfsburg (Volkswagen AG). Volkswagen International Luxembourg reduced its equity interest in the TRATON GROUP on March 19, 2025, by 2.2%, from 89.72% to 87.52%. The financial statements of Volkswagen International Luxembourg are published in the Luxembourg Trade and Company Register. TRATON SE and its subsidiaries are included in the consolidated financial statements of Volkswagen AG, which are published in the company register.

The accompanying Consolidated Financial Statements of TRATON SE for the fiscal year ended December 31, 2025, were prepared in accordance with section 315e (1) of the *Handelsgesetzbuch* (HGB — German Commercial Code) and in compliance with the International Financial Reporting Standards (IFRSs), as adopted in the European Union.

The fiscal year corresponds to the calendar year. All figures shown are rounded, so minor discrepancies may arise from addition of these amounts. Unless otherwise mentioned, comparable prior-year figures are presented in brackets in the text alongside the figures for the fiscal year under review.

The accompanying Consolidated Financial Statements were audited by EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Stuttgart (EY). The Consolidated Financial Statements were prepared on February 11, 2026, and approved for submission to the Supervisory Board by means of an Executive Board resolution. The period in which adjusting events after the reporting period are recognized ended on that date.

Accounting policies

With the exception of certain items, such as financial instruments measured at fair value through profit or loss or provisions for pensions and other post-employment benefits, items are measured in the TRATON GROUP on the basis of the historical cost convention. The significant accounting policies for the individual items in the financial statements are explained at the beginning of the relevant sections in the notes.

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New accounting pronouncements applied

TRATON SE has applied all accounting pronouncements adopted by the EU and required to be applied for periods beginning on or after January 1, 2025. The changes in accounting pronouncements do not materially affect the TRATON GROUP's net assets, financial position, or results of operations.

New or amended IFRSs not applied

In its 2025 Consolidated Financial Statements, TRATON did not apply the accounting pronouncements that have already been adopted by the IASB, but were not yet required to be applied for the fiscal year.

The IASB published amendments to IFRS 7 *Financial Instruments: Disclosures* and IFRS 9 *Financial Instruments* on May 30, 2024, that are effective for the first time starting on January 1, 2026. The amendments relate to the derecognition of financial liabilities settled by electronic transfer and the classification of financial instruments. Equity instruments that are recognized at fair value through other comprehensive income (without recycling) and financial instruments with contractual terms that could change the timing or amount of the contractual cash flows (e.g., ESG targets) are also affected. In fiscal year 2026, additional disclosures will be required due to the changes to equity instruments and financial instruments with such contractual terms. The amendments relating to the derecognition of financial liabilities and the classification of financial instruments are not expected to have any material impact on the TRATON GROUP's consolidated financial statements.

The IASB published the new standard IFRS 18 *Presentation and Disclosure in Financial Statements* on April 9, 2024. The new standard replaces *IAS 1 Presentation of Financial Statements* and is effective for fiscal years beginning on or after January 1, 2027. IFRS 18 amends the structure of the income statement by introducing new categories and requiring clearly defined subtotals. Among other things, IFRS 18 will expand the notes in the future to include information on management-defined performance measures (MPMs) and corresponding reconciliations of individual MPMs to the most directly comparable IFRS subtotals. In addition, IFRS 18 introduces new principle-based aggregation and disaggregation requirements for presenting information in the primary financial statements and in the notes to provide users of financial statements with relevant and comparable information. In the statement of cash flows, IFRS 18 eliminates options in IAS 7 regarding the presentation of dividends and interest received and paid. The specific impact of the initial application of IFRS 18 in fiscal year 2027 is currently being analyzed. There are no plans for early adoption.

The other financial reporting standards issued by the IASB but not yet effective are not expected to materially affect the TRATON GROUP's consolidated financial statements.

Prior-period information

To improve comparability, certain prior-period information was adjusted to reflect the current presentation. Additionally, certain prior-period data was revised. If material, the details of such information are contained in the relevant sections. Material changes in the previous year's income statement are explained in the following.

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A discovery was made in the second quarter of 2025 that a subsidiary had not reported interest income and interest expense from interest rate and cross-currency derivatives for each derivative on a net basis. The affected items were adjusted as follows for the 2024 fiscal year:

€ million	2024	Change	2024 (adjusted)
Interest income	387	-70	317
Interest expense	-878	70	-808

Currency translation

The consolidated financial statements have been prepared in the presentation currency euros (€), TRATON SE's functional currency. The financial statements of subsidiaries, associates, and joint ventures from countries outside the eurozone are translated into euros in line with the functional currency concept. For the subsidiaries, the functional currency is based on their primary economic environment and almost always corresponds to the relevant national currency. For individual subsidiaries, the functional currency differs from the local currency and is the euro or US dollar, among others.

Foreign currency transactions in the single-entity financial statements of TRATON SE and the subsidiaries included in the basis of consolidation are translated at the exchange rates prevailing at the transaction dates. Foreign currency monetary items are recognized at the closing date in the balance sheet. Currency translation differences from foreign currency transactions are recognized in operating result or in financial result, in accordance with their substance.

Financial statements of foreign entities are translated from their functional currency into euros using the modified closing rate method, under which balance sheet items (with the exception of equity) are translated at the closing rate, and income statement items are translated at weighted average exchange rates for the year. With the exception of income and expenses recognized in equity, equity is translated at historical exchange rates. The resulting currency translation differences are recognized as a separate item in equity until the disposal of the subsidiary.

TRATON uses exchange rates provided by an external market data provider for all currency translation. All exchange rates are based on the corresponding euro exchange rates, from which all non-euro exchange rate combinations are derived. For an overview of the exchange rates on which currency translation was based and which had a material impact on the consolidated financial statements, see the [Report on Economic Position — Exchange rates](#) section of the Combined Management Report.

Basis of consolidation**Accounting policies: basis of consolidation**

In addition to TRATON SE, the consolidated financial statements comprise all significant subsidiaries, including structured entities, that are controlled directly or indirectly by TRATON SE. The consolidated structured entities largely serve to implement asset-backed securities transactions to refinance the financial services business and to securitize receivables.

Material entities whose financial and operating policies TRATON SE can significantly influence indirectly or directly (associates), or over which TRATON SE shares control indirectly or directly (joint ventures), are measured using the equity method. Joint ventures also include entities in which the TRATON GROUP holds a majority of the voting rights, but whose shareholder agreements stipulate that important decisions may only be resolved unanimously.

Subsidiaries whose business activities have been suspended or whose business volume is minimal and that are insignificant individually and in the aggregate for the presentation of a true and fair view of the TRATON GROUP's net assets, financial position, and results of operations are not consolidated. They are generally recognized at cost, net of any impairment losses required to be recognized, plus any reversals of impairment losses required to be recognized. The same applies to insignificant associates and joint ventures.

All other investees are financial investments.

The changes in subsidiaries included in the basis of consolidation mainly comprise the acquisition of Cheshire 3 Holdings Limited, Milton Keynes, UK, and TruckEast Holdings Limited, Milton Keynes, UK, and their respective subsidiaries. See Note [Acquisitions](#) for more information.

The list of the TRATON GROUP's shareholdings within the meaning of section 313 (2) of the *Handelsgesetzbuch* (HGB — German Commercial Code) is presented in Note [40. List of shareholdings](#).

The following affiliated German companies included in the consolidated financial statements of TRATON SE have met the criteria set out in section 264 (3) of the HGB or section 264b of the HGB and have as far as possible exercised the option not to publish annual financial statements:

- MAN Grundstücksgesellschaft mbH & Co. Epsilon KG, Munich
- TORINU Verwaltung GmbH & Co. Beta KG, Pullach i. Isartal
- TARONA Verwaltung GmbH & Co. Alpha KG, Pullach i. Isartal
- M A N Verwaltungs-Gesellschaft mbH, Munich
- MAN Service und Support GmbH, Munich
- KOSIGA GmbH & Co. KG, Pullach i. Isartal
- MAN GHH Immobilien GmbH, Oberhausen
- TB Digital Services GmbH, Munich

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- MAN Marken GmbH, Munich
- MAN Brand GmbH & Co. KG, Grünwald
- Scania CV Deutschland Holding GmbH, Koblenz
- SCANIA DEUTSCHLAND GmbH, Koblenz
- SCANIA Vertrieb und Service GmbH, Koblenz
- SCANIA Real Estate Deutschland GmbH, Koblenz

Effects of climate change

In light of climate change and the associated tightening of emissions regulations, the commercial vehicle industry is continuing its transition to electric mobility. The Executive Board gives emphasis to this transition with the company's TRATON Way Forward strategy. Circularity will play a key role alongside the focus area of decarbonization. The electrification of our product portfolio is the primary contributor to decarbonization. Increasing resource efficiency — particularly by extending life cycles and recycling raw materials — will play an important role for the circular economy.

The financial effect of the transition to a circular economy is currently reflected above all in the sale of new and remanufactured genuine parts (see Note [1. Sales revenue](#)), which means longer life cycles for our vehicles. In terms of decarbonization, the potential impact of future regulatory requirements in connection with electric mobility plays a particularly crucial role, especially in the five-year planning and hence in the derivation of future cash flows for impairment tests. In mid-2024, for example, the European Union set new ambitious targets for manufacturers of heavy-duty commercial vehicles such as the TRATON GROUP to reduce CO₂ emissions in Europe in the course of two decades in the new Regulation (EU) 2024/1610 (CO₂ regulation). The target set for 2025 of reducing CO₂ emissions from heavy-duty commercial vehicles with more than 16 tons by 15% is already in force. In 2024, however, the EU increased its reduction target from 30 to 45% by 2030 and set targets for commercial vehicles of 65% by 2035 and 90% by 2040. The targets are based on a benchmark from the period July 2019 to June 2020. In addition, these targets have been extended to other commercial vehicle sub-groups. This concerns medium and heavy commercial vehicles over 5 tons, including interurban buses and coaches. Some special vehicles will continue to be exempt. To stimulate faster deployment of zero-emission city buses, the EU has further decided in 2024 that all new city buses must be zero-emission starting in 2035, with an interim target of 90% in 2030. If these emissions targets are not met, there are to be penalties of €4,250 for every gram of CO₂ emitted per ton-kilometer (tkm) that exceeds the limits starting in 2025. The new Euro 7 emissions standards to limit harmful pollutants such as nitrous oxide (NOx) or particulate matter from vehicle exhaust gases have been agreed in the EU. The corresponding law was published in May 2024. The legislation is very challenging in terms of both limit values and testing methods. Many technical details remain to be set in so-called secondary legislation. In the United States, the current administration made the decision in 2025 to roll back the existing US emissions standards for medium-duty and heavy-duty commercial vehicles across the board. In Brazil, TRATON is affected by the CO₂ reduction/energy efficiency program, which is based on European directives and the VECTO program for calculation. The program, following an adaptation to Brazilian conditions, will be finalized by December 2026. Targets are scheduled to be established in early 2029, with vehicles expected to meet them starting in 2033. China has introduced the China 6 (CN 6) emission standard for 2023 to reduce pollutant emissions for all heavy-duty vehicles. Also, China introduced new Stage IV Fuel Consumption Limits in July 2025, as well the New Energy Vehicle Credit Policy plan, which is estimated to be implemented from 2028 to reduce CO₂ emissions for all commercial vehicles.

As part of its strategy, the TRATON GROUP is focusing on battery-electric vehicles. A condition for this is the rapid development of the conditions needed to achieve this, such as the corresponding charging infrastructure and relevant grid connections, as well as a supportive regulatory environment. The BEV unit sales ratio (excluding MAN TGE vans) across all regions was still 1.2% (previous year: 0.5%) in 2025. However, TRATON is preparing to ramp up production by

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focusing its development activities on battery-electric vehicles. TRATON is also safeguarding supplies of bought-in components for battery-electric vehicles through long-term orders. We are contributing to the expansion of the charging infrastructure in particular through Commercial Vehicle Charging Europe B.V., Amsterdam, Netherlands (Milence), a joint venture with Daimler Truck and Volvo Group. TRATON had committed an investment volume of €167 million for Milence when it was established in 2021. €40 million (previous year: €38 million) was invested in Milence in this context in the reporting period (see [Note 33. Other financial obligations](#)).

To meet the European Union, North American, Brazil, and China targets, it is imperative to deploy new technologies to reduce CO₂ and other exhaust emissions. TRATON is therefore investing to a substantial extent in climate-friendly alternative drive systems, primarily battery-electric commercial vehicles. In this context, investments of more than €2.400 million are planned for the years from 2026 to 2030 in forward-looking key areas such as electrification and autonomous driving. The focus here is on rolling out BEV vehicles. This includes the development of the necessary components, vehicle integration, and batteries. By contrast, development expenditures on the further development of combustion engine technology will be scaled back. The restructuring of the product portfolio continues to involve capital expenditures on production facilities. No impact on the useful lives of capitalized development costs or items of property, plant, and equipment was identified in light of the observation period of regulatory requirements and as a result of the parallel production of battery-electric vehicles and vehicles with combustion engines in the next few years. Liabilities resulting from emission limits being exceeded do not currently play a major role. However, the increased development activity in the field of electric mobility resulted in a corresponding increase in capitalized (intangible assets) and noncapitalized (cost of sales) development costs.

Estimates and management's judgment

Preparation of consolidated financial statements in accordance with IFRSs requires assumptions to be made with regard to certain items that affect the carrying amounts in the balance sheet or income statement and the related other disclosures. All estimates and assumptions represent the best of management's knowledge and belief in order to convey a true and fair view of the Group's net assets, financial position, and results of operations. TRATON applies parameters that were available when the consolidated financial statements were prepared. Nevertheless, actual developments may differ significantly from expected developments due to uncertainties over which the Group does not have complete control. This may result in the carrying amounts of the assets and liabilities concerned having to be adjusted accordingly in subsequent periods. Estimates and management's judgment relate primarily to the following matters:

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Accounting matter	Note	Assumptions/Sources of estimation uncertainty
Income taxes	6	Measurement of tax provisions: uncertainty resulting from possible changes in tax legislation, jurisdiction, and how these are interpreted by the financial authorities
Goodwill	8	Recoverability of cash-generating units: estimates of expected cash flows and discount rate
Intangible assets	9	Amortization of intangible assets: estimates of useful lives
Property, plant, and equipment	10	Depreciation of property, plant, and equipment: estimates of useful lives
Leases	10, 11, 14	TRATON as lessee — measurement of right-of-use assets: estimates of contractual term in the event of extension and termination TRATON as lessor — measurement of assets leased out/financial services receivables: estimates of residual value at the end of contractual term
Financial services receivables	14	Measurement: estimates of expected credit losses
Provision for pensions and other post-employment benefits	24	Measurement: estimates of actuarial assumptions
Other provisions	25	Recognition and measurement of provisions: estimates of the amount and probability of occurrence of the obligation as well as of the discount rate

Geopolitical situation

The geopolitical situation is currently heavily influenced by international trade barriers, political uncertainty, and armed global conflicts, creating uncertainty for all market participants. The escalation of trade barriers between major economies, including the introduction of new tariffs, may adversely affect TRATON's supply chains, cost structures, and pricing strategies. Continued armed conflicts around the world have led to volatility in energy prices, the availability of raw materials, and changes in transportation routes. Inventories and contract margins are continuously monitored by management. Significant assessments are necessary when assessing whether such disruptions constitute a trigger for asset impairment, as well as whether expected credit losses (ECLs) should be increased.

The political uncertainty prevailing in the US as of the reporting date regarding the future pace of transformation to e-mobility has led to significant impairment of capitalized development costs due to the termination of a development project for Class 8 battery-electric trucks at International Motors. Expenses for the additional US tariffs that came into effect on November 1, 2025, under Section 232 of the Trade Expansion Act of 1962 (Section 232) on medium-duty and heavy-duty vehicles in classes 3 to 8 and buses are increasing functional expenses and the production costs of inventories. The current dynamic geopolitical developments are also having an effect on the calculation of ECLs on financial assets. Further information can be found in Notes [2. Functional expenses](#), [9. Intangible assets](#), [10. Property, plant, and equipment, right-of-use assets under IFRS 16, and lease liabilities](#), and [28. Significance of financial instruments for the net assets, financial position, and results of operations](#).

Management is conscious that the geopolitical situation continues to be dynamic and can change rapidly. TRATON will continue to monitor developments closely and adjust its estimates and judgments accordingly if conditions change significantly. Information on how geopolitical risks affect recognition and measurement, and estimates and management's judgments relating to individual assets and liabilities, can be found in the individual chapters.

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Segment reporting

Accounting policies: segment reporting

The TRATON GROUP's production and marketing activities are divided into the Scania Vehicles & Services, MAN Truck & Bus, International Motors, and Volkswagen Truck & Bus segments. The classification corresponds to the internal organizational and reporting structure. In order to make decisions about the allocation of resources and the assessment of performance, the results of the units are regularly reviewed by the Executive Board of TRATON SE in its role as chief operating decision maker. As an additional reference, we include the TRATON Operations business area in the reporting, which corresponds to the consolidated value of the four vehicle segments allocated to it and minor values from Group-wide research and development not allocated to the vehicle segments.

The TRATON GROUP offers financing solutions for the purchase of commercial vehicles in the TRATON Financial Services segment.

The Reconciliation column shows the activities and services of TRATON Holding (TRATON SE and other investees not allocated to segments), consolidation between the segments and with TRATON Holding, and the earnings effects of purchase price allocations in the event of the acquisition of an individual segment.

In the TRATON GROUP, segment result is calculated on the basis of operating result (adjusted). Operating result (adjusted) is calculated to ensure the greatest possible transparency of our business performance by making adjustments to our operating result. These adjustments concern certain items in the financial statements that, in the opinion of the Executive Board, can be presented separately to enable a more appropriate assessment of financial performance. They include, in particular, costs of restructurings and structural measures as well as one-time events with a material impact on the TRATON GROUP's earnings.

Segment financial information is generally presented in accordance with the disclosure and measurement policies applied in the preparation of the consolidated financial statements. As a departure from IFRS 16 *Leases*, subleasing of buyback vehicles in the Financial Services segment is always accounted for as an operating lease.

The merger of significant parts of the research and development departments of the individual brands into a cross-brand, Group-wide research and development (Group R&D) organization was completed as of June 30, 2025. This required a change in the TRATON GROUP's Group management, which impacts segment reporting. The number and designations of the segments remain unchanged. The change impacts capitalized development costs, expenses, and intercompany income incurred and generated in cross-brand research and development.

Until June 30, 2025, cross-brand R&D projects were assigned to one segment and R&D expenses were recharged to the other segments that benefited from this research and development in the usage phase by means of licenses. Since July 1, 2025, cross-brand R&D projects have been recorded primarily on a centralized basis. Intercompany R&D expenses and income arising between Group R&D and the segments are now eliminated for segment reporting purposes. R&D expenses and capitalized development costs in Group R&D that are not eliminated are allocated to the segments in the TRATON Operations business area that benefit from the development project in accordance with predefined principles.

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To ensure comparability, the corresponding prior-year figures for the individual segments were restated accordingly.

Sales revenue between the segments is transacted on an arm's length basis. Depreciation, amortization, and impairment losses relate to intangible assets, property, plant, and equipment, and assets leased out allocated to the individual divisions. They also include the depreciation of and impairment losses on right-of-use assets under IFRS 16. Investments in intangible assets, property, plant, and equipment, and investment property are reported exclusive of additions to right-of-use assets under IFRS 16.

Allocation of sales revenue to the regions follows the destination principle. Sales revenue from hedging transactions is allocated to "Other regions."

The four vehicle segments develop, produce, and distribute trucks and buses, and offer related services and spare parts.

With its Scania brand, **Scania Vehicles & Services** is a leader in premium transport solutions, specializing in heavy-duty trucks and offering an array of tailored services and applications. With a global footprint, Scania serves markets across Europe, North and South America, Asia, Africa, and Oceania.

With the MAN brand, **MAN Truck & Bus** offers an extensive range of transport solutions, from light commercial options to durable construction vehicles and heavy-duty trucks. MAN is a German heritage brand, operating internationally across Europe, Asia, the Middle East, Africa, and South America.

With the International brand, **International Motors** offers comprehensive mobility solutions for North America through its vast dealer network.

Volkswagen Truck & Bus solutions focus on value for money — efficient, robust, and reliable vehicles tailored to meet the unique conditions of emerging growth markets and the specialized applications required there. Volkswagen Truck & Bus has a strong presence in South America and Mexico.

With its own financial brands, **the TRATON Financial Services segment** offers financing, leasing, insurance, and modular solutions in more than 60 countries worldwide, and supports vehicle sales in close cooperation with all brands of the TRATON GROUP. Integration of key aspects of the financial services business of Volkswagen Financial Services into the TRATON GROUP (see note [Acquisitions](#)), which began in 2023, was successfully completed on June 30, 2025. As a result of the integration, financing solutions from the TRATON Financial Services segment will now also be successively offered to customers of MAN and Volkswagen Truck & Bus.

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2025 reporting segments

€ million	Scania Vehicles & Services	MAN Truck & Bus	International Motors	Volkswagen Truck & Bus	TRATON Financial Services	Total segments	Reconciliation	TRATON GROUP	of which TRATON Operations
Total sales revenue	17,945	14,095	8,169	2,768	2,188	45,165	-1,113	44,052	42,536
Intragroup sales revenue	-551	-341	-34	-4	-153	-1,083	1,083	-	-488
External sales revenue	17,394	13,754	8,135	2,763	2,035	44,081	-30	44,052	42,049
Cost of sales	-14,390	-11,173	-7,396	-2,215	-1,491	-36,664	1,034	-35,630	-34,678
Depreciation and amortization	-1,123	-1,268	-335	-77	-524	-3,327	247	-3,080	-2,784
Impairment losses	-3	-	-111	-1	-	-114	-	-114	-114
Operating result (adjusted)	1,926	904	9	323	167	3,328	-555	2,773	3,092
Financial result	-54	-58	40	-61	5	-127	-275	-402	-126
of which share of earnings of equity- method investments	-10	62	-	-	1	53	162	215	52
Investments¹	1,417	687	611	85	66	2,865	-5	2,861	2,801
Equity-method investments	170	241	-	-	8	418	1,352	1,770	410

¹ The aggregate addition to noncurrent assets (including right-of-use assets under IFRS 16) amounting to €3,277 million was distributed as follows in fiscal year 2025: Scania Vehicles & Services: €1,602 million; MAN Truck & Bus: €857 million; International Motors: €658 million; Volkswagen Truck & Bus: €91 million; TRATON Financial Services: €74 million, reconciliation: €-5 million.

2024 reporting segments¹

€ million	Scania Vehicles & Services	MAN Truck & Bus	International Motors	Volkswagen Truck & Bus	TRATON Financial Services	Total segments	Reconciliation	TRATON GROUP	of which TRATON Operations
Total sales revenue	18,907	13,652	11,116	2,918	1,932	48,525	-1,052	47,473	46,182
Intragroup sales revenue	-513	-357	-32	-3	-170	-1,074	1,343	-	-486
External sales revenue	18,394	13,295	11,084	2,916	1,762	47,451	22	47,473	45,697
Cost of sales	-14,558	-10,616	-9,353	-2,355	-1,315	-38,197	824	-37,373	-36,499
Depreciation and amortization	-1,058	-1,150	-376	-74	-440	-3,098	128	-2,970	-2,658
Impairment losses	-14	-	-3	-1	-3	-20	-	-20	-17
Operating result (adjusted)	2,801	919	724	346	205	4,995	-611	4,384	4,776
Financial result	-284	-91	-301	-102	7	-769	130	-639	-777
of which share of earnings of equity- method investments	-6	61	-	-	2	57	180	238	56
Investments²	1,387	699	603	92	68	2,848	36	2,884	2,780
Equity-method investments	172	216	-	-	6	394	1,247	1,641	387

¹ Prior-year figures adjusted, see [Accounting policies: Segment reporting](#)

² The aggregate addition to noncurrent assets (including right-of-use assets under IFRS 16) amounting to €3,187 million was distributed as follows in fiscal year 2023: Scania Vehicles & Services: €1,554 million; MAN Truck & Bus: €794 million; International Motors: €636 million; Volkswagen Truck & Bus: €95 million; TRATON Financial Services: €72 million, reconciliation: €36 million.

The reconciliation of the segment amounts to the corresponding Group amounts is shown in the following tables:

Reconciliation to the TRATON GROUP's sales revenue

€ million	2025	2024
Total sales revenue, total segments¹	45,165	48,525
External sales revenue of the TRATON Holding	19	27
Effects from purchase price allocation not allocated to the segments	-2	-6
Consolidation ¹	-1,130	-1,074
Sales revenue of the TRATON GROUP	44,052	47,473

¹ Prior-year figures adjusted, see [Accounting policies: Segment reporting](#)

Reconciliation to the TRATON GROUP's cost of sales

in Mio €	2025	2024
Total cost of sales, total segments¹	36,664	38,197
Cost of sales, TRATON-Holding	14	25
Purchase price allocation effects not allocated to segments	18	21
Consolidation ¹	-1,066	-870
Cost of sales of the TRATON GROUP	35,630	37,373

¹ Prior-year figures adjusted, see [Accounting policies: Segment reporting](#)

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Reconciliation to the TRATON GROUP's earnings before tax

€ million	2025	2024
Operating result (adjusted), total segments	3,328	4,995
Adjustments related to legal proceedings and related measures	-173	-162
Adjustments related to restructurings	-46	-14
Discontinuation of a development program for BEV	-128	-
Operating result, TRATON-Holding ¹	-105	-118
Operating result, TRATON AB	-85	-39
Earnings effects from purchase price allocation not allocated to the segments	-263	-280
Consolidation	-102	-174
Operating result of the TRATON GROUP	2,426	4,209
Financial result	-402	-639
Earnings before tax of the TRATON GROUP	2,024	3,569

¹ Prior-year figure adjusted, see [Accounting policies: Segment reporting](#)

Cross-segment information by regions

€ million	Germany	Sweden	EU27+3 (excluding Germany and Sweden)	USA	North America (excluding USA)	Brazil	South America (excluding Brazil)	Other regions	Total
2025									
Noncurrent assets (excluding financial instruments, equity investments, and deferred taxes) as of 12/31/2025	4,950	8,696	5,168	6,798	827	1,528	224	1,446	29,633
Sales revenue	5,731	1,398	16,715	6,883	2,024	4,444	1,929	4,929	44,052
2024									
Noncurrent assets (excluding financial instruments, equity investments, and deferred taxes) as of 12/31/2024	4,883	7,600	4,935	7,734	847	1,549	244	1,186	28,980
Sales revenue	5,647	1,106	16,451	8,831	3,274	5,571	1,413	5,181	47,473

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Acquisitions

Accounting policies: business combinations

Business combinations are accounted for using the acquisition method of accounting. In the course of initial consolidation, assets and liabilities are recognized at their acquisition-date fair values. The carrying amounts are adjusted in the subsequent periods. Additions from business combinations are included in the corresponding notes disclosures under changes in the basis of consolidation. Goodwill arises if the consideration paid for the acquisition exceeds the fair value of the identified assets less liabilities. If the economic consideration paid for the acquisition is less than the identified net assets, the difference is recognized in profit or loss in the year of acquisition. Unless otherwise stated, the share of equity directly attributable to noncontrolling interests at the acquisition date is measured at the fair value of the net assets (excluding goodwill) attributable to such noncontrolling interests. Any difference arising due to the acquisition of additional shares of a subsidiary that has already been consolidated is charged directly to equity.

Business combinations involving entities under common control are accounted for using the book-value method of accounting. In applying the book-value method of accounting, the assets acquired and liabilities assumed are carried at the existing Group carrying amounts from the perspective of Volkswagen AG at the acquisition date. Any difference between the consideration and the acquired net assets at their carrying amounts at the acquisition date is recognized in equity.

Acquisition of the financial services business of MAN and Volkswagen Truck & Bus (VWTB) On July 12, 2023, companies of the TRATON GROUP and companies of the Volkswagen Group signed a framework agreement on the acquisition of key aspects of the global financial services business of MAN and Volkswagen Truck & Bus (VWTB) with the aim of expanding the TRATON Financial Services segment into a global captive financial services unit. The TRATON Financial Services segment gradually acquired the rights to the future financial services business for MAN and VWTB customers in 14 countries that was most recently managed by Volkswagen Financial Services. The existing portfolio will generally remain with Volkswagen Financial Services. In 2023, TRATON Financial Services AB, Södertälje, Sweden, paid €275 million into an account at Volkswagen Bank GmbH, Braunschweig (VW Bank) for the acquisition, which was reported in net cash used in investing activities in 2023. The rights to MAN's future financial services business were acquired in several countries in fiscal year 2024, mainly in Germany, South Korea, and the United Kingdom. Additionally, 100% of the shares of MAN Financial Services GesmbH, Eugendorf, Austria, and the business operations of EURO-Leasing GmbH, Sittensen, in France (EURO-Leasing France) were acquired. For further information about the acquisitions, refer to the TRATON GROUP's Consolidated Financial Statements as of December 31, 2024.

The rights to the future financial services business for MAN and VWTB were transferred in several countries in the 2025 fiscal year, including in Brazil effective June 30, for a sale price of €72 million (previous year: €254 million), thereby completing the acquisition. An amount of €72 million (previous year: €199 million) was used for this from the account at VW Bank, €32 million of which was already paid in advance in 2024. Transfer of the business operations is accounted for in each case as a business combination under common control using the book-value method. The difference between the consideration transferred and the acquired net assets at their carrying amounts acquired at the acquisition dates amounts to €71 million (previous year: €213 million) and is recognized in equity, net of deferred taxes of €28 million (previous year: €49 million), as "Effect from business combinations under common control" under retained earnings. The acquisition of key aspects of the global financial services business in accordance with the 2023 framework agreement was therefore completed in fiscal year 2025.

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Acquisition of Haydock and TruckEast On May 1, 2025, the TRATON GROUP acquired 100% of the shares of Cheshire 3 Holdings Limited, Milton Keynes, UK, the parent company of Haydock Commercial Vehicles Limited, Milton Keynes, UK (together Haydock). Additionally, on July 1, 2025, the TRATON GROUP acquired 100% of the shares of TruckEast Holdings Limited, Milton Keynes, UK, the parent company of TruckEast Limited, Milton Keynes, UK (together TruckEast). Haydock and TruckEast are dealers of new and used Scania trucks operating in the United Kingdom. They also offer services in the Vehicle Services business, such as maintenance and spare parts. The acquisitions are intended to strengthen Scania's distribution network and support the vehicle services business in the UK. The assets acquired at the acquisition time amount to €167 million, of which €65 million is primarily attributable to inventories, €26 million to cash and cash equivalents, and €24 million to right-of-use assets. In addition, liabilities of €122 million were assumed, of which €70 million relates to trade payables and €24 million to lease liabilities. The purchase price amounts to €73 million, of which €25 million will be paid in fiscal year 2025, and the remaining €49 million has been recognized in Other financial liabilities. The acquisitions resulted in goodwill of €29 million. The acquisitions will have no significant impact on the TRATON GROUP's sales revenue or earnings.

Income statement disclosures

1. Sales revenue

Accounting policies: sales revenue

As a rule, sales revenue is only recognized after performance of the work, i.e., on delivery to and acceptance by the customer, or when the customer has obtained control over the goods or services. In the case of long-term contracts for services and service guarantees, sales revenue is recognized on a straight-line basis over the term of the contract or, if services are not rendered on a straight-line basis, based on the expected expense trend using the cost-to-cost method. In the case of prepayments received for these services, the allocated transaction price is recognized as prepayments received on customer contracts at the date of the original sale transaction and recognized as sales revenue over the period of the service. If payments are made for contracts for services to satisfy the performance obligations, the sales revenue recognized corresponds to the payments. Payments to customers related to vehicle sales are recorded as sales deductions.

If a contract contains multiple performance obligations, the transaction price is allocated to the relevant performance obligations. In the case of contracts in which service elements are insignificant compared with the sales revenue from the sale of the vehicle, the residual approach is used to allocate the transaction price. This does not result in any material differences compared with sales revenue based on relative standalone selling prices. In other cases, the transaction price is allocated based on the relative standalone selling prices.

Furthermore, certain parts are repurchased at a later date for reconditioning at TRATON. These result in the recognition of a right-of-return obligation to the customer, which is calculated using the expected value method, and of a receivable under "Other receivables" for the underlying part. Sales revenue is not recognized in this case.

A range of measures such as residual value guarantees are offered to third-party finance providers and end customers in order to support sales. Residual value guarantees result in a refund liability and are normally calculated on the basis of the most likely amount.

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Discounts, customer rebates, and other sales allowances reduce the transaction price. Variable consideration is only included in the transaction price to the extent that it is extremely probable that a subsequent reversal of the sales revenue can be ruled out.

TRATON uses the practical expedient of accounting for a financing component only if it is material and if a period of more than one year is expected between the transfer of the product or service to the customer and the customer payment. No financing components are accounted for because of the application of this practical expedient.

If the TRATON GROUP retains control in addition to the risks and rewards, vehicles sold with a buyback obligation are accounted for as operating leases. The sale price obtained on sale of the vehicle is recognized ratably in profit or loss over the term of the lease, net of the present value of the buyback price. The present values of the buyback prices are reported under other financial liabilities, and income not yet recognized in profit or loss is reported under other liabilities. Sales transactions for which a buyback obligation is not agreed from the outset, with the customer alone deciding whether to sell the vehicle back at a pre-arranged price, are also accounted for as operating leases. Based on contractual arrangements and our experience with such sales, we assume that customers will always make use of their put option. Further information on accounting for operating leases is contained in Note [11. Assets leased out](#).

By contrast, if the significant risks and rewards are transferred to the lessee, the transaction is accounted for as a finance lease. The vehicle is derecognized from the TRATON GROUP's inventory and recognized in cost of sales. Additionally, a receivable is recognized in the amount of the net investment in the lease, which results in sales revenue being recognized in the amount of the discounted lease payments. Further information on accounting for finance leases can be found in Note [14. Financial services receivables](#).

Income from customer or dealer finance or finance leases is recognized over the term of the agreement using the effective interest rate method and reported in sales revenue. When interest-free or low-interest vehicle finance is awarded, sales revenue is reduced by the interest savings granted.

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Reporting period from January 1 to December 31, 2025

€ million	2025															2024
	Scania Vehicles & Services	MAN Truck & Bus	International Motors	Volkswagen Truck & Bus	TRATON Financial Services	Recon- ciliation	Total	of which TRATON Operations	Scania Vehicles & Services	MAN Truck & Bus	International Motors	Volk- swagen Truck & Bus	TRATON Financial Services	Recon- ciliation	Total	of which TRATON Opera- tions
New vehicles	11,696	8,783	5,924	2,549	–	–46	28,906	28,941	12,883	8,383	8,263	2,698	–	–76	32,151	32,202
Vehicle Services Business	4,020	2,928	1,645	173	–	–40	8,727	8,742	3,839	2,902	1,860	179	–	–32	8,747	8,751
Genuine parts	2,808	2,011	1,645	158	–	–27	6,596	6,599	2,770	2,033	1,860	161	–	–31	6,793	6,795
Workshop services	1,212	917	–	15	–	–13	2,131	2,143	1,069	868	–	18	–	–1	1,954	1,955
Other sales revenue¹	2,230	2,384	599	46	2,188	–1,027	6,419	4,854	2,185	2,367	994	42	1,932	–944	6,574	5,230
Used vehicles and third-party products	962	626	215	3	15	0	1,820	1,806	911	707	638	1	30	–9	2,277	2,256
Engines, powertrains, and parts deliveries	445	839	–	–	–	–362	922	922	441	787	–	–	–	–300	929	929
Rental and leasing business	557	764	46	–	638	–471	1,534	1,367	603	784	42	–	503	–402	1,529	1,428
Interest and similar income	–	–	0	–	1,535	–151	1,385	0	0	–	0	–	1,399	–168	1,231	0
Other sales revenue ¹	265	156	338	43	–	–44	758	758	230	90	314	41	–	–66	608	617
	17,945	14,095	8,169	2,768	2,188	–1,113	44,052	42,536	18,907	13,652	11,116	2,918	1,932	–1,052	47,473	46,182

¹ Prior-period amount adjusted to reflect the current presentation, see [Segment reporting](#)**Information about the Group's performance obligations**

The Group's performance obligations primarily comprise sales of trucks, heavy-duty special-purpose vehicles, buses, light commercial vehicles, and related spare parts, as well as the provision of repair and maintenance services. In addition to standard statutory warranties, the TRATON GROUP also offers service guarantees.

In line with standard business practice, payment terms are 30 days, although a payment term of up to 140 days is granted in certain markets. Customers can decide to purchase a vehicle by means of financing solutions from the TRATON Financial Services. If a third party outside the TRATON GROUP is used, TRATON normally receives the payment from that party shortly after the customer has received the vehicle.

Other sales revenue includes revenue from product-related royalties. The reconciliation contains TRATON Holding, the Group R&D industrial function, the effects of purchase price allocations in the event of the acquisition of an individual segment, and the consolidation adjustments between the reporting segments and the TRATON Holding.

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Sales revenue recognized in the reporting period that was included in prepayments received on customer contracts at the beginning of the reporting period (see Note [23. Other liabilities](#)) amounted to €1,579 million (previous year: €1,339 million). Sales revenue includes €-53 million (previous year: €14 million) relating to the satisfaction of performance obligations in previous years.

Order backlog

€ million	2025	2024
Expected timing of revenue recognition		
Within one year	13,114	15,671
1 to 5 years	2,554	2,559
More than 5 years	263	229
	15,931	18,459

The order backlog under IFRS 15 *Revenue from Contracts with Customers* resulting in revenue recognition within one year relates primarily to the delivery of vehicles. Revenue recognition expected after more than one year relates primarily to long-term service agreements and extended warranties. The order backlog decreased despite a significant year-on-year increase in incoming orders. This was primarily due to a lower order intake in relation to unit sales (see [4. Results of operations](#) in the Combined Management Report).

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2. Functional expenses

Accounting policies: operating expenses

Operating expenses are recognized when the underlying products or services are used. Costs of advertising and other distribution expenses are recognized as incurred.

The production cost incurred to generate sales revenue and the purchase costs of merchandise are recognized in cost of sales. This item also includes the cost of additions to warranty provisions for statutory or contractual guarantee obligations that are recognized when products are sold. Cost of sales includes nonstaff overheads and personnel costs, as well as depreciation and amortization applicable to production. Research & development costs not eligible for capitalization and amortization of capitalized development costs are also reported in cost of sales.

Corresponding to the presentation of interest and commission income in sales revenue, interest and commission expenses attributable to the financial services business are presented in cost of sales.

Distribution expenses relate primarily to nonstaff overheads and personnel expenses, as well as depreciation and amortization applicable to distribution. Administrative expenses primarily contain nonstaff overheads and personnel expenses, as well as depreciation and amortization applicable to administration.

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Cost of sales

Cost of sales of €35,630 million (previous year: €37,373 million) was incurred in the fiscal year ended December 31, 2025. This includes expenses of €1,491 million (previous year: €1,315 million) attributable to the TRATON Financial Services segment. It also includes expenses of €60 million (previous year: €– million) related to additional US tariffs imposed under Section 232.

Research & development costs contained in cost of sales are broken down as follows:

€ million	2025	2024
Primary R&D costs ¹	2,742	2,469
of which capitalized development costs ¹	1,215	976
Capitalization ratio (in %) ¹	44.3	39.5
Amortization of, and impairment losses on, capitalized development costs	620	530
Research & development costs recognized in the income statement	2,148	2,022

¹ Since fiscal year 2025, primary R&D costs no longer include capitalized borrowing costs. The previous year's indicator was adjusted accordingly.

Human Resources

The personnel expenses contained in the functional expenses rose by €311 million year-on-year. This increase is primarily a result of the increase in the workforce and wage and salary increases.

Personnel expenses

€ million	2025	2024
Wages and salaries	6,097	5,924
Social security	1,314	1,208
Post-employment, and other benefit costs	393	361
Personnel expenses	7,804	7,493

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Average annual number of employees

	2025	2024
Performance-related wage-earners	48,589	49,321
Salaried staff	59,166	56,558
Total number of employees	107,755	105,879
of which in the passive phase of partial retirement	880	797
Vocational trainees	3,485	3,216
Total workforce	111,240	109,095

The increase is primarily attributable to the higher number of employees at Scania Vehicles & Services and MAN Truck & Bus.

3. Other operating income and expenses

€ million	2025			2024		
	Other operating income	Other operating expenses	Net income (+)/net expense (-)	Other operating income	Other operating expenses	Net income (+)/net expense (-)
Effects from exchange rate movements	858	-991	-133	1,225	-1,151	73
Income from reversal of provisions and accruals	76	-	76	60	-	60
Effects from derivatives not included in hedge accounting	145	-67	79	61	-154	-93
Rental and lease income	23	-	23	17	-	17
Effects from disposal of noncurrent assets	43	-21	23	28	-11	17
Expenses for litigation and legal risks	-	-305	-305	-	-308	-308
Miscellaneous income and expenses	241	-374	-134	287	-290	-3
	1,386	-1,758	-372	1,678	-1,915	-237

Foreign exchange gains mainly comprise gains from exchange rate movements between the dates of recognition and payment of receivables and liabilities denominated in foreign currencies, as well as exchange rate gains resulting from measurement at the closing rate. Exchange rate losses from these items are included in other operating expenses.

Litigation and legal risks include expenses attributable to civil lawsuits against Scania Vehicles & Services and MAN Truck & Bus in connection with the EU truck cases in individual countries (see Note [32. Litigation/legal proceedings](#)).

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Gains or losses from derivatives not included in hedge accounting are primarily comprised of exchange rate gains or losses from the fair value measurement of foreign currency derivatives not included in hedge accounting.

Miscellaneous income includes claims for damages amounting to €54 million (€100 million), particularly warranty costs from external suppliers.

Miscellaneous expenses include costs of €42 million (previous year: €– million) related to restructurings at Scania Vehicles & Services.

4. Net interest income/expense

Reporting period FROM January 1 to December 31

€ million	2025	2024
Interest income¹	235	317
Interest and similar income ¹	235	317
Interest expense¹	-656	-808
Interest and similar expenses ¹	-430	-596
Interest expenses for lease liabilities	-51	-44
Net interest on the net liability for pensions and other post-employment benefits	-87	-80
Unwinding of discount and effect of change in discount rate on liabilities and other provisions	-88	-87
Interest result	-421	-490

¹ Prior-year period adjusted, see Note [Basis of preparation — Accounting policies — Prior-period information](#)

Both interest income and interest expense declined due to the decrease in the general interest rate level in the current fiscal year, despite an increase in the financing volume.

Interest income and expenses contain realized income and expenses from interest rate derivatives on net liquidity positions.

In the previous year, interest income included higher interest income from tax refunds.

5. Other financial result

Reporting period FROM January 1 to December 31

€ million	2025	2024
Other income from equity investments	3	2
Other expenses from equity investments	-34	-1
Income and expenses from profit and loss transfer agreements	2	2
Realized income and expenses from loan receivables and payables in foreign currency	-141	356
Income and expenses from remeasurement of primary financial instruments	-550	-524
Income and expenses from changes in the fair value of derivatives not included in hedge accounting	524	-120
Income and expenses from changes in the fair value of derivatives included in hedge accounting	0	-5
Expenses related to arbitration proceedings for the MAN SE merger squeeze-out	-	-96
	-196	-387

The fair value changes from derivatives not included in hedge accounting offset the currency translation effects of realization and measurement on net financial debt. There was a residual expense in fiscal year 2025 that is mainly due to the appreciation of the euro against the US dollar. There was a much higher residual expense in the previous year that was mainly due to the appreciation of the euro against the Brazilian real.

6. Income taxes

Accounting policies: income taxes

Tax provisions contain obligations under current taxes. A liability is recognized for other provisions resulting from supplementary tax payments that are due in this context.

Deferred tax assets for tax loss carryforwards are usually measured on the basis of future taxable income over a planning period of five fiscal years, in some cases up to ten fiscal years. Deferred tax assets that are unlikely to be realized within a clearly predictable period are reduced by valuation allowances.

Estimates and management's judgment: income taxes

TRATON SE and its subsidiaries operate all over the world and are continuously audited by the local financial authorities. Changes in tax legislation, jurisdiction, and how these are interpreted by the financial authorities in the different countries may result in tax payments that differ from the estimates made in these financial statements. The measurement of the tax provision is based on the most probable estimate that this risk materializes. Depending on the individual case, whether tax-related uncertainties are recognized individually or as part of a group at TRATON depends on which presentation is better suited to forecasting whether the tax-related risk materializes. In the case of contracts entailing cross-border goods and services supplied within the Group, determining the price of the individual products and services is particularly complex because no market prices are available for the company's own products in many cases or because using the market prices of similar products entails a degree of uncertainty due to lack of comparability. In these cases, the products and services are priced using recognized standard valuation methods, including for tax purposes.

Components of tax income and expense

€ million	2025	2024
Current tax expense (+)/income (-), Germany	32	-65
Current tax expense (+)/income (-), outside Germany	696	1,043
Current income taxes	728	978
of which prior-period expense (+)/income (-)	-10	-97
Deferred tax expense (+)/income (-), Germany	16	121
Deferred tax expense (+)/income (-), outside Germany	-264	-333
Deferred tax expense (+)/income (-)	-249	-212

The statutory corporate income tax rate in Germany for the 2025 assessment period was 15%. Including trade tax and the solidarity surcharge, this produces an aggregate tax rate of 31.9% (previous year: 31.9%).

The measurement of deferred taxes in the German consolidated tax group was based on a tax rate of 31.9% (previous year: 31.9%) for differences between the carrying amount of an asset in the balance sheet and its tax base that will reverse in the short term. For long-term temporary differences, the company-specific tax rate at the time of their reversal was applied.

The local income tax rates applied to foreign companies vary between 0 and 45% (previous year: 0 and 45%). In cases of split tax rates, the tax rate applicable to undistributed profits was applied. The deferred tax income resulting from changes in tax rates amounted to €13 million (deferred tax expense previous year: €7 million) at Group level in 2025.

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An amendment to the German Corporate Income Tax Act was passed in July 2025. As a result, the corporate income tax rate will be gradually reduced from 15 to 10%, starting in 2028. This led to income of €17 million from the measurement of deferred tax assets and deferred tax liabilities of the German subsidiaries in the fiscal year ended December 31, 2025.

The realization of tax loss carryforwards from previous years reduced current income taxes in 2025 by €93 million (previous year: €165 million).

The actual income tax expense in the reporting period decreased by €2 million (previous year: €1 million) due to the utilization of previously unrecognized tax losses and tax credits from previous periods. Previously unrecognized tax losses and tax credits contributed to a €9 million (previous year: €29 million) reduction in deferred tax expense in 2025.

Deferred taxes are recognized for interest carryforwards to the extent that it is probable that the interest carryforward can be used in the future. Unused interest carryforwards amount to €745 million (previous year: €718 million). Interest carryforwards of €532 million (previous year: €528 million) can be used for an indefinite period, while €213 million (previous year: €191 million) must be used within the next ten years.

Tax loss carryforwards

€ million	12/31/2025	12/31/2024
Available for an indefinite period	2,669	1,622
Limit on utilization within the next 10 years	1,520	1,347
Limit on utilization between 11 and 20 years	569	1,119
Total currently unused tax loss carryforwards	4,758	4,088
Indefinite tax loss carryforwards	209	237
Expire within the next 10 years	357	128
Expire between 11 and 20 years	301	252
Total unusable tax loss carryforwards	867	617

Write-downs of deferred tax assets

€ million	12/31/2025	12/31/2024
Deferred tax expense resulting from the write-down of a deferred tax asset	84	8
Deferred tax income resulting from the reversal of a write-down of a deferred tax asset	0	-2

Tax credits granted by various countries amounted to €170 million (previous year: €177 million) as of December 31, 2025.

No recognition of deferred tax assets on tax credits

€ million	12/31/2025	12/31/2024
for tax credits that would expire in the next 20 years	42	84
for tax credits that will not expire	2	0

No deferred taxes were recognized for the retained earnings of €43,362 million (previous year: €39,494 million) at foreign subsidiaries because these profits are largely expected to be reinvested in the operations of the companies concerned. As a general rule, distribution would lead to additional income tax expense.

For companies that incurred a loss in the current or prior period, the TRATON GROUP recognized deferred tax assets as of December 31, 2025, that exceeded the deferred tax liabilities by €1,006 million (previous year: €284 million). Of this amount, €767 million (previous year: €0) is attributable to companies in the USA consolidated tax group and €233 million (previous year: €275 million) is attributable to companies in the TRATON SE consolidated tax group. The amounts mainly include loss carryforwards and deductible temporary differences. Recognition is based on the availability of sufficient taxable profits in the following fiscal years, among other things. These are substantiated by the business plans.

The overall analysis concludes that the companies in question will generate sufficient taxable income that can be used to offset the previously unused tax losses and deductible temporary differences.

In fiscal year 2025, total deferred taxes of €72 million (previous year: €–40 million) were recognized directly in other comprehensive income. Changes in deferred taxes classified by balance sheet item are presented in the statement of comprehensive income.

Global minimum taxation

The introduction of the global minimum tax (Pillar 2) does not result in any substantial burdens for the TRATON GROUP. The current tax expense in connection with Pillar 2 income taxes amounts to €2 million (previous year: €2 million). The TRATON GROUP has applied the deferred tax recognition and disclosure exception in the context of Pillar 2 income taxes.

Deferred taxes classified by balance sheet item

The following recognized deferred tax assets and liabilities were attributable to recognition and measurement differences in the individual balance sheet items and to tax loss carryforwards:

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Deferred tax assets and liabilities

€ million	Deferred tax assets		Deferred tax liabilities	
	2025	2024	2025	2024
Intangible assets	248	213	1,642	1,731
Property, plant, and equipment, and assets leased out	142	109	1,597	1,570
Noncurrent financial assets	0	2	13	10
Inventories	102	61	45	77
Receivables and other assets (including financial services receivables)	376	324	511	415
Pensions and other post-employment benefits	456	542	2	2
Liabilities and other provisions	3,192	3,204	511	554
Loss allowances on deferred tax assets from temporary differences	–	–	–	–
Temporary differences, net of loss allowances	4,516	4,456	4,322	4,358
Tax loss carryforwards/ interest carryforwards, net of loss allowances	1,130	1,084	–	–
Tax credits, net of loss allowances	125	92	–	–
Value before consolidation and offset	5,771	5,633	4,322	4,358
of which attributable to noncurrent assets and liabilities	4,313	4,271	3,761	3,846
Offset	–3,893	–3,781	–3,893	–3,781
Consolidation	675	752	84	95
Amount recognized	2,552	2,604	512	672

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Reconciliation of expected to effective income tax expense

€ million	2025	2024
Earnings before income tax	2,024	3,569
Expected income tax expense (+)/income (-) (tax rate: 31.9%; previous year: 31.9%)	646	1,138
Reconciliation:		
Effect of different tax rates outside Germany	-48	-239
Proportion of taxation relating to:		
tax-exempt income	-242	-285
expenses not deductible for tax purposes	159	214
effects of loss carryforwards and tax credits	34	-84
Prior-period tax expense and tax risks	-19	-42
Effect of tax rate changes	-13	7
Other taxation changes	-37	57
Effective income tax expense (+)/income (-)	479	766
Effective tax rate (in %)	24	21

7. Earnings per share

Accounting policies: earnings per share

Earnings per share are calculated by dividing consolidated earnings after tax attributable to TRATON SE shareholders by the average number of shares outstanding. The computation of diluted earnings per share is identical to that of basic earnings per share because TRATON SE has not issued any financial instruments that could result in dilutive effects. Dilution may arise in the future if TRATON SE's contingent capital is exercised.

€ million	2025	2024
Earnings after tax (attributable to shareholders of TRATON SE)	1,547	2,804
Number of shares outstanding	500,000,000	500,000,000
Earnings per share (€)	3.09	5.61

TRATON SE's share capital amounts to €500 million and is composed of 500 million (previous year: 500 million) no-par value bearer shares.

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Balance sheet disclosures

8. Goodwill and impairment losses on assets

Accounting policies: goodwill and impairment losses on assets

Goodwill from business combinations is tested for impairment at least once a year. The goodwill impairment test is usually conducted at segment level on the basis of value in use. The same applies to indefinite-lived intangible assets (especially brand names) and intangible assets not yet available for use (in particular capitalized development costs prior to the start of series production). As part of the impairment test, Group R&D corporate assets are allocated to the individual segments using a specific key.

In the case of other intangible assets and property, plant, and equipment, an impairment test is performed if there are indications of impairment as of the reporting date.

As a rule, value in use is the present value of the expected future cash flows from the asset concerned. If no recoverable amount can be measured for an individual asset, the recoverable amount is determined for the smallest identifiable group of assets that generate cash flows (cash-generating unit) to which the asset belongs. If the recoverable amount is less than the carrying amount, an impairment loss is recognized in profit or loss for the period.

Estimates and management's judgment: recoverability of noncurrent nonfinancial assets

The impairment testing of nonfinancial assets — especially goodwill, brand names, capitalized development costs, other intangible assets, and property, plant, and equipment — and equity-method investments, or investments accounted at cost, require assumptions to be made about future market trends, the future cash flows to be derived on that basis, and the discount rate to be applied.

To derive cash flows, management inputs its mid-range expectations into the planning on the basis of estimates of changes in the development of the economic environment, market volume, market share, and cost and price trends. Assumptions about macroeconomic trends (currency, interest rate, and commodity price trends) and the impact of geopolitical risks on the business model, as well as historical developments, are considered. The detailed planning period is generally five years.

The cash flows are derived from the detailed sales and revenue planning for commercial vehicles, profitability (gross margin) projections for products, and trends in the service business. They also reflect the transition to electric mobility and the associated regulatory timetables (see also Note [Effects of climate change](#)). Estimated cash flows after the end of the five-year detailed planning period are based on an annual growth rate of 1% (previous year: 1%) per annum, which also reflects the switch toward electric mobility.

Our planning is based on the assumption that global economic output will grow overall in 2026 at a similar pace to 2025. The further decline in inflation in major economic regions and the resulting continued monetary easing should positively impact consumer spending. We continue to believe that risks

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will arise from the growing fragmentation of the global economy, protectionist tendencies, turbulence in the financial, energy, and commodity markets, and structural deficits in individual countries. Growth prospects are also being impacted by ongoing geopolitical tensions and conflicts. Risks are posed in particular by the Russia-Ukraine conflict, the tense situation in the Middle East, and increasing uncertainties in connection with the economic policy orientation of the US and the global increase in geoeconomic measures, which could further exacerbate geopolitical tensions. We expect the advanced economies to exhibit a similar pace of growth on average, and the group of emerging markets to grow at a slightly slower pace than in the reporting period.

This macroeconomic environment also results in an increased level of uncertainty affecting the calculation of values in use. Inflation rates declined in many countries during fiscal year 2025, but remained at elevated levels in others. As a result, not all central banks lowered their key interest rates to the same extent, which had a dampening effect on economic growth in some cases. For fiscal years from 2026, we believe that the increases in material and personnel costs will return to levels normally seen in the past, depending on the region. Increases in sales revenue were also projected because of the rise in costs. The current geopolitical risks and their impact on the macroeconomic situation could mean additional challenges for the development of the commercial vehicle markets.

In the commercial vehicle markets relevant to the TRATON GROUP, the Executive Board is anticipating a slight overall market growth in the period from 2026 to 2030, with varying regional trends. We are anticipating a stable commercial vehicle market in the EU27+3 region at the level of the previous years, whereas a slight growth is expected in North America. Market volatility is likely to occur in the years before and after the introduction of new emissions standards in the EU27+3 region and in North America. We are anticipating a slight increase in the South American market in the planning period. More details on expected industry developments and the forecast for fiscal year 2026 can be found in the [Report on expected developments](#) in the Combined Management Report.

Based on volume and price effects, we are projecting an increase in sales revenue over the planning period. An expansion in electric mobility is also projected in the Scania Vehicles & Services, MAN Truck & Bus, and VWTB segments in the five-year planning (see also the note on [Effects of climate change](#)). The costs from the transition to electric mobility were included in the cash flows. The negative impact of the additional US tariffs imposed under Section 232 has been reflected in International's cash flows.

At Scania Vehicles & Services, increasing unit sales volumes as well as the expansion of the Vehicle Services business, will also have a positive impact on projected cash flows.

Higher unit sales are positively impacting cash flows at MAN Truck & Bus.

At International Motors, a significant rise in unit sales is expected due to upcoming launches of new products despite the direct impact of additional US tariffs imposed under Section 232 and no more than slight growth in the North American market. The introduction of new products, leveraging the TRATON GROUP's powerful components and technology organization, and even more effective deployment of one of the largest independent dealer and service networks in the North American market, to which International Motors already has access, are having a positive impact overall on projected cash flows.

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As well as entering new markets through increasing internationalization, Volkswagen Truck & Bus is also capitalizing on the growth of the Brazilian market.

Overall, these assumptions led to an expected improvement in operating return on sales (adjusted) up to 2030 across all cash-generating units to which goodwill is allocated.

The planning assumptions are adjusted to reflect the current state of knowledge.

When determining the value in use for the impairment test, the following pretax weighted average cost of capital (WACC) rates are used, modified if necessary to reflect country-specific risks:

WACC	2025	2024
Scania Vehicles & Services	9.8%	10.4%
MAN Truck & Bus	9.8%	10.4%
International Motors	10.5%	11.2%
Volkswagen Truck & Bus	13.9%	14.6%

The WACC rates are calculated based on the interest rate for risk-free investments, the market risk premium, and the cost of debt. Additionally, specific peer group information on beta factors and the cost of debt are considered. The composition of the peer groups used to determine beta factors is continuously reviewed and adjusted if necessary.

Sensitivity analyses are performed as part of the planning process to factor in uncertainties related to geopolitical and macroeconomic conditions. For example, the growth forecasts for the perpetuity and the discount rates are varied by ± 1.0 percentage points to establish whether this results in impaired noncurrent nonfinancial assets. In addition, the projected cash flows are also tested for sensitivity with regard to potential changes, particularly in light of the uncertainty surrounding the transformation of the commercial vehicle industry towards electric mobility. The sensitivity analyses performed did not indicate any impairment of goodwill and brand names.

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Changes in goodwill

€ million	2025	2024
Cost		
Balance as of 01/01	6,225	6,154
Currency translation differences	-216	71
Additions from business combinations	29	0
Balance as of 12/31	6,037	6,225
Depreciation and amortization		
Balance as of 01/01 / 12/31 (not changed)	70	70
Carrying amount as of 12/31	5,967	6,154

The allocation of goodwill to the segments is shown in the following table:

€ million	12/31/2025	12/31/2024
Goodwill by segment		
Scania Vehicles & Services	2,653	2,478
MAN Truck & Bus	222	222
International Motors	2,818	3,181
Volkswagen Truck & Bus	273	273
	5,967	6,154

There was no need for impairment losses on our goodwill based on the impairment test we performed. The changes in goodwill are attributable to currency adjustment effects and changes in the basis of consolidation.

9. Intangible assets

Accounting policies: intangible assets

Purchased intangible assets are recognized at cost. Development costs for vehicles and vehicle components are capitalized if the recognition criteria of IAS 38 *Intangible Assets* are met. For example, the technical feasibility of completing the new product must be demonstrated so that it will result in future economic benefits for the company through use or sale. Capitalized development costs consist of all direct and overhead costs that are directly attributable to the development process. TRATON has developed ONE PDP (Product Development Process), a Group-wide process for implementing product development projects and initiatives. The product development process comprises several phases that focus on specific parts of the project.

Each phase begins and ends with a milestone that must be passed based on clearly defined criteria before the project can proceed to the next phase. The start and end of the capitalization of development costs is explicitly linked to the achievement of specific milestones within the ONE PDP.

They are amortized using the straight-line method from the start of use (e.g., start of production) over the expected life of the models or technologies developed.

The amortization periods for intangible assets are broken down as follows:

Expected useful lives	
Software and licenses	3–5 years
Capitalized development costs	3–15 years
Customer relationships	5–20 years
Brand names	indefinite

In addition, macroeconomic and geopolitical uncertainties that affect the decision to implement individual development projects and may lead to impairment losses are also considered when assessing the recoverability of capitalized development costs.

The indefinite useful life of brand names acquired under business combinations generally arises from the continued use and maintenance of a brand. Brand names from business combinations and intangible assets that are not yet available for use (in particular capitalized development costs prior to the start of series production) are also tested for impairment at least once a year in accordance with the principles of goodwill impairment testing (for further information, refer also to Note [8. Goodwill and impairment losses on assets](#)).

Amortization charges and impairment losses in a reporting period are allocated to the corresponding functions in the income statement and are included in particular in cost of sales and distribution expenses.

Estimates and management's judgment: useful life of intangible assets

Estimates of the useful life of finite-lived intangible assets are based on experience and reviewed regularly. Where estimates are modified, the residual useful life is adjusted and an impairment loss is recognized, if necessary.

For further information, see Note [8. Goodwill and impairment losses on assets](#).

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€ million	2025					2024				
	Brand names	Customer relationships	Capitalized development costs	Other intangible assets	Total	Brand names	Customer relationships	Capitalized development costs	Other intangible assets	Total
Cost										
Balance as of 01/01	1,720	3,020	7,789	801	13,329	1,705	2,918	6,937	734	12,293
Currency translation differences	-44	-266	89	11	-210	15	99	-125	-24	-35
Changes in basis of consolidation	-	18	0	2	19	-	-	-	0	0
Additions	-	-	1,220	39	1,259	-	2	978	32	1,012
Transfers	-	-	0	145	145	-	-	-	68	68
Disposals	-	-	-9	-36	-45	-	-	0	-9	-9
Balance as of 12/31	1,676	2,771	9,089	960	14,497	1,720	3,020	7,789	801	13,329
Amortization and impairment										
Balance as of 01/01	36	1,359	4,026	519	5,940	43	1,101	3,564	471	5,179
Currency translation differences	0	-91	71	-1	-21	-7	5	-68	-17	-87
Additions to cumulative amortization	-	243	519	90	852	-	252	527	71	850
Additions to cumulative impairment losses	-	-	101	1	102	-	1	3	3	6
Reversal of a write-down	-	-	-	-	-	-	-	-	-1	-1
Disposals	-	-	-8	-32	-40	-	-	0	-7	-7
Balance as of 12/31	36	1,511	4,709	577	6,833	36	1,359	4,026	519	5,940
Carrying amount as of 12/31	1,640	1,261	4,381	383	7,664	1,684	1,661	3,763	281	7,389

In fiscal year 2025, capitalized development costs of €100 million relating to the termination of a development project for Class 8 battery-electric trucks at International Motors were classified as impaired and recognized in cost of sales.

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These had been attributable to Scania Vehicles & Services.

€ million	12/31/2025	12/31/2024
Brand names by segment	1,640	1,684
Scania Vehicles & Services	901	850
International Motors	717	809
TRATON Financial Services	22	25

10. Property, plant, and equipment, right-of-use assets under IFRS 16, and lease liabilities

Accounting policies: property, plant, and equipment, right-of-use assets under IFRS 16, and lease liabilities

Items of property, plant, and equipment are measured at cost and reduced by depreciation and, if necessary, impairment losses (for further information, refer also to Note [8. Goodwill and impairment losses on assets](#).) In addition, macroeconomic and geopolitical uncertainties that affect use of the items and may lead to impairment losses on corresponding items of property, plant, and equipment, are also considered when assessing the recoverability of property, plant, and equipment.

Items of property, plant, and equipment are depreciated using the straight-line method ratably over their estimated useful lives. The useful lives of items of property, plant, and equipment are periodically reassessed and adjusted if necessary. Depreciation and amortization is based primarily on the following useful lives:

Useful lives in years	
Buildings	10–50 years
Land improvements	5–33 years
Technical equipment and machinery	3–12 years
Other equipment, operating and office equipment, including special equipment	3–15 years

The right-of-use assets from contracts in which the TRATON GROUP is a lessee are reported under “Property, plant, and equipment” in the balance sheet and generally depreciated over the term of the lease using the straight-line method.

The lease liability is measured by reference to the outstanding lease payments, discounted using the lessee's incremental borrowing rate. The lease liability is subsequently measured using the effective interest rate method reflecting the lease payments made. Interest expenses from unwinding the

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discount on lease liabilities are presented in interest expense in the income statement and in net cash provided by/used in operating activities in the statement of cash flows. In addition, the TRATON GROUP exercises the options under IFRS 16 not to recognize leases for intangible assets and low-value assets, as well as short-term leases, as leases and instead to recognize the corresponding lease payments as expenses in the income statement.

Estimates and management's judgment: useful lives of property, plant, and equipment, and measurement of right-of-use assets and lease liabilities

Estimates of the useful life of items of property, plant, and equipment are based on experience and reviewed regularly. Where estimates are modified, the residual useful life is adjusted and an impairment loss is recognized, if necessary.

Measurement of right-of-use assets from leases and the associated lease liabilities is based on a best estimate of the exercise of extension and termination options. This estimate is updated in the event of material changes in the operating environment or the contract.

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€ million	2025					2024				
	Land, land rights, and buildings on third-party land	Technical equipment and machinery	Other equipment, operating and office equipment	Payments on account and assets under construction	Total	Land, land rights, and buildings on third-party land	Technical equipment and machinery	Other equipment, operating and office equipment	Payments on account and assets under construction	Total
Cost										
Balance as of 01/01	6,733	4,858	4,781	1,882	18,254	6,438	4,554	4,570	1,391	16,953
Currency translation differences	-38	58	22	-71	-30	-43	-131	-114	9	-279
Additions	383	131	347	1,120	1,982	284	175	308	1,265	2,032
Transfers	482	796	-1	-1,415	-138	157	358	180	-763	-68
Disposals	-97	-143	-194	-10	-444	-103	-96	-164	-19	-382
Changes in basis of consolidation	27	9	5	1	41	0	-4	1	0	-3
Balance as of 12/31	7,490	5,709	4,961	1,507	19,666	6,733	4,858	4,781	1,882	18,254
Depreciation and impairment										
Balance as of 01/01	2,518	2,743	3,345	2	8,608	2,275	2,551	3,159	4	7,989
Currency translation differences	7	56	42	0	104	-17	-86	-84	-1	-188
Additions to cumulative depreciation	367	397	435	-	1,199	340	366	401	-	1,107
Additions to cumulative impairment losses	-	0	4	8	12	2	-	8	1	11
Transfers	1	188	-188	-	1	0	4	-4	-	0
Disposals	-62	-131	-165	-	-359	-77	-85	-135	-	-296
Reversals of impairment losses	-	-	-8	-1	-9	-6	-4	-1	-2	-12
Changes in basis of consolidation	-4	1	2	-	-1	0	-4	0	-	-3
Balance as of 12/31	2,827	3,253	3,466	9	9,555	2,518	2,743	3,345	2	8,608
Carrying amount as of 12/31	4,663	2,455	1,495	1,498	10,111	4,215	2,115	1,436	1,880	9,646

Property, plant, and equipment with a carrying amount of €615 million (previous year: €466 million) serves as collateral for loan liabilities.

In fiscal year 2025, property, plant, and equipment of €8 million relating to the termination of a development project for Class 8 battery-electric trucks at International Motors was classified as impaired and recognized in cost of sales.

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Right-of-use assets from leases reported in property, plant, and equipment changed as follows:

€ million	2025			2024		
	Right-of-use assets contained in land, land rights, and buildings, including buildings on third-party land	Right-of-use assets contained in technical equipment and machinery, other equipment, operating and office equipment	Total right-of-use assets	Right-of-use assets contained in land, land rights, and buildings, including buildings on third-party land	Right-of-use assets contained in technical equipment and machinery, other equipment, operating and office equipment	Total right-of-use assets
Cost						
Balance as of 01/01	1,725	331	2,056	1,601	305	1,906
Currency translation differences	-36	-5	-41	-5	-2	-8
Changes in basis of consolidation	20	-1	20	0	0	1
Additions	297	119	416	205	98	303
Disposals	-70	-75	-145	-76	-70	-146
Balance as of 12/31	1,936	370	2,306	1,725	331	2,056
Depreciation and impairment						
Balance as of 01/01	750	169	919	619	145	764
Currency translation differences	-16	-3	-19	-2	-1	-4
Changes in basis of consolidation	-3	0	-3	0	0	1
Additions to cumulative depreciation	206	96	301	195	89	283
Disposals	-51	-72	-123	-62	-64	-126
Balance as of 12/31	885	190	1,075	750	169	919
Carrying amount as of 12/31	1,051	180	1,231	975	162	1,137

On a gross basis (before discounting), the maturity structure of the lease liabilities reported in financial liabilities is as follows:

€ million	12/31/2025	12/31/2024
Within one year	313	292
In two to five years	880	821
In more than five years	339	245
	1,532	1,359

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Overall, there was a cash outflow of €414 million (previous year: €389 million) from lessee relationships in the fiscal year, of which €292 million (previous year: €276 million) was attributable to the repayment of lease liabilities within net cash used in financing activities and €122 million (previous year: €113 million) to net cash used in operating activities. The cash flow from operating activities includes leasing expenses for low-value assets and short-term leases, expenses for variable lease payments not included in the measurement of lease liabilities, and interest expenses from unwinding discounted lease liabilities.

Potential future cash outflows that were not included in the measurement of lease liabilities mainly consist of extension options amounting to €720 million (previous year: €682 million).

11. Assets leased out

Accounting policies: assets leased out

The “Assets leased out” line item reports assets for which the TRATON GROUP is the lessor. These include in particular vehicles and real estate marketed in the context of short-term rentals or operating leases, as well as vehicles that continue to be attributable to the TRATON GROUP as a result of buyback agreements. The underlying asset is measured at amortized cost, recognized in the TRATON GROUP's assets leased out, and depreciated to the calculated residual value over the estimated useful life or term of the agreement using the straight-line method. The useful lives underlying depreciation generally correspond to those of items of property, plant, and equipment used by the entity. Changes to the calculated residual value are taken into account by adjusting the future depreciation rates. Impairment losses identified as a result of an impairment test in accordance with IAS 36 *Impairment of Assets* are recognized. The lease payments received in the period are recognized as income in the income statement on a straight-line or other systematic basis. Depreciation and impairment losses are included in functional expenses. Further information on accounting for operating leases is contained in Note [1. Sales revenue](#).

As a general rule, the stated fair value of investment property is calculated using an income capitalization approach based on internal data, using internal calculations, or by external experts (Level 3 of the fair value hierarchy).

Estimates and management's judgment: recoverability of assets leased out

The recoverability of the Group's assets leased out depends in particular on the residual value of vehicles leased out after the end of the lease term, since this constitutes a significant portion of the expected cash flows, as well as on the current market situation, which is continuously monitored. Forecasting residual values requires management to make assumptions about the future supply of and demand for vehicles, as well as vehicle price trends. These assumptions are based either on qualified estimates or on information published by expert third parties. Where available, qualified estimates are based on external data and also reflect additional information available internally, such as values derived from past experience and current sales data.

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Changes in assets leased out in the period from January 1 to December 31

€ million	2025				2024			
	Vehicles leased out	Investment property	Other assets leased out	Total	Vehicles leased out	Investment property	Other assets leased out	Total
Cost								
Balance as of 01/01	7,696	97	39	7,831	8,405	100	40	8,545
Currency translation differences	-85	-5	2	-88	20	1	-1	20
Additions	1,984	7	0	1,992	1,564	0	0	1,565
Additions from business combinations	-	-1	-	-1	-	0	-	0
Transfers	0	-7	0	-7	0	-	-	0
Disposals	-1,792	-3	0	-1,796	-2,293	-5	0	-2,298
Balance as of 12/31	7,803	88	42	7,932	7,696	97	39	7,831
Depreciation and impairment								
Balance as of 01/01	2,590	38	35	2,663	2,812	38	36	2,887
Currency translation differences	-37	-1	2	-36	14	0	-1	14
Additions to cumulative depreciation	1,027	2	0	1,029	1,011	2	0	1,013
Additions to cumulative impairment losses	-	-	-	-	3	-	-	3
Transfers	0	-1	0	-1	0	-	-	0
Disposals	-1,036	0	0	-1,037	-1,248	-3	0	-1,251
Reversals of impairment losses	-3	-	-	-3	-2	-	-	-2
Balance as of 12/31	2,541	38	37	2,616	2,590	38	35	2,663
Carrying amount as of 12/31	5,262	50	4	5,316	5,106	59	4	5,168

Since new business more than compensates for expiring contracts, a year-on-year increase was recorded in vehicles leased out. This reflects the higher share of business with buyback agreements in total unit sales.

The "Investment property" item contains land and buildings held for rental or capital appreciation with a fair value of €78 million (previous year: €96 million). Lease income from investment property amounted to €7 million (previous year: €4 million) in the reporting period.

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Additional information on operating leases

The following payments are expected in the years shown from outstanding undiscounted lease payments arising from operating leases:

€ million	12/31/2025	12/31/2024 ¹
Within one year	545	439
In one to two years	408	301
In two to three years	305	228
In three to four years	184	141
In four to five years	88	66
In more than five years	32	16
Total lease payments	1,562	1,190

¹ Prior-year period adjusted

Income from operating leases came to €1,563 million (previous year: €1,550 million).

12. Equity-method investments

Accounting policies: equity-method investments

Equity-method investments include associates and joint ventures. Associates and joint ventures are initially measured at cost. In subsequent periods, the TRATON GROUP's share of earnings generated after acquisition is recognized in the income statement. Effects from the increase in the share of the equity (for example capital increases) of entities in which the TRATON GROUP does not participate, or only has a disproportionately low participation, are also recognized in the share of earnings of equity-method investments in the income statement. If an additional interest is acquired in an investment already accounted for using the equity method, and if this does not change the significant influence, the additional interest is measured at cost; the interest already held is not remeasured. Other changes in the equity of associates and joint ventures, such as currency translation differences, are recognized in other comprehensive income.

If there are indications that the carrying amount may be impaired, equity-method investments are tested for impairment; any impairment loss is recognized in the income statement (see Note [8. Goodwill and impairment losses on assets](#).) If the reason for impairment ceases to exist at a later date, the impairment loss is reversed to the carrying amount that would have been determined had no impairment loss been recognized.

Goodwill arising from the acquisition of an associate or a joint venture is included in the carrying amounts of investments in associates or joint ventures.

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Sinotruk

The associate, Sinotruk (Hong Kong) Limited, Hong Kong, China (Sinotruk) is one of the largest truck manufacturers in the Chinese market. Sinotruk's principal place of business is in Hong Kong, China. Due to the application of the equity method, taking into account local capital market regulations relating to the disclosure of financial information for the investee, a reporting period that differs from the TRATON GROUP's fiscal year is used to account for Sinotruk.

The market price of the Sinotruk shares held by TRATON was €2,085 million (previous year: €1,947 million) as of December 31, 2025.

Summarized financial information for Sinotruk (on a 100% basis and thus not adjusted for the equity interest held by TRATON) and a reconciliation to the carrying amounts are presented in the following tables:

Statement of Comprehensive Income

€ million	2025 ¹	2024 ¹
Sales revenue	12,371	11,893
Earnings after tax from continuing operations	867	874
Other comprehensive income	-7	-4
Total comprehensive income	861	870
Dividend received ²	94	138

1 Amounts shown relate to the period from July 1 of the previous year to June 30 of the year in question.

2 Dividends net of withholding tax

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Balance Sheet

€ million	12/31/2025 ¹	12/31/2024 ¹
Noncurrent assets	5,352	4,922
Current assets	11,345	12,144
Noncurrent liabilities and provisions	189	174
Current liabilities and provisions	10,403	10,708
Net assets	6,104	6,183
Reconciliation of the financial information to the carrying amount of the equity-accounted investments		
Net assets	6,104	6,183
Noncontrolling interests	958	990
Net assets attributable to shareholders	5,146	5,193
Interest held by TRATON (in %)	25	25
Net assets attributable to the TRATON GROUP	1,299	1,311
Goodwill, effects of purchase price allocation, currency translation differences, and other changes	-18	-119
Carrying amount as of 12/31	1,281	1,192

¹ Amounts shown relate to the reporting period ended June 30 of the year in question.

Rheinmetall MAN Military Vehicles GmbH (RMMV)

The associate, Rheinmetall MAN Military Vehicles GmbH (RMMV), headquartered in Munich, develops, manufactures, and sells logistics wheeled vehicles for military use. The TRATON GROUP holds a 49% equity interest, which is reported in the MAN Truck & Bus segment. Due to the application of the equity method, taking into account local capital market regulations relating to the disclosure of financial information, a reporting period that differs from the TRATON GROUP's fiscal year by three months is used to account for this company.

Summarized financial information for RMMV (on a 100% basis and thus not adjusted for the equity interest held by TRATON) and a reconciliation to the carrying amounts are presented in the following tables:

Statement of Comprehensive Income

€ million	2025 ¹	2024 ¹
Sales revenue	1,410	1,405
Earnings after tax from continuing operations	124	126
Other comprehensive income	-6	1
Total comprehensive income	118	127
Dividend received	34	13

¹ Amounts shown relate to the period from October 1 of the previous year to September 30 of the year in question.

Balance Sheet

€ million	12/31/2025 ¹	12/31/2024 ¹
Noncurrent assets	149	134
Current assets	1,063	856
Noncurrent liabilities and provisions	71	72
Current liabilities and provisions	680	506
Net assets	462	412
Reconciliation of the financial information to the carrying amount of the equity-accounted investments		
Net assets	462	412
Net assets attributable to shareholders	462	412
Interest held by TRATON (in %)	49	49
Net assets attributable to the TRATON GROUP	226	202
Goodwill	10	10
Carrying amount as of 12/31	236	212

¹ Amounts shown relate to the reporting period ended September 30 of the year in question.

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Summarized financial information on individually immaterial associates of the TRATON GROUP based on its proportionate interest

The carrying amounts of other associates amounted to €99 million (previous year: €96 million) as of December 31, 2025. The following table contains summarized financial information on the other associates; the disclosures relate to the Group's share of the associates in all cases:

€ million	2025	2024
Earnings after tax from continuing operations	-16	-5
Total comprehensive income	-16	-5

Summarized financial information on individually immaterial joint ventures of the TRATON GROUP based on its proportionate interest

The carrying amounts of the joint ventures were €153 million (previous year: €141 million) as of December 31, 2025. The following table contains summarized financial information on the joint ventures; the disclosures relate to the Group's share of the joint ventures in all cases:

€ million	2025	2024
Earnings after tax from continuing operations	-19	-16
Total comprehensive income	-19	-16

13. Other equity investments

Accounting policies: other equity investments

Other equity investments include shares in unconsolidated immaterial subsidiaries, associates and joint ventures not accounted for using the equity method due to insignificance, and financial investments. The TRATON GROUP has exercised the option under IFRS 9 *Financial Instruments* to recognize investments in equity instruments that are not held for trading and are measured under IFRS 9 at fair value through other comprehensive income (no recycling) because recognition of gains and losses on these instruments at fair value through profit or loss would not provide any information about the entity's performance for the TRATON GROUP. When an investment in equity instruments is sold or disposed of, the effect of the fair value measurement recognized in other comprehensive income is reclassified from equity to retained earnings.

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Other equity investments

€ million	12/31/25	12/31/24
Other equity investments measured at fair value	64	71
Non-significant subsidiaries, associates and joint ventures measured at cost	19	68
	83	139

For more information on the calculation of the fair value, see Note [28. Significance of financial instruments for net assets, financial position, and results of operations](#), section [Recognition, derecognition, and classification of financial instruments](#).

14. Financial services receivables

Accounting policies: financial services receivables

The TRATON Financial Services segment offers a wide range of financing solutions, normally with maturities of between three and five years, in which the vehicles serve as collateral. The type of financing solution offered often depends on market conditions as well as civil and tax law rules in the country concerned.

Customer finance receivables primarily comprise loans granted to direct customers. Dealer finance receivables mainly include working capital loans to dealers. The loans are collateralized by the underlying vehicles or other liens.

In addition, the TRATON Financial Services segment acts as a lessor in the finance leasing business for commercial vehicles manufactured entirely by the TRATON Operations business area and for vehicles for which only the chassis were manufactured by the TRATON Operations business area. The resulting finance lease receivables are recognized at the commencement date at the amount of the net investment in the lease. The lease payments received in the reporting period subsequently reduce the principal and the unearned finance income. Credit risk from lease receivables is accounted for in accordance with IFRS 9. Further information on accounting for finance leases can be found in Note [1. Sales revenue](#).

Some companies in the TRATON GROUP sell revolving current trade receivables as well as contractually agreed cash flows from leases. Further sales are agreed in specific cases. Asset-backed securities transactions are also carried out in the TRATON Financial Services segment, in which future cash flows from financial services receivables are assigned to structured entities, which then securitize them. If substantially all the risks and rewards of ownership remain with the TRATON Financial Services segment, the financial asset is not derecognized. Instead, a financial liability is recognized in the case of asset-backed securities transactions or, in all other cases, other financial liabilities are recognized in the amount of the consideration received. For further information, see Note [22. Other financial liabilities](#).

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For further information on the recognition and measurement principles applicable to financial services receivables and on accounting for credit risk from lease receivables, refer to Notes [28. Significance of financial instruments for net assets, financial position, and results of operations](#) and [29. Nature and extent of risks arising from financial instruments](#).

Estimates and management's judgment: measurement of expected credit losses

The TRATON GROUP is exposed to risks from contractual payments. In all major respects, the Group has the right to recover the vehicles underlying the contracts as collateral. The Group has an exposure to loss if the fair value of the collateral does not fully cover the risk exposure to the customer and the customer is unable to fulfill its contractual payment obligations. If possible, the estimates of this loss exposure are derived from past experience, taking into account current market data and rating classes, as well as scoring information.

Financial services receivables

€ million	Carrying amount			Carrying amount		
	current	non-current	12/31/2025	current	non-current	12/31/2024
Receivables from the financing business						
Customer financing	2,887	5,349	8,237	2,481	4,807	7,288
Dealer financing	2,036	12	2,048	2,267	7	2,274
	4,923	5,362	10,285	4,747	4,814	9,562
Receivables from finance leases	2,397	5,210	7,607	2,123	4,276	6,400
Receivables from operating leases	15	–	15	23	–	23
	7,335	10,571	17,906	6,894	9,090	15,984

The €723 million increase in financial services receivables compared with the previous year is mainly attributable to a €949 million increase in customer financing receivables. This was partially offset by a €226 million decrease in dealer finance receivables. The increase in receivables from customer financing is primarily attributable to higher portfolio volumes in the Brazilian market following the acquisition of the VWTB financial services business effective June 30, 2025 (see Note [Acquisitions](#)), as well as the expansion of the financing business in the TRATON Financial Services segment for International. The year-on-year decline in dealer finance receivables is mainly a result of the nonrecurrence of the advance sales in Mexico pulled forward in the previous year in response to the introduction of a new emissions standard that took effect in 2025.

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The increase in finance lease receivables is primarily attributable to the increased portfolio volume in many markets. After acquiring the rights to the future MAN Financial Services business in several countries in the previous year, the acquisition was fully completed in the first half of 2025. With the start of business activities in the new markets at the end of 2024 and during the entire fiscal year 2025, this led to a significant increase in finance lease receivables.

Reconciliation of lease payments from finance leases

€ million	12/31/2025	12/31/2024
Undiscounted lease payments¹	8,639	7,336
Unearned interest income	-863	-776
Net investment in the lease¹	7,776	6,560
Loss allowance for lease receivables ¹	-169	-160
Carrying amount	7,607	6,400

¹ Prior-year figures adjusted

Interest income from the net investment in the leases amounted to €473 million (previous year: €401 million) and is reported in sales revenue. Finance leases resulted in a disposal gain of €679 million (previous year: €544 million) in the fiscal year under review. The increase is mainly attributable to higher volumes resulting from the activities of MAN Financial Services in several markets.

The following payments are expected in the years shown from expected outstanding undiscounted lease payments arising from finance leases:

€ million	12/31/2025	12/31/2024
Within one year	2,794	2,487
In one to two years	2,185	1,842
In two to three years	1,665	1,392
In three to four years	1,121	905
In four to five years ¹	572	467
In more than five years	303	243
Total lease payments¹	8,639	7,336

¹ Prior-year figures adjusted

As of the reporting date, asset-backed securities transactions implemented to refinance the TRATON Financial Services segment are included in receivables at a carrying amount of €3,515 million (previous year: €2,418 million). The carrying amount of corresponding financial liabilities is €2,816 million (previous year: €1,813 million). The expected payments were assigned to structured entities during the transaction, and collateral with a total amount of €3,515 million (previous year: €2,418 million) was provided. The asset-backed securities transactions did not result in the receivables being derecognized, as the TRATON GROUP retains nonpayment and late payment risks. In certain cases, it is also able to retransfer receivables from the asset-backed securities structure. The difference between the amount of financial services receivables and the associated liabilities is the result of different terms and conditions within the structures, including overcollateralization.

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Under certain conditions, parts of the asset-backed securities transactions implemented may be repaid early (clean-up call). In cases where receivables from the asset-backed securities structure are transferred back to the TRATON Financial Services segment, the receivables can be assigned a second time or used as collateral in any other way. The claims by bondholders and financing banks are limited to the assigned receivables, and the cash inflows arising from these receivables are intended for the settlement of the corresponding liability. As of December 31, 2025, the fair value of the assigned receivables that continue to be recognized in the balance sheet was €3,515 million (previous year €2,418 million). The fair value of the associated liabilities amounted to €2,816 million (previous year: €1,813 million) as of that date. The resulting net position is €700 million (previous year: €605 million).

15. Other financial assets

€ million	Carrying amount			Carrying amount		
	Current	Non current	12/31/2025	Current	Non current	12/31/2024
Positive fair value of derivatives	172	410	581	125	290	415
Restricted cash	94	9	103	118	2	120
Receivables from loans (excluding interest)	73	57	130	130	52	182
Miscellaneous financial assets	553	118	671	452	172	624
	891	594	1,485	825	516	1,341

Other financial assets include positive fair values of derivative financial instruments, primarily for hedging interest rate and currency risks. Further information on derivatives as a whole can be found in Notes [28. Significance of financial instruments for net assets, financial position, and results of operations](#) and [29. Nature and extent of risks arising from financial instruments](#).

Restricted cash is mainly used as collateral in asset-backed securities transactions. In the previous year, restricted cash included €41 million for the gradual acquisition of key aspects of the global financial services businesses of MAN and VWTB (see Note [Acquisitions](#)).

The decrease in loan receivables is mainly due to the repayment of a €33 million loan receivable from Banco Volkswagen S.A., São Paulo, Brazil.

Miscellaneous financial assets include receivables from customers who purchased parts from dealers using a credit card program, claims for refunds, receivables from insurance management, and warranty credits.

As of December 31, 2025, other financial assets contained related party receivables of €106 million (previous year: €170 million). Of this amount, €7 million (previous year: €84 million) is attributable to receivables from loans. In both cases, the decline is attributable to the fact that Northvolt AB, Stockholm, Sweden (Northvolt) is no longer classified as a related party (for further information, see Note [34. Related party disclosures](#)).

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16. Other receivables

€ million	Carrying amount			Carrying amount		
	Current	Non current	12/31/2025	Current	Non current	12/31/2024
Recoverable taxes	897	88	984	894	131	1,025
Miscellaneous receivables	673	147	820	682	136	818
	1,570	234	1,804	1,576	266	1,842

Miscellaneous receivables include prepaid expenses in the amount of €535 million (previous year: €471 million), of which €462 million (previous year: €401 million) is current. Sales with a right of return account for a further €74 million (previous year: €66 million), mainly from sold vehicles for which TRATON will repurchase certain parts at a later date for reconditioning. These are almost all current.

Moreover, miscellaneous long-term receivables contain assets to finance pension obligations in the amount of €54 million (previous year: €50 million).

As of December 31, 2025, other receivables contained related party balances of €34 million (previous year: €78 million).

17. Inventories

Accounting policies: inventories

Inventories are measured at the lower of cost and net realizable value. Production cost comprises directly attributable production costs, nonrefundable tariffs, and proportionate fixed and variable production overheads. Overheads are allocated on the basis of normal capacity of the production facilities. Borrowing costs are not capitalized. Distribution expenses and general and administrative expenses are not included in production cost. Net realizable value corresponds to the estimated selling price less the estimated costs of completion and the estimated costs to sell. Current international tariff developments are taken into account, especially when assessing the estimated selling price.

As a general principle, similar items of inventories are measured using the weighted average method or the FIFO method.

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€ million	12/31/2025	12/31/2024
Raw materials, consumables, and supplies	1,525	1,683
Work in progress	700	859
Finished goods and purchased merchandise	4,754	4,966
Prepayments	36	25
Current rental and leasing assets	1	0
	7,016	7,532

In the year under review, inventories of €32,055 million (previous year: €34,111 million) were recognized in cost of sales at the same time as the sales revenue. Valuation allowances recognized as expenses in the fiscal year under review amounted to €76 million (previous year: €124 million).

18. Trade receivables

Accounting policies: trade receivables

Trade receivables are initially recognized at the transaction price.

Some companies in the TRATON GROUP sell revolving short-term trade receivables; for further information, see Note [14. Financial services receivables](#), and receivables sold to companies in the Volkswagen Group (nonrecourse factoring), see Note [34. Related party disclosures](#). For further information on the measurement principles applicable to trade receivables, refer to Note [28. Significance of financial instruments for net assets, financial position, and results of operations](#).

Trade receivables

€ million	12/31/2025	12/31/2024
Trade receivables from		
third parties	2,987	2,973
related parties	138	123
	3,126	3,096

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19. Cash and cash equivalents

Accounting policies: cash and cash equivalents

Cash and cash equivalents include bank balances and highly liquid financial investments of a temporary nature that are exposed to no more than minor risks of fluctuation in value.

The TRATON GROUP's financial management manages cash pool structures at brand level, wherever legally and economically appropriate and feasible. The TRATON segments manage operational cash themselves. Excess cash in the TRATON segments is usually managed at TRATON SE level. Cash pool receivables from affiliated companies are reported in cash and cash equivalents.

The TRATON GROUP deposits a portion of its excess cash with affiliated companies of the Volkswagen Group under interest rates in keeping with standard market conditions. Demand deposits are reported in cash and cash equivalents. By contrast, deposits classified as investments are recognized as marketable securities and investment deposits (current) or as other financial assets (noncurrent). Correspondingly, loans and short-term borrowings are recognized as financial liabilities. Deposits with globally positioned banks are also a standard practice.

For further information on the measurement principles, refer to Note [28. Significance of financial instruments for net assets, financial position, and results of operations](#).

Cash and cash equivalents

€ million	12/31/2025	12/31/2024
Bank balances	2,394	2,129
Checks, bills, and cash	15	70
Cash pool receivables from unconsolidated affiliated companies	1	1
Receivables from affiliated companies of the Volkswagen Group	395	342
	2,805	2,542

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20. Equity

Subscribed capital (share capital)

The subscribed capital (share capital) of TRATON SE amounts to €500,000,000 and is composed of 500,000,000 no-par value bearer shares with a notional value of €1.00 each.

All shares are fully paid up and have the same dividend rights. Under Article 6 (2) sentence 1 of the Articles of Association, shareholders may not claim delivery of physical share certificates.

Authorized capital

In accordance with Article 5 (3) of the Articles of Association, the Executive Board is authorized to increase the company's share capital on one or several occasions by a total of up to €200,000,000 by issuing up to 200,000,000 no-par value bearer shares on a cash and/or noncash basis on or before May 31, 2028, subject to the Supervisory Board's approval (Authorized Capital 2023). The dividend entitlement of new shares can be determined contrary to the provisions of section 60 (2) of the AktG.

Shareholders must be granted preemptive rights unless the Executive Board makes use of one of the following authorizations to disapply preemptive rights, with the consent of the Supervisory Board. The new shares may also be underwritten by a credit institution or an entity operating pursuant to section 53 (1) sentence 1 of the *Kreditwesengesetz* (KWG — German Banking Act) or section 53b (1) sentence 1 or (7) of the KWG (financial institution) to be designated by the Executive Board, or by a consortium of such credit or financial institutions, with the obligation to offer them for sale to shareholders of the company. The Executive Board is authorized, with the consent of the Supervisory Board, to disapply shareholders' preemptive rights in the following cases:

- a) To settle fractions resulting from a capital increase
- b) To the extent necessary to grant holders or creditors of convertible loan agreements or bonds with warrants, as well as convertible profit participation rights, issued by the company and/or its direct or indirect majority investees a preemptive right to new shares in the amount to which they would be entitled following the exercise of their options or conversion rights or after meeting their exercise of option or conversion obligations
- c) If the new shares are issued against cash contributions and the issue price of the new shares is not materially lower than the quoted market price of existing listed shares of the company at the date when the issue price is finally determined, which should be as close as possible to the placement of the shares. However, this authorization to disapply preemptive rights applies only to the extent that the notional amount of the share capital attributable to the shares issued with preemptive rights disapplied in accordance with section 186 (3) sentence 4 of the AktG does not exceed a total of 10% of the share capital, meaning neither the share capital existing when this authorization takes effect, nor the share capital existing at the date when this authorization is exercised. Shares that (i) are sold or issued, with preemptive rights disapplied, during the term of this authorization up to the date of its exercise on the basis of other authorizations in direct application, or application with the necessary modifications, of section 186 (3) sentence 4 of the AktG, or (ii) shares that were issued or will be issued, with preemptive rights disapplied, to settle bonds or profit participation rights with conversion or exercise rights or obligations will be counted toward this limit, to the extent that the bonds or profit participation rights were issued during the term of this authorization up to the date of its exercise, in application, with the necessary modifications, of section 186 (3) sentence 4 of the AktG.
- d) To the extent that the capital increase is implemented to grant shares against noncash contributions, in particular for the purposes of acquiring companies, parts of companies, or investments in companies, or other assets

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The Executive Board is also authorized to define further details of the capital increase and its implementation, with the consent of the Supervisory Board. The Supervisory Board is authorized to amend the wording of Article 5 of the Articles of Association following the complete or partial implementation of the capital increase from Authorized Capital 2023 or after the expiration of the authorization period, in line with the scope of the capital increase.

Contingent capital

Additionally, under Article 5 (4) of the company's Articles of Association, the company's share capital may also be increased by up to €50,000,000 on a contingent basis through the issue of up to 50,000,000 bearer shares (no-par value shares) (Contingent Capital 2023). The sole purpose of Contingent Capital 2023 is to issue new shares to the holders/creditors of bonds which are issued by the Company or by other companies in which the company directly or indirectly holds a majority interest up to May 31, 2028, in accordance with a resolution passed by the shareholders under item 10.2 of the agenda for the meeting of June 1, 2023, in the event that conversion and/or option rights are exercised or conversion or option exercise obligations are settled or the company makes use of its right to grant shares in the company, either in full or in part, in lieu of payment of the respective cash amount. The shares are issued at the conversion or option price to be determined in accordance with the aforementioned resolution. The contingent capital increase will only be implemented to the extent that conversion rights or options are exercised or conversion or option exercise obligations are settled, or the company exercises its right to grant shares of the company, either in full or in part, in lieu of payment of the cash amount due, and to the extent that other instruments are not used to settle the conversion rights or options.

The new shares carry dividend rights from the beginning of the fiscal year in which they are issued. To the extent permitted by law, the Executive Board may, with the consent of the Supervisory Board, determine the dividend rights in derogation of the above and of section 60 (2) of the AktG, including for a fiscal year that has already closed.

The Executive Board is authorized to define further details of the implementation of the contingent capital increase, with the consent of the Supervisory Board.

Capital reserves

TRATON SE's capital reserves of €12,195 million (previous year: €12,495 million) constitute the contributions by Volkswagen AG to TRATON SE, in particular from the contribution of MAN SE and Scania AB.

The entire capital reserves of €12,195 million are distributable capital reserves within the meaning of section 272 (2) no. 4 of the *Handelsgesetzbuch* (HGB — German Commercial Code). €300 million (previous year: €800 million) was released in the reporting period and transferred to retained earnings.

Retained earnings and accumulated other comprehensive income

The retained earnings of €9,054 million (previous year: €8,135 million) reported as of December 31, 2025, constitute amounts recognized as earnings after tax in prior periods. They also contain the difference between the value of MAN SE shares at the date of their contribution to TRATON SE and the recognized carrying amount of the corresponding assets and liabilities. In addition, the effects of business combinations under common control are recognized in retained earnings; for further information, see Note [Acquisitions](#). TRATON SE paid its shareholders a dividend of €1.70 (previous year: €1.50) per share in 2025. This resulted in a total payout of €850 million (previous year: €750 million).

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As of December 31, 2025, the accumulated other comprehensive income of €–3,115 million (previous year: €–3,293 million) contains the accumulated amounts of transactions recognized in other comprehensive income, in particular currency translation differences, the measurement of equity investments, and differences from pension plan remeasurements. Further information can be found in the [Statement of Comprehensive Income](#).

For fiscal year 2025, TRATON SE's Executive and Supervisory Boards are proposing to the Annual General Meeting to be held on June 16, 2026, to pay a dividend of €0.93 (previous year: €1.70) per share. This proposal corresponds to a total distribution of €465 million (previous year: €850 million).

21. Financial liabilities

The details of noncurrent and current financial liabilities are presented in the following table:

€ million	Carrying amount			Carrying amount		
	Current	Non current	12/31/2025	Current	Non current	12/31/2024
Bonds	3,063	9,976	13,039	4,473	8,551	13,024
Bonds from asset-backed securities transactions	897	1,572	2,468	629	1,010	1,639
Liabilities to banks	3,338	3,062	6,400	1,957	3,483	5,441
Loans and short-term borrowings from Volkswagen Group of America Finance, LLC	344	934	1,278	95	383	478
Lease liabilities	267	1,008	1,276	254	917	1,171
Commercial paper program	1,239	–	1,239	246	–	246
Loans from Volkswagen International Finance N.V.	500	191	691	–	691	691
<i>Schuldscheindarlehen</i>	300	50	350	–	350	350
Loans and short-term borrowings from Volkswagen AG	–	250	250	693	250	943
Short-term borrowings from Volkswagen North American Region Payment Services, LLC	128	–	128	–	–	–
Loans from Volkswagen Financial Services AG	63	62	124	77	124	201
Loans and miscellaneous liabilities	149	–	149	93	–	93
	10,288	17,103	27,391	8,517	15,759	24,277

Financial liabilities from bonds mainly relate to European Medium Term Notes (EMTNs).

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The TRATON GROUP has a European Medium Term Notes program (EMTN program), whose issuance facility was increased from €12,000 million to €18,000 million on March 24, 2025. TRATON Finance Luxembourg S.A., Strassen, Luxembourg, (TRATON Finance) is using the issuance program to raise capital for general corporate purposes, and the capital raised will be used as needed within the TRATON GROUP. Under the program, TRATON Finance issued bonds totaling €3,761 million (previous year: €3,973 million) in 2025 and made repayments of €3,059 million (previous year: €1,499 million). Liabilities with a carrying amount of €11,503 million (previous year: €10,686 million) were reported under this EMTN program as of December 31, 2025. These were partly hedged using interest rate derivatives.

Scania has a €5,000 million EMTN program in place. Liabilities with a carrying amount of €289 million (previous year: €1,574 million) were reported under this program as of December 31, 2025. No bonds were issued, as in the previous year, and bonds of €1,310 million (previous year: €692 million) were repaid in the reporting period.

Companies in the TRATON Financial Services segment use various bonds from asset-backed securities transactions for their financing, of which a total of €1,195 million (previous year: €1,094 million) was issued in the reporting year and, in turn, €302 million (previous year: €291 million) was repaid.

In addition to the bonds, asset-backed securities liabilities are also included in the line item "Liabilities to banks." For information on the derecognition of financial assets, refer to Note [14. Financial services receivables](#).

TRATON launched a €2,500 million commercial paper program on September 12, 2023, of which liabilities with a carrying amount of €1,220 million (previous year: €188 million) were disclosed by TRATON Finance as of the reporting date. Of this amount, €1,182 million (previous year: €27 million) was issued, while €150 million (previous year: €829 million) was repaid.

Within its liabilities to banks, TRATON SE entered into a bilateral loan agreement with the European Investment Bank (EIB) on December 2, 2025, for up to €500 million to finance the costs of the TRATON Modular System (TMS) project in the years 2025 to 2027. The entire loan amount was disbursed on December 19, 2025, with a term of five years.

Loan liabilities to Volkswagen AG amounting to €693 million (previous year: €104 million) were repaid in the reporting period, whereas an additional long-term loan liability of €250 million was incurred in the previous year. Financial liabilities to Volkswagen Group of America Finance, LLC, Reston, USA, increased by €551 million (previous year: €383 million) due to the assumption of long-term loan liabilities and the drawdown of a €249 million short-term credit line, which had been repaid in the previous year in the amount of €263 million.

For information on the measurement principles, refer to Note [28. Significance of financial instruments for net assets, financial position, and results of operations](#).

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22. Other financial liabilities

€ million	Carrying amount			Carrying amount		
	Current	Non current	12/31/2025	Current	Non current	12/31/2024
Liabilities from buyback obligations	696	1,254	1,950	767	1,401	2,168
Deferrals for outstanding supplier invoices	562	9	571	561	2	562
Interest rate liabilities	260	–	260	252	–	252
Negative fair values of derivatives	58	167	226	312	371	683
Liabilities related to the appraisal proceedings on the MAN SE merger squeeze-out	2	98	100	2	96	98
Factoring liabilities	18	26	44	45	19	64
Security deposits for financial services	–	–	–	11	42	54
Miscellaneous financial liabilities	271	30	301	171	39	210
	1,868	1,584	3,452	2,121	1,970	4,091

The liabilities from buyback obligations originate from sales of commercial vehicles accounted for as operating leases because of a buyback agreement. For further information on the accounting policies, see Note [11. Assets leased out](#).

Other financial liabilities include negative fair values of derivative financial instruments for hedging interest rate and currency risks. These instruments, which are mainly used to hedge currency risk in customer orders and net liquidity, are matched by offsetting gains and losses of the underlyings. Further information on derivatives as a whole can be found in Notes [28. Significance of financial instruments for net assets, financial position, and results of operations](#) and [29. Nature and extent of risks arising from financial instruments](#).

In some cases, the contractual rights to cash flows from leases are transferred to an external bank. The carrying amount of the lease assets that have been transferred but not derecognized was €37 million (previous year: €50 million) as of the reporting date. The assets did not qualify for derecognition due to a general recourse clause. The corresponding other financial liability had a carrying amount of €44 million (previous year: €64 million) as of the reporting date. The difference between the amount of assets and liabilities is mainly the result of the asset capturing only the portion currently resulting from operating leases, whereas the liability includes the discounted present value of all future cash flows that have been transferred. As of the reporting date, the fair value of the transferred but not derecognized assets amounted to €37 million (previous year: €50 million), the fair value of the corresponding liability amounted to €44 million (previous year: €64 million), and the net position thus equaled €–7 million (previous year: €–14 million). For information on the accounting policies in connection with derecognition of financial assets, refer to Note [14. Financial services receivables](#).

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23. Other liabilities

€ million	Carrying amount			Carrying amount		
	Current	Non current	12/31/2025	Current	Non current	12/31/2024
Contract liabilities	1,491	1,098	2,589	1,579	990	2,569
Deferred purchase price payments for assets leased out (Buy-back transactions)	718	1,033	1,751	772	1,249	2,021
Payroll liabilities	1,004	1	1,004	1,188	1	1,188
Miscellaneous tax payables	568	1	569	503	9	512
Liabilities related to social security contributions	372	2	374	339	3	342
Miscellaneous other liabilities	432	33	465	372	19	391
	4,585	2,167	6,752	4,753	2,271	7,024

The following table explains the change in contract liabilities in the reporting period:

€ million	2025	2024
Contract liabilities as of 01/01	2,569	2,195
Additions and disposals	102	377
Currency translation adjustments	-73	-3
Changes in basis of consolidation	-10	-
Contract liabilities as of 12/31	2,589	2,569

24. Provisions for pensions and other post-employment benefits

Accounting policies: provisions for pensions and other post-employment benefits

Obligations for post-employment benefits under defined benefit plans are determined by independent actuaries using the projected unit credit method in accordance with IAS 19 *Employee Benefits*. Under this method, the future obligations ("defined benefit obligation") are measured on the basis of the proportionate benefit entitlements acquired as of the balance-sheet date, discounted to their present value, and reduced by the fair value of the plan assets available to cover the pension obligations. Measurement takes into account both the pensions and vested benefits known at the balance sheet date and actuarial assumptions for discount rates, salary and pension trends, staff turnover rates, life expectancy, and increases in healthcare costs, which are calculated for the Group companies depending on their economic environment.

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The service cost, which represents the entitlements of active employees accruing in the fiscal year in accordance with the plan, is reported in functional expenses. Net interest income or expense is calculated by applying the discount rate to the net asset value or liability and is included in interest expense.

Remeasurements of the net asset or liability comprise actuarial gains and losses resulting from differences between the actuarial assumptions made and what has actually occurred, and changes in actuarial assumptions, as well as the return on plan assets, excluding amounts included in net interest income or expenses. Remeasurements are recognized in other comprehensive income, net of deferred taxes, in the period in which they arise. The remeasurements from pension plans recognized in other comprehensive income also include the relevant currency translation differences.

Estimates and management's judgment: provisions for pensions and other post-employment benefits

Measurement of the pension provisions was based on the following actuarial assumptions:

In %	Germany		USA		Sweden		Other countries	
	2025	2024	2025	2024	2025	2024	2025	2024
Discount rate as of 12/31	4.0	3.4	5.1	5.5	3.8	3.5	5.6	5.2
Payroll trend	3.0	3.2	0.4	0.5	2.5	2.5	2.0	1.8
Pension trend	2.0	2.0	–	–	1.8	1.8	0.8	0.8
Staff turnover rate	2.5	2.5	3.2	3.5	4.8	4.8	3.9	3.1

These amounts are averages that were weighted using the present value of the defined benefit obligation. With regard to life expectancy, the most recent mortality tables in each country are used. For Germany, the RT2018G mortality tables developed by Prof. Klaus Heubeck are used for MAN Truck & Bus companies and TRATON Holding starting this fiscal year, as, according to an updated assessment, they better reflect mortality in the TRATON GROUP than the 2005 G mortality tables by Prof. Klaus Heubeck previously used, which were adjusted in 2017 to reflect MAN-specific empirical values. The update of the mortality tables had no significant effect. For the US retirement plans, the mortality rates from standard mortality tables published by the Society of Actuaries are used and adjusted for plan experience if necessary. A study is conducted every five years, most recently in 2025, to determine the best estimate of current mortality levels. In Sweden, the DUS2023 standard mortality tables are applied. As a general principle, the discount rates are defined to reflect the yields on highly-rated (AA) corporate bonds with matching maturities and currencies. The payroll trends cover expected wage and salary trends, which also include increases due to career development. The pension trends either reflect the contractually defined guaranteed pension adjustments or are based on the rules for pension adjustments in force in each country. The staff turnover rates are based on past experience and future expectations.

Depending on the situation in specific countries, the TRATON GROUP grants its employees pension benefits in the form of defined benefit or defined contribution pension plans.

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Defined contribution plans in the TRATON GROUP

Under defined contribution plans, contributions are paid to public or private pension providers on the basis of legislative or contractual requirements. There are no benefit obligations over and above the payment of contributions. Current contribution payments are recognized as an expense in the period in which they are incurred; in the TRATON GROUP, they amounted to a total of €472 million (previous year: €451 million) in 2025. Thereof €127 million (previous year: €127 million) was paid for contributions to the statutory pension insurance system in Germany. Additionally, these primarily relate to defined contribution pension plans in Sweden and the USA and to defined benefit multi-employer pension plans that are accounted for as defined contribution pension plans.

Multi-employer plans in the TRATON GROUP

In the TRATON GROUP, there are multi-employer pension plans in the United Kingdom, Sweden, and the Netherlands (see the [Plans in Sweden](#) and [Plans in other countries](#) sections). The majority of these plans are defined benefit plans. A small proportion of these multi-employer pension plans are accounted for as defined contribution plans because the TRATON GROUP is unable to obtain the information required to account for them as defined benefit plans. Under the terms of the multi-employer plans, the TRATON GROUP only has a very limited liability for the obligations of the other employers.

Defined benefit plans in the TRATON GROUP

Most of the pension entitlements in the TRATON GROUP are classified as defined benefit plans under IAS 19, which are funded by external plan assets to a considerable extent. The pension plans are exposed to interest rate, market, and longevity risks, which are regularly monitored and assessed.

Due to their similarity to pensions, the obligations in particular of the US, Canadian, and Brazilian Group companies for their employees' post-retirement healthcare benefits (Other post-employment benefits plans, OPEB) are also reported in provisions for pensions and other post-employment benefits. The expected long-term trend in healthcare costs is taken into account for these post-employment benefits. The associated present value of the obligation amounted to €400 million (previous year: €535 million) as of December 31, 2025. The decrease is primarily due to lower projected costs related to the OPEB plans in the USA, which are attributable to insurance contracts with favorable terms and higher projected government funding.

The significant pension plans are described in the following.

Plans in Sweden

The plans in Sweden primarily comprise post-employment benefit plans for Scania employees that offer benefits in the form of retirement pensions, early retirement pensions, surviving dependents' pensions, and severance payments. As part of the merger of significant parts of the research and development departments within the TRATON GROUP, some of these plans were transferred to the Swedish Group R&D company.

Employees born before 1979 are covered by the joint defined benefit ITP2 pension plan, which is funded by recognized provisions and, since 2019, also partly by plan assets, and is secured by credit insurance taken out with Försäkringsbolaget PRI Pensionsgaranti, a mutual insurance company that also administers the plan. External funding of plan assets uses a foundation (Pensionsstiftelsen). The fair value of plan assets was €375 million (previous year: €331 million) as of December 31, 2025. Another part of ITP2 is secured by contributions to Alecta, a pensions insurer, and is accounted for as a defined contribution plan (see the [Multi-employer plans in the TRATON GROUP](#) section).

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In addition to these obligations, there is also a defined benefit obligation for employees entitled to early retirement who have reached the age of 62 and were employed by the company for 30 years, or who have reached the age of 63 and were employed by the company for 25 years, as well as for a limited number of former executives.

For obligations that are funded entirely by recognized provisions, the company bears the risks associated with lifelong pension benefits.

Plans in the USA

In the United States, a range of defined benefit pension plans at International offer employees retirement benefits in the form of life annuities. The benefits of the pension plan for salaried employees are generally based on salary and length of service, while benefits under the two pension plans for wage-earning staff are generally based on a negotiated amount for each year of service.

The pension plans for wage-earning staff and salaried employees have been closed to new entrants since 2008 and 1996, respectively, and, with the exception of one of the plans for wage-earning staff, are also closed to the accrual of further benefit entitlements.

These plans are funded pension plans subject to the US Employee Retirement Income Security Act (ERISA) and are eligible for tax benefits as qualified pension plans under US law. Under internal guidelines, the minimum required contribution pursuant to ERISA and the Internal Revenue Code is funded in each case, and additional discretionary contributions are paid in from time to time.

The plan assets are invested as part of a diversified strategy by experienced fund managers in equities, real estate, hedge funds, credit products, and assets in order to hedge liabilities, and diversified by an external investment advisor to avoid concentrations in type, sector, issuer, market, or country. Each pension plan has an investment policy that, among other things, defines strategic asset allocation depending on the funding level. As the funding level increases, investments are reallocated to asset classes that reduce interest rate risk at the expense of higher-yielding asset classes that are also more volatile. No derivative products are currently used to hedge longevity or interest rate risk.

For executives, US law provides for nonqualified defined benefit plans that are not subject to the ERISA and provide retirement benefits in the form of a life annuity, a lump sum, or installments. These are financed solely by provisions.

In addition, in the USA, other post-employment benefits (OPEB plans) in the form of medical benefits, prescription drugs, and life insurance, some of which are funded, are provided to a closed group of participants for life.

Plans in Germany

The plans in Germany mainly comprise pension plans of the German companies of MAN Truck & Bus and TRATON Holding. Once their active working life is over, these companies grant their employees in Germany benefits provided by an occupational pension system that constitutes one of the key elements of their remuneration policy. Occupational pensions provide additional retirement benefits as well as risk protection in the event of invalidity or death. As part of the merger of significant parts of the research and development departments within the TRATON GROUP, some of these plans were transferred to the German Group R&D company.

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Under the current pension plans, all active employees receive employer contributions that are tied to their remuneration and can also make additional provisions through deferred compensation that is often employer-subsidized. The employer- and employee-funded contributions plus returns on capital market investments allow staff to accumulate plan assets during their active employment that are paid out as a lump sum or in installments on retirement, or that can be annuitized in certain cases. The risk of the investments is gradually reduced as employees get older (life cycle concept). The performance of the plan assets is based on the return on capital investments. The total amount of contributions paid in for the employee is paid out as a minimum when the employee retires.

Former employees, pensioners, or employees with vested benefits who have left the company also have benefit entitlements from discontinued pension plans, which are designed to provide lifelong pension payments. These commitments are exposed to the standard longevity and inflation risks, which are regularly monitored and assessed.

German pension assets are managed by MAN Pension Trust e.V. and WTW Pensionsfonds AG. These assets are irrevocably protected from recourse by the Group companies and may only be used to fund current pension benefit payments or to settle claims by employees in the event of insolvency. Proper management and utilization of the trust assets is supervised by independent trustees. Additionally, WTW Pensionsfonds AG is regulated by the *Bundesanstalt für Finanzdienstleistungsaufsicht* (BaFin — German Federal Financial Supervisory Authority).

The pension assets are invested by professional investment managers in accordance with investment rules laid down by TRATON SE's Investment Committee. Strategic allocation of the pension assets is based on regular asset/liability management studies. In addition to pure administration, WTW Investments GmbH also handles fiduciary management for WTW Pensionsfonds AG.

The acquisition of securities issued by Volkswagen Group companies and investments in owner-occupied real estate are generally not permitted.

Plans in other countries

Employees in the United Kingdom, Switzerland, Canada, and Brazil receive pension benefits under defined benefit funded pension and healthcare plans.

The pension plans granting lifelong pensions in the United Kingdom have been closed to new entrants, and existing members cannot acquire additional entitlements. Trustee boards, which have appointed professional administrators and advisors, are responsible for administering the pension plans, including investing the assets. Regular asset/liability management studies form the basis of investment and risk management. At MAN Truck & Bus, investments are aligned with the liability structure and offer comprehensive protection against changes in interest rates and inflation rates.

Employees in Switzerland accrue entitlements through employer and employee contributions to multi-employer (MAN Truck & Bus) or occupational (Scania) pension providers that are converted into a lifelong pension at retirement at the terms in force at that time. The pension institutions are managed conservatively on the basis of standards imposed by the government. If the plan assets are insufficient to meet the pension entitlements because of adverse market developments, the member employers and their employees may be required to make stabilization contributions.

In Canada, there are two registered and funded defined benefit pension plans, one for wage-earning staff and one for salaried employees, as well as an Other Post-Employment Benefits (OPEB) plan. The pension plans provide lifetime annuities and are closed to new entrants. The pension plan for salaried

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employees (the defined benefit component) is also closed for the acquisition of additional entitlements. The Canadian OPEB plan provides health, dental, and life insurance benefits to eligible pensioners.

Employees in Brazil are entitled to benefits under defined benefit pension plans funded largely by plan assets and have entitlements under healthcare plans funded by provisions.

Furthermore, other countries have pension plans with a low level of benefits or grant mandatory post-employment benefits. Some of these benefits are funded by plan assets, either in full or in part (Netherlands, Belgium, France), or are only funded by provisions (Austria, Türkiye, Poland, Italy, Mexico).

The following amounts were recognized in the balance sheet for defined benefit plans:

€ million	12/31/2025	12/31/2024
Present value of funded obligations	4,353	4,831
Fair value of plan assets	3,592	3,627
Funded status (net)	761	1,204
Present value of unfunded obligations	806	639
Amount not recognized as an asset because of the ceiling in IAS 19	23	17
Net liabilities recognized in the balance sheet	1,590	1,859
of which provisions for pensions and other post-employment benefits	1,644	1,909
of which other receivables	54	50

The following table shows changes in the net defined benefit liability recognized in the balance sheet:

€ million	2025	2024
Net liabilities recognized in the balance sheet as of 01/01	1,859	1,811
Current service cost ¹	90	84
Net interest expense ¹	86	79
Actuarial gains (-)/losses (+) arising from changes in demographic assumptions	-17	-1
Actuarial gains (-)/losses (+) arising from changes in financial assumptions	-149	55
Actuarial gains (-)/losses (+) arising from experience adjustments	76	58
Income/expenses from plan assets not included in interest income	-117	-90
Change in amount not recognized as an asset because of the ceiling in IAS 19	7	-4
Employer contributions to plan assets	-104	-66
Employee contributions to plan assets	18	5
Pension payments from company assets	-100	-87
Past service cost (including plan curtailments) ¹	3	8
Gains (-)/losses (+) arising from plan settlements ¹	2	-5
Changes in basis of consolidation	-	9
Other changes	-5	-3
Currency translation differences from foreign plans	-55	5
Net liabilities recognized in the balance sheet as of 12/31	1,590	1,859

¹ Amounts recognized in the income statement

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The change in the present value of the defined benefit obligation is attributable to the following factors:

€ million	2025	2024
Present value of obligations as of 01/01	5,469	5,291
Current service cost	90	84
Interest expense	226	212
Actuarial gains (-)/losses (+) arising from changes in demographic assumptions	-17	-1
Actuarial gains (-)/losses (+) arising from changes in financial assumptions	-149	55
Actuarial gains (-)/losses (+) arising from experience adjustments	76	58
Employee contributions to plan assets	21	8
Pension payments from company assets	-100	-87
Pension payments from plan assets	-259	-231
Past service cost (including plan curtailments)	3	8
Disposals arising from plan settlements	-5	-21
Changes in basis of consolidation	-	9
Other changes	1	2
Currency translation differences from foreign plans	-197	85
Present value of obligations as of 12/31	5,160	5,469

As of the reporting date, €1,840 million (previous year: €2,188 million) of the defined benefit obligation is attributable to the International plans in the USA, €1,571 million (previous year: €1,577 million) to the plans of TRATON Holding, the German MAN Truck & Bus companies, and the German Group R&D company, and a further €1,077 million (previous year: €1,001 million) to the plans in Sweden.

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Changes in the relevant actuarial assumptions would have the following effects on the defined benefit obligation:

		12/31/2025		12/31/2024	
Present value of defined benefit obligation if		€ million	Change in %	€ million	Change in %
Discount rate	is 0.5 percentage points higher	4,935	-4.3	5,199	-5.0
	is 0.5 percentage points lower	5,409	4.8	5,768	5.5
Pension trend	is 0.5 percentage points higher	5,277	2.3	5,591	2.2
	is 0.5 percentage points lower	5,052	-2.1	5,357	-2.1
Payroll trend	is 0.5 percentage points higher	5,219	1.1	5,530	1.1
	is 0.5 percentage points lower	5,105	-1.1	5,413	-1.0
Life expectancy	increases by one year	5,326	3.2	5,666	3.6

The sensitivity analyses shown above consider the change in one assumption at a time, leaving the other assumptions unchanged versus the original calculation, i.e., any correlation effects between the individual assumptions are ignored. To examine the sensitivity of the present value of the defined benefit obligation to a change in assumed life expectancy, the age of the beneficiaries was reduced by one year as part of a comparative calculation. The average duration of the defined benefit obligation weighted by the present value of the defined benefit obligation (Macaulay duration) is nine years (previous year: ten years).

The present value of the defined benefit obligation is spread across the members of the plan as follows:

€ million	12/31/2025	12/31/2024
Active members with entitlements from defined benefits	1,851	1,813
Members who have left the company with vested entitlements	615	657
Pensioners	2,694	2,999
	5,160	5,469

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The maturity profile of payments attributable to the defined benefit obligation is presented in the following table by classifying the present value of the obligations by the maturity of the underlying payments:

€ million	12/31/2025	12/31/2024
Payments due within the next fiscal year	327	314
Payments due in two to five years	1,246	1,314
Payments due in more than five years	3,587	3,841
	5,160	5,469

Changes in plan assets are shown in the following table:

€ million	2025	2024
Fair value of plan assets as of 01/01	3,627	3,500
Interest income from plan assets determined using the discount rate	140	133
Income/expenses from plan assets not included in interest income	117	90
Employer contributions to plan assets	104	66
Employee contributions to plan assets	3	3
Pension payments from plan assets	-258	-231
Disposals arising from plan settlements	-3	-16
Currency translation differences from foreign plans	-142	80
Other changes	5	2
Fair value of plan assets as of 12/31	3,592	3,627

As of the reporting date, €1,221 million (previous year: €1,378 million) of the fair value of plan assets was attributable to the International plans in the USA, €1,509 million (previous year: €1,438 million) to the plans of TRATON Holding, the German MAN Truck & Bus companies, and the German Group R&D company, and a further €375 million (previous year: €331 million) to the plans in Sweden.

In the next fiscal year, employer contributions to plan assets are expected to amount to €129 million (previous year: €123 million).

The investment of plan assets to cover future pension obligations resulted in total comprehensive income of €257 million (previous year: €223 million).

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Plan assets are invested in the following asset classes:

€ million	12/31/2025			12/31/2024		
	Quoted prices in active markets	No quoted prices in active markets	Total	Quoted prices in active markets	No quoted prices in active markets	Total
Cash and cash equivalents	76	–	76	96	–	96
Equity instruments	200	–	200	175	–	175
Debt instruments	133	4	136	138	4	142
Direct investments in real estate	–	47	47	–	56	56
Equity funds	999	–	999	1,116	2	1,118
Bond funds	1,331	49	1,380	1,279	82	1,362
Real estate funds	211	21	233	217	23	240
Other instruments	5	227	232	4	207	211
Other	147	142	289	85	141	227
Fair value of plan assets	3,102	491	3,592	3,111	516	3,627

25. Other provisions

Accounting policies: other provisions

Provisions are recognized for a present obligation to a third party arising from a past event that is likely to result in an outflow of resources and whose amount can be measured reliably. The amount of the provision is determined based on estimates of the amount of the loss and the probability of utilization.

Provisions that will not result in an outflow of resources within one year are recognized at their discounted settlement amount as of the reporting date. The discount rate is based on market interest rates. The settlement amount also includes the expected cost increases as of the reporting date. Provisions are not offset against recourse rights.

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Estimates and management's judgment: recognition and measurement of provisions

Recognition and measurement of provisions are based on estimates regarding the amount and probability of the occurrence of future events, as well as the estimation of the discount rate. Whenever possible, past experience or external appraisals are taken into account. Warranty claims arising from unit sales are determined on the basis of estimated future costs and ex gratia arrangements. In addition, assumptions must be made about the nature and extent of future warranty and ex gratia claims. The measurement of restructuring provisions is based on estimates and assumptions regarding the amount of severance payments, the effects of onerous contracts, the timeline for the implementation of measures, and, consequently, the timing of the expected payments. Litigation and other court proceedings lead to complex legal issues and entail numerous uncertainties. The current status of negotiations and estimates by local management and TRATON SE's Executive Board as well as by external lawyers are taken into account for the measurement.

€ million	Obligations arising from unit sales	Obligations to employees	Litigation and legal risks	Restructuring	Miscellaneous provisions	Total
Balance as of 01/01/2025	2,297	402	512	27	597	3,835
Currency translation differences	-59	-7	-22	1	-3	-90
Changes in basis of consolidation	2	0	0	0	0	2
Utilization	-1,304	-92	-126	-3	-256	-1,781
Additions/new provisions	1,633	71	166	42	295	2,208
Unwinding of discount/effect of change in discount rate	35	4	2	0	0	41
Reversals	-117	-11	-18	-2	-77	-225
Balance as of 12/31/2025	2,486	367	515	65	556	3,989
of which current	1,456	114	213	65	378	2,228
of which noncurrent	1,030	253	301	0	178	1,761

Obligations arising from unit sales contain provisions that cover all risks attributable to the sale of vehicles and spare parts. These primarily relate to provisions for warranties and statutory or contractual guarantee obligations. They also include provisions for discounts, bonuses, and similar allowances incurred after the reporting date, but for which there is a legal or constructive obligation attributable to sales revenue before the reporting date.

Provisions for obligations to employees are recognized for long-service awards, partial retirement arrangements, severance payments, and similar obligations, among other things.

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As of December 31, 2025, there were provisions for civil lawsuits against Scania Vehicles & Services and MAN Truck & Bus in connection with the EU antitrust proceedings. The provisions for litigation and legal risks also contain amounts related to a large number of legal disputes and official proceedings in which TRATON GROUP companies become involved in Germany and internationally in the course of their operating activities. In particular, such legal disputes and other proceedings may occur in relation to suppliers, dealers, customers, and employees. Refer to Note [32. Litigation/legal proceedings](#) for a discussion of the legal risks.

Miscellaneous provisions relate to a large number of identifiable specific risks and uncertain obligations arising from operating activities that are measured at the expected settlement amount. Miscellaneous provisions also contain provisions for litigation in connection with indirect and other taxes.

26. Trade payables

Individual companies of the TRATON GROUP use supplier finance arrangements in which a supplier sells its existing trade receivables to a bank or third-party provider. The arrangements are subject to the following terms and conditions:

- In traditional supplier finance arrangements (single source of financing), the supplier sends the invoice to the TRATON GROUP company after the goods have been delivered. The invoice is approved for payment by TRATON and the supplier offers the existing receivable for purchase to the designated bank. The bank accepts the offer, buys the invoice, and immediately pays a discounted invoice amount to the supplier. TRATON pays the full invoice amount to the bank when it is due.
- In the case of platform-based supplier finance arrangements (multi-bank approach), the supplier sends the invoice to the TRATON GROUP company after delivery of the goods. The invoice is approved for payment by TRATON. The supplier approves the invoices on the platform for early payment. One of the banks/third-party providers on the platform accepts the offer, buys the invoice, and immediately pays a discounted invoice amount to the supplier. TRATON pays the full invoice amount to the bank/third-party provider when it is due.

These continue to be presented in the balance sheet under trade payables because they meet the definition of a trade payable, and the contractual terms (e.g., payment terms) do not change or do not change materially. Collateral is not pledged in this context. Correspondingly, the cash outflow is reported in net cash provided by/used in operating activities.

Trade payables and supplier finance arrangements

€ million	12/31/2025	12/31/2024
Trade payables	5,474	5,349
thereof part of Supplier Finance Arrangements	482	421
thereof payments received by suppliers	478	416

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The supplier finance arrangements do not result in any material liquidity risks or risks from risk concentrations, and there were no noncash transfers of trade payables to financial liabilities in the reporting period.

For information on the measurement principles applied to trade payables and further information on liquidity risk, refer to Notes [28. Significance of financial instruments for net assets, financial position, and results of operations](#) and [29. Nature and extent of risks arising from financial instruments](#).

Other disclosures

27. Statement of cash flows

Accounting policies: statement of cash flows

The cash and cash equivalents presented in the statement of cash flows correspond to the "Cash and cash equivalents" balance sheet item (see Note [19. Cash and cash equivalents](#)). Current account overdraft facilities are not presented as a component of cash and cash equivalents in the statement of cash flows, but are reported in net cash used in/provided by financing activities if they are used.

The changes in balance sheet items presented in the cash flow statement cannot be directly derived from the balance sheet, as effects from currency translation and changes in the basis of consolidation do not affect cash flow and are reported separately.

In 2025, net cash provided by/used in operating activities contained interest received of €1,557 million (previous year: €1,484 million) and interest paid of €1,442 million (previous year: €1,510 million). Net cash provided by/used in operating activities in 2025 also contained dividends received from joint ventures and associates amounting to €133 million (previous year: €159 million) as well as dividends received from other equity investments of €2 million (previous year: €1 million). Other noncash income and expenses result primarily from measurement effects relating to financial instruments denominated in foreign currencies and fair value changes relating to derivatives.

We report the acquisition and disposal of subsidiaries in investing activities. Payments from the disposal of subsidiaries are reported net of cash and cash equivalents disposed at the date of disposal. Payments of €17 million (previous year: €1 million) were offset against cash and cash equivalents disposed of €2 million (previous year: €1 million) in 2025. A further €6 million (previous year: €31 million) was received in the reporting period in the context of purchase price adjustments from the disposal of MWM in 2022. When subsidiaries are acquired, cash and cash equivalents acquired are deducted from the purchase price paid. In the year under review, €47 million (previous year: €4 million) of cash and cash equivalents acquired was therefore deducted from the purchase prices paid in the total amount of €68 million (previous year: €73 million). In the previous year, this had included a purchase price payment of €58 million, less €4 million in cash and cash equivalents received, for the expansion and acquisition of rights to MAN's financial services business.

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The following reconciliation shows the changes in financial liabilities, classified by changes affecting cash flows and noncash changes.

€ million	01/01/2025	Noncash changes				12/31/2025	01/01/2024	Noncash changes				12/31/2024
		Changes affecting cash flows	Foreign exchange differences	Changes in basis of consolidation	Other changes			Changes affecting cash flows	Foreign exchange differences	Changes in basis of consolidation	Other changes	
Bonds	14,663	763	81	–	0	15,507	11,682	2,893	75	–	13	14,663
<i>Schuldscheindarlehen and commercial papers</i>	596	991	2	–	0	1,589	1,714	–1,088	–30	–	–	596
Other third-party borrowings ¹	7,846	1,286	–113	–	–	9,019	7,126	695	–208	246	–13	7,846
Lease liabilities ²	1,171	–292	–21	23	394	1,276	1,181	–276	–5	0	272	1,171
Total third-party borrowings	24,277	2,749	–52	23	394	27,391	21,704	2,224	–169	246	272	24,277
Put options and compensating rights of minority	98	–	–	–	2	100	–	–	–	–	98	98
Derivatives in connection with financing activities ³	–23	122	0	–	–376	–277	115	–82	–4	–	–52	–23
Financial assets and liabilities in financing activities	24,352	2,871	–51	23	19	27,214	21,818	2,142	–173	246	318	24,352

¹ Prior-period amounts adjusted to reflect the current presentation. The commercial paper programs were removed and are now shown in the line “Schuldscheindarlehen and commercial paper programs.”

² Other changes in lease liabilities largely contain noncash additions to lease liabilities.

³ Other changes in foreign exchange derivatives in connection with financing activities result from changes in fair value.

28. Significance of financial instruments for net assets, financial position, and results of operations

Recognition, derecognition, and classification of financial instruments

Accounting policies: recognition, derecognition, and classification of financial instruments

Primary financial instruments are accounted for at the settlement date in the case of regular way purchases or sales — that is, the date on which the asset is delivered. Financial instruments are recognized at the time when TRATON becomes a party to the contract. A financial asset is derecognized if the rights to receive cash flows have expired or have been transferred, and TRATON has transferred substantially all the risks and rewards of ownership, in particular the bad debt and payment date risk. A financial liability is derecognized when the obligations specified in the contract are fulfilled or canceled.

Classification of financial assets depends on the contractual cash flow characteristics and TRATON's business model for managing financial assets. Since generally all cash flows from primary financial instruments of the TRATON GROUP, with the exception of other equity investments, consist exclusively of payments of principal and interest on the principal amount outstanding, and since TRATON's intention is to collect these contractual cash flows, financial assets in the form of a debt instrument are exclusively allocated to the “at amortized cost” measurement category. If, in individual cases, the cash flows

from primary financial instruments do not consist exclusively of principal and interest payments on the principal amount outstanding, these financial assets are assigned to the “at fair value” measurement category.

In the case of derivatives and other equity investments, the cash flows do not consist exclusively of payments of principal and interest on the principal amount outstanding. They are therefore allocated to the “at fair value” measurement category. For further information on derivative financial instruments included in hedge accounting, see the [Derivatives and hedge accounting](#) section in this chapter.

With the exception of derivatives, all financial liabilities are allocated to the “at amortized cost” measurement category.

Investments in associates and joint ventures as well as lease receivables and liabilities are allocated to “no measurement category”.

Reconciliation of balance sheet items to classes of financial instruments

The following table shows the reconciliation of the balance sheet items to the relevant classes of financial instruments, broken down by the carrying amount and fair value of the financial instruments. For reasons of materiality, the fair value of current balance sheet items is generally considered to be their carrying amount.

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Reconciliation of balance sheet items to classes of financial instruments

		Measured at fair value		Measured at amortized cost		Derivative financial instruments within hedge accounting	Not allocated to any measurement category	Balance sheet item as of 12/31/2025	Measured at fair value		Measured at amortized cost		Derivative financial instruments within hedge accounting	Not allocated to any measurement category	Balance sheet item as of 12/31/2024
€ million	Note	Through other comprehensive income	Through profit or loss	Carrying amount	Fair value	Carrying amount	Carrying amount		Through other comprehensive income	Through profit or loss	Carrying amount	Fair value	Carrying amount	Carrying amount	
Noncurrent assets															
Other equity investments	[13]	64	–	–	–	–	19	83	71	–	–	–	–	68	139
Financial services receivables	[14]	–	–	5,362	5,343	–	5,210	10,571	–	–	4,814	4,740	–	4,276	9,090
Other financial assets	[15]	–	415	168	168	12	–	594	–	294	219	218	3	–	516
Current assets															
Trade receivables	[18]	–	–	3,126	3,126	–	–	3,126	–	–	3,096	3,096	–	–	3,096
Financial services receivables	[14]	–	–	4,923	4,923	–	2,412	7,335	–	–	4,747	4,747	–	2,146	6,894
Other financial assets	[15]	–	169	713	713	9	–	891	–	119	691	691	15	–	825
Marketable securities and investment deposits		–	–	22	22	–	–	22	–	–	46	46	–	–	46
Cash and cash equivalents	[19]	–	–	2,805	2,805	–	–	2,805	–	–	2,542	2,542	–	–	2,542
Noncurrent liabilities															
Financial liabilities	[21]	–	–	16,095	16,103	–	1,008	17,103	–	–	14,842	14,991	–	917	15,759
Other financial liabilities	[22]	–	92	1,416	1,415	75	–	1,584	–	252	1,599	1,599	119	–	1,970
Current liabilities															
Financial liabilities	[21]	–	–	10,020	10,020	–	267	10,288	–	–	8,263	8,263	–	254	8,517
Trade payables	[26]	–	–	5,474	5,474	–	–	5,474	–	–	5,349	5,349	–	–	5,349
Other financial liabilities	[22]	–	50	1,810	1,810	9	–	1,868	–	273	1,809	1,809	38	–	2,121

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The “Financial liabilities” item contains liabilities from bonds with a carrying amount of €1,519 million (previous year: €2,571 million) and a fair value of €1,520 million (previous year: €2,527 million) that are included in hedge accounting as a fair value hedge. They were allocated to the “at amortized cost” measurement category.

Carrying amount of financial instruments by measurement categories

€ million	12/31/2025	12/31/2024
Assets measured at amortized cost	17,118	16,188
Other equity investments measured at fair value through other comprehensive income	64	71
Assets measured at fair value through profit or loss	584	413
Total financial assets	17,766	16,673
Liabilities measured at amortized cost	34,816	31,868
Liabilities measured at fair value through profit or loss	141	525
Total financial liabilities	34,957	32,393

Financial assets and liabilities measured at fair value

Accounting policies: financial assets and liabilities measured at fair value

As a rule, fair value corresponds to the market or stock exchange price. If no active market exists, fair value is determined using observable inputs as far as possible. If no observable inputs are available, fair value is determined using valuation techniques.

Measurement and presentation of the fair value of financial instruments are based on a fair value hierarchy that reflects the significance of the inputs used for measurement and is categorized as follows:

Level 1 inputs: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 inputs: Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of Level 2 financial instruments is determined on the basis of the conditions prevailing at the end of the reporting period, such as interest rates or exchange rates, and using recognized models, such as discounted cash flow or option pricing models.

Level 3 inputs: Level 3 inputs are inputs for the asset or liability that are not based on observable market data (unobservable inputs). The fair value of these assets and liabilities is determined on the basis of previous transactions, option pricing models, or discounted cash flow models.

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The financial instruments that are categorized within fair value Level 2 primarily comprise derivative financial instruments.

The other equity investments measured at fair value are categorized within Level 3 of the fair value hierarchy. These equity investments largely comprise shares in unlisted companies for which there is no active market. Due to the small carrying amount of these investments, a change in unobservable inputs would not result in a significantly lower or higher fair value of the instruments. The shares of CreateAI Holdings Inc. (formerly: TuSimple Holdings Inc.), San Diego, USA, (CreateAI) were delisted in February 2024. As market prices are no longer available, the shares were reclassified from Level 1 of the fair value hierarchy into Level 3 in the previous year.

The item "Other financial assets" includes a receivable relating to contingent consideration from the sale of International Indústria Automotiva Da América Do Sul Ltda, São Paulo, Brazil (MWM) in 2022. The receivable is measured at fair value through profit or loss and categorized within Level 3 of the fair value hierarchy, since it was measured using probability and usage assumptions. In addition, the "Other financial assets" item also includes receivables from associates arising from convertible loan agreements. The receivables are measured at fair value through profit or loss and categorized within Level 3 of the fair value hierarchy, as assumptions are made regarding the various conversion scenarios and their probability of occurrence. Any change in the unobservable inputs would not result in any significant change in the fair value of any of the instruments.

The following table shows changes in other equity investments and other financial assets measured at fair value and categorized within Level 3:

Changes in balance sheet items measured at fair value based on Level 3

€ million	2025		2024	
	Other equity investments categorized within Level 3	Other financial assets categorized within Level 3	Other equity investments categorized within Level 3	Other financial assets categorized within Level 3
Balance as of 01/01	71	16	127	73
Fair value changes in Fair value measurement of other equity investments recognized in other comprehensive income	11	–	–88	–
Fair value changes in Other financial result recognized in profit or loss	–	3	–	9
Additions/acquisitions	4	12	14	–
Transfer from Level 1	–	–	13	–
Sales and settlements	–9	–8	–	–61
Reclassification to Equity-method Investments	–15	–	–	–
Currency translation differences	2	0	–3	–5
Changes in basis of consolidation	0	–	7	–
Balance as of 12/31	64	23	71	16

The major part of the fair value changes in “Fair value measurement of other equity investments” recognized in other comprehensive income in the previous year had related to the decrease in fair value of the other equity investment in Northvolt AB due to the filing for creditor protection under US law in November 2024. The decline in fair value was calculated using unobservable inputs and based on the best information available. The change reported as realization in the previous year relates to the conversion of convertible bonds.

Reclassifications between the levels of the fair value hierarchy are accounted for at the relevant reporting dates. The reclassification from Level 1 into Level 3 in the previous year had related to the investment in CreateAI, for which no market price data is available due to the delisting in February 2024. There were no reclassifications between levels of the fair value hierarchy in the reporting year.

Net gains and losses on financial instruments MEASURED at fair value

€ millions	2025	2024
Net gains and losses:		
Financial instruments measured at fair value through profit or loss	492	-410

Net gains and losses on financial assets and liabilities measured at fair value through profit or loss mainly comprise measurement and realization effects from derivatives not included in hedge accounting.

Net results have increased sharply compared to the previous year, mainly as a result of currency derivatives and interest-currency hedging. In 2025, the appreciation of the euro against the US dollar was among the factors, while the appreciation of the euro against the Brazilian real was noticeable in the previous year.

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Financial assets and liabilities measured at amortized cost

Accounting policies: financial assets and liabilities measured at amortized cost

As a rule, primary financial assets and liabilities are initially recognized at cost, plus or minus transaction costs. Primary financial assets and liabilities are subsequently measured at amortized cost. Amortized cost is the amount at which financial assets or liabilities are measured at initial recognition, minus any principal repayments, plus or minus the cumulative amortization of any difference between the original amount and the amount repayable at maturity, amortized using the effective interest method. In the case of financial assets, the amount is adjusted for any loss allowances.

For the impairment of financial instruments, with the exception of lease receivables and trade receivables, the TRATON GROUP recognizes the expected credit loss (ECL) over the term if there has been a significant increase in credit risk since initial recognition (hereinafter also referred to as the “general approach”). By contrast, if the credit risk of the financial instrument has not increased significantly since initial recognition, a loss allowance is measured for that financial instrument at an amount equal to 12-month ECLs. To the extent that the internal risk management and control systems do not indicate a significant increase in credit risk at an earlier point in time, there is generally a rebuttable presumption in the TRATON GROUP that a significant increase in credit risk has arisen if payments are more than one day past due.

Financial instruments are allocated to one of four loss stages:

Stage 1: financial instruments at initial recognition and whose credit risk has not increased significantly

Stage 2: financial instruments with a significant increase in credit risk since recognition of the instrument, based on expected credit losses over the lifetime of the underlying contract

Stage 3: credit-impaired financial instruments

Stage 4: purchased or originated credit-impaired financial instruments

Allocation to a stage is reviewed in each reporting period. A financial asset is credit-impaired if one or more events have occurred that negatively impact future expected cash flows. Among other things, these events include delayed payment over a certain period, the institution of enforcement measures, the threat of insolvency or overindebtedness, the application for or opening of bankruptcy proceedings, or the failure of reorganization measures. The amount of expected credit losses is based on the probability of default, the loss given default, and the exposure at default. Both historical and current data on payment behavior are considered. The loss given default takes into account collateral received and other credit enhancements. Forward-looking macroeconomic assumptions are regularly modeled using gross domestic product by means of scenario analysis and are also included in the calculation. The TRATON Financial Services segment takes the current geopolitical uncertainties into account in its macroeconomic assumptions and in the design of its scenario analysis. Events that diverge from the normal economic cycle, such as geopolitical risks, are also reflected in the recognition of expert-based, centralized loss allowances. For financial assets, expected credit losses are calculated as the present value of the difference between all contractual cash flows payable to the TRATON GROUP under the terms of the contract and all cash flows that the Group expects to receive. This difference is discounted using the original effective interest rate (or the credit-adjusted effective interest rate for Stage 4 financial instruments). If, based on the internal risk management and control systems, there are no grounds for assuming that there will be an increase in credit risk at an earlier point in time, there is a rebuttable presumption in the TRATON GROUP that default has occurred if payments are more than 90 days past due. Appropriate groupings

for the inputs are made when determining the expected credit losses. The financial asset is always derecognized if there are no longer any reasonable expectations that it is collectible. The loss allowance for the subsequent measurement of Stage 4 financial instruments is measured as the cumulative change in lifetime expected credit loss. These instruments are not reclassified from Stage 4.

For lease receivables, the TRATON GROUP always applies the ECL over the term (hereinafter also referred to as the “simplified approach”), based on the inputs and assumptions regarding probability of default, loss given default, and exposure value described in the previous paragraph.

Impairment losses for trade receivables are also measured using the simplified approach. For this purpose, expected credit losses are estimated using a provision matrix unless there is objective evidence of individual impairment. The provision matrix is based on the Group's historical loss experience, adjusted for debtor-specific factors, general economic factors, and an estimate of both current and expected changes in variables as of the reporting date, including the time value of money. The provision rates depend on the number of days a receivable is past due:

- Not impaired and not past due: 1.0% of the receivable
- Up to 30 days past due: 1.5% of the receivable
- 31 to 90 days past due: 2.0% of the receivable
- More than 90 days past due: 3.0% of the receivable

If fair value is disclosed for financial instruments measured at amortized cost, it is calculated by discounting, using a market rate of interest for a similar risk and matching maturity. For a description of the levels of the fair value hierarchy, please refer to the [Financial assets and liabilities measured at fair value](#) section.

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The following tables contain an overview of the financial assets and liabilities measured at amortized cost by fair-value level:

Fair values of financial assets and liabilities measured at amortized cost by level

€ million	Level 1	Level 2	Level 3	12/31/2025	Level 1	Level 2	Level 3	12/31/2024
Financial services receivables	–	–	10,266	10,266	–	–	9,488	9,488
Trade receivables	–	3,126	–	3,126	–	3,096	–	3,096
Other financial assets	0	770	60	830	0	860	49	909
Marketable securities and investment deposits	–	22	–	22	–	46	–	46
Cash and cash equivalents	2,805	–	–	2,805	2,542	–	–	2,542
Fair values of financial assets measured at amortized cost	2,805	3,968	10,326	17,100	2,542	4,001	9,537	16,080
Trade payables	–	5,474	–	5,474	–	5,349	–	5,349
Financial liabilities	9,362	16,761	–	26,123	9,418	13,837	–	23,255
Other financial liabilities	6	3,219	0	3,225	18	3,389	0	3,408
Fair values of financial liabilities measured at amortized cost	9,368	25,454	0	34,822	9,436	22,576	0	32,012

The lease receivables have a carrying amount of €7,621 million (previous year: €6,423 million) and a fair value (Level 3 of the fair value hierarchy) of €7,613 million (previous year: €6,414 million).

Total interest income and expenses from financial instruments measured at amortized cost

€ million	2025	2024
Interest income	987	901
Interest expenses	-1,249	-1,178

Net gains and losses on financial instruments measured at amortized cost

€ million	2025	2024
Net gains and losses:		
Financial assets measured at amortized cost	-515	-491
Financial liabilities measured at amortized cost	-1,456	-1,989

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Net gains and losses on financial assets and liabilities measured at amortized cost comprise interest income and expenses measured using the effective interest method under IFRS 9, including currency translation effects. In addition, net gains and losses on financial assets include impairment losses as well as related reversals.

For further information on credit risk, refer to Note [29. Nature and extent of risks arising from financial instruments](#).

Derivatives and hedge accounting

Accounting policies: derivatives and hedge accounting

Derivatives are initially recognized and accounted for at each subsequent reporting date at their fair value. They are generally recognized at the trade date.

The recognition of gains and losses from fair value measurement depends on the designation of the derivative. Derivatives that do not meet the IFRS 9 hedge accounting criteria are measured at fair value through profit or loss (also referred to in the following as “derivatives or hedging instruments not included in hedge accounting”). These gains and losses from measurement and realization are recognized in other operating income/expense (for example, foreign currency derivatives for customer orders) or in financial result (for example, foreign currency hedges for net liquidity items), depending on the underlying risk.

A condition for applying hedge accounting is that the hedging relationship between the hedged item and the hedging instrument is clearly documented and that there is an economic relationship between the hedged item and the hedging instrument that is not dominated by the effect of the credit risk. The hedging instruments are selected so that they are essentially affected by the same risk as the underlying transactions, namely foreign exchange risk or interest rate risk.

In the case of cash flow hedges, gains or losses from the remeasurement of the effective designated portion of the derivative are recognized in the cash flow hedge reserve in other comprehensive income. If the forward element and the cross-currency basis spread are not designated, the resulting gains and losses are recognized in the reserve for cost of hedging. The amounts recognized in other comprehensive income are reclassified to the income statement as soon as the hedged future cash flows are recognized in profit or loss. The reclassification of both the cash flow hedge reserve and the reserve for cost of hedging is recognized in the item to which the hedged item is allocated. If a cash flow hedge subsequently results in the recognition of a nonfinancial asset, the cash flow hedge reserve and the reserve for cost of hedging are included in the initial cost of the nonfinancial asset; this does not constitute any reclassification adjustment. The ineffective portion of a cash flow hedge is recognized in profit or loss for the period.

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When hedging against the risk of changes in the value of balance sheet items (fair value hedges), both the hedging instrument and the hedged effective risk portion of the underlying transaction are measured at fair value. Changes in the fair value of hedging instruments and hedged items are recognized in profit or loss. The hedged items in the TRATON GROUP relate to bonds that are measured at amortized cost. Changes in amortized cost because of hedging gains and losses are amortized at the latest when hedge accounting is discontinued.

For further information on the risk strategy, refer to Note [29. Nature and extent of risks arising from financial instruments](#).

The following table contains an overview of the TRATON GROUP's derivative financial instruments, broken down by whether or not they are included in hedge accounting and by the hedged risk.

Overview of the TRATON GROUP's derivative financial instruments

€ million	2025					2024			
	Derivative financial instruments	Derivative financial instruments not included in hedge accounting	Derivative financial instruments in hedge accounting			Derivative financial instruments	Derivative financial instruments not included in hedge accounting	Derivative financial instruments in hedge accounting	
			Of which: hedging of currency risk through cash flow hedge accounting	Of which: hedging of interest rate risk through cash flow hedge accounting	Of which: hedging of interest rate risk through fair value hedge accounting			Of which: hedging of currency risk through cash flow hedge accounting	Of which: hedging of interest rate risk through fair value hedge accounting
Noncurrent assets									
Other financial assets	410	398	10	1	0	290	287	0	3
Current assets									
Other financial assets	172	163	8	–	1	125	110	14	1
Noncurrent liabilities									
Other financial liabilities	167	92	–	1	75	371	252	27	92
Current liabilities									
Other financial liabilities	58	50	9	–	–	312	273	31	7

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Hedging of currency and interest rate risk through cash flow hedge accounting

The TRATON GROUP partly hedges currency risk arising from receivables and liabilities, order backlog, and planned unit sales. Companies that enter into hedging transactions choose the hedge ratio for expected sales revenue on the basis of past experience in order to avoid ineffectiveness. Nevertheless, ineffectiveness can result from changes in counterparty credit risk or if the spot component of a forward is not separated from the forward element. There are no fair value hedges relating to currency risk.

In the current year, TRATON has entered into interest rate swaps with a notional value of €897 million (previous year: €– million) to hedge the interest rate risk of variable-rate financial liabilities in the TRATON Financial Services segment. The swaps are receive-variable/pay-fixed interest rate swaps based on interest rate benchmarks in the EU, the US, and Brazil (EURIBOR, SOFR, and CDI). Interest rate swaps and underlying transactions generally have matching parameters, which is why an offsetting economic relationship can be assumed. The hedge ratio is generally 100%, only in the case of one company is it 99%. Potential sources of ineffectiveness include credit risk that is not designated in the hedging relationship and, in the case of one company, a floor that is only included in the hedged item. Another source could be significant early repayments or defaults if they lead to overhedging.

The following tables show details of derivatives included in hedge accounting by risk category:

Amount, timing, and uncertainty of cash flows

€ million	2025				2024			
	Maturity			Total nominal amount	Maturity			Total nominal amount
	< 1 year	1-5 years	> 5 years		< 1 year	1-5 years	> 5 years	
Currency risk:								
Currency forwards BRL/USD	30	155	–	185	178	199	–	377
Currency forwards EUR/GBP	137	–	–	137	232	–	–	232
Currency forwards EUR/CHF	98	6	–	105	82	5	–	87
Currency forwards EUR/ZAR	42	–	–	42	74	–	–	74
Currency forwards EUR/NOK	25	–	–	25	23	–	–	23
Currency forwards EUR/USD	18	–	–	18	24	18	–	42
Currency forwards EUR/DKK	17	–	–	17	46	–	–	46
Currency forwards — other currencies	17	–	–	17	63	10	–	72
	384	161	–	545	722	231	–	953
Interest rate risk								
Interest rate swaps	–	78	819	897	–	–	–	–

Currency risk was hedged by cash flow hedges at the following average hedging exchange rates for the major currency pairs: 6.12 BRL/USD; 0.88 EUR/GBP; 0.92 EUR/CHF. The average rate for interest rate swaps used to hedge interest rate risk in cash flow hedges was 2.69% (previous year: –%).

Information on hedging instruments included in hedge accounting

€ million	2025		2024
	Interest rate risk	Currency risk	Currency risk
Fair value change to determine hedge ineffectiveness	1	-1	-50
Nominal value	897	545	953

Information on hedged items included in hedge accounting

€ million	2025		2024
	Interest rate risk	Currency risk	Currency risk
Fair value change to determine hedge ineffectiveness	-1	1	50
Reserve for active cash flow hedges	1	-1	-50

The change in fair value used to determine ineffectiveness corresponds to the change in fair value of the designated component.

Information about the effects of hedge accounting on the statement of comprehensive income

€ million	2025		2024
	Interest rate risk	Currency risk	Currency risk
Cash flow hedges and cost of hedging			
Unrealized gains and losses on hedging instruments	1	49	-56
Reclassification of realized gains and losses to profit or loss	-	-11	12
Reclassified to profit or loss because future cash flows are no longer expected to materialize	-	-1	2

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Reconciliation of the reserve for cost of hedges

€ million	2025		2024
	Interest rate risk	Currency risk	Interest rate risk
Balance as of 01/01	–	–44	20
Gains or losses from effective hedges	1	72	–85
Reclassification to profit or loss		–	–
because the hedged future cash flows are no longer expected to materialize	–	–1	3
due to recognition of hedged item in profit or loss	–	–16	17
Other changes (foreign exchange effects)	0	–1	0
Balance as of 12/31	1	10	–44

Hedging of interest rate risk through fair-value hedge accounting

Of the outstanding total EMTN amount of €11,610 million (previous year: €10,819 million) issued by TRATON Finance, €1,050 million (previous year: €2,050 million) is included in hedge accounting as of December 31, 2025; interest rate swaps are used to hedge against interest rate changes. In addition, the TRATON GROUP entered into interest rate swaps with a nominal value of €553 million (previous year: €624 million) to hedge the interest rate risk of International Financial's fixed-rate asset-backed securities debt. The interest rate swaps and the hedged items have the same material conditions, which is why an offsetting economic relationship can be assumed. Nevertheless, ineffectiveness arises mainly because of TRATON's nondesignated own credit risk, which is reflected in the measurement of the swaps.

The following tables show details of the derivatives:

Amount, timing, and uncertainty of cash flows

€ million	2025				2024			
	Maturity			Total	Maturity			Total
	<1 year	1–5 years	>5 years		<1 year	1–5 years	>5 years	
Interest rate risk:								
Interest rate swaps	–	110	–	110	42	105	–	147

The average rate for interest rate swaps used to hedge interest rate risk in fair value hedges was 1.83% (previous year: 1.72%).

Information on hedging instruments included in hedge accounting

€ million	2025	2024
Interest rate risk:		
Accumulated fair value change to determine hedge ineffectiveness	-79	-101
Nominal amount	1,603	2,674

Information on hedged items included in hedge accounting

€ million	2025	2024
Interest rate risk:		
Carrying amount of financial liabilities	1,519	2,572
Accumulated amount of hedge adjustments	-79	-98
Accumulated fair value change to determine hedge ineffectiveness	79	98
Ineffectiveness recognized in profit or loss and reported in other financial result	0	-5

Offsetting financial assets and liabilities

Accounting policies: offsetting financial assets and liabilities

Financial assets and financial liabilities are generally reported at their gross carrying amounts. They are only offset if the TRATON GROUP currently has a legally enforceable right to offset the recognized amounts and intends to do so.

The following table presents information about the effects of offsetting on the consolidated balance sheet and the potential financial effects of offsetting in the case of instruments that are subject to a legally enforceable master netting arrangement or a similar agreement. With the exception of the offset amounts presented below, the gross amounts correspond to the net amounts because they were not offset in the consolidated balance sheet.

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Offsetting financial assets and liabilities

€ million	Gross amount	Gross amount offset in the balance sheet	Net amount presented in the balance sheet	Amounts that are not offset in the balance sheet		Net amount as of 12/31
				Financial instruments	Collateral pledged	
2025						
Financial assets						
Derivative financial instruments	581	–	581	–161	–	420
Trade receivables	3,184	–58	3,126	–	–	3,126
Financial liabilities						
Derivative financial instruments	226	–	226	–161	–	65
Financial liabilities	27,391	–	27,391	–	–501	26,890
Trade payables	5,532	–58	5,474	–	–	5,474
2024						
Financial assets						
Derivative financial instruments	415	–	415	–217	–	198
Trade receivables	3,147	–51	3,096	–	–	3,096
Financial liabilities						
Derivative financial instruments	683	–	683	–217	–	465
Financial liabilities ¹	24,277	–	24,277	–	–389	23,888
Trade payables	5,400	–51	5,349	–	–	5,349

¹ Prior-year figure adjusted

The “Financial instruments” column shows the amounts that are subject to a master netting arrangement but that have not been offset in the consolidated balance sheet because they do not meet the offsetting criteria, for example because the default of a counterparty.

The “Collateral pledged” column contains financial receivables that were pledged as collateral for leases. Vehicles were also pledged as collateral in addition to these leases. It also contains payments for receivables that were pledged as collateral in order to obtain more favorable financing conditions. Only under certain conditions laid down in the loan agreements, such as default, is the liability made due and an offsetting can take place.

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29. Nature and extent of risks arising from financial instruments

Principles of financial risk management

Due to the TRATON GROUP's business activities and international focus, its assets, liabilities, and forecast transactions are exposed to credit, liquidity, currency, interest rate, and commodity price risk.

The Group's currency, interest rate, and commodity price risks are hedged with banks on the basis of internally defined limits. The TRATON GROUP uses suitable financial instruments such as derivatives to do this. Financial risks from balance sheet items, the order backlog, and other projected transactions are hedged. Such risks are not managed centrally, but directly by TRATON SE and each of its brands. The relevant requirements of each company are considered since different functional currencies and business environments apply.

Counterparty risk is diversified as much as possible and monitored centrally. Liquidity risk is minimized by diversifying the sources of funding and ensuring a balanced mix of funding with different maturities, currencies, and interest rate agreements.

The TRATON GROUP management is notified regularly about the financial risk position. Compliance with the applicable Group policies is reviewed by the internal Audit function.

Credit and default risk

The TRATON GROUP is exposed to credit risk through its business operations and financing activities. From the Group's perspective, credit risk entails the risk that a party to a financial instrument will fail to meet its contractual obligations and thus cause a financial loss for the Group. Credit risk comprises both the direct default risk and the risk of a deterioration in credit quality.

The maximum credit risk is reflected in the carrying amount of the financial assets recognized in the balance sheet. The TRATON GROUP holds collateral and other credit enhancements to further mitigate credit risk. Assets assigned as security, credit insurance, and guarantees are used as collateral. The risk from primary financial instruments is additionally accounted for by recognizing bad debt allowances.

The financial institutions and investment forms are carefully selected when investing cash funds, while a central limit system ensures diversification. Significant investments and derivatives are only entered into with national and international prime-rated banks. There are no material concentrations of credit risk in the TRATON GROUP.

Credit risk related to credit commitments to customers is managed decentrally, considering certain limits and using local credit quality assessments. Decisions on major credit commitments for the TRATON GROUP are made in subgroup credit committees. The maximum exposure to credit risk resulting from financial guarantees issued and irrevocable credit commitments is determined by the amount that the TRATON GROUP would have to pay in the event of claims under these guarantees.

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Reconciliation of the loss allowance for financial assets measured at amortized cost

€ million	General approach					Simplified approach	Total
	12-month expected credit losses (Stage 1)	Lifetime expected credit losses — not impaired (Stage 2)	Lifetime expected credit losses — impaired (Stage 3)	Purchased or originated credit-impaired assets (Stage 4)			
Loss allowance as of 01/01/2025	40	17	49	1	182	289	
Change	5	1	25	55	–25	61	
Loss allowance as of 12/31/2025	45	18	73	56	157	349	
Loss allowance as of 01/01/2024	38	11	34	3	179	264	
Change	3	6	15	–1	2	25	
Loss allowance as of 12/31/2024	40	17	49	1	182	289	

The loss allowance relates mainly to credit risk from trade receivables and financial services receivables. The increase in the risk allowance for purchased or originated credit-impaired assets (Stage 4) primarily relates to an existing loan claim and is based on an update of the valuation of the existing collateral. The corresponding value adjustment was recorded in the Other financial result.

The gross carrying amounts of financial assets measured at amortized cost increased by €994 million to €17,472 million (previous year: €16,478 million) due in particular to new financial services receivables (Stage 1) and an increase in cash and cash equivalents (Stage 1).

The TRATON GROUP uses collateral, among other things, to lower credit risk. Collateral mitigates risk in the amount of €177 million (previous year: €159 million) for financial assets with objective evidence of impairment as of the reporting date.

Changes in loss allowance for lease receivables

€ million	2025	2024
	Simplified approach	Simplified approach
Loss allowance as of 01/01	166	141
Change ¹	6	25
Loss allowance as of 12/31	172	166

¹ Prior-year figure adjusted

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The carrying amounts of financial assets and the credit risk exposure of financial guarantees and credit commitments by credit risk rating grade are presented in the following. Credit risk rating grade 1 consists of financial instruments not exposed to any credit risk. Credit risk rating grade 2 consists of financial instruments that are subject to intensive credit management. Credit risk rating grade 3 consists of impaired financial instruments.

Gross carrying amounts of financial assets by rating grade

€ million	12-month expected credit losses (Stage 1)	Lifetime expected credit losses — not impaired (Stage 2)	Lifetime expected credit losses — impaired (Stage 3)	Purchased credit impaired assets (Stage 4)	Simplified approach	12/31/2025	12-month expected credit losses (Stage 1)	Lifetime expected credit losses — not impaired (Stage 2)	Lifetime expected credit losses — impaired (Stage 3)	Purchased credit impaired assets (Stage 4)	Simplified approach	12/31/2024
Rating grade												
Credit risk rating grade 1	13,167	0	–	20	10,049	23,236	11,896	–	–	13	9,754	21,663
Credit risk rating grade 2	–	517	–	113	771	1,401	0	356	–	49	685	1,091
Credit risk rating grade 3	–	–	236	4	387	627	–	–	170	2	288	460
	13,167	517	236	137	11,207	25,264	11,896	356	170	64	10,727	23,213

In the case of financial guarantee contracts and credit commitments, the bulk of the default risk exposure, accounting for €887 million (previous year: €1,381 million), relates to financial instruments for which the impairment loss is calculated on the basis of the expected 12-month credit loss (Stage 1), and is therefore allocated to credit risk rating grade 1.

Liquidity risk

Liquidity risk describes the risk that the TRATON GROUP will have difficulty in meeting its obligations associated with financial liabilities or that it can only procure liquidity at a higher price. To counter the liquidity risk, cash inflows and outflows and due dates are continuously monitored and managed. Cash requirements are primarily met by our operating business and by external financing arrangements. The TRATON GROUP's solvency is managed on the basis of rolling liquidity planning. The TRATON GROUP's liquidity is assured at all times by a liquidity reserve in the form of cash, credit lines with financial institutions and companies of the Volkswagen Group, and the issuance of securities on international money and capital markets. Among other things, local issuance programs and financing lines have been established for companies in the TRATON Financial Services segment to cover their funding requirements. There were no liquidity bottlenecks or situations where liquidity could only be obtained at a higher price in the past fiscal year.

Cash and cash equivalents amounted to €2,805 million (previous year: €2,542 million) as of December 31, 2025. Cash and cash equivalents in certain countries (e.g., Brazil, China, and Argentina) in the amount of €736 million (previous year: €834 million) are subject to capital and exchange controls and are not available to the Group for cross-border transactions without restriction. Such amounts are used locally to cover the financing needs of the operating business.

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The TRATON GROUP's credit facilities contain standard market change-of-control clauses. This means that the counterparty may demand early repayment in the event of significant changes in ownership. Two loans of a subsidiary of the TRATON GROUP used to develop and construct production and assembly facilities in China (China loans), with a total life of ten years each, include financial covenants. For loan liabilities with a carrying amount of €221 million (previous year: €308 million) as of December 31, 2025, the ratio of total liabilities to total assets of the subsidiary may not exceed 90%. The bank monitors compliance with this financial covenant annually as of December 31 on the basis of the audited single-entity financial statements of the subsidiary. For the second loan, which was refinanced in fiscal year 2025, the subsidiary's net profit must be positive and the debt service coverage ratio may not fall below 1.2. The debt service coverage ratio describes the ratio between the subsidiary's net profit before interest expenses attributable to the China loans and depreciation and amortization, to the principal amount, interest payments, and interest due on both China loans. The carrying amount of the loan as of December 31, 2025, is €395 million (previous year: €– million). Compliance with the net profit covenant is monitored annually by the bank as of December 31 on the basis of the audited single-entity financial statements, and the debt service coverage ratio is monitored semi-annually as of June 30 and December 31 on the basis of the subsidiary's unaudited half-year financial statements and the audited single-entity financial statement. As of December 31, 2025, the TRATON GROUP did not breach the financial covenants included in the loan agreements.

The TRATON GROUP also has an unused confirmed syndicated credit line of €4,500 million (previous year: €4,500 million) available as a liquidity reserve. As an additional liquidity reserve, the TRATON GROUP has revolving credit lines of €4,300 million (previous year: €4,300 million) at Volkswagen AG, of which €250 million (previous year: €943 million) was drawn down. In addition, the TRATON GROUP has unused unconfirmed credit lines from banks amounting to €563 million (previous year: €562 million) in order to enhance flexibility in financing decisions.

The following table shows how the cash flows relating to liabilities, derivatives, and financial guarantees affect the TRATON GROUP's liquidity position:

Maturity overview	2025			2024		
	Remaining contractual maturities			Remaining contractual maturities		
€ million	2026	2027–2030	> 2030	2025	2026–2029	> 2029
Financial liabilities ¹	11,693	16,785	2,354	9,435	15,375	2,351
Trade payables ¹	5,474	–	–	5,349	–	–
Other financial liabilities ^{1,2}	1,805	1,282	53	1,812	1,619	66
Derivatives	9,135	6,791	187	8,757	6,430	1,459
Financial guarantees	261	–	–	508	–	–
	28,368	24,858	2,594	25,860	23,424	3,875

¹ The amounts were calculated as follows:

- If there is no agreement on contractual maturity, the liability refers to the earliest possible maturity date.
- In the case of variable interest rate agreements, interest reflects the conditions as of the reporting date.
- It is assumed that the cash outflows will not occur earlier than shown.

² The undiscounted maximum cash outflows from buyback obligations are recognized as a financial liability.

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Derivatives comprise both cash outflows from derivatives with negative fair values and cash outflows from derivatives with positive fair values for which gross settlement has been agreed. Derivatives entered into through offsetting transactions are also accounted for as cash outflows. The cash outflows from derivatives for which gross settlement has been agreed are matched by cash inflows that are not disclosed in the maturity analysis. If these cash inflows had also been recognized, the cash outflows presented would be significantly lower. This also applies in particular if hedges have been closed out through offsetting transactions.

The cash outflows from irrevocable credit commitments are presented in Note [33. Other financial obligations](#) classified by contractual maturities.

Currency risk

The TRATON GROUP is exposed to currency risks caused by fluctuations in exchange rates. Currency risk is a result of its investments, financing measures, and operating activities. Currency forwards, currency options, currency swaps, and cross-currency swaps are used to mitigate risks to future cash flows.

The inclusion of subsidiaries or other affiliated Group companies in countries outside the eurozone in the consolidated financial statements represents a risk as a result of currency translation. As a general rule, TRATON does not use derivatives to hedge these translation risks.

Assets in the TRATON Financial Services segment should generally be funded by liabilities in the same currency.

Hedging transactions entered into as part of foreign currency risk management were mainly in Brazilian reais, British pounds sterling, Swedish kronor, and US dollars.

The primary and derivative financial instruments at the end of the reporting period were measured in a hypothetical scenario as part of a sensitivity analysis. The effects of a 10% increase/decrease in an exchange rate were as follows:

€ million	12/31/2025				12/31/2024			
	Equity		Earnings for the period		Equity		Earnings for the period	
	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%
Currency pair								
EUR/SEK	-	-	-683	667	-	-	-644	639
EUR/USD	2	-3	-62	72	2	-3	-52	34
CNY/SEK	-	-	-66	66	-	-	-22	22
SEK/USD	-	-	18	-17	-	-	39	-39
EUR/PLN	-	-	-23	24	-	-	-13	13
EUR/GBP	8	-10	12	-15	14	-17	10	-13
SEK/GBP	-	-	15	-15	-	-	17	-17
EUR/CHF	6	-8	-5	6	8	-10	5	-6

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Interest rate risk

The TRATON GROUP is exposed to interest rate risk caused by fluctuations in interest rates. Interest rate risk takes the form of either fair value risk or cash flow risk. Fair value risk is calculated using the sensitivity of the carrying amount of a recognized financial instrument to changes in market interest rates. Cash flow risk describes the exposure to variability in future interest payments in response to interest rate movements. Interest rate swaps and cross-currency swaps are used to implement the risk management strategy.

The TRATON GROUP is exposed to interest rate risk from interest rate-sensitive assets and liabilities. Intragroup financing arrangements are mainly funded at matching maturities. Departures from the Group's standards are subject to centrally defined limits and are monitored continuously.

The Group's activities in the TRATON Financial Services segment are managed to largely match assets and liabilities in order to minimize interest rate mismatches. Appropriate risk methodologies are applied.

If market interest rates had been 100 basis points (bps) higher as of December 31, 2025, earnings after tax would have been €67 million lower (previous year: €20 million lower). If market interest rates had been 100 bps lower as of December 31, 2025, earnings after tax would have been €67 million higher (previous year: €19 million higher).

Commodity price risk

The TRATON GROUP is primarily exposed to commodity price risk from fluctuations in the price and availability of commodities. Geopolitical tensions and conflicts such as tariff announcements, export restrictions, and production losses led to sharp price fluctuations for commodities in 2025. Commodity price risks are captured centrally at regular intervals for MAN Truck & Bus and International Motors and hedged externally based on defined risk limits, provided there are liquid markets. This approach also considers whether changes in commodity prices will be reflected in higher selling prices for the products. The Group enters into cash-settled commodity futures to mitigate these risks. There were no material concentrations of risk in the past fiscal year.

Cash-settled commodity futures had been entered into at the balance sheet date to hedge commodity price risks relating to purchase contracts with a fair value of €-14 million (previous year: €-2 million). Hedge accounting is not used at present.

The maximum remaining maturity of hedges of future transactions at the end of fiscal year 2025 was 30 months (previous year: 33 months). Reflecting the sensitivity analysis of currency risk, a hypothetical 10% increase/decrease in the value of commodity prices did not have any significant effect on earnings after tax.

30. Capital management

The TRATON GROUP's capital management ensures that the goals and strategies can be achieved in the interests of its shareholders, employees, and other stakeholders. Management focuses in particular on the net financial debt/EBITDA (adjusted) ratio for the TRATON Operations business area, including Corporate Items, and on increasing the return on equity in the TRATON Financial Services segment. Corporate Items comprises TRATON Holding, consolidation effects between the business areas and with TRATON Holding, and the effects of purchase price allocation from the acquisition of individual segments.

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As a general rule, the capital structure of the TRATON Operations business area including Corporate Items should correspond to an implied solid investment-grade classification. The net financial debt/EBITDA (adjusted) ratio is a key performance indicator in this context. If justified by extraordinary financing requirements or special market circumstances, this target can be temporarily relaxed subject to certain conditions. TRATON SE has been awarded external credit ratings by Moody's and Standard & Poor's (S&P) since June 2020. Moody's is currently awarding a long-term rating of Baa2 (stable outlook), and S&P's rating is BBB (negative outlook). Both ratings are investment-grade range.

The net financial debt to EBITDA (adjusted) ratio is calculated by dividing net liquidity/net financial debt by EBITDA (adjusted) for the past twelve months and is determined for the TRATON Operations business area, including Corporate Items.

Net liquidity or net financial debt is calculated as gross liquidity, meaning cash and cash equivalents, marketable securities, investment deposits, and loans to affiliated companies (incl. restricted cash), less third-party borrowings (noncurrent and current financial liabilities). It reflects cash and cash equivalents, marketable securities, investment deposits, and loans to affiliated companies not financed by third-party borrowings. The net financial debt to EBITDA (adjusted) ratio for the TRATON Operations business area including Corporate Items includes the total net liquidity/net financial debt of the TRATON Operations business area and Corporate Items.

EBITDA (earnings before interest, taxes, depreciation, and amortization) reflects operating performance before interest, taxes, depreciation, and amortization, after accounting for the use of resources. Since depreciation and amortization may depend on the chosen accounting policies, the carrying amounts, the capital structure, and the way in which an asset was acquired, EBITDA (adjusted) is used as a key performance indicator for peer group comparisons, in particular. Adjustments to operating result are also taken into account in determining EBITDA (adjusted). These adjustments concern certain items in the financial statements that, in the opinion of the Executive Board, can be presented separately to enable a more appropriate assessment of financial performance. They include, in particular, costs of restructurings and structural measures as well as one-time events with a material impact on the TRATON GROUP's earnings. The EBITDA (adjusted) for the TRATON Operations business area including Corporate Items is used to calculate the net financial debt/EBITDA (adjusted) ratio for the TRATON Operations business area including Corporate Items.

The return on equity in the TRATON Financial Services segment is calculated as the ratio of earnings before tax to average equity. Average equity is calculated from the equity at the beginning and the end of the reporting year.

An additional goal is to satisfy the capital requirements of the banking regulator. To do so, a planning procedure integrated into internal reporting has been put in place, allowing the required equity to be continuously determined on the basis of actual and expected business performance. The external minimum capital requirements applicable to certain companies in the TRATON Financial Services segment were met.

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The net financial debt/EBITDA (adjusted) ratio for the TRATON Operations business area including Corporate Items as well as the return on equity in the TRATON Financial Services segment are shown in the following table:

€ million	2025	2024
TRATON Operations including Corporate Items		
Net liquidity/net financial debt ¹	-5,162	-4,903
EBITDA (adjusted)	4,689	5,974
Net financial debt	-1.1	-0.8
TRATON Financial Services		
Earnings before tax	172	212
Average equity	2,164	1,968
Return on equity before tax (in %)	8.0	10.8

¹ Prior-year period adjusted

31. Contingent liabilities and commitments

Accounting policies: contingent liabilities and commitments

If the criteria for recognizing a provision are not met, but the outflow of financial resources is not improbable, or if the provision amount cannot be measured reliably, such obligations are disclosed in the form of the note shown below. Contingent liabilities are only recognized as a provision once the obligations are more certain, i.e., the outflow of financial resources has become probable, and their amount can be reliably estimated.

Contingent liabilities and commitments

€ million	12/31/2025	12/31/2024
Liabilities under buyback guarantees ¹	1,746	2,494
Contingent liabilities under guarantees ¹	297	532
Other contingent liabilities	1,299	1,431
	3,342	4,458

¹ Prior-year period adjusted

Customer liabilities to financial services companies of the Volkswagen Group, to joint ventures, and, to a small extent, to third parties are covered by standard industry buyback guarantees under which TRATON is obliged to buy back vehicles from the financial services company in the event of default. Liabilities under buyback guarantees as of the end of the fiscal year amounted to €1,732 million (previous year: €2,478 million) owed to financing companies of the Volkswagen Group, €11 million (previous year: €10 million) owed to joint ventures, and €4 million (previous year: €6 million) owed to third parties. The year-

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on-year decline in obligations arising from buyback guarantees is due to the acquisition of key aspects of the global financial services business of Volkswagen Financial Services for MAN by the TRATON Financial Services segment. The obligations under buyback guarantees correspond to the maximum expenses that may arise from obligations of this type. However, experience shows that the majority of these guarantees expire without being drawn upon.

As of December 31, 2025, contingent liabilities under guarantees include financial guarantees of €266 million (previous year: €500 million). These are mostly expiring default guarantees by International in favor of banks.

Among other things, other contingent liabilities contain contingent liabilities for potential charges from tax risks, which primarily concern Volkswagen Truck & Bus in Brazil. For further information, refer to Note [32. Litigation/legal proceedings](#).

32. Litigation/legal proceedings

MAN and Scania/EU antitrust proceedings

In July 2016, the European Commission reached settlements (the "Settlement Decision") with MAN and four other European truck manufacturers (excluding Scania) finding collusive arrangements on pricing and the timing and the passing on of costs for emission technologies for medium- and heavy-duty trucks from January 17, 1997, to January 18, 2011 (for MAN: until September 20, 2010). MAN was granted immunity from fines since it had revealed these practices to the European Commission in September 2010. Scania decided not to apply for leniency and not to settle this antitrust case and, by decision of the European Commission dated September 27, 2017 (the "Scania Decision"), received a fine in the amount of approximately €880.5 million. Scania appealed the Scania Decision to the General Court of the European Union and asked for full annulment. On February 2, 2022, the General Court rendered its judgment, whereby Scania's appeal was dismissed in its entirety and the amount of fines set by the European Commission upheld. On April 8, 2022, Scania appealed against the judgment of the General Court of the European Union from February 2, 2022, to the European Court of Justice. The €880.5 million fine plus interest from the EU antitrust proceedings was paid on April 12, 2022, to avoid additional interest penalties. On February 1, 2024, the European Court of Justice decided to dismiss Scania's appeal. Following the Settlement Decision, a significant number of (direct and indirect) truck customers in various jurisdictions have initiated or joined lawsuits against MAN and/or Scania. With the merger of MAN SE with TRATON SE taking effect, TRATON SE has — in most jurisdictions — automatically assumed the procedural role of MAN SE as legal successor in the respective proceedings (and is insofar covered by "MAN-companies"). Even if such claims may have expired under the respective applicable local laws, it cannot be excluded that further lawsuits will be filed. The claims against MAN-companies differ significantly in scope; while some truck customers only bought or leased a single truck, other cases concern a multitude of trucks. Furthermore, some truck customer damages claims have been combined in class actions or through claim aggregators to which the truck customers assigned their respective damages claims. A number of (direct and indirect) customers in various jurisdictions have initiated or joined lawsuits against Scania. Further, Scania has received a number of third party notices from other defendant commercial vehicle manufacturers. As is the case for MAN, the claims against Scania differ significantly in scope as some customers only bought or leased one truck while others operate a whole fleet of commercial vehicles. Furthermore, some customer damages claims in other jurisdictions have been combined in class actions or through claim aggregators.

MAN and Scania take the view that there are well-founded arguments against such claims and take appropriate steps to defend themselves. However, it cannot be excluded that these claims result in substantial liabilities for MAN and/or Scania including significant costs for their defense, which may have a material adverse effect on MAN's and/or Scania's financial results, cash flows and financial positions. Given the inherently complex nature of these claims and the different stages of the proceedings (with a number of cases still in a rather early stage), it is not possible to make a reliable estimate of the total

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liability that may arise from these claims. MAN and Scania are continuously monitoring the development and re-assesses the respective risks on a regular basis.

TRATON recognized a negative impact on its operating result in the amount of €173 million (previous year: €162 million) for cases in which, as a result of a reassessment of the risks, a final and unappealable ruling under which MAN or Scania would have to pay damages is more likely than unlikely at present. In accordance with IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” (paragraph 92), no further information is disclosed so as not to prejudice TRATON's position.

VW Truck & Bus Ltda.

In the tax proceedings between Volkswagen Truck & Bus Indústria e Comércio de Veículos Ltda. (VW Truck & Bus Ltda.), formerly MAN Latin America Indústria e Comércio de Veículos Ltda. (MAN Latin America), and the Brazilian tax authorities, the Brazilian tax authorities took a different view of the tax implications of the acquisition structure chosen by MAN SE (now merged with TRATON SE) for the acquisition of VW Truck & Bus Ltda. in 2009. The tax proceedings have been divided into two auditing periods, covering the years 2009–2011 (Phase 1) and 2012–2014 (Phase 2). In December 2017, an adverse last instance judgment was rendered by the Brazilian Administrative Court (Phase 1), which was negative for VW Truck & Bus Ltda. VW Truck & Bus Ltda. appealed this judgment before a regular judicial court in 2018. This lawsuit was dismissed in 2019, and an appeal was filed against the dismissal. The appeal was then rejected in June 2023, and a petition for review was filed in July 2023. In the tax proceeding related to Phase 2, a partial success was achieved that partly reduced the penalties. An appeal against this decision was filed, which was rejected in September 2023, thus concluding the Administrative Court proceedings. As a result of a new law regarding the handling of casting vote decisions in September 2023, VW Truck & Bus Ltda. filed an objection to the determinations in October 2023. In May 2024, the amendment to the law already resulted in a significant reduction in penalties in Phase 2, and in November 2024 the complete abolition of isolated and qualified penalties in Phase 2 was finally achieved. In May 2025, the Brazilian Office of the Attorney General of the National Treasury reviewed Phase 1 of the proceedings. As a result of this review, the amount in dispute was reduced due to the partial removal of penalties, the associated interest, and the related legal costs.

Due to the potential range of penalties plus interest which could apply under Brazilian law, the estimated size of the risk in the event that the tax authorities are able to prevail overall with their view is uncertain. The partial success in Phase 1 has reduced the risk from approximately BRL 3,068 million (equivalent to €477 million as of December 31, 2024) to approximately BRL 2,353 million (equivalent to €366 million as of December 31, 2025) for the contested period from 2009 onward.

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The merger of MAN SE with TRATON SE was entered in the commercial register of MAN SE and TRATON SE on August 31, 2021. With this, MAN SE ceased to exist as an independent legal entity, and all rights and obligations were transferred to TRATON SE. MAN SE shares were delisted at the same time.

Cash compensation in the amount of €70.68 per common and preferred share was paid out to MAN SE noncontrolling shareholders on September 3, 2021. This marked the conclusion of the MAN SE merger squeeze-out. The appropriateness of the cash compensation will be reviewed by a court-appointed auditor as part of the judicial award proceedings initiated by affected noncontrolling interest shareholders as applicants.

By way of a ruling dated December 20, 2024, which is not yet final, the Regional Court of Munich I increased the cash compensation to €79.71 per common and preferred share. Various applicants as well as TRATON SE appealed against this ruling in January 2025. The appeal proceedings are currently pending in the second instance at the Bavarian Higher Regional Court. Expenses of €3 million (previous year: €98 million) were recognized for this transaction in other financial income and interest expense in fiscal year 2025.

33. Other financial obligations

€ million	2025				2024			
	Due 2026	Due 2027-2030	Due from 2031	Total 12/31/2025	Due 2025	Due 2026-2029	Due from 2030	Total 12/31/2024
Purchase order commitments for								
property, plant, and equipment	408	222	–	629	495	286	–	782
intangible assets	21	26	–	47	25	29	–	55
Obligations from								
irrevocable credit and lease commitments to customers ¹	581	44	6	631	668	53	4	725
rental and lease contracts	45	33	4	82	46	39	6	91
Miscellaneous financial obligations	75	37	–	112	114	57	–	170

¹ Prior-year amount adjusted

On December 15, 2021, the TRATON GROUP signed the contract to establish the Milence charging infrastructure joint venture together with Daimler Truck and the Volvo Group and undertook to invest a total amount of up to €167 million in this joint venture. In 2025, €40 million (previous year: €38 million) was paid into Milence's equity. The obligation amounts to €45 million (previous year: €85 million) as of December 31, 2025.

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34. Related party disclosures

Accounting policies: related party disclosures

Related parties from the TRATON GROUP's perspective as of December 31, 2025, were:

- Volkswagen International Luxembourg as direct parent of TRATON SE
- Volkswagen AG and its subsidiaries, together with its significant investees outside the TRATON GROUP
- Porsche Automobil Holding SE, Stuttgart (Porsche Stuttgart), which has significant influence on the Volkswagen Group's operating policy decisions within the meaning of IAS 28 *Investments in Associates and Joint Ventures*, together with its affiliated companies and related parties
- The state of Lower Saxony and its related majority-owned interests
- Other individuals or entities that can be influenced by the TRATON GROUP or that can influence the TRATON GROUP, such as:
 - Members of TRATON SE's Executive and Supervisory Boards
 - Members of the Board of Management and Supervisory Board of Volkswagen International Luxembourg
 - Members of the Board of Management and Supervisory Board of Volkswagen Finance Luxembourg
 - Members of the Board of Management and Supervisory Board of Volkswagen AG
 - Associates and joint ventures
 - Unconsolidated subsidiaries

Some members of the Executive and Supervisory Boards of the TRATON GROUP or their direct family members are also key management personnel (or members of the management of the parent company) or members of supervisory and executive boards or shareholders of other companies with which the TRATON GROUP has relations in the normal course of business.

On December 31, 2025, Volkswagen International Luxembourg S.A., an indirect subsidiary of Volkswagen AG, held 87.52% (89.72%) of TRATON SE's share capital.

The following tables present the amounts of supplies and services transacted, as well as outstanding receivables and obligations, between consolidated companies of the TRATON GROUP and its related parties, including Volkswagen AG. There were no significant transactions with Porsche Automobil Holding SE, Stuttgart, Volkswagen International Luxembourg S.A., or the state of Lower Saxony in any of the reporting periods presented.

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€ million	Sales and services rendered		Purchases and services received	
	2025	2024	2025	2024
Volkswagen AG	11	19	296	296
Other subsidiaries and equity investments of Volkswagen AG that are not part of the TRATON GROUP	806	1,690	1,438	1,297
Unconsolidated subsidiaries	8	9	13	12
Associates and their majority-owned interests	364	216	63	89
Joint ventures and their majority-owned interests	72	83	55	40
Other related parties	0	0	12	7

€ million	Receivables from		Liabilities (including obligations) to	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Volkswagen AG	400	11	372	1,046
Other subsidiaries and equity investments of Volkswagen AG that are not part of the TRATON GROUP	207	718	3,370	10,955
Unconsolidated subsidiaries	13	13	46	44
Associates and their majority-owned interests	39	12	7	7
Joint ventures and their majority-owned interests	5	8	48	85
Other related parties	0	0	1	0

Supplies and services rendered to other subsidiaries and investees of Volkswagen AG that are not part of the TRATON GROUP mainly relate to the sales financing business of MAN Truck & Bus, in which customer finance for vehicles is provided by Volkswagen Financial Services. The decline is attributable to the acquisition of key aspects of the global financial services business of Volkswagen Financial Services for MAN by the TRATON Financial Services segment. Supplies and services received from other subsidiaries and investees of Volkswagen AG that are not part of the TRATON GROUP relate mainly to unfinished goods and products.

On July 12, 2023, companies of the TRATON GROUP and companies of the Volkswagen Group signed a framework agreement on the gradual acquisition of key aspects of the global financial services business of MAN and Volkswagen Truck & Bus (VWTB). The TRATON Financial Services segment thereby progressively acquired the rights to the future financial services business for MAN and VWTB customers in 14 countries. The rights to the future financial services business for MAN and VWTB were transferred in several countries in the 2025 fiscal year, including in Brazil effective June 30, thereby completing the acquisition. For more information, see Note [Acquisitions](#).

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The increase in receivables from Volkswagen AG is essentially due to a short-term interest-bearing cash deposit of €392 million (previous year: €– million).

Liabilities to Volkswagen AG include loans granted by Volkswagen AG in the amount of €250 million (previous year: €750 million) resulting from a €4,000 million (previous year: €4,000 million) credit line. The credit facility is subject to market interest rates. The additional €300 million line of credit from Volkswagen AG for short-term liquidity management had not been utilized as of December 31, 2025 (previous year: €193 million).

The decrease in liabilities (including obligations) to other subsidiaries and equity investments of Volkswagen AG that are not part of the TRATON GROUP is attributable to the fact that Northvolt no longer meets the IAS 24 definition of a related party as of the reference date. Accordingly, the long-term purchase obligations under battery procurement contracts between TRATON GROUP companies and Northvolt Group companies in the amount of €7,974 million at the end of 2024 are no longer disclosed among related parties. However, this category includes loan liabilities of €1,278 million (previous year: €478 million) to Volkswagen Group of America Finance, the loan of €691 million (previous year: €691 million) taken out with Volkswagen International Finance at standard market terms, and the loan of €124 million (previous year: €201 million) taken out with Volkswagen Financial Services. There are also other liabilities to Volkswagen Financial Services companies.

The TRATON GROUP signed the agreement to establish the Milence charging infrastructure joint venture together with Daimler Truck and the Volvo Group on December 15, 2021. As a result, the TRATON GROUP made a capital contribution of €40 million (previous year: €38 million) as of December 31, 2025. The outstanding obligation as of year-end 2025 is €45 million (previous year: €85 million).

The sale of receivables to subsidiaries of Volkswagen AG that are not part of the TRATON GROUP amounted to €916 million (previous year: €1,016 million) in fiscal year 2025. See Note [18. Trade receivables](#) for more information. This relates to the volume of receivables that were transferred and derecognized in each reporting period. Customer liabilities to Volkswagen Financial Services are covered by standard industry buyback guarantees, see Note [31. Contingent liabilities and commitments](#).

The remuneration system for the Executive Board comprises fixed and variable components. The variable remuneration consists of a performance-related profit bonus with a one-year assessment period and a long-term incentive (LTI) in the form of share-based payment as a performance share plan with a forward-looking four-year term. The remuneration system applies to all members of the Executive Board. The previous three-year term ended on the December 31, 2025, reporting date.

Liabilities to the current members of the Executive Board and Supervisory Board comprise outstanding balances for the remuneration of the Supervisory Board, for the fair values of performance shares granted to members of the Executive Board, and for variable remuneration in the amount of €27 million (previous year: €26 million). The pension provisions for the members of the Executive Board in office amounted to €4 million (previous year: €3 million) as of December 31, 2025.

The following expenses were recognized in fiscal year 2025 for the benefits and remuneration granted to members of the Executive and Supervisory Boards of TRATON SE in the course of their activities as members of governing bodies.

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€ million	2025	2024
Short-term benefits	15	18
Benefits based on performance shares	9	10
Post-employment benefits	4	3
	28	31

The employee representatives on the Supervisory Board who are employed by TRATON SE or other TRATON GROUP companies also receive their regular salaries as specified in their employment contracts. If they are members of German works councils, this is based on the provisions of the *Betriebsverfassungsgesetz* (BetrVG — German Works Council Constitution Act).

Post-employment benefits relate to additions to pension provisions, expenses for defined contribution pension plans, and — depending on the social security system — contributions to the Swedish pension system for current members of the Executive Board.

35. Share-based payment

Accounting policies: share-based payment

Selected beneficiaries within the Group are granted share-based payments. Share-based payment obligations are accounted for as cash-settled plans under IFRS 2 *Share-based Payment*. For these plans, obligations are measured at fair value during the term of the plan using a recognized option pricing model. The total remuneration expense to be recognized corresponds to the actual payout and is recognized over the vesting period.

The remuneration system for the Executive Board comprises fixed and variable components. The variable remuneration consists of a performance-related profit bonus with a one-year assessment period and a long-term incentive (LTI) in the form of share-based payment as a performance share plan with a forward-looking four-year term. The remuneration applies to all members of the Executive Board. The previous three-year performance periods, some of which also apply to the members of the Executive Board during the passive period, ended or will end on December 31, 2025, and December 31, 2026.

At the beginning of fiscal year 2022, the group of beneficiaries offered a performance share plan was expanded to include members of the brand Executive Boards who are not members of the Executive Board of TRATON SE under stock corporation law and, in 2023, to include members of International's management who are entitled to LTIs. The performance share plan for brand Executive Board members and members of International's management largely works in the same way as the performance share plan that applies to the members of the Executive Board of TRATON SE. The performance period is four years for the brand Executive Board members and three or four years for the members of International's management.

At the time the LTI is granted, the annual target amount under the LTI is converted into virtual performance shares on the basis of the initial reference price of TRATON SE shares. These performance shares are allocated to the individual beneficiary as a pure calculation value. At the end of the three- or four-year performance period, a final number of virtual performance shares is determined, based on the degree to which the earnings per share (EPS) performance

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criterion of the TRATON GROUP has been met. A cash settlement is made at the beginning of the fiscal year following the last fiscal year of the performance period; the issuance of shares of the company is excluded. The payment amount corresponds to the number of specified performance shares multiplied by the closing reference price at the end of the three- or four-year performance period, plus a dividend equivalent for the relevant term. The payment amount under the performance share plan is limited to 250% of the target amount for the Executive Board of TRATON SE under stock corporation law and 200% of the target amount for the brand Executive Board members.

If the employment contract begins or ends during a year, the target amount is reduced pro rata temporis. At International, the performance shares lapse without replacement or compensation if the employment relationship ends before the end of the performance period.

Executive Board of TRATON SE, brand Executive Boards, and members of International's management

€ million	2025	2024
Total expense for the period	27	38
Total carrying amount of the obligation	86	78
Intrinsic value of the liabilities	39	14
Fair value at the time the shares were granted	27	26
Number of performance shares granted	4,792,075	4,073,618
of which number of shares granted in the reporting period	1,165,727	1,421,587

Members of management and employees of the TRATON GROUP not covered by collective bargaining agreements (excluding International)

Since fiscal year 2022, members of management and employees of the TRATON GROUP not covered by collective bargaining agreements have received a long-term bonus in the form of a share-based with a four-year performance period and a one-year forward reference. The length of the performance period has been increased gradually starting in fiscal year 2022. It only covers the fiscal year in question for fiscal year 2022, two years for fiscal year 2023, three years for fiscal year 2024, and four years for the first time starting in fiscal year 2025. Payment depends on the TRATON GROUP's average EPS performance and TRATON's share price performance (including dividends) over the performance period, and is limited to 200% of the target amount.

The payment amount for all beneficiaries is determined by multiplying the target amount by the degree of EPS target achievement and the ratio between the closing reference price at the end of the period, plus a dividend equivalent, and the opening reference price.

As of December 31, 2025, the total carrying amount of the obligation, which corresponded to the intrinsic value of the liabilities, amounted to €25 million (previous year: €33 million). A total expense of €15 million (previous year: €34 million) was recognized for these awards in the reporting period.

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36. Remuneration of the Executive Board and the Supervisory Board in accordance with section 314 of the HGB

The total remuneration granted to the members of the Executive Board amounted to €19 million (previous year: €20 million).

Under the performance share plan, the members of the Executive Board were awarded a total of 284,735 (previous year: 352,597) performance shares for fiscal year 2025, whose value at the award date amounted to €7 million (previous year: €6 million).

In addition, a loan extended to a member of the Executive Board in 2021 was outstanding in the amount of €3 million (previous year: €3 million) as of December 31, 2025.

Former members of the Executive Board and their surviving dependents were paid €1 million (previous year: €1 million) in pensions in fiscal year 2025. There were pension provisions of €11 million (previous year: €12 million) for this group of persons.

The total remuneration granted to the members of the Supervisory Board amounted to €3 million (previous year: €3 million).

37. Fees paid to the auditor of the consolidated financial statements

Of the total fees of €5 million (previous year: €5 million) charged in the year under review for the work performed by the auditor of the consolidated financial statements, EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft in Germany, €4 million (previous year: €4 million) related to audit services. These comprised the audits of TRATON SE's consolidated financial statements and of the annual financial statements of the German Group companies as well as intraperiod reviews of the interim financial statements of TRATON SE and the German Group companies. Furthermore, €0 million (previous year: €0 million) related to other assurance services, and €0 million (previous year: €0 million) to other services.

38. German Corporate Governance Code

The Executive Board and Supervisory Board of TRATON SE issued their annual Declaration of Conformity in December 2025 in accordance with section 161 of the *Aktiengesetz* (AktG — German Stock Corporation Act), which is reproduced in the [Corporate Governance Statement](#) as a separate part of the Combined Management Report and published on TRATON SE's website at [Corporate Governance | TRATON](#). Furthermore, TRATON has published a statement regarding departures by TRATON's corporate governance system from the Swedish Corporate Governance Code. This is also available at https://ir.traton.com/en/corporate-governance?url_redirect=true.

39. Events after December 31, 2025

In January 2026, the TRATON GROUP issued several bonds in euros and Swedish kronor with a total equivalent to €1,075 million under the €18,000 million EMTN program.

On January 20, 2026, TRATON sold 2.1% of the shares outstanding of Sinotruk. The sale generated proceeds of approximately €170 million for the TRATON GROUP, which is reported in net cash provided by/used in investing activities of TRATON Holding. TRATON's interest in Sinotruk amounted to 23.2% after completion of the transaction.

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List of shareholdings as of December 31, 2025

Name and domicile of the company	Currency	Exchange rate (1 euro =) 12/31/2025	Equity interest in %	Equity in thousands Local currency	Equity in thousands Local currency	Footnote	Year
I. PARENT COMPANY							
TRATON SE, Munich							
II. SUBSIDIARIES							
A. Consolidated companies							
I. Germany							
Erinion GmbH, Düsseldorf	EUR		100.00	–	–	1)	2024
KOSIGA GmbH & Co. KG, Pullach i. Isartal	EUR		94.00	40,522	913		2024
LOTS Germany GmbH, Koblenz	EUR		100.00	19	–6		2024
M A N Verwaltungs-Gesellschaft mbH, Munich	EUR		100.00	1,039	–	2)	2025
MAN Brand GmbH & Co. KG, Grünwald	EUR		100.00	25	50,241		2024
MAN Finance & Mobility Services GmbH, Munich	EUR		100.00	111,360	–		2024
MAN GHH Immobilien GmbH, Oberhausen	EUR		100.00	44,668	–	2)	2025
MAN Grundstücksgesellschaft mbH & Co. Epsilon KG, Munich	EUR		100.00	6,262	59		2024
MAN Marken GmbH, Munich	EUR		100.00	27	–	2)	2025
MAN Service und Support GmbH, Munich	EUR		100.00	25	1,756	2)	2025
MAN Truck & Bus Deutschland GmbH, Munich	EUR		100.00	130,934	–	2)	2025
MAN Truck & Bus SE, Munich	EUR		100.00	564,841	–	2)	2025
Navistar Europe GmbH, Nuremberg	EUR		100.00	560	247		2024
Scania CV Deutschland Holding GmbH, Koblenz	EUR		100.00	66,295	–	2)	2025
SCANIA DEUTSCHLAND GmbH, Koblenz	EUR		100.00	36,625	–	2)	2025
Scania Finance Deutschland GmbH, Koblenz	EUR		100.00	62,913	–	2)	2025
SCANIA Real Estate Deutschland GmbH, Koblenz	EUR		100.00	15,183	–	2)	2025
Scania Versicherungsvermittlung GmbH, Koblenz	EUR		100.00	1,793	255		2024
SCANIA Vertrieb und Service GmbH, Koblenz	EUR		100.00	9,463	–	2)	2025
TARONA Verwaltung GmbH & Co. Alpha KG, Pullach i. Isartal	EUR		100.00	10,574	3,557		2024
TB Digital Services GmbH, Munich	EUR		100.00	25	–	2)	2025
TORINU Verwaltung GmbH & Co. Beta KG, Pullach i. Isartal	EUR		100.00	19,666	855		2024
TRATON R&D Germany GmbH, Munich	EUR		100.00	20	5		2024

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2. Other countries							
AB Dure, Södertälje	SEK	10.7997	100.00	1,440	–	3)	2024
AB Folkvagn, Södertälje	SEK	10.7997	100.00	100	–	3)	2024
AB Scania-Vabis, Södertälje	SEK	10.7997	100.00	100	–	3)	2024
Ainax AB, Södertälje	SEK	10.7997	100.00	120	–	3)	2024
Banco Traton Brasil S.A., São Paulo	BRL	6.4350	100.00	372,631	1,263	1)	2024
Blue Diamond Parts LLC, Lisle, Illinois	USD	1.1748	100.00	65,051	8,212		2024
Bucida Sp. Z o.o., Nadarzyn	PLN	4.2193	100.00	–	–	4)	2025
Cheshire 3 Holdings Limited, Milton Keynes	GBP	0.8731	100.00	–	–	4)	2025
Codema Comercial e Importadora Ltda., Guarulhos	BRL	6.4350	99.98	347,958	166,886		2024
Erinion AG, Kloten	CHF	0.9309	100.00	–	–	1), 5)	2025
Erinion AS, Oslo	NOK	11.8169	100.00	–	–	1)	2024
Erinion B.V., Amsterdam	EUR		100.00	–	–	1)	2024
Erinion BV, Gent	EUR		100.00	–	–	1), 5)	2025
Erinion Ltd, Milton Keynes	GBP	0.8731	100.00	–	–	1)	2024
Erinion S.A.S., Lyon	EUR		100.00	–	–	1)	2024
Fastighetsaktiebolaget Hjulnavet, Södertälje	SEK	10.7997	100.00	54,911	–967	6)	2024
Ferruform AB, Luleå	SEK	10.7997	100.00	63,142	–6,002		2024
Griffin Automotive Ltd., Road Town	TWD	36.7850	100.00	366,740	333,292		2024
Griffin Lux S.à r.l., Luxembourg	EUR		–	–	–	7), 11)	2024
Harbour Assurance Company of Bermuda Ltd., Hamilton	USD	1.1748	100.00	13,360	1,799		2024
Haydock Commercial Vehicles Limited, Milton Keynes	GBP	0.8731	100.00	–	–	4)	2025
HTD I Oskarshamn AB, Oskarshamn	SEK	10.7997	100.00	452	–101		2024
IC Bus LLC, Lisle, Illinois	USD	1.1748	100.00	1,279,136	141,498		2024
IC Bus of Oklahoma, LLC, Tulsa, Oklahoma	USD	1.1748	100.00	–	–	8), 3)	2023
International DealCor Operations, Ltd., George Town	USD	1.1748	100.00	41,373	–		2024
International Engine Intellectual Property Company, LLC, Lisle, Illinois	USD	1.1748	100.00	493,683	–27		2024
International Motors Canada, ULC, Hannon, Ontario	CAD	1.6100	100.00	23,809	50,268		2024
International Motors Mexico CV, S. de R.L. de C.V., Mexico City	MXN	21.1008	100.00	16,833,061	5,467,775		2024
International Motors, LLC, Lisle, Illinois	USD	1.1748	100.00	–10,516,377	1,313		2024
International of Mexico Holding Corporation LLC, Lisle, Illinois	USD	1.1748	100.00	722,354	40,791		2024
International Parts Distribution S. de R.L. de C.V., Mexico City	MXN	21.1008	100.00	504,636	464,991		2024

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International Transport Engineering LLC, Wilmington, Delaware	USD	1.1748	100.00	-	-	9)	
International Truck and Engine Corporation Cayman Islands Holding Company, George Town	USD	1.1748	100.00	-83,336	63		2024
International Truck Intellectual Property Company, LLC, Lisle, Illinois	USD	1.1748	100.00	1,027,330	14,381		2024
International Truck Leasing Corp., Lisle, Illinois	USD	1.1748	100.00	7,921	1,167		2024
Italscania S.p.A., Trento	EUR		100.00	102	58		2024
Laxå Specialvehicles AB, Laxå	SEK	10.7997	100.00	154	4		2024
LOTS Chile S.p.A., Santiago de Chile	CLP	1,057.7150	100.00	-7,946	5,439,655		2024
LOTS Group AB, Södertälje	SEK	10.7997	100.00	268	286		2024
LOTS Latin América Logística de Transportes Ltda., São Bernardo do Campo	BRL	6.4350	100.00	48,975	-77,337		2024
Lots Logistics (Guangxi) Co. Ltd., Beihai	CNY	8.2249	100.00	4,780	-	3)	2023
LOTS SPV USA LLC, Wilmington, Delaware	USD	1.1748	70.00	-1,267	-3,654		2024
LOTS Ventures Canada Inc., Vancouver, British Columbia	CAD	1.6100	80.00	-6,176	-12,215		2024
LOTS Ventures USA Inc., Wilmington, Delaware	USD	1.1748	100.00	9,138	-		2024
Mälardalens Tekniska Gymnasium AB, Södertälje	SEK	10.7997	80.00	28,091	-2,590		2024
MAN Automotive (South Africa) (Pty) Ltd., Johannesburg	ZAR	19.4404	100.00	1,245,474	105,685	6)	2024
MAN Bus Sp. Z o.o., Starachowice	PLN	4.2193	100.00	1,106,132	65,555		2024
MAN Components s.r.o., Bánovce nad Bebravou	EUR		100.00	17,469	2,526		2024
MAN Engines & Components Inc., Pompano Beach, Florida	USD	1.1748	100.00	61,859	13,216		2024
MAN Finance and Holding S.A., Strassen	EUR		100.00	3,841,780	-155,172		2024
MAN Financial Services GesmbH, Eugendorf	EUR		100.00	12,527	1,333		2024
MAN Financial Services Polska Sp.z o.o., Wolica	PLN	4.2193	100.00	35,447	-12,279	1)	2024
MAN Financial Services UK Limited, Swindon	GBP	0.8731	100.00	-	-	1)	2023
MAN Kamion és Busz Kereskedelmi Kft., Dunaharaszti	HUF	384.7200	100.00	8,939,977	772,951		2024
MAN Kamyon ve Otobüs Ticaret A.S., Ankara	TRY	50.4574	100.00	1,565,302	202,790		2024
MAN Nutzfahrzeuge Immobilien GmbH, Vienna	EUR		100.00	42,580	4,773		2024
MAN Servicios Financieros Hispania S.A., Madrid	EUR		100.00	24	-3	1)	2024
MAN Shared Services Center Sp. Z o.o., Poznan	PLN	4.2193	100.00	18,011	1,850		2024
MAN Truck & Bus (Korea) Ltd., Yongin	KRW	1,695.3050	100.00	26,945,293	3,481,440		2024
MAN Truck & Bus (M) Sdn. Bhd., Rawang	MYR	4.7672	100.00	57,016	1,087		2024
MAN Truck & Bus Czech Republic s.r.o., Cestlice	CZK	24.1990	100.00	1,609,948	126,461		2024
MAN Truck & Bus Danmark A/S, Greve	DKK	7.4689	100.00	206,107	32,153		2024
MAN Truck & Bus France S.A.S., Evry	EUR		100.00	116,571	14,736		2024

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MAN Truck & Bus Iberia S.A., Coslada	EUR		100.00	143,672	4,682		2024
MAN Truck & Bus Italia S.p.A., Verona	EUR		100.00	53,974	9,380		2024
MAN Truck & Bus Middle East FZE, Dubai	AED	4.3144	100.00	59,375	3,533		2024
MAN Truck & Bus N.V., Kobbegem	EUR		100.00	43,630	6,718		2024
MAN Truck & Bus Norge A/S, Lorenskog	NOK	11.8169	100.00	240,784	48,587		2024
MAN Truck & Bus Polska Sp. Z o.o., Nadarzyn	PLN	4.2193	100.00	26,945,293	3,481,440		2024
MAN Truck & Bus Portugal S.U. Lda., Lisbon	EUR		100.00	12,178	1,973		2024
MAN Truck & Bus Schweiz AG, Otelfingen	CHF	0.9309	100.00	39,054	6,262		2024
MAN Truck & Bus Slovakia s.r.o., Bratislava	EUR		100.00	16,735	1,292		2024
MAN Truck & Bus Slovenija d.o.o., Ljubljana	EUR		100.00	17,628	1,656		2024
MAN Truck & Bus Trading (China) Co., Ltd., Beijing	CNY	8.2249	100.00	93,647	7,186		2024
MAN Truck & Bus UK Ltd., Swindon	GBP	0.8731	100.00	141,284	6,352		2024
MAN Truck & Bus Vertrieb Österreich GmbH, Vienna	EUR		100.00	294,887	17,276		2024
MAN Trucks Sp. Z o.o., Niepolomice	PLN	4.2193	100.00	1,991,756	271,433		2024
MAN Türkiye A.S., Ankara	TRY	50.4574	99.99	9,874,360	1,570,227		2024
MW-Hallen Restaurang AB, Södertälje	SEK	10.7997	100.00	2,025	57		2024
N.W.S. S.r.l., in liquidation, Trento	EUR		52.50	–	–	10)	2023
Navistar (Shanghai) Trading Co., Ltd., Shanghai	CNY	8.2249	100.00	3,804	266		2024
Navistar Aftermarket Products, Inc., Lisle, Illinois	USD	1.1748	100.00	38,488	–129		2024
Navistar Big Bore Diesels, LLC, Huntsville, Alabama	USD	1.1748	100.00	–105,875	–5,952		2024
Navistar Comercial S.A. de C.V., Mexico City	MXN	21.1008	100.00	488,733	31,769		2024
Navistar Diesel of Alabama, LLC, Lisle, Illinois	USD	1.1748	100.00	77,678	–		2024
Navistar Financial Corporation, Lisle, Illinois	USD	1.1748	100.00	205,249	–310		2024
Navistar Financial Dealer Note Master Owner Trust II, Wilmington, Delaware	USD	1.1748	–	–	–	7)	2024
Navistar Financial Retail Receivables Corporation, Lisle, Illinois	USD	1.1748	100.00	–	–	1)	2024
Navistar Financial Securities Corp., Lisle, Illinois	USD	1.1748	100.00	106,344	24,087		2024
Navistar Hong Kong Holding Company Ltd., Hong Kong	HKD	9.1446	100.00	515	–10		2024
Navistar International B.V., Amsterdam	USD	1.1748	100.00	318,517	–246,061		2024
Navistar International Corporation, Lisle, Illinois	USD	1.1748	100.00	7,117,289	–20,075		2024
Navistar International Employee Leasing Company, Lisle, Illinois	USD	1.1748	100.00	12,661	1,205		2024
Navistar International Mexico, S. de R.L. de C.V., Escobedo	MXN	21.1008	100.00	17,553,287	5,973,929		2024
Navistar International Pvt. Ltd., Pune	INR	105.5645	100.00	21,141	11,825	8)	2024
Navistar International Southern Africa (Pty) Ltd., Johannesburg	ZAR	19.4404	100.00	–56,472	2,913	3)	2023

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Navistar Leasing Company, Lisle, Illinois	USD	1.1748	–	–	–	7)	2024
Navistar Leasing Services Corp., Lisle, Illinois	USD	1.1748	100.00	37,689	–2,444		2024
Navistar San Antonio Manufacturing LLC, Lisle, Illinois	USD	1.1748	100.00	–236,299	–53,110		2024
NC2 Global LLC, Lisle, Illinois	USD	1.1748	100.00	142,917	1,286		2024
NC2 Luxembourg S.a.r.l., Luxembourg	USD	1.1748	100.00	–128,007	–862	8)	2024
Norsk Scania AS, Oslo	NOK	11.8169	100.00	313,221	758,427		2024
Norsk Scania Eiendom AS, Oslo	NOK	11.8169	100.00	123,103	12,432		2024
OCC Technologies, LLC, Lisle, Illinois	USD	1.1748	100.00	4,003	5,513		2024
Parts and Service Ventures, Inc., Lisle, Illinois	USD	1.1748	100.00	1,104	–		2024
Power Vehicle Co. Ltd., Bangkok	THB	37.1397	49.00	32,210	27,878		2024
PT Scania Parts Indonesia, Balikpapan	IDR	19,588.9550	100.00	307	–90		2024
Qingdao Sinoform Auto Parts Co., Ltd, Qingdao	CNY	8.2249	74.00	132,054	–6,406	1)	2024
Reliable Vehicles Ltd., Milton Keynes	GBP	0.8731	100.00	2,500	–	3)	2024
Sågverket 6 AB, Södertälje	SEK	10.7997	100.00	125	–1,603		2024
Scan Siam Service Co. Ltd., Bangkok	THB	37.1397	49.00	44,608	38,263		2024
Scania (Hong Kong) Ltd., Hong Kong	HKD	9.1446	100.00	20,731	–9,540		2024
Scania (Malaysia) Sdn. Bhd., Shah Alam	MYR	4.7672	100.00	63,083	16,574		2024
Scania AB, Södertälje	SEK	10.7997	100.00	30,615,571	20,735,654		2024
Scania Administradora de Consórcios Ltda., Cotia	BRL	6.4350	100.00	324,343	80,985		2024
Scania Americas S.A., Montevideo	USD	1.1748	100.00	–	1,723		2024
Scania Argentina S.A., Buenos Aires	ARS	1,705.1497	100.00	357,910,939	–85,966,080		2024
Scania Australia Pty. Ltd., Melbourne	AUD	1.7572	100.00	91,656	34,624		2024
Scania Banco S.A., São Bernardo do Campo	BRL	6.4350	100.00	1,332,120	69,524	11)	2024
Scania Belgium N.V., Neder-Over-Heembeek	EUR		100.00	2,931	16,557		2024
Scania BH d.o.o., Sarajevo	BAM	1.9558	100.00	4,167	1,129		2024
Scania Botswana (Pty) Ltd., Gaborone	BWP	15.4247	100.00	45,282	26,538		2024
Scania Bulgaria EOOD, Sofia	BGN	1.9560	100.00	25	16		2024
Scania Bus & Coach UK Ltd., Milton Keynes	GBP	0.8731	100.00	1,029	–	3)	2024
Scania Bus Financing AB, Södertälje	SEK	10.7997	100.00	98	–2		2024
Scania Central Asia LLP, Almaty	KZT	595.6250	100.00	2,357,660	560,279		2024
Scania Chile S.A., Santiago de Chile	CLP	1,057.7150	100.00	12,747,188	1,481,632		2024
Scania China Holding AB, Södertälje	SEK	10.7997	100.00	125	–		2024
Scania Colombia S.A.S., Bogotá	COP	4,429.3000	100.00	81,258,982	–69,086,192		2024

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Scania Comercial, S.A. de C.V., Querétaro	MXN	21.1008	100.00	576,011	-124,071		2024
Scania Commercial Vehicles India Pvt. Ltd., Bengaluru	INR	105.5645	100.00	2,582,176	-344,192		2024
Scania Commercial Vehicles Renting S.A., San Fernando de Henares	EUR		100.00	69,554	8,621		2024
Scania Corretora de Seguros Ltda., São Bernardo do Campo	BRL	6.4350	100.00	5,590	6,049		2024
Scania Cote D'Ivoire SA, Abidjan	XOF	655.9570	100.00	-	-	1)	2024
Scania Credit (Malaysia) Sdn. Bhd., Shah Alam	MYR	4.7672	100.00	15,447	5,001		2024
Scania Credit AB, Södertälje	EUR		100.00	11,366	-2,040		2024
Scania Credit Argentina S.A.U., Buenos Aires	ARS	1,705.1497	100.00	3,143,849	1,442,278		2023
Scania Credit Hrvatska d.o.o., Lucko (Zagreb)	EUR		100.00	4,137	103		2024
Scania Credit Romania IFN S.A., Ciorogârla	RON	5.0974	100.00	67,110	1,728		2024
Scania Credit Singapore Pte. Ltd., Singapore	SGD	1.5101	100.00	448	21		2024
Scania Credit Solutions (T) Ltd., Dar es Salaam	TZS	2,889.8850	100.00	22,481,755	-1,612,691		2024
Scania Credit Solutions Pty Ltd., Johannesburg	ZAR	19.4404	100.00	-57,469	-48,318		2024
Scania Credit Taiwan Ltd., New Taipei City	TWD	36.7850	100.00	28,261	6,307		2024
Scania Crna Gora d.o.o., Danilovgrad	EUR		100.00	316	3		2024
Scania CV AB, Södertälje	SEK	10.7997	100.00	66,707,560	17,022,138		2024
Scania Czech Republic s.r.o., Prague	CZK	24.1990	100.00	1,174,638	764,680		2024
Scania Danmark A/S, Ishøj	DKK	7.4689	100.00	424,238	187,492		2024
Scania Danmark Ejendom ApS, Ishøj	DKK	7.4689	100.00	109,973	-1,302		2024
Scania DCS AB, Stockholm	SEK	10.7997	100.00	63	-2		2024
Scania del Perú S.A., Lima	PEN	3.9512	100.00	72,052	43,693		2024
Scania Delivery Center AB, Södertälje	SEK	10.7997	100.00	152,728	5,844		2024
Scania East Africa Ltd., Nairobi	KES	151.5450	100.00	-682,485	234,910		2024
Scania Eesti AS, Tallinn	EUR		100.00	18	7		2024
Scania Finance Australia Pty. Ltd., Melbourne	AUD	1.7572	100.00	27,358	463		2024
Scania Finance Belgium N.V., Neder-Over-Heembeek	EUR		100.00	22,330	1,271		2024
Scania Finance Bulgaria EOOD, Sofia	BGN	1.9560	100.00	22,650	4,154		2022
Scania Finance Chile S.A., Santiago de Chile	CLP	1,057.7150	100.00	41,709	7,362	12)	2024
Scania Finance Colombia S.A.S., Bogotá	COP	4,429.3000	100.00	36,471,976	6,033,261		2024
Scania Finance Great Britain Ltd., London	GBP	0.8731	100.00	147,197	6,002		2024
Scania Finance Luxembourg S.A., Munsbach	EUR		100.00	5,570	156		2022
Scania Finance Magyarország Zrt., Biatorbágy	HUF	384.7200	100.00	3,440,282	40,790		2024
Scania Finance Maroc S.A., Casablanca	MAD	10.7107	100.00	-	-	1)	2023

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Scania Finance Mexico, S.A. de C.V. SOFOM, E.N.R., El Marqués	MXN	21.1008	100.00	215,697	27,057		2023
Scania Finance Nederland B.V., Breda	EUR		100.00	46,923	3,540	12)	2023
Scania Finance New Zealand Ltd., Auckland	NZD	2.0363	100.00	6,442	446		2024
Scania Finance Polska Sp. z o.o., Nadarzyn	PLN	4.2193	100.00	367,237	34,512		2024
Scania Finance Schweiz AG, Kloten	CHF	0.9309	100.00	7,928	-1,047		2024
Scania Finance Slovak Republic s.r.o., Senec	EUR		100.00	13	-		2024
Scania Finance Southern Africa (Pty) Ltd., Johannesburg	ZAR	19.4404	100.00	1,202,035	118,479		2024
Scania Financial Leasing (China) Co., Ltd., Shanghai	CNY	8.2249	100.00	152,784	1,294		2024
Scania France S.A.S., Angers	EUR		100.00	97	69		2024
Scania Global Knowledge Centre Sp. z o.o., Warsaw	PLN	4.2193	100.00	-	-	4)	2025
Scania Great Britain Ltd., Milton Keynes	GBP	0.8731	100.00	132,711	78,740		2024
Scania Griffin Sales & Services AB, Södertälje	SEK	10.7997	100.00	100	-	3)	2024
Scania Growth Capital AB, Södertälje	SEK	10.7997	90.10	129	-270		2024
Scania Growth Capital II AB, Södertälje	SEK	10.7997	90.10	764	-148		2024
Scania Hispania S.A., San Fernando de Henares	EUR		100.00	51,278	41,847		2024
Scania Holding France S.A.S., Angers	EUR		100.00	137,938	78,031		2024
Scania Holding Inc., Columbus, Indiana	USD	1.1748	100.00	-4,779	-3,801		2024
Scania Hrvatska d.o.o., Lucko (Zagreb)	EUR		100.00	8,000	2,806		2024
Scania Hungaria Kft., Bátorbágy	HUF	384.7200	100.00	6,735,125	5,372,147		2024
Scania Industrial Battery Systems AB, Södertälje	SEK	10.7997	100.00	-	-	4)	2025
Scania Industrial Maintenance AB, Södertälje	SEK	10.7997	100.00	27,830	786		2024
Scania Insurance Nederland B.V., Middelharnis	EUR		100.00	3,836	471	11)	2023
Scania Insurance Polska Sp. z o.o., Nadarzyn	PLN	4.2193	100.00	2,979	2,895		2024
Scania Invest AB, Södertälje	SEK	10.7997	100.00	111,676	839	1)	2024
Scania Investimentos Imobiliários S.A., Vialonga	EUR		100.00	-	-		2024
Scania IT France S.A.S., Angers	EUR		100.00	-	-		2024
Scania IT Nederland B.V., Zwolle	EUR		100.00	-	-		2024
Scania Italia Retail S.p.A., Trento	EUR		100.00	19,689	3,942	6)	2024
Scania Japan Ltd., Tokyo	JPY	183.9750	100.00	-209,791	187,675		2024
Scania Korea Group Ltd., Seoul	KRW	1,695.3050	100.00	74,459,050	46,074,288		2024
Scania Latin America Ltda., São Bernardo do Campo	BRL	6.4350	100.00	5,633,772	3,240,080		2024
Scania Latvia SIA, Riga	EUR		100.00	14,100	7,507		2024
Scania Leasing BH d.o.o., Sarajevo	BAM	1.9558	100.00	3,192	125		2024

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Scania Leasing d.o.o., Ljubljana	EUR		100.00	9,198	39		2024
Scania Leasing Österreich GmbH, Brunn am Gebirge	EUR		100.00	16	1		2024
Scania Leasing RS d.o.o., Krnješevci	RSD	117.3000	100.00	316,785	84,610		2024
Scania Lizing Kft., Biatorbágy	HUF	384.7200	100.00	531,096	-101,451		2024
Scania Locacao Ltda., São Bernardo do Campo	BRL	6.4350	100.00	11,139	1,320		2024
Scania Logistics Netherlands B.V., Zwolle	EUR		100.00	6,936	2,891		2024
Scania Luxembourg S.A., Munsbach	EUR		100.00	-	841		2019
Scania Makedonija d.o.o.e.l., Ilinden	MKD	61.5750	100.00	20,504	6,891		2024
Scania Manufacturing (Thailand) Co., Ltd., in liquidation, Bangkok	THB	37.1397	100.00	105,289	-	10)	2024
Scania Maroc S.A., Casablanca	MAD	10.7107	100.00	132,261	63,082		2024
Scania Middle East FZE, Dubai	AED	4.3144	100.00	35,319	25,732		2024
Scania Moçambique, S.A., Beira	MZN	75.0700	100.00	-4,500	-7,109	10)	2024
Scania Namibia (Pty) Ltd., Windhoek	NAD	19.4407	100.00	48,065	22,367		2024
Scania Nederland B.V., Breda	EUR		100.00	101,864	49,229		2024
Scania New Zealand Ltd., Wellington	NZD	2.0363	100.00	50,705	7,656		2024
Scania Omni AB, Södertälje	SEK	10.7997	100.00	2,400	-	3)	2024
Scania Österreich Ges.m.b.H., Brunn am Gebirge	EUR		100.00	32	28		2024
Scania Overseas AB, Södertälje	SEK	10.7997	100.00	67,327	-4,307		2024
Scania Parts Center (Jiangsu) Co., Ltd, Rugao	CNY	8.2249	100.00	-	-	1), 5)	2025
Scania Polska S.A., Nadarzyn	PLN	4.2193	100.00	361,350	246,891		2024
Scania Portugal, Unipessoal Lda., Vialonga	EUR		100.00	18	10		2024
Scania Production (China) Co., Ltd., Rugao	CNY	8.2249	100.00	941,143	22,177		2024
Scania Production Angers S.A.S., Angers	EUR		100.00	29,053	3,683		2024
Scania Production Meppel B.V., Meppel	EUR		100.00	34,059	3,270		2024
Scania Production Slupsk S.A., Slupsk	PLN	4.2193	100.00	63,225	5,757		2024
Scania Production Zwolle B.V., Zwolle	EUR		100.00	59,004	9,445		2024
Scania Properties Ltd., Milton Keynes	GBP	0.8731	100.00	501	-	3)	2024
Scania Real Estate (UK) Ltd., Milton Keynes	GBP	0.8731	100.00	9,757	311		2024
Scania Real Estate Belgium N.V., Neder-Over-Heembeek	EUR		100.00	2,727	552		2024
Scania Real Estate Bulgaria EOOD, Sofia	BGN	1.9560	100.00	-	-		2024
Scania Real Estate Czech Republic s.r.o., Prague	CZK	24.1990	100.00	140,378	19,950		2024
Scania Real Estate Finland Oy, Helsinki	EUR		100.00	20,595	1,656	6)	2024
Scania Real Estate France S.A.S., Angers	EUR		100.00	6	-96		2024

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Scania Real Estate Hispania S.L., San Fernando de Henares	EUR		100.00	1,824	137		2024
Scania Real Estate Holding Luxembourg S.à.r.l., Munsbach	EUR		100.00	5,724	-13		2023
Scania Real Estate Hungaria Kft., Biatorbágy	HUF	384.7200	100.00	1,103,534	140,537		2024
Scania Real Estate Kenya Ltd., Nairobi	KES	151.5450	100.00	-52,259	391,218		2024
Scania Real Estate New Zealand Limited, Auckland	NZD	2.0363	100.00	-	-	1)	2023
Scania Real Estate Österreich GmbH, Brunn am Gebirge	EUR		100.00	10	1		2024
Scania Real Estate Polska Sp. z o.o., Nadarzyn	PLN	4.2193	100.00	164,177	12,449		2024
Scania Real Estate Romania S.R.L., Ciorogârla	RON	5.0974	100.00	11,735	1,729		2024
Scania Real Estate Schweiz AG, Kloten	CHF	0.9309	100.00	6,258	1,768		2024
Scania Real Estate Services AB, Södertälje	SEK	10.7997	100.00	1,235,869	23,039		2024
Scania Real Estate Slovakia s.r.o., Senec	EUR		100.00	12,216	741		2024
Scania Real Estate The Netherlands B.V., Breda	EUR		100.00	8,118	1,033		2024
Scania Rent Romania S.R.L., Ciorogârla	RON	5.0974	100.00	22,297	4,775		2024
Scania Research & Development (Jiangsu) Co., Ltd., Rugao	CNY	8.2249	100.00	3,922	-6,078	1)	2024
Scania Romania S.R.L., Ciorogârla	RON	5.0974	100.00	98,962	48,399		2024
Scania Sales (China) Co., Ltd., Beijing	CNY	8.2249	100.00	114,300	-1,254		2024
Scania Sales and Service (Guangzhou) Co., Ltd., in liquidation, Guangzhou	CNY	8.2249	100.00	-52,647	-5,178	10)	2024
Scania Sales and Services AB, Södertälje	SEK	10.7997	100.00	19,957,943	4,767,625		2024
Scania Schweiz AG, Kloten	CHF	0.9309	100.00	41,038	37,118		2024
Scania Senegal S.U.A.R.L., Dakar	XOF	655.9570	100.00	89,404	6,107		2024
Scania Services del Perú S.A., Lima	PEN	3.9512	100.00	115,857	26,727		2024
Scania Servicii Asigurari S.R.L., Ciorogârla	RON	5.0974	100.00	2,209	-159		2024
Scania Servicios, S.A. de C.V., El Marqués	MXN	21.1008	100.00	91	-37		2024
Scania Siam Co. Ltd., Bangkok	THB	37.1397	99.99	485,587	8,489		2024
Scania Siam Leasing Co. Ltd., Bangkok	THB	37.1397	100.00	477,896	273		2024
Scania Singapore Pte. Ltd., Singapore	SGD	1.5101	100.00	9,626	5,144		2024
Scania Slovakia s.r.o., Senec	EUR		100.00	27,533	6,724		2024
Scania Slovenija d.o.o., Ljubljana	EUR		100.00	11,039	6,108		2024
Scania South Africa (Pty) Ltd., Aeroton	ZAR	19.4404	100.00	993,653	519,438		2024
Scania Srbija d.o.o., Krnješevci	RSD	117.3000	100.00	794,059	392,132		2024
Scania Sumistradora de Flota Tres SpA, Santiago de Chile	CLP	1,057.7150	100.00	-	-	11)	2024
Scania Sumistradora de Flota Uno SpA, Santiago de Chile	CLP	1,057.7150	100.00	-	-	11)	2024
Scania Suomi Oy, Helsinki	EUR		100.00	34	20		2024

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Scania Sverige AB, Södertälje	SEK	10.7997	100.00	90	-29		2024
Scania Sverige Bussar AB, Södertälje	SEK	10.7997	100.00	42,966	-	3)	2024
Scania Tanzania Ltd., Dar es Salaam	TZS	2,889.8850	100.00	14,990,000	6,059,370		2024
Scania Thailand Co. Ltd., Bangkok	THB	37.1397	99.99	4,400	53,193		2024
Scania Transportlaboratorium AB, Södertälje	SEK	10.7997	100.00	3,398	186		2024
Scania Treasury AB, Södertälje	SEK	10.7997	100.00	53,625	1,564		2024
Scania Trucks & Buses AB, Södertälje	SEK	10.7997	100.00	8,655	2,510		2024
Scania USA Inc., San Antonio, Texas	USD	1.1748	100.00	11,432	2,990		2024
Scania West Africa Ltd., Accra	GHS	12.3349	100.00	-9,381	-5,925		2022
Scania-Kringlan AB, Södertälje	SEK	10.7997	100.00	6,000	-	3)	2024
Scanlink Ltd., Milton Keynes	GBP	0.8731	100.00	1,956	-	3)	2023
Scantruck Ltd., Milton Keynes	GBP	0.8731	100.00	1,671	-	3)	2024
Shanghai Tedatong Heavy Duty Truck Sales Co., Ltd, Shanghai	CNY	8.2249	100.00	-2,417	-2,417	1)	2024
Sinopress Wuxi Auto Parts Co., Ltd, Wuxi	CNY	8.2249	100.00	-	-	1)	2024
SLA Treasury Spain S.L., Barcelona	BRL	6.4350	100.00	16,328,339	4,290,613		2024
Södertälje Bilkredit AB, Södertälje	SEK	10.7997	100.00	100	-	3)	2024
Southway Scania Ltd., Milton Keynes	GBP	0.8731	100.00	1,170	-	3)	2024
SST Sustainable Transport Solutions India Pvt. Ltd., Nagpur	INR	105.5645	99.99	24,027	-602		2024
Tachy Experts S.A.S., Angers	EUR		100.00	481	127		2024
TFS Brasil Holding Ltda., São Paulo	BRL	6.4350	100.00	233,673	-463		2023
TFS Holding Austria GmbH, Brunn am Gebirge	EUR		100.00	46,020	-13		2024
TFS Servicos Brasil Ltda, São Paulo	BRL	6.4350	100.00	-	-	1)	2024
TOV MAN Truck & Bus Ukraine, Kyiv	UAH	49.6877	100.00	895,636	343,955		2024
TOV Scania Credit Ukraine, Kyiv	UAH	49.6877	100.00	570,637	143,874		2024
TOV Scania Ukraine, Kyiv	EUR		100.00	594	306		2024
TOV Scania Ukraine Real Estate, Kyiv	UAH	49.6877	100.00	32,654	-370	6)	2024
Transproteccion Agente de Seguros S.A. de C.V., Mexico City	MXN	21.1008	100.00	155,130	43,646		2024
TRATON AB, Södertälje	SEK	10.7997	100.00	-395,560	-203,014		2024
TRATON Finance Luxembourg S.A., Strassen	EUR		100.00	1,323,997	169,428		2024
TRATON Financial Services Aktiebolag, Södertälje	SEK	10.7997	100.00	8,469,926	14,850		2024
TRATON Financial Services Czech Republic spol. s r.o., Prague	CZK	24.1990	100.00	532,951	123,264		2024
Traton Financial Services France S.A.S., Angers	EUR		100.00	69,806	4,311		2024
TRATON Financial Services Holding Mexico S de RL de CV, Herndon, Virginia	USD	1.1748	100.00	20,087	-		2024

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TRATON Financial Services Iberica EFC SAU, San Fernando de Henares	EUR		100.00	52,710	1,097		2024
Traton Financial Services Ireland Ltd., Dublin	EUR		100.00	13,921	697		2024
Traton Financial Services Italy S.p.A., Milan	EUR		100.00	66,142	5,201		2024
Traton Financial Services Korea Co., Ltd., Chung-Ang	KRW	1,695.3050	100.00	94,843,587	5,426,684		2024
TRATON Financial Services Mexico S.A. de C.V., SOFOM, E.R., Mexico City	MXN	21.1008	100.00	5,208,798	922,999		2024
TRATON Finans AB, Södertälje	SEK	10.7997	100.00	3,055,666	223,777		2024
TRATON International S.A., Strassen	EUR		100.00	22,778,634	95,745		2024
Traton Mobility Services France S.A.S., Angers	EUR		100.00	7,131	628		2024
Traton Mobility Services Portugal S.A., Vialonga	EUR		100.00	9,495	313		2024
TRATON R&D US, LLC, Lisle, Illinois	USD	1.1748	100.00	–	–	1)	2024
TRATON Sweden AB, Södertälje	EUR		100.00	16,585,112	517,861		2024
TRATON Treasury AB, Södertälje	SEK	10.7997	100.00	25	–252		2024
TRATON US, LLC, Pompano Beach, Florida	EUR		100.00	1,363,543	–57,313		2024
Truckeast Holdings Limited, Milton Keynes	GBP	0.8731	100.00	–	–	4)	2025
TruckEast Limited, Milton Keynes	GBP	0.8731	100.00	–	–	4)	2025
Trucknology Italy SPV S.r.l., Conegliano	EUR		–	–	–	7)	2025
UAB Scania Lietuva, Vilnius	EUR		100.00	17,033	8,410		2024
Union Trucks Ltd., Milton Keynes	GBP	0.8731	100.00	573	–	3)	2024
Vabis Bilverksstad AB, Södertälje	SEK	10.7997	100.00	101	–	3)	2024
Vabis Försäkringsaktiebolag, Södertälje	SEK	10.7997	100.00	135,680	7,001	8)	2024
Volkswagen Truck & Bus Indústria e Comércio de Veículos Ltda., São Paulo	BRL	6.4350	100.00	3,772,407	–1,203,195		2024
Volkswagen Truck & Bus México S.A. de C.V., El Marqués	MXN	21.1008	100.00	568,222	–82,347		2024
Westrucks Ltd., Milton Keynes	GBP	0.8731	100.00	336	–	3)	2024
B. Unconsolidated companies							
I. Germany							
LoadFox Transport Solutions GmbH, Munich	EUR		100.00	296	–	2)	2025
MAN Brand Management GmbH, Grünwald	EUR		100.00	25	–	2)	2025
MAN Catering & Personal Services GmbH, Munich	EUR		100.00	25	–	2)	2025
MAN Grundstücksgesellschaft mbH & Co. Gamma KG, Munich	EUR		100.00	1,540	84		2024
MAN HR Services GmbH, Munich	EUR		100.00	1,550		2)	2025
MAN-Unterstützungskasse GmbH, Munich	EUR		100.00	337	–5		2024

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Ortan Verwaltung GmbH & Co. Objekt Karlsfeld KG, Pullach i. Isartal	EUR		100.00	1,598	676		2024
TRATON Beteiligungsverwaltungs GmbH, Munich	EUR		100.00	25	–	2)	2025
TRATON Group Management GmbH, Munich	EUR		100.00	25	–	2)	2024
Unterstützungseinrichtung VGW GmbH, Munich	EUR		100.00	63	12		2024
2. Other countries							
Bellwether Forest Products, LLC, Camden, South Carolina	USD	1.1748	100.00	–	–	11)	2024
ERF Ltd., Swindon	GBP	0.8731	100.00	–	–	3)	2024
European Circularity Group AB, Stockholm	SEK	10.7997	100.00	–	–	1), 5)	2025
HRVS Group Ltd., in liquidation, Belper	GBP	0.8731	100.00	–	–	3), 10)	2024
International Motors SLP, S. de R.L. de C.V., San Luis Potosí	MXN	21.1008	100.00	–	–	1), 5)	2025
Lauken S.A., Montevideo	UYU	45.9975	100.00	–	–	3), 10)	2023
MAN Financial Services Administrators (S.A.) (Pty) Ltd., in liquidation, Isando	ZAR	19.4404	100.00	–	–	3), 10)	2024
MAN Truck & Bus Asia Pacific Co. Ltd., in liquidation, Bangkok	THB	37.1397	99.99	14,000	–110	10)	2024
MAN Truck & Bus India Pvt. Ltd., Pune	INR	105.5645	99.99	1,353,950	540,130		2024
MAN Truck and Bus Hong Kong Ltd., Hong Kong	HKD	9.1446	100.00	8,500	16		2024
OOO MAN Truck & Bus Production RUS, in liquidation, St. Petersburg	RUB	93.6394	100.00	282,364	–69,597	3), 10)	2024
Rio Soluções Digitais Ltda., São Paulo	BRL	6.4350	100.00	3	1		2024
Scania de Venezuela S.A., Valencia	VES	353.5929	100.00	41,705,381	–11,493,143		2024
Scania-MAN Administration ApS, Copenhagen	DKK	7.4689	100.00	838	530		2024
TRATON Charging Solutions AB, Södertälje	EUR		100.00	1,293	42		2024
TRATON R&D BRAZIL LTDA., São Paulo	BRL	6.4350	100.00	–	–	1), 5)	2025
Volkswagen Caminhões e Ônibus Comércio e Serviços Ltda., Limeira	BRL	6.4350	100.00	20,187	–989		2024

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III. JOINT VENTURES							
A. Equity-accounted companies							
1. Germany							
2. Other countries							
Commercial Vehicle Charging Europe B.V, Amsterdam	EUR		33.33	165,126	-53,740		2024
Cummins-Scania XPI Manufacturing, LLC, Columbus, Indiana	USD	1.1748	50.00	-164,272	2,258		2024
MAN Financial Services (SA) (RF) (Pty) Ltd., Johannesburg	ZAR	19.4404	50.00	409,967	67,080	13)	2024
Oppland Tungbilservice A/S, Fagernes	NOK	11.8169	50.00	5,701	2,495		2024
Tynset Diesel A/S, Tynset	NOK	11.8169	50.00	7,473	420		2024
B. Companies accounted for at cost							
1. Germany							
HINO & TRATON Global Procurement GmbH, in liquidation, Munich	EUR		51.00	498	11	10)	2023
2. Other countries							
AMEXCI AB, Karlskoga	SEK	10.7997	13.56	285,493	-39,798		2024
IV. ASSOCIATES							
A. Equity-accounted associates							
1. Germany							
bex technologies GmbH, Stuttgart	EUR		46.24	1,914	-4,454		2024
Rheinmetall MAN Military Vehicles GmbH, Munich	EUR		49.00	204	167		2024
Scantinel Photonics GmbH, Ulm	EUR		49.19	22,423	8,700		2024
sennder Technologies GmbH, Berlin	EUR		16.92	340,242	-76,240		2024
vialytics GmbH, Stuttgart	EUR		20.56	55	-7,307		2024
2. Other countries							
BITS DATA i Södertälje AB, Södertälje	SEK	10.7997	33.00	13,363	-4,869		2024
ScaValencia, S.A., Ribarroja del Turia	EUR		26.00	16,036	2,739		2024
Sinotruk (Hong Kong) Ltd., Hong Kong	CNY	8.2249	25.24	49,152,400	-6,688,275	12), 13)	2024
UZ Truck and Bus Motors, LLC, Samarkand	UZS	14,102.1800	32.89	327,265	25,745		2024

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Name and domicile of the company	Currency	Exchange rate (1 euro =) 12/31/2025	Equity interest in %	Equity in thousands Local currency	Equity in thousands Local currency	Footnote	Year
B. Associates accounted for at cost							
1. Germany							
Juna Technologies GmbH, Berlin	EUR		49.00	4,156	-1,798	1)	2024
2. Other countries							
Corebon AB, Arlöv	SEK	10.7997	35.50	83,210	-7,007		2024
Innokraft AB, Sundsvall	SEK	10.7997	46.00	432	-7		2024
Magnum Power Products, LLC, Franklin, Indiana	USD	1.1748	30.00	43,874	129		2024
Maudlin International Parts and Services of Palm Bay, LLC, Lisle, Illinois	USD	1.1748	49.00	2	-68		2023
Parcelly Limited, London	GBP	0.8731	33.40	1,011	-596		2024
Roboyo Group Limited, London	GBP	0.8731	13.05	30,558	-30,098		2023
SIB Solutions AB, Lund	SEK	10.7997	20.70	12,785	-43,280		2024
Södertälje Science Park AB, Södertälje	SEK	10.7997	25.00	416	-4,145		2024
V. EQUITY INVESTMENTS							
1. Germany							
Black Semiconductor GmbH, Aachen	EUR		5.48	22,724	-4,947		2024
Car2Car Communication Consortium GbR, Braunschweig	EUR		7.40	712	45		2024
Cycle Mobility Holding GmbH, Berlin	EUR		17.65	-	-		2023
FFK Fahrzeugservice Förtsch GmbH Kronach, Kronach	EUR		30.00	1,540	163		2024
Grundstücksgesellschaft Schlossplatz 1 mbH & Co. KG, Berlin	EUR		8.16	1,187	828		2024
Pionix GmbH, Bad Schönborn	EUR		16.94	-	-	4)	2025
Roland Holding GmbH, Munich	EUR		22.83	-15,375	4,011		2024
Verwaltungsgesellschaft Wasseralfingen mbH, Aalen	EUR		50.00	14,939	-438		2024
2. Other countries							
Combient AB, Stockholm	SEK	10.7997	4.65	523,739	398,307		2024
CreateAI Holdings Inc., San Diego, California	USD	1.1748	7.41	372	-354		2024
Doral Tech SI, Limited Partnership, Ramat-Gan	ILS	3.7461	100.00	-	-		2024
Lindholmen Science Park Aktiebolag, Gothenburg	SEK	10.7997	8.98	11,424	-9,109		2024
Maghreb Truck Industry S.p.A., Sidi M'Hamed	DZD	152.2101	10.00	128,318	-1,618		2024
Neutreeno Limited, Cambridge	GBP		2.23	8,113	-23,135		2024
Northvolt AB, Stockholm	SEK	10.7997	0.94	32,754,748	-4,348,756	3)	2024
Nyobolt Ltd, Cambridge	GBP	0.8731	0.39	-	-	4)	2025

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Name and domicile of the company	Currency	Exchange rate (1 euro =) 12/31/2025	Equity interest in %	Equity in thousands Local currency	Equity in thousands Local currency	Footnote	Year
OneH2, Inc., Hickory, North Carolina	USD	1.1748	5.13	83,772	337		2023
Shenzhen Haylion Technologies Co. Ltd., Shenzhen	CNY	8.2249	2.00	69,052	3,030		2024
SI Orion Limited Partnership, Jerusalem	ILS	3.7461	100.00	–	–	1)	2024
Stegra AB, Stockholm	SEK	10.7997	2.02	17,713,957	–1,913,390	12)	2024
TII Fund Enabler 1 AB, Stockholm	SEK	10.7997	23.59	–	–	1), 4)	2025

1 Short fiscal year

2 Profit and loss transfer agreement

3 Currently not trading

4 Newly acquired company

5 Newly established company/spin-off

6 Transformation in accordance with §1 Transformation Act (UmwG)

7 Structured company in accordance with IFRS 10 and IFRS 12

8 Different fiscal year

9 Newly acquired company/newly established company/spin-off in the previous year

10 In liquidation

11 Figures included in the consolidated financial statements of the parent company

12 Consolidated financial statements

13 Figures in accordance with IFRS

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RESPONSIBILITY STATEMENT AND INDEPENDENT AUDITOR’S REPORTS

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the Combined Management Report includes a fair review of the development and performance of the business and the position of the TRATON GROUP, together with a description of the material opportunities and risks associated with the expected development of the TRATON GROUP.

Munich, February 11, 2026

TRATON SE

The Executive Board

Christian Levin

Dr. Michael Jackstein

Catharina Modahl Nilsson

Niklas Klingenberg

Alexander Vlaskamp

Mathias Carlbaum

Antonio Roberto Cortes

Independent auditor's report

To TRATON SE

Report on the audit of the consolidated financial statements and of the group management report

Opinions

We have audited the consolidated financial statements of TRATON SE, Munich, and its subsidiaries (the Group or TRATON GROUP), which comprise the income statement and statement of comprehensive income for the fiscal year from January 1 to December 31, 2025 and the balance sheet as at December 31, 2025, statement of changes in equity and statement of cash flows for the fiscal year from January 1 to December 31, 2025, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of TRATON SE, which is combined with the Company's management report ("group management report"), for the fiscal year from January 1 to December 31, 2025. In accordance with the German legal requirements, we have not audited the content of the parts of the group management report listed in the appendix to the auditor's report and the company information stated therein that is provided outside the annual report and is referenced in the group management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) (IFRS Accounting Standards) and adopted by the EU, and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB ["Handelsgesetzbuch": German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at December 31, 2025 and of its financial performance for the fiscal year from January 1 to December 31, 2025, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. We do not express an opinion on the parts of the group management report listed in the appendix to the auditor's report.

Pursuant to Sec. 322 (3) Sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Sec. 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report" section of our auditor's report. We are independent of the Group entities in accordance with the requirements of European law and

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German commercial and professional law as well as the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other German professional responsibilities in accordance with these requirements and the ISEBA Code. In addition, in accordance with Art. 10 (2) f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the group management report.

Key audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the fiscal year from January 1 to December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matters:

Recoverability of goodwill

Reasons why the matter was determined to be a key audit matter

The result of the impairment testing of goodwill is highly dependent on the executive directors' estimate of future cash flows and which discount rates they use. The recoverable amount of the cash-generating units is calculated on the basis of their value in use, applying discounted cash flow models.

The ongoing transformation of the core business toward electromobility, the transition to autonomous vehicles, growing environmental regulation and geopolitical developments lead to uncertainties that have to be factored into the estimation of market shares and margins for electric vehicles and the long-term growth rates. There is also currently a delay in the rollout of electromobility. These estimates by the executive directors are subject to risk and may be revised in response to changes in environmental regulation and market conditions.

In addition, the executive directors have scope for judgment in determining the cash-generating units for impairment testing, in determining the discount rates used and the long-term growth rates assumed.

In view of the foregoing, the materiality of goodwill in relation to total assets, the complexity of its valuation and the judgment exercised during valuation, the impairment testing of goodwill was a key audit matter.

Auditor's response

As part of our audit procedures, we discussed with management and assessed the identification of cash-generating units and the allocation of assets and liabilities to the respective cash-generating units on the basis of the internal reporting structure and the corresponding provisions of IAS 36.

We analyzed the planning process established in the TRATON GROUP and tested the operating effectiveness of the controls implemented therein. As a starting point, we compared the five-year operational plan of the TRATON GROUP and of the cash-generating units prepared by the executive directors and

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acknowledged by the Supervisory Board with the forecast figures in the underlying impairment tests. We discussed the key planning assumptions with the executive directors and compared them with past earnings and cash inflows to assess the planning accuracy. We based plausibility testing of the inputs for the impairment tests among other things on a comparison with general and industry-specific market expectations underlying the expected cash inflows. We also investigated the expectations regarding the development of market shares for battery-electric vehicles, the effects on the planned investments and their indirect effects on the long-term cash inflows expected by the executive directors.

We assessed the underlying valuation models for the determination of values in use calculated using the discounted cash flow model in terms of methodology and reperformed the calculations with the assistance of internal valuation specialists.

We discussed the operational planning prepared by the executive directors in terms of the assumptions regarding the development of sales markets, production costs, margins and growth rates applied with the employees responsible for planning and compared it with external information, particularly with market studies.

Furthermore, we discussed and assessed the planning assumptions regarding the effects of climate change and the associated expansion of electromobility, particularly the existing uncertainties related to the estimation of market shares for electric vehicles and margins as well as long-term growth rates used for the planning.

With respect to the rollforward from the medium-term plan to the long-term forecast, we assessed the plausibility of the assumed growth rates by comparing them with observable data. To assess the discount rates and growth rates applied, we analyzed the inputs used to determine them on the basis of publicly available information and obtained an understanding of the methods used with regard to the relevant requirements of IAS 36. We assessed the derivation of the capitalization rates, in particular by evaluating the composition of the peer groups used to determine the beta factors and comparing the country-specific parameters used by the TRATON GROUP on the current development of interest rates, market risk premiums and growth rates. We consulted internal experts as part of this assessment.

We assessed the sensitivity analyses performed by the Company and performed our own in order to estimate any potential impairment risk associated with a reasonably possible change in one of the significant assumptions.

Our audit procedures did not lead to any reservations relating to the assessment of impairment testing of goodwill.

Reference to related disclosures

The Company's disclosures regarding the relevant accounting principles for the recognition and measurement of goodwill are contained in sections "Estimates and management's judgment" and "8. Goodwill and impairment losses on assets" of the notes to the financial statements.

Capitalization and recoverability of development costs

Reasons why the matter was determined to be a key audit matter

Key criteria for capitalizing development costs are the ability to implement the development projects (including their technical feasibility, the intention to complete them and the ability to use them) as well as the realization of an expected future economic benefit. The complexity of research and development projects is mounting in view of the technological transformation of the TRATON GROUP and the resulting new development areas (including high investments in electromobility and autonomous driving). Assessments of project feasibility are playing an ever greater role in this connection and entail the use of considerable judgment.

Where capitalized development costs are not yet subject to amortization, they must be tested for impairment as part of the related cash-generating unit or, for corporate assets, as carrying amounts allocated to the individual cash-generating units on a proportionate basis, at least annually at the level of the brands defined as cash-generating units. The assumption of realizing future economic benefits and the result of testing the recoverability of capitalized development costs during the analyses and impairment tests performed are highly dependent on the executive directors' estimate of future cash flows and which discount rates they use. The recoverable amount of the cash-generating units is calculated on the basis of their value in use, applying discounted cash flow models.

The ongoing transformation of the core business toward electromobility and digitalization as well as growing environmental regulation lead to uncertainties that have to be factored into the estimation of market shares and margins for electric vehicles and the long-term growth rates. There is also currently a delay in the rollout of electromobility. These estimates by the executive directors are subject to risk and may be revised in response to changes in environmental regulation and market conditions.

In addition, the executive directors have scope for judgment in determining the cash-generating units for impairment testing, in determining the discount rates used and the long-term growth rates assumed.

In light of the foregoing, the materiality of the capitalized development costs in relation to total assets, the total amount of research and development costs and the judgment exercised in the assessment of eligibility for capitalization and the valuation process, the capitalization of development costs and the impairment test were a key audit matter.

Auditor's response

During our audit, we examined the process for identifying the research and development costs, particularly with reference to the criteria for capitalization. In this connection, we carried out analytical audit procedures such as comparisons of project budgets and capitalization rates, inspected documentation on project feasibility and tested the capitalized costs on a sample basis. We also assessed the future economic benefit criterion for capitalization based on the assumptions regarding the cash inflows of the cash-generating unit to which the capitalized development work is allocated. We also obtained an understanding of the executive directors' estimate regarding changes in the useful lives applied and indicators for changes in value of individual projects.

Moreover, we discussed with management and assessed the identification of cash-generating units and the allocation of capitalized development costs to the respective cash-generating unit on the basis of the internal reporting structure and the corresponding provisions of IAS 36.

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We analyzed the planning process established in the TRATON GROUP and tested the operating effectiveness of the controls implemented therein. As a starting point, we compared the five-year operational plan of the TRATON GROUP and of the cash-generating units prepared by the executive directors and acknowledged by the Supervisory Board with the forecast figures in the underlying impairment tests. We discussed the key planning assumptions with the executive directors and compared them with past earnings and cash inflows to assess the planning accuracy. We based plausibility testing of the inputs for the impairment tests among other things on a comparison with general and industry-specific market expectations underlying the expected cash inflows. We also investigated the expectations regarding the development of market shares for battery-electric vehicles, the effects on the planned investments and their indirect effects on the long-term cash inflows expected by the executive directors.

We assessed the underlying valuation models for the determination of values in use calculated using the discounted cash flow model in terms of methodology and reperformed the calculations with the assistance of internal valuation specialists.

We discussed the operational planning prepared by the executive directors in terms of the assumptions regarding the development of sales markets, production costs and margins with the employees responsible for planning and compared it with external information, particularly with market studies.

Furthermore, we discussed and assessed the planning assumptions regarding the effects of climate change and the associated expansion of electromobility, particularly the existing uncertainties related to the estimation of market shares for electric vehicles and margins as well as long-term growth rates used for the planning.

With respect to the rollforward from the medium-term plan to the long-term forecast, we assessed the plausibility of the assumed growth rates by comparing them with observable data. To assess the discount rates and growth rates applied, we analyzed the inputs used to determine them on the basis of publicly available information and obtained an understanding of the methods used with regard to the relevant requirements of IAS 36.

We assessed the derivation of the capitalization rates, in particular by evaluating the composition of the peer groups used to determine the beta factors and comparing the country-specific parameters used by the TRATON GROUP on the current development of interest rates, market risk premiums and growth rates. We consulted internal experts as part of this assessment. We assessed the sensitivity analyses performed by the Company and performed our own in order to estimate any potential impairment risk associated with a reasonably possible change in one of the significant assumptions.

Our procedures did not lead to any reservations relating to the recognition and recoverability of the capitalized development costs.

Reference to related disclosures

The Company's disclosures regarding the relevant accounting principles for the recognition and measurement of development costs are contained in sections "Estimates and management's judgment" and "9. Intangible assets" of the notes to the financial statements.

Completeness and measurement of provisions for warranty obligations

Reasons why the matter was determined to be a key audit matter

Obligations for warranty claims are calculated on the basis of estimated warranty costs and remediation expenditure. Where unusual individual technical risks are anticipated, an individual assessment is made whether and, if so, to what extent measures are required to remediate them and provisions need to be recognized.

In light of the amount of the provisions and the judgment exercised during valuation, the completeness and measurement of provisions for warranty obligations was a key audit matter.

Auditor's response

With regard to the accounting for the provisions for warranty obligations, we examined the underlying processes for recording previous claims, calculating and valuing the estimated future warranty costs and recognizing the provisions, and tested controls in some areas.

In light of the uncertainty in relation to the estimated future warranty costs, we assessed the underlying valuation assumptions, especially the expected claim rate per vehicle and the cost thereof, using analyses of historical data. Where there was a lack of past experience, we obtained an understanding of the assumptions made by the executive directors and tested their plausibility using historical data for comparable items. Using the calculation bases derived from these historical data, we checked the estimated costs for expected claims per vehicle. To assess the completeness of the provisions, we also reconciled the number of sold vehicles used to recognize the provision with the sales volumes. We obtained an understanding of the method used for calculating the provisions, including the discounting, and reperformed the calculations.

For significant individual technical risks, we assessed the expected incidence of technical faults and the calculation of expected costs per claim/vehicle using documentation on previous claims, inspecting resolutions passed by technical committees and holding discussions with the departments responsible.

Our audit procedures did not lead to any reservations relating to the completeness and valuation of provisions for warranty obligations.

Reference to related disclosures

The Company's disclosures regarding the recognition and measurement of provisions for warranty obligations are contained in section "25. Other provisions" of the notes to the financial statements.

Accounting treatment of risks in connection with the EU antitrust proceedings

Reasons why the matter was determined to be a key audit matter

In 2011, the European Commission initiated fine proceedings on suspicion of breaches of European antitrust law in the European truck sector. By decision dated 19 July 2016, the fine proceedings against MAN and four other European truck manufacturers (with the exception of Scania) were concluded in a final and unappealable settlement. While the other four truck manufacturers were fined, MAN's fine was waived under the leniency program. Scania was fined approximately EUR 880.5m in a decision by the European Commission on 27 September 2017. The fine plus interest was paid in full in fiscal year 2022.

Following the fine decision, a significant number of customers in various jurisdictions initiated or joined lawsuits against MAN and/or Scania, claiming damages for potentially excessive prices. The claims differ significantly in scope. Furthermore, some truck customer damages claims have been combined in class actions or through claim aggregators to which the truck customers assigned their respective damages claims.

As part of our audit, we determined this to be a key audit matter because the risk assessment and the amount of the provision to cover the aforementioned risks from civil proceedings are subject to a high level of uncertainty and are influenced by estimates and assumptions made by the executive directors with regard to the outcome of the proceedings.

Auditor's response

As part of our audit procedures, we obtained an understanding of the process installed by the Group to deal with the facts of the civil lawsuits. We discussed with the executive directors and the Company's legal department the estimates and assumptions made by the executive directors in connection with the current development and the reasons underlying these estimates and assumptions, and assessed them with the involvement of internal experts for antitrust law.

We also discussed the development in the various countries arising from new judgments or additional claims with the executive directors and internal and external lawyers. In addition, we obtained quarterly confirmations from external lawyers and addressed the significant topics and developments in discussions with the external lawyers. The significant results of various economic reports (party reports, court reports) were also explained to us in this context. For the discussions with the Company and the external lawyers, we also consulted relevant publications in the specialist literature and other sources such as databases.

Where provisions were recognized and contingent liabilities disclosed for individual cases or in some countries, we reperformed the calculations and checked the underlying assumptions against the confirmations from external lawyers and the corresponding settlement agreements.

Our audit procedures did not lead to any reservations relating to the accounting treatment of the provision for civil law risks from EU antitrust proceedings.

Reference to related disclosures

The Company's disclosures regarding the accounting treatment of risks in connection with the EU antitrust proceedings are contained in sections "25. Other provisions" and 32. Litigation/legal proceedings of the notes to the financial statements.

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Other information

The Supervisory Board is responsible for the Report of the Supervisory Board in the 2025 Annual Report. The executive directors and the Supervisory Board are responsible for the declaration pursuant to Sec. 161 AktG ["Aktengesetz": German Stock Corporation Act] on the German Corporate Governance Code, which is part of the Corporate Governance Statement, and for the Remuneration Report pursuant to Sec. 162 AktG. In all other respects, the executive directors are responsible for the other information. The other information comprises the parts of the annual report listed in the appendix.

Our opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the executive directors and the Supervisory Board for the consolidated financial statements and the group management report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

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Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control and of such arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB.

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- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the work performed for the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the assurance on the electronic rendering of the consolidated financial statements and the group management report prepared for publication purposes in accordance with Sec. 317 (3a) HGB

Opinion

We have performed assurance work in accordance with Sec. 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the file TRATON_SE_KA_ZLB_ESEF_2025-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the file identified above and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinions on the accompanying consolidated financial statements and the accompanying group management report for the

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fiscal year from January 1 to December 31, 2025 contained in the “Report on the audit of the consolidated financial statements and of the group management report” above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the file identified above in accordance with Sec. 317 (3a) HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Sec. 317 (3a) HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the “Group auditor’s responsibilities for the assurance work on the ESEF documents” section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the executive directors and the Supervisory Board for the ESEF documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with Sec. 328 (1) Sentence 4 No. 1 HGB and for the tagging of the consolidated financial statements in accordance with Sec. 328 (1) Sentence 4 No. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group auditor’s responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.

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- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Arts. 4 and 6 of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further information pursuant to Art. 10 of the EU Audit Regulation

We were elected as group auditor by the Annual General Meeting on 14 May 2025. We were engaged by the Supervisory Board on 21 July 2025. We have been the group auditor of TRATON SE without interruption since fiscal year 2020.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

In addition to the financial statement audit, we have provided to Group entities the following services that are not disclosed individually in the consolidated financial statements or in the group management report:

- Issuance of comfort letters for TRATON SE in connection with the EUR 18b European Medium Term Notes (EMTN) Program
- Audit of the remuneration report in accordance with Sec. 162 AktG
- Voluntary audits or reviews of annual financial statements
- GRI 207 – TRATON Tax Transparency Report: voluntary assurance engagement on the income tax-related sustainability reporting
- Limited assurance engagement on the EU Taxonomy disclosures
- Training on the topic of “Regulatory ESG update” for the Supervisory Board
- Project-based analysis of CSRD readiness and EU Taxonomy readiness
- EMIR assurance engagement pursuant to Sec. 20 WpHG [“Wertpapierhandelsgesetz”: German Securities Trading Act]
- Services in connection with enforcement procedures

Other matter – use of the auditor's report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be published in the Unternehmensregister [German Company Register] – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Steffen Maurer.

Appendix to the auditor's report:*1. Parts of the group management report whose content is unaudited*

We have not audited the content of the following parts of the group management report:

- The Corporate Governance Statement contained in the section “Supplemental Information on Fiscal Year 2025” of the group management report
- The EU Taxonomy disclosures contained in the section “Nonfinancial Group Statement” of the group management report

Furthermore, we have not audited the content of the following disclosures extraneous to management reports. Disclosures extraneous to management reports are such disclosures that are not required pursuant to Secs. 315, 315a HGB or Secs. 315b to 315d HGB or GAS 20.

- The section “Appropriateness and effectiveness of risk management” contained in the section “Report on Expected Developments, Opportunities, and Risks,” subsection “2. Report on opportunities and risks” of the group management report.

2. Further other information

The other information also comprises other parts to be included in the annual report, of which we obtained a copy prior to issuing this auditor's report, in particular the sections:

- Section 1 To Our Shareholders
- Section 4 Responsibility Statement
- Section 5 Sustainability Report
- Section 6 Further Information (containing the Remuneration Report)

but not the consolidated financial statements, not the group management report disclosures whose content is audited and not our auditor's report thereon.

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3. Company information outside the annual report referenced in the group management report

The group management report contains cross-references to webpages of the Group and the Group companies. We have not audited the content of the information to which these cross-references refer."

Munich, February 17, 2026

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Dr. Janze	Maurer
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Assurance report of the independent German public auditor on a limited assurance engagement

To TRATON SE, Munich

Assurance conclusion

We have conducted a limited assurance engagement on the disclosures in section EU-Taxonomy disclosures of the Combined Management Report of TRATON SE to fulfill the requirements of Art. 8 of Regulation (EU) 2020/852 ("non-financial disclosures") for the fiscal year from January 1, 2025, to December 31, 2025.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying non-financial disclosures for the fiscal year from January 1, 2025, to December 31, 2025, are not prepared, in all material respects, in accordance with the requirements of Art. 8 of Regulation (EU) 2020/852 and the supplementary criteria presented by the executive directors of the Company.

Basis for the assurance conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the section "German public auditor's responsibilities for the assurance engagement on the non-financial disclosures."

We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) and International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the executive directors and the supervisory board for the non-financial disclosures

The executive directors are responsible for the preparation of the non-financial disclosures in accordance with the applicable German legal and European requirements as well as with the supplementary criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of non-financial disclosures in accordance with these requirements that are free from material misstatement, whether due to fraud (i.e., fraudulent non-financial reporting) or error.

This responsibility of the executive directors includes selecting and applying appropriate reporting policies for preparing the non-financial disclosures, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the non-financial disclosures.

Inherent limitations in preparing the non-financial disclosures

The applicable German legal and European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. Therefore, the executive directors have disclosed their interpretations of such wording and terms in section DNSH criteria of the non-financial disclosures. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the non-financial disclosures.

German public auditor's responsibilities for the assurance engagement on the non-financial disclosures

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the non-financial disclosures have not been prepared, in all material respects, in accordance with the applicable German legal and European requirements and the supplementary criteria presented by the Company's executive directors, and to issue an assurance report that includes our assurance conclusion on the non-financial disclosures.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- Obtain an understanding of the process for identifying the taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the non-financial-disclosures and of the internal controls relating to this process.
- Identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the

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Company's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the Company's control, as both the Company's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.

- Consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the procedures performed by the German public auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we:

- Evaluated the suitability of the criteria as a whole presented by the executive directors in the non-financial disclosures.
- Inquired of the executive directors and relevant employees involved in the preparation of the non-financial disclosures about the preparation process and about the internal controls relating to this process.
- Evaluated the reporting policies used by the executive directors to prepare the non-financial disclosures.
- Performed analytical procedures and made inquiries about the disclosures on the taxonomy-eligible and taxonomy-aligned economic activities.
- Performed selective testing and obtained evidence relating to the collection and reporting of the disclosures on taxonomy-eligible and taxonomy-aligned economic activities.
- Considered the implementation of key management requirements, processes and data collection requirements through site visits to the selected locations.
- Reconciled selected disclosures with the corresponding disclosures in the [annual / consolidated] financial statements and the [group] management report.
- Considered the presentation of the information in the non-financial disclosures.

Restriction of use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the assurance report is intended solely to inform the Company about the result of the assurance engagement. As a result, it may not be suitable for another purpose than the aforementioned. Accordingly, the assurance report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

General Engagement Terms and Liability

The "General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" dated January 1, 2024, which are attached to this report, are applicable to this engagement and also govern our relations with third parties in the context of this engagement ([ey-idw-aab-en-2024.pdf](#)).

In addition, please refer to the liability provisions contained there in no. 9 and to the exclusion of liability towards third parties. We accept no responsibility, liability or other obligations towards third parties unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

We make express reference to the fact that we will not update the assurance report to reflect events or circumstances arising after it was issued, unless required to do so by law. It is the sole responsibility of anyone taking note of the summarized result of our work contained in this report to decide whether and in what way this result is useful or suitable for their purposes and to supplement, verify or update it by means of their own review procedures.

Stuttgart, February 17, 2026

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Maurer
Wirtschaftsprüfer
[German Public Auditor]

Hinderer
Wirtschaftsprüfer
[German Public Auditor]

SUSTAINABILITY REPORT

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SUSTAINABILITY REPORT

General Information

Basis for preparation

The Corporate Sustainability Reporting Directive (CSRD) was not transposed into national law in Germany in 2025. Nevertheless, TRATON has voluntarily prepared a sustainability report on a consolidated basis for the 2025 financial year. This report is not part of the combined management report and is therefore not audited and not fully compliant with European Sustainability Reporting Standards (ESRS). However, in our opinion, it largely fulfills the requirements of reporting in accordance with ESRS. The reference table (see [References](#)) provides an overview of where disclosure requirements can be found in the report.

To support transparency and ensure year-over-year comparisons, quantitative data from the previous reporting period is included where available. As in the previous year, TRATON reports key metrics to the Volkswagen Group, which are reviewed by a financial auditor in context of the preparation of their non-financial statement.

Basis of consolidation

The scope of consolidation generally aligns with that of the consolidated financial statements and is determined based on financial reporting requirements, impact materiality, and activities under operational control. The following adjustments were made for the gathering of data related to environmental information and information on governance:

Environmental standards: Data is gathered primarily for the fully consolidated companies. There are no associated companies over which TRATON has operational control. Consequently, environmental data (Scope 1 and 2 emissions) for these entities is not reported. TRATON has a joint venture that operates within Scania's production network. However, the associated environmental emissions cannot be reliably reported separately. For this reason, they are included in the overall reporting for the Group.

Governance standard: The disclosures under corruption and bribery in the [Governance](#) section take all controlled companies with active employees or purchasing activities into account.

For the preparation of this sustainability report, both the upstream and downstream value chain were considered when assessing the impacts, risks, and opportunities beyond the Group's own business area.

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Uncertainties and estimates

Preparation of ESG performance data requires the application of estimations in some areas, which affects the reported data. These estimates are grounded in historical experience, expert input, external benchmarks, and internal expertise, and are made with due consideration of the circumstances. The method descriptions provide further detail on the inherent uncertainties and estimation processes. To mitigate the risk of reporting inaccuracies, particularly in areas subject to estimation, internal controls and validation procedures are in place.

The estimates reported in the previous year are updated accordingly if actual data becomes available for the previous reporting period.

Business model and value chain

Business model

TRATON's business model is centered on the research and development, production, and distribution of commercial vehicles, including trucks, buses, light commercial vehicles, and related services. TRATON comprises the Scania, MAN, International, and Volkswagen Truck & Bus brands, thereby addressing a diverse range of customers. In addition, the TRATON GROUP offers a large number of financial services to its customers.

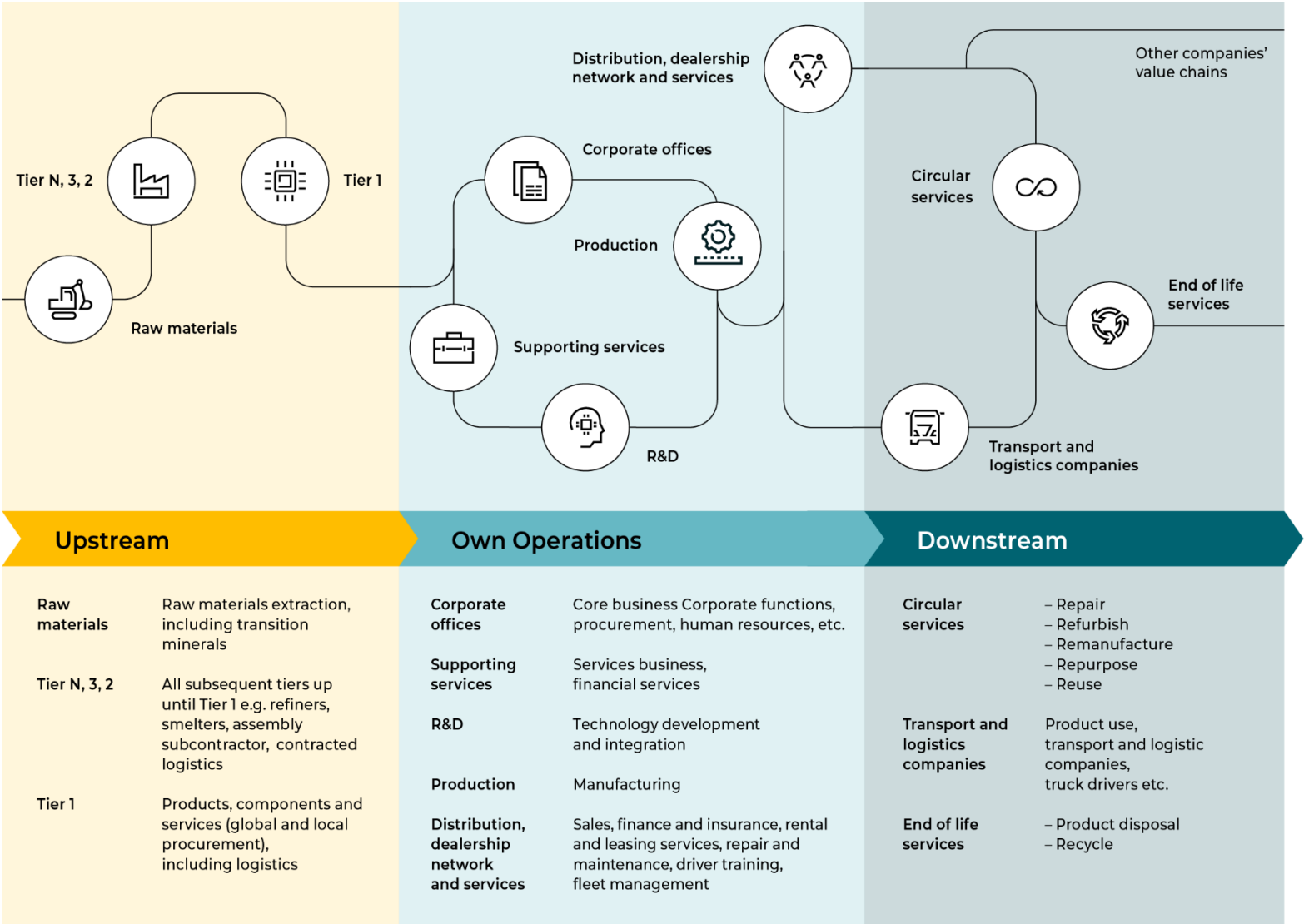
In the reporting period, the Group continued its efforts to shift investments from diesel powertrains to alternative drive systems in line with TRATON's sustainability-related strategy and ambition. The TRATON brands are continuing to expand their product and service portfolio and supporting their customers in switching to battery-electric vehicles (BEVs). This contributes to making TRATON's business model and strategy resilient against the material impacts and risks identified in the double materiality analysis (DMA). The most significant customer groups are logistics and transportation companies, public transport authorities, and retailers.

For further information on TRATON's business model and the brands' positioning, see the section on [Key Information of the TRATON GROUP](#) of the [Combined Management Report](#).

Value chain

The TRATON GROUP has a highly diversified value chain. It includes upstream processes, also referred to as supply chain, own operations, and downstream processes. Both upstream and downstream process steps of this value chain are integrated vertically into TRATON's own operations, in addition to the core business.

The TRATON value chain



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Upstream

The upstream value chain includes the extraction of raw materials and the production of components and parts. TRATON maintains close relationships with a large number of suppliers globally who play a key role in the provision of raw materials and intermediate products.

Core business/own operations

TRATON operates its own production facilities and assembly plants globally in which essential components such as powertrains, transmissions, and chassis are produced, and complete vehicles are assembled. The core business includes the central activities of development, manufacturing, logistics, and sales of vehicles as well as related services.

Development

In the development phase, TRATON conducts research and development activities in advanced technologies and innovative designs.

Manufacturing

Production takes place in production facilities spread across key geographies.

Logistics

Efficient logistics processes ensure integration of all steps, from purchasing to production and delivery.

Sales

Sales are carried out via a global dealer or distributor network. Parts of the TRATON dealer and distribution network are captive. Through the TRATON Financial Services segment, customers can also benefit from financing solutions.

Downstream

Product use

In the downstream value chain, the use phase and the associated services play a central role. The dealers and service partners offer maintenance and repair services, as well as digital services.

End-of-Life

The focus here is on the end of the products' service life. This now also includes remanufacturing. In the future, battery recycling is also expected to play a role.

As depicted in the value chain description, TRATON relies on various inputs such as raw materials, components, technology, skilled labor, and financial resources sourced globally. These inputs are secured through strategic supplier relationships, expenditures for research and development, talent acquisition, and robust financial management. Promoting innovations is also an aspect of the approach to achieving and maintaining competitive advantages in the respective markets.

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The products of the TRATON GROUP, commercial vehicles and innovative technologies, offer valuable advantages to a broad range of global stakeholders. Customers gain from reliable, cost-efficient vehicles that enhance their operations. Investors benefit from strong financial performance, market leadership, and growth driven by continuous innovation. Through the Group's investment in low and zero emission technologies, stakeholders as well as wider society and the environment benefit from reduced environmental impact. The TRATON GROUP thereby further supports its customers in meeting their sustainability goals and regulatory compliance. For more details on the locations of our material impacts, risks and opportunities (IROs) within the TRATON value chain, refer to the graphic [Overview of material topics](#) in the [Material topics of TRATON](#) section.

For further information on the TRATON GROUP's business activities, refer to the [Business activities and organization](#) section.

In general, none of the TRATON GROUP's products or services are banned in certain markets. Nevertheless, they may fall under existing sanctions or embargoes, with which the Group strictly complies in line with applicable laws, regulations, and internal policies (see [Affected communities](#)).

Sustainability strategy

At TRATON, the commitment to sustainability is firmly anchored in the strategy and corporate values. The Group's purpose is: "Transforming Transportation Together. For a sustainable world". This is a commitment to building a profitable company by developing transportation solutions that meet the needs of a sustainable society.

Responsible Company

The strategic focus of the TRATON GROUP, known as the TRATON Way Forward (see [To Our Shareholders](#)), is based on a long-term vision for proactively navigating the transformation of the transportation and logistics sector. A part of this strategy is the pillar Responsible Company, which serves as the cornerstone of the Group's ambition to act sustainably, ethically, and with a clear sense of accountability. Through this strategic focus, the Group strives to meet environmental goals, to foster responsible engagement with employees, customers, suppliers, and partners, and to ensure that responsibility underpins every decision. Together with its brands, TRATON is committed to a shared purpose: a central objective is to deliver value not only to customers but also to society — across the entire product life cycle.

The Responsible Company pillar also drives the cultivation of an inclusive and people-oriented corporate culture. TRATON recognizes diversity in a broad sense, valuing differences in personal experience, education, and perspective. Upholding ethical governance principles is equally critical to this strategy, as the Group seeks to embed integrity and transparency throughout its organizational processes. By focusing on joint impact areas, the TRATON GROUP aims to deepen its commitment and accelerate progress towards becoming an even more responsible and sustainability-driven Group.

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Joint impact areas

The TRATON GROUP's sustainability management approach outlines how TRATON translates its sustainability purpose and ambitions into action and results.

TRATON welcomes the Paris Climate Agreement as a guiding principle for the future. Our commitment is to move steadily towards alignment with the Paris Climate Agreement — driven by innovation and collaboration. This ambition is rooted in the recognition that road freight today contributes to a noticeable share of energy related greenhouse gas (GHG) emissions. To align road freight transportation with the Paris Climate Agreement, deep and fast reduction is needed. This requires the adoption and harmonization of stricter fuel economy standards and incentives, and infrastructure for zero-emission vehicles. A significant increase in renewable electricity supply and advancements in battery technology for truck electrification are necessary for the electrification of commercial vehicles. To achieve this, the commitment of all major transportation companies and commercial vehicle manufacturers, the pooling of resources, and cooperation with industry partners are crucial in order to drive forward decarbonization and strengthen the industry.

Increased resource consumption contributes to climate change as well as biodiversity loss and pollution. Also, here the transportation sector is a significant contributor. The Earth's resources cannot sustain current consumption rates, leading to societal inequality and higher costs. Urgent measures and regulatory frameworks are needed to curb resource exploitation. Transitioning to a circular economy, especially in wealthier countries, could reduce resource use, improve well-being, and stimulate economic growth.

TRATON adopts a transformative approach to sustainability. This implies fundamental changes to products and services all the way to relationships with suppliers, customers, and partners, while ensuring relevance in the transition in the different parts of the world. The TRATON GROUP is active in shaping strategies, practices, and collaborations to shoulder our responsibility for the systemic changes needed. However, these sustainability-related goals are not limited to any specific supplier, customer group, or geographical area, thus a broad and inclusive approach to driving transformation is adopted. For TRATON to stay focused and use the resources in a manner that creates the most effect, three joint impact areas have been identified: decarbonization, circularity, and human rights. They allow TRATON to address these areas in an integrated and efficient way, based on the sustainability management model. With the joint impact areas, TRATON aims to drive sustainable transportation solutions and create lasting value for people and the planet.

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Joint impact area commitments



Decarbonization: TRATON is committed to the Paris Climate Agreement to reduce greenhouse gas emissions across the company's entire value chain.

A substantial portion of global greenhouse gas (GHG) emissions originate from the transportation sector. TRATON is working towards being part of the solution and strives to play an important role in the decarbonization of the commercial vehicle sector. Recognizing that almost all the Group's value chain emissions stem from the use phase of its products, TRATON is focusing on electrification as the most impactful lever to decarbonization. The Group aims to offer high-performance BEVs and complementary services such as charging solutions and financing options. At the same time, TRATON keeps improving the energy efficiency of vehicles using internal combustion engines. By forming partnerships and advocating supportive regulations, the Group facilitates access to new technologies and infrastructure.

Circularity: Commitment to decoupling the use of resources from the company's growth.

Circularity reduces reliance on finite natural resources, ensuring a more sustainable development throughout the vehicle life cycle. Circularity means more for the TRATON GROUP than merely reducing negative impacts. It is about fundamentally rethinking processes and enhancing their design. The systematic introduction of circular principles is geared toward accelerating innovation and developing new products, services, and business models. This is linked to the goals of reducing or completely avoiding the use of new materials and creating a more sustainable customer offering that is tailored to future market requirements. Electrification of vehicles not only lowers emissions, it also reduces the resources used within the value chain. By forming partnerships and advocating appropriate regulations, the TRATON GROUP wants to play its part in bringing about systemic change.

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Human rights: Commitment to human rights and ensuring an equitable transition.

The Group has taken steps to manage its own human rights impact. Further work is aimed at understanding the impact in its own operations and value chain, including the social dimension of the green transition. TRATON will place a strong focus on the supply chain and work closely with partners to create a transparent, responsible, and resilient value chain.

Stakeholder engagement

As a global organization, the activities of the TRATON GROUP impact many individuals. Engaging with stakeholders is essential to identify key areas for the Group strategy and anticipate evolving expectations. TRATON sees stakeholder engagement as its duty to systematically and continuously interact with various stakeholders, actively listen to their perspectives, and incorporate their feedback into our own strategy and business model. The goal is to — within the legal framework — maintain an open, constructive dialog with all stakeholder groups.

To facilitate decision-making processes at the TRATON GROUP, the following key stakeholder groups were identified as being of particular relevance in the context of sustainability: customers, employees, society and media, investors, science and experts, business partners and suppliers including value chain workers, politics and associations, NGOs and NPOs, as well as residents and communities and local authorities.

Engagement with these stakeholder groups is designed to foster open dialog, build trust through a variety of processes such as feedback mechanisms, collaborative initiatives, and transparent communication channels. For example, our European employees are engaged through the TRATON GROUP Works Council, ensuring a continuous exchange of perspectives across different regions. Investors are kept informed and involved through the Annual General Meeting, Investor Calls, and Capital Markets Days. These platforms offer transparency and the opportunity to explain strategic priorities. In general, surveys and partnerships are used to gather insights and share knowledge across stakeholder groups, while active participation in alliances and networks fosters the exchange of expertise and innovative solutions. By integrating stakeholder perspectives into decision-making and maintaining open, ongoing communication, TRATON ensures that its strategies are both inclusive and aligned with evolving societal and environmental priorities. The frequency of engagement with stakeholders depends on the stakeholder group and engagement format. Some formats are conducted regularly while others depend on specific political, societal, or economic events. The purpose of these actions is to maintain an exchange in both directions and generate insights into the interests and views of stakeholder groups. These in return inform the strategy process and subsequently contribute to any changes made to continuous development of the TRATON business model through the responsible functions, working groups, and committees. Thereby, ultimately also the highest-level management bodies of the Group are informed about the views and interests of stakeholders.

This process ensures that the sustainability strategy, accompanying processes, and guidelines are directly informed by stakeholders' interests in sustainability matters. TRATON has the ambition to further elaborate guidance and actions of sustainability management, which will be informed by stakeholder engagement processes performed by the responsible function. The integration of stakeholder expectations into the DMA process is described in the section on [Methodology and process](#).

A human rights salience assessment from 2024 provided key insights into the interests, views, and rights of the TRATON workforce, value chain workers, and affected communities. The salience assessment focused on the areas that are affected by the Group's business model, highlighting opportunities for mitigating the negative impacts as well as creating value for people and society. It also serves as a base to further develop the sustainability strategy and

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specifically the joint impact area of human rights, which ensures the reflection of views, interests, and rights of employees, supply chain workers, (see [Workers in the value chain](#)) and affected communities in the strategy (see [Road safety](#) and [Affected communities](#)).

Beyond its contribution to material IRO evaluation, the human rights salience assessment also indirectly shaped TRATON's sustainability strategy and business model. As this salience assessment was done on a cursory level, and there have been no major changes to the business model or operations of the company in 2025, we have continued to use the human rights salience assessment from 2024.

Material impacts, risks and opportunities and their interaction with strategy and business model

The TRATON GROUP has established strategic and operational foundations to adapt its business model in response to climate-related risks and opportunities. As part of its decarbonization strategy, the TRATON GROUP has defined actions that were implemented in 2025 and will continue to be implemented in the future. Details are described in the [Decarbonization](#) section. While measurable impacts are not yet available for the reporting year, these measures are designed to increase internal awareness and readiness across the Group.

The TRATON GROUP continuously monitors regulatory developments, technological trends, and stakeholder expectations to ensure its strategy remains compliant and responsive. These include regular review and adjustment of its sustainability measures, investment planning, and operational processes. These mechanisms enable the Group to flexibly align its business model with evolving climate transition pathways and commercial vehicle sector requirements.

In 2025, the TRATON GROUP identified material IROs through its DMA. These IROs are integrated into the Group's strategy and business model through structured governance and sustainability processes. The following section outlines the current and anticipated effects of these IROs, the Group's planned responses, and how these impacts affect people and the environment across the value chain.

In the reporting period, three material risks (see [Decarbonization](#), [Own workforce](#), and [Corporate culture](#)) were identified through the DMA, none of which had material negative or positive impacts on the TRATON GROUP's financial position.

Looking ahead, TRATON anticipates that initiatives related to decarbonization and circularity may influence future investment decisions and product development. Additionally, regulatory changes and evolving stakeholder expectations are expected to increase the relevance of certain IROs over time. Key strategic levers include, among others, electrification, renewable energy sourcing, reducing resource consumption and waste, and human rights due diligence. The tracking of progress and the establishment of targets are currently managed at brand level rather than at Group level.

Material impacts identified by the TRATON GROUP affect both people and the environment across the entire value chain. These impacts are considered in the Group's strategic planning and are integrated into the sustainability strategy. From a people perspective, the Group takes health and safety risks for employees and value chain workers into account. Managing these impacts is fundamental to TRATON's business model: safe and fair working conditions underpin a skilled workforce, which is essential for competitiveness and innovation (see [Own workforce – Approaches and policies](#)). Material risks such as staff turnover and safety issues are addressed through Group-wide policies and targeted actions (see [Own workforce – Actions](#)). Thus, workforce impacts are embedded in TRATON's sustainability governance and strategic decision-making (see [Sustainability governance](#) and [Double materiality assessment](#)).

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Road safety also plays a key role: it protects the lives and health of road users and supports the safe transportation of commercial goods. For TRATON, road safety means taking social and economic responsibility. It is therefore an integral part of vehicle development.

There are also human rights concerns related to sourcing, as well as community impacts arising from operations and product use. From an environmental perspective, the TRATON GROUP is aware that the use of its products, the consumption of resources, the environmental impacts associated with production and logistics, and waste generation can lead to greenhouse gas emissions and potentially contribute to biodiversity loss. These material impacts are closely connected to the company's sustainability strategy, which prioritizes decarbonization, circularity, and human rights. Insights from the DMA inform product innovation, supply chain management, and stakeholder engagement. Impact assessments are conducted across short-, medium-, and long-term planning horizons to ensure that strategic decisions are aligned with the sustainability goals.

Sustainability governance

Sustainability management process

In the TRATON GROUP, the management and oversight of IROs are embedded in a structured and cross-functional governance framework to ensure accountability, integration, and continuous improvement across all brands and internal functions.

Dedicated controls and procedures for managing IROs: TRATON applies a Sustainability Management Model consisting of five interconnected steps that guide the identification, management, and integration of IROs:

1. **Prioritize and Commit:** Material IROs are identified through stakeholder engagement and materiality assessments. These inform strategic commitments and action plans at both Group and brand levels. Actions, requirements, and targets are defined based on identified priorities. These are aligned with global frameworks such as the Science Based Targets initiative (SBTi), with validated climate goals already in place for Scania and MAN. Feedback loops enable adjustments and improvements based on the insights gained.
2. **Plan:** Dedicated controls and procedures guide the definition of targeted actions, requirements and objectives. These are tailored to both brand-specific and Group-wide needs, ensuring alignment with strategic sustainability goals. The Group's management accompanies sustainability target-setting and its progress through weekly meetings of the Sustainability Leadership Group, which includes the Chief Sustainability Officer and sustainability managers from each brand. Cross-functional collaboration on joint impact areas — Decarbonization, Circularity, and Human Rights — serves to guide resource allocation and the strategic focus.
3. **Integrate:** Sustainability considerations are embedded into operational and strategic decision-making across all functions — such as product development, procurement, HR, and strategy — ensuring that IROs are managed as part of core business activities.
4. **Monitor and Learn:** Governance structures within each function support continuous learning and performance tracking. Brand-level governance structures ensure sustainability targets are contextually relevant and operationally embedded. Monitoring mechanisms within each function track progress against defined targets and feed into Group-level reporting and strategy refinement. This integrated and collaborative approach ensures that IROs are not siloed but are part of the transformation of TRATON towards sustainable transportation.
5. **Enable Communication:** Transparent internal and external communication reinforces credibility and stakeholder trust. This includes reporting mechanisms that support open dialog and accountability across the organization.

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Management of sustainability issues and IROs identified in the DMA is organized through various committees, working groups, and reporting streams. This is designed to ensure a coordinated approach and the involvement of all relevant parties. The central Sustainability function at TRATON reports directly to the Chief Executive Officer and the other Executive Board members via the TRATON Sustainability Board and is responsible for coordinating sustainability management at TRATON. Developing TRATON's sustainability strategy is a cross-functional task with responsibilities embedded both in several central TRATON functions and at the level of the brands.

- The TRATON Sustainability Board (TSB) consists of the Executive Board, the Chief Purchasing Officer, the Head of Production & Logistics, the Chief Sustainability Officer of the TRATON GROUP, the Heads of Sustainability of the brands and the TRATON GROUP's Head of ESG. The TSB sets the direction and ambition level and approves commitments, group targets, and binding regulations. It also monitors how the IROs identified through the DMA are managed. New initiatives, actions and commitments, as well as the DMA, receive final approval from the TSB and at the level of each brand. The TSB held four meetings in 2025 and approved in particular the material impact, risks, and opportunities of the DMA. The outcomes of the TSB were documented through meeting minutes, signed by the CEO and the Chief Sustainability Officer.
- The Sustainability Leadership Group (SLG) consists of the Heads of Sustainability at the TRATON GROUP and all brands. The SLG acts as the responsible interface to the brand sustainability functions. It aligns decisions with relevant Group, entity, and brand functions and can approve non-binding documents. The SLG is responsible for all materials developed for the TSB, informing the TSB, and implementing the decisions made by the TSB. Progress and deviations are monitored on a regular basis, both on Group and brand level. Each brand within the TRATON GROUP is solely responsible for the implementation of approved initiatives at the brand level.
- The Group Sustainability Alignment Meeting (GSAM) consists of the Heads of Sustainability at the TRATON GROUP and all brands and relevant representatives of TRATON functions. All commitments, action areas, targets, binding, and non-binding regulations are aligned in GSAM before being presented to the TSB. These decisions are then communicated during TRATON Sustainability Network Meetings, which occur quarterly. These meetings serve as an instrument to share information on sustainability topics within the Group. Further communication is shared through relevant channels such as the intranet.

Committees and processes for sustainability management

Top Level
Overall direction and ambition level

High Level
Strategy and Management

Implementation Level
Action areas



Responsibility for sustainability also lies with the Executive Board, while the Supervisory Board monitors the activities. Under German law, the Executive Board and Supervisory Board are obliged to conduct an evaluation of all relevant aspects, including sustainability aspects, when making business decisions. This ensures that all factors are taken into consideration and that decisions are made with the utmost care and diligence. Failure to do so might result in liability risks, as decisions made without proper evaluation might be deemed faulty. The Executive Board is committed to upholding these rules and making informed decisions that benefit TRATON SE and its stakeholders. Fundamental cornerstones of corporate governance, such as the Code of Conduct for Employees and related procedures, are created and supervised respectively with their involvement. In addition, the Audit Committee is regularly informed about the progress of CSRD reporting. The Chairman of the Audit Committee then reports directly to the Supervisory Board based on the discussions and outcomes of these meetings.

In addition to the sustainability management structure, the Governance, Risk, and Compliance (GRC) organization plays a critical role in ensuring integrity across the TRATON GROUP. Managed by the Head of GRC/Chief Compliance Officer, the organization reports directly to the Chairman of the Executive Board and the Audit Committee. The GRC organization oversees compliance, integrity, risk management, and data protection throughout the Group.

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Overarching management policies for sustainability

The TRATON GROUP has overarching policies that provide a foundation for the overall management processes and apply to all sustainability matters. These policies ensure a consistent and integrated approach to decision-making on material sustainability measures across the TRATON GROUP. The overarching policies are outlined in the following sections. In addition to this, the TRATON GROUP has policies that relate to specific sustainability matters. These topic-specific policies are presented in detail in the relevant sections on the topics within this sustainability report.

General management process for TRATON GROUP policies

TRATON has implemented a process for developing, implementing, and monitoring policies on Group-level. This process applies to all Group policies described throughout the report, which are clearly labeled as such. Where policies other than Group policies are described, such as guidelines or frameworks, their individual management processes are described.

Group policies regulate substantial topics, thereby protecting employees and the organization, avoiding risks, but also securing the Group's reputation and assets. Topics that do not relate to any of these categories may be managed through other types of policies or processes.

From 2025 and based on the new TRATON GROUP policy Policy Management, it is possible and intended to have common TRATON GROUP policies applying to all TRATON brands and entities. Policy Management requires the mandatory involvement of all brands based on a co-creation approach. The respective brand topic owners contribute their brands' perspectives and coordinate with stakeholders within their brands.

Once a new Group policy has been created and checked regarding applicable quality standards, it is submitted to the TRATON Policy Committee to conclude sufficient involvement of the brands and fulfillment of quality standards. This preapproval qualifies for requesting final approval by TRATON SE Executive Board, which is the most senior level accountable for the implementation of the policy. After approval, the policy coordinators ensure publication via the TRATON intranet. The policy coordinators submit the approved policy documents to their equivalents at brand or entity level and request implementation within a given time frame. If needed for safeguarding the implementation or compliance, training and guidance are provided for relevant target groups of the policies. If applicable, the brands' policy coordinators publish equivalent policies on the respective topic and report the implementation status to TRATON quarterly.

In place of the general policies of the TRATON GROUP, corporate policies that apply exclusively to TRATON SE may be issued. These define minimum standards and requirements for TRATON brands and companies. The TRATON brands implement requirements by issuing own governing documents or adopting the TRATON SE company policy. Brands can also issue further brand-governing documents that apply to their subsidiaries in case of need.

Guided by Policy Management, policy owners must regularly review their TRATON GROUP policies to evaluate whether they need to be updated. Furthermore, they must assess the need for an amendment of existing regulations or the introduction of new ones as soon as relevant parameters change. The Group's corporate audit department conducts audits of topics or processes based on its assessments and planning. It utilizes applicable policies and related governing documents for such audits.

As of the reporting date, the policies for policy management, internal investigations, and sustainability management had been adopted as Group policies of TRATON. The revision of further policies for inclusion in the Group standards of TRATON is currently in preparation.

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Name of policy	Key contents and objective	Scope	Responsible organizational level and monitoring process	Availability of the policy for stakeholders
TRATON sustainability management (Group policy)	In 2024, the TRATON GROUP started developing the TRATON sustainability management Group policy, which was approved by the Executive Board in October 2025. Its purpose is to enable the TRATON GROUP to translate its sustainability purpose and ambitions into action and results. The policy enables TRATON to set its own ambitions and priorities while also meeting stakeholders' expectations and requirements. This policy defines the sustainability management model, the governance structure, and the roles and responsibilities for ensuring cross-brand collaboration at TRATON in terms of sustainability. In line with the nature of the policy, TRATON's sustainability management has neither a defined ambition level nor a reference period against which progress can be benchmarked.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Chief Sustainability Officer. TRATON does not currently track the effectiveness of this policy, though the policy provides a foundation for actionable impact and integration.	Access via intranet
TRATON sustainability management (guideline)	The TRATON GROUP's sustainability management is designed to drive transformative change by embedding sustainability into core business practices. It begins with Prioritize and Commit , where the organization identifies its most critical impacts and risks through ongoing engagement with stakeholders and the DMA. Once these priorities are clear, TRATON makes concrete commitments to act. The next phase, Plan , focuses on defining targeted actions, requirements, and objectives that are tailored to both brand-specific and Group-wide needs — helping ensure that planned efforts align with strategic sustainability goals. In the Integrate phase, TRATON moves from intention to action by embedding these commitments into daily operations, empowering teams across the organization to make decisions that uphold these sustainability ambitions. Progress is tracked through Monitor and Learn , relying on existing governance structures and the TRATON Sustainability Board to assess performance, extract lessons, and refine strategies. Finally, Enable Communication reinforces transparency and trust, with open internal and external reporting — including a sustainability report — serving as a cornerstone of credible management. Together, these five pillars form a resilient system that not only advances sustainability but unlocks its capacity for deep, systemic transformation. In line with the nature of the policy, TRATON's sustainability management guideline has neither a defined ambition level nor a reference period against which progress can be benchmarked.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for the guideline is the Chief Sustainability Officer. TRATON does not currently track the effectiveness of this guideline, though the guideline provides a foundation for actionable impact and integration.	Access via intranet
Code of Conduct for Employees (Group policy)	The TRATON GROUP Code of Conduct for Employees is the ethical and value-based central guideline for acting with integrity and in compliance with the rules in the Group. It serves as a binding framework for all employees of all functions in all TRATON GROUP entities all over the world. The Code of Conduct for Employees covers a wide range of topics, including ethical leadership, human rights, occupational health and safety, prohibition of corruption, product compliance, IT security, and environmental protection. All topics of the section Governance in this sustainability report are also governed by the Code of Conduct for Employees. The decisions taken in all areas of work and in all roles must be in accordance with the corporate values and comply with applicable national and international laws, regulations, and internal voluntary commitments. The Code of Conduct for Employees addresses human	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The Code of Conduct for Employees is monitored within the standard processes of the Group.	Accessible via the TRATON GROUP website. The brand-specific versions are available on the relevant brand websites.

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Name of policy	Key contents and objective	Scope	Responsible organizational level and monitoring process	Availability of the policy for stakeholders
	rights, including human trafficking and the use of forced or child labor. Each brand has their brand-specific version observing local requirements.			
Code of Conduct for Suppliers and Business Partners (Group policy)	The policy is considered the basis for successful execution of business relations between the TRATON GROUP and its partners. As the TRATON GROUP's suppliers and business partners play a significant role in the Group's business success, TRATON expects them to act responsibly, amongst others in the areas of human rights, health and safety at work, tax and trade compliance, environmental protection, and anti-corruption. In the Code of Conduct for Suppliers and Business Partners, the TRATON GROUP has defined its expectations as well as requirements regarding the conduct of Suppliers and Business Partners in their corporate activities. The sustainability requirements in the Code of Conduct for Suppliers and Business Partners are based on various international standards, including the UN Global Compact, OECD Guidelines, ILO conventions, and the Guiding Principles of the Drive Sustainability Initiative. The TRATON GROUP also adheres to internationally agreed standards such as the Universal Declaration of Human Rights. The Code of Conduct for suppliers and business partners addresses the safety of workers, human trafficking, and the use of forced labor or child labor. No ambition level has been defined. Each brand has their brand-specific version observing local requirements.	The Code of Conduct for Suppliers and Business Partners applies to all suppliers (i.e., all contracting parties that supply the TRATON GROUP with goods, materials, or services) as well as to sales and service partners and other B2B partners who do business with the TRATON GROUP.	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. To monitor the effectiveness of the policy, the TRATON GROUP brands reserve the right to verify compliance with sustainability requirements regularly, randomly, or for specific events and using appropriate and adequate means, such as risk assessments or self-assessments by the business partner, before awarding a new contract and throughout the business relationship. Some of the related actions are described in section Responsible supply chain system	Accessible via the TRATON GROUP website. The brand-specific versions are available on the relevant brand websites.

Double materiality assessment

General approach to the double materiality assessment

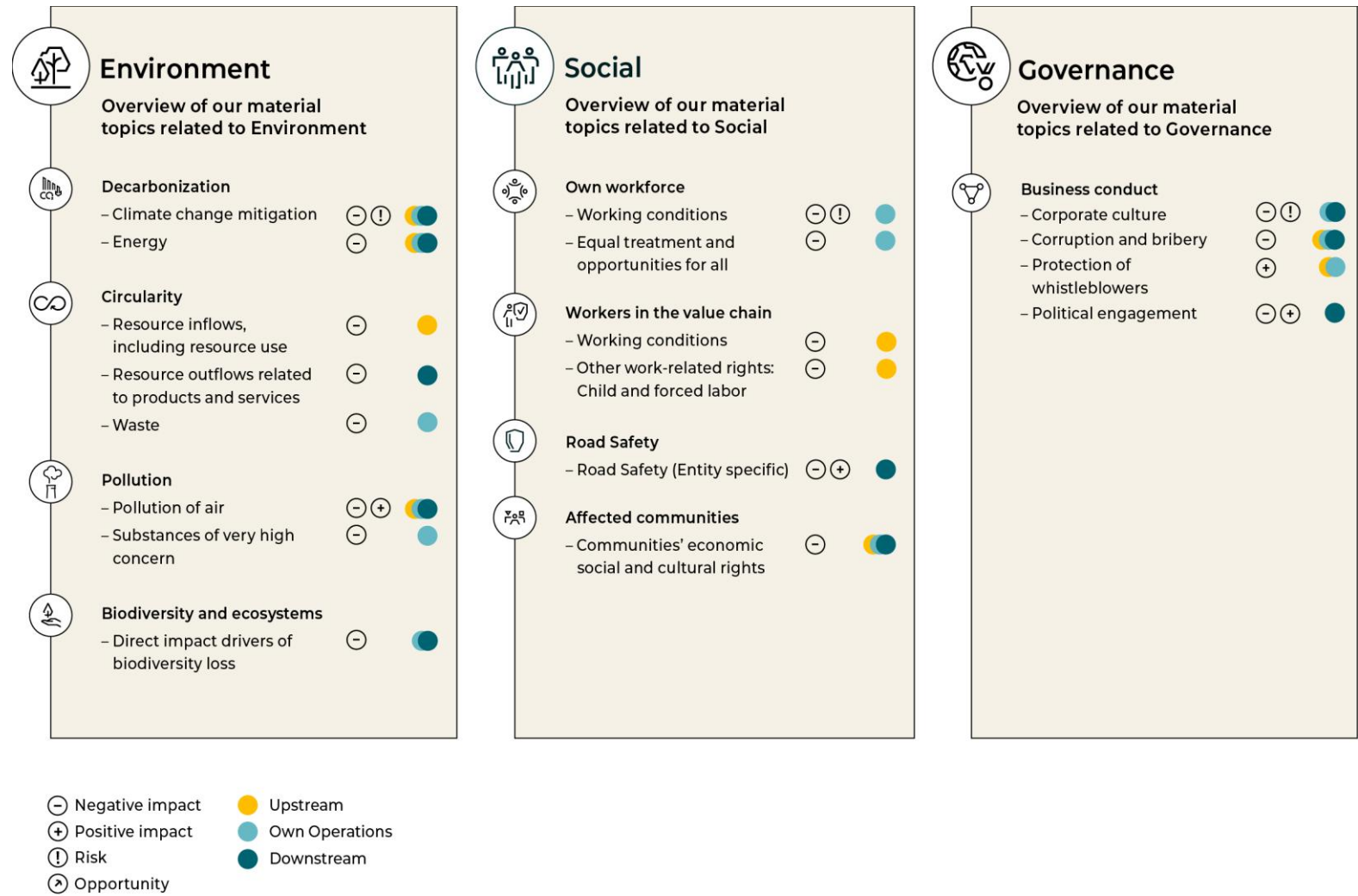
The sustainability reporting of the TRATON GROUP is grounded in a DMA aligned with the ESRS requirements. In 2025, the TRATON GROUP updated its DMA. It was carried out at Group-level and in close collaboration with all brands, iterating between Group and brand materiality to come to an aligned result. The DMA was approved in line with TRATON's sustainability governance. This ensured review and verification across all hierarchical levels. Following the review by the Sustainability Leadership Group, it was presented to the Group Sustainability Alignment meeting before its approval by the TRATON Sustainability Board. In the coming years, work will continue towards further maturing and refining the assessment in line with best practices and new guidance across our sustainability topics. The IROs identified as material to the operations and value chain of TRATON have been mapped against the disclosure requirements listed in the topical ESRS to identify required information for the reporting in 2025. For material IROs covered by a topical standard, the information is disclosed in line with ESRS, while for entity-specific topics, the minimum disclosure requirements are used as a basis for reporting on policies, actions, targets, and metrics. For the index of ESRS disclosure requirements covered by this sustainability report, see the section on [Disclosure requirements covered in the TRATON GROUP Annual Report 2025](#).

The updated DMA did not result in any significant change. However, it led to changes to the material topics that are part of the environmental, social, and governance standard. This shift is primarily due to an increased materiality threshold compared to the previous year. More details can be found in section [Methodology](#) in this section. Material sustainability topics, which comprise further sub-topics, are detailed along with their respective IROs in the [Environmental](#), [Social](#), and [Governance](#) sections of this report.

Material topics of TRATON

In its DMA, the TRATON GROUP identified and assessed the impacts on the environment and society, as well as the sustainability-related financial risks to which it is exposed and the opportunities it leverages. In total, 24 IROs have been assessed as material, comprising four positive impacts, 17 negative impacts, three risks, and no opportunities. The outcome of the DMA is shown in the figure below, [Overview of material topics](#).

Overview of material topics



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For environmental topics, the DMA confirmed that decarbonization, circularity, pollution, and biodiversity and ecosystems are material to TRATON. Within decarbonization, two sub-topics were identified as having material impacts — one within climate change mitigation and another within energy. The assessment of physical climate-related impacts on the company's assets was informed by a comprehensive analysis conducted across multiple time horizons, evaluating the potential effects of climate change. In addition, a transitional risk related to climate change mitigation was recognized. Other than in the previous year, climate change adaptation did not qualify as material.

Regarding circularity, the DMA identified three distinct impacts: one related to resource inflows, one concerning resource outflows, and one associated with waste.

In the area of pollution, three material impacts were recognized: two pertaining to pollution of air and one to substances of very high concern (SVHC). In the previous year, pollution of water as well as microplastics were also identified as material. However, following the reassessment conducted during the reporting year's DMA, it has been determined that, while these issues continue to play a role, they do not qualify as material topics for TRATON.

Within the topic of biodiversity and ecosystems, a single impact was identified, linked to direct drivers of biodiversity loss.

For social topics, the assessment reconfirmed that own workforce, workers in the value chain, and affected communities are material to the TRATON GROUP. Most of the material topics in these categories are relevant in terms of their impact. However, employee turnover, productivity losses, and safety issues among its own workforce due to adverse working conditions also pose a significant risk to TRATON. For the entity-specific topic of road safety, two impacts were identified as material in the DMA: injuries resulting from accidents on the road from our products as a material negative impact and increased safety features and driver training as a material positive impact. The sub-topic other work-related rights and privacy did not qualify as a material topic in the 2025 DMA reassessment, unlike last year.

For governance topics, the DMA confirmed the categories corporate culture, corruption and bribery, protection of whistleblowers as well as political engagement to be material. However, based on the reporting year's DMA reassessment, it has been concluded that although managing supplier relationships, including payment practices, remains a relevant consideration, it does not meet the threshold for materiality for TRATON.

Most of the material topics are material from an impact perspective, with only the financial risk of reduced productivity, decreased efficiency, and higher employee turnover fostered by a negative corporate culture identified as material. In light of the global operations of the TRATON GROUP and its role as a global commercial-vehicle provider, this list is not exhaustive. It highlights the areas in which TRATON may have the greatest impact on people and the environment, as well as the areas in which we are exposed to the most significant financial risks or opportunities.

Methodology and process

Methodology

The TRATON GROUP conducted a DMA across its operations and value chain, integrating both internal and external stakeholder perspectives. The process included desktop research, expert workshops, and stakeholder engagement through interviews. Internal stakeholders included cross-functional experts from sustainability, decarbonization, and governance teams across the Group. External perspectives were integrated through desktop research and analysis of relevant reports and articles. Material IROs were evaluated using a structured scoring model based on likelihood, severity, and financial magnitude. In 2024, the TRATON GROUP adopted a conservative approach to the DMA as part of its first ESRS reporting cycle. Following a thorough benchmarking exercise with industry peers, consultation with external experts, and consideration of evolving legislative requirements, TRATON decided in the reporting year to raise the materiality threshold. This adjustment reflects a more focused and robust assessment, enabling the TRATON GROUP to concentrate on the most significant sustainability topics. The rise of the threshold did not lead to changes in the DMA process itself.

No IROs were identified for end-users due to the Group's B2B model providing logistics services to customers who are not consumers/end-users as defined in the ESRS.

To ensure the reliability of the analysis, strict control mechanisms were introduced: Documentation was stored securely, access was restricted, and complete traceability was ensured. Additionally, the results were validated through plausibility checks, benchmarking against previous assessments and industry peers, and expert reviews. This approach ensures that the sustainability strategy of the TRATON GROUP is both stakeholder-informed and data-driven.

Description of the process to identify and assess material impacts, risks and opportunities

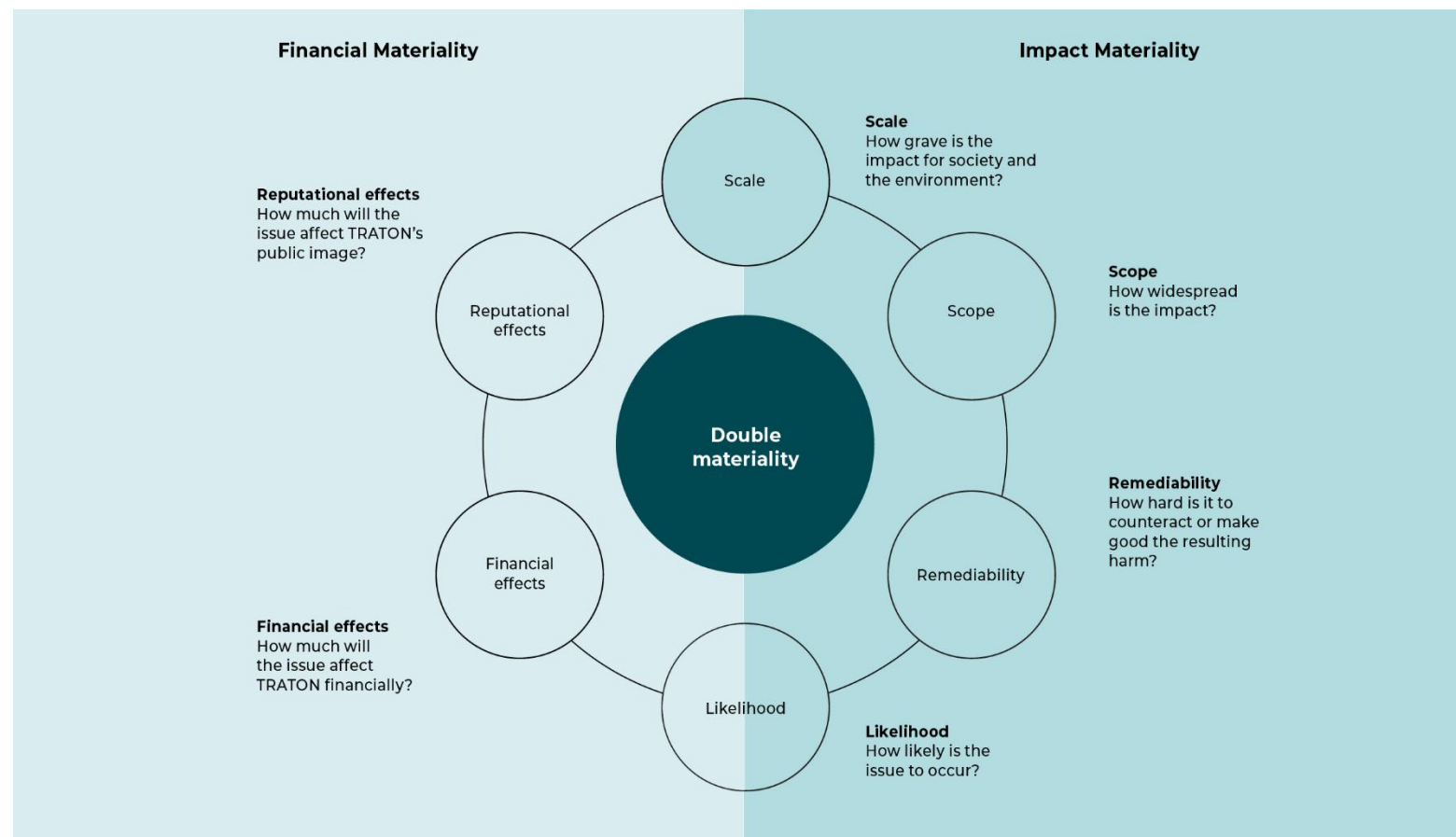
To assess the materiality of potential and actual impacts, an impact risk score was calculated based on likelihood and severity. The likelihood of each impact was rated from 2 to 10, with 2 being unlikely and 10 being a very likely or actual impact. The severity resulted from the average value of scale, scope, and in the case of negative effects, remediability. The severity assessment levels were 0, 2, 3, 5, and 10, with 10 being the most severe factor (i.e., very high scale, global/total scope, and not remediable/reversible). In general, an impact was considered material if the product of its severity and likelihood yielded a risk score above 25 — an increase from last year's threshold of 20.

To determine financial materiality of potential risks and opportunities for the TRATON GROUP, the likelihood factor described above, as well as the magnitude — amount of the potential loss from a risk or gain from an opportunity — of the financial impact and the severity of the reputational effect were assessed. Magnitude is generally measured as the amount of potential loss from a risk or potential gain from an opportunity. Magnitude and reputation effect were assessed in combination, whereby the magnitude had five (0, 1, 3, 5, and 10) and the reputation effect had four evaluation levels (0, 1, 5, and 10). However, with a weighting of 75%, the magnitude was significantly more decisive for the assessment of materiality than the reputational effect. The sum of the two factors was multiplied by the likelihood factor and the result ultimately determined the materiality. Financial materiality was determined when the analysis produced a risk score above 25, reflecting an increase from the previous year's threshold of 20. In general, areas with a greater positive and negative impact on the environment and people are also more likely to represent higher financial risks and opportunities for the TRATON GROUP. Following the evaluation of which scores require further input through the confidence score, impact and financial materiality scores were compared.

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Interfaces between DMA and Enterprise Risk Management (ERM) have been defined to combine information gained through both processes. The IROs identified in the DMA are used as input for the ERM process and the results of the ERM process are considered when updating the DMA.

Double materiality at a glance



In the assessment of IROs, time horizons as per ESRS 1 are applied by TRATON, short-term being the reporting year and medium-term covering one to five years. Long-term emerging impacts and risks (beyond five years) have also been identified by TRATON. Some of these, such as negative impacts of climate change, are also material in the longer term, but since impacts are already apparent, these have been included as short-term IROs.

Additional considerations to the double materiality assessment

Beyond the DMA process for identifying and assessing IROs, for some topical standards additional aspects were considered.

For the identification of IROs and dependencies related to water and marine resources, as well as biodiversity and ecosystems, the TRATON GROUP used input from the study conducted by WWF Sweden (World Wildlife Fund) (see [Biodiversity](#)). The TRATON GROUP conducted a human rights salience assessment in 2024, which was considered during the DMA to assess the impact on human rights across the entire value chain.

Beyond the process for identifying and assessing IROs, the TRATON GROUP has not conducted a structured and complete screening of its assets, sites, and business activities to identify IROs related to decarbonization, circularity, pollution, or water and marine resources across its value chain. However, an analysis of the physical climate risks for our own business activities was carried out under a worst-case scenario (SSP5-8.5). It was conducted in accordance with the EU Taxonomy requirements and did not fully meet the ESRS requirements (see [EU Taxonomy](#)). Potential risks in the supply chain cannot be ruled out, as this area is not covered by the EU Taxonomy climate risk analysis. Additionally, the current analysis does not include any transition risks.

Environmental

Environmental responsibility is a key component of the TRATON GROUP's sustainability strategy. This section covers four key areas — decarbonization and the circular economy as joint impact areas, as well as pollution and biodiversity. It also highlights how the Group is striving to achieve a resource-efficient, low-emission future.

Decarbonization

The TRATON Way Forward strategy (see [To Our Shareholders](#)) emphasizes our commitment to sustainability. It serves as a catalyst for change within a global industrial and transportation ecosystem undergoing critical transformation. This is reflected through the joint impact area of decarbonization, through which TRATON aims to transform the business model and product design to reduce GHG emissions across the value chain.

Aligned with this strategy and regulatory requirements, the TRATON GROUP is committed to playing an active role in shaping the future of transportation by driving innovation in cleaner, sustainable mobility solutions. This includes not only reducing emissions but also setting new standards for efficiency, safety, and circularity in the transportation sector. Achieving these goals requires close collaboration with governments, businesses, customers, and other stakeholders. Stringent regulations in the EU are already driving change, and TRATON is advocating for market conditions that support the decarbonization of global transportation.

As of the reporting period, the TRATON GROUP has not yet performed a comprehensive climate resilience analysis. The Group is in a preparatory phase focused on establishing the necessary foundations for a structured approach to climate resilience.

As part of the DMA, TRATON identified material negative impacts and risks in the areas of climate change mitigation and energy. The following section explains the Group's approach to managing these impacts, in particular related to decarbonization across the entire value chain.

Impacts, risks and opportunities related to decarbonization

Sustainability matter	IRO category	Time horizon	Scope	Description
Climate change mitigation	Actual negative impact	Short-term	Upstream, own operations, and downstream	Significant contribution to climate change, especially the use phase of our products
	Risk	Medium-term	Upstream, own operations, and downstream	Financial risks to business linked to CO ₂ penalties, insufficient BEV volumes and loss of market share
Energy	Actual negative impact	Long-term	Upstream, own operations, and downstream	Reliance on fossil fuels contributing to climate change

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Approaches and policies

Material IROs that specifically relate to climate change mitigation and energy are managed through the policies described below.

The TRATON sustainability management policy and the TRATON sustainability management guideline, in conjunction with the sustainability management process (see also the [Sustainability management process](#)), refer to climate-related financial transition risks for the business in connection with CO₂ penalties, insufficient BEV volumes, and market share losses. These policies, as well as the Code of Conduct for Suppliers and Business Partners, further relate to the actual negative impacts of the transportation industry as a substantial contributor to climate change, especially through the use phase of the Group's products.

The TRATON GROUP's Code of Conduct for Suppliers and Business Partners, as well as the respective codes of the brands, encourages the implementation of effective measures to reduce air emissions — particularly GHG — that pose risks to human health and the environment. To enhance product and service performance, partners are expected to actively reduce emissions along the value chain, for example through greater use of fossil-free energy. On request, suppliers who supply TRATON directly or via the TRATON brands provide product-level data on energy consumption (MWh) and GHG emissions (Scope 1, 2, and 3, in CO₂-equivalents), enabling the Group to improve its environmental indicators. Partners are further encouraged to adopt science-based targets and renewable energy goals aligned with the Paris Climate Agreement, and to commit to a carbon-neutral economy by 2050. Additional details on the Code of Conduct for Suppliers and Business Partners can be found below and in the section on [Overarching policies](#).

Two frameworks further shape TRATON's decarbonization: The Environmental Compliance Management System (ECMS), which covers all environmental sustainability matters, including decarbonization, circularity, pollution, and biodiversity and, therefore, relates to all environmental IROs, as well as the guidelines for renewable and fossil-free electricity, which relate to the actual negative impact of reliance on fossil fuels that is contributing to climate change. Both frameworks apply to the entire TRATON GROUP and are accessible to all affected stakeholders, our employees, via the intranet, or via distribution. Further details on the policies can be found in the table below.

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Policies addressing decarbonization

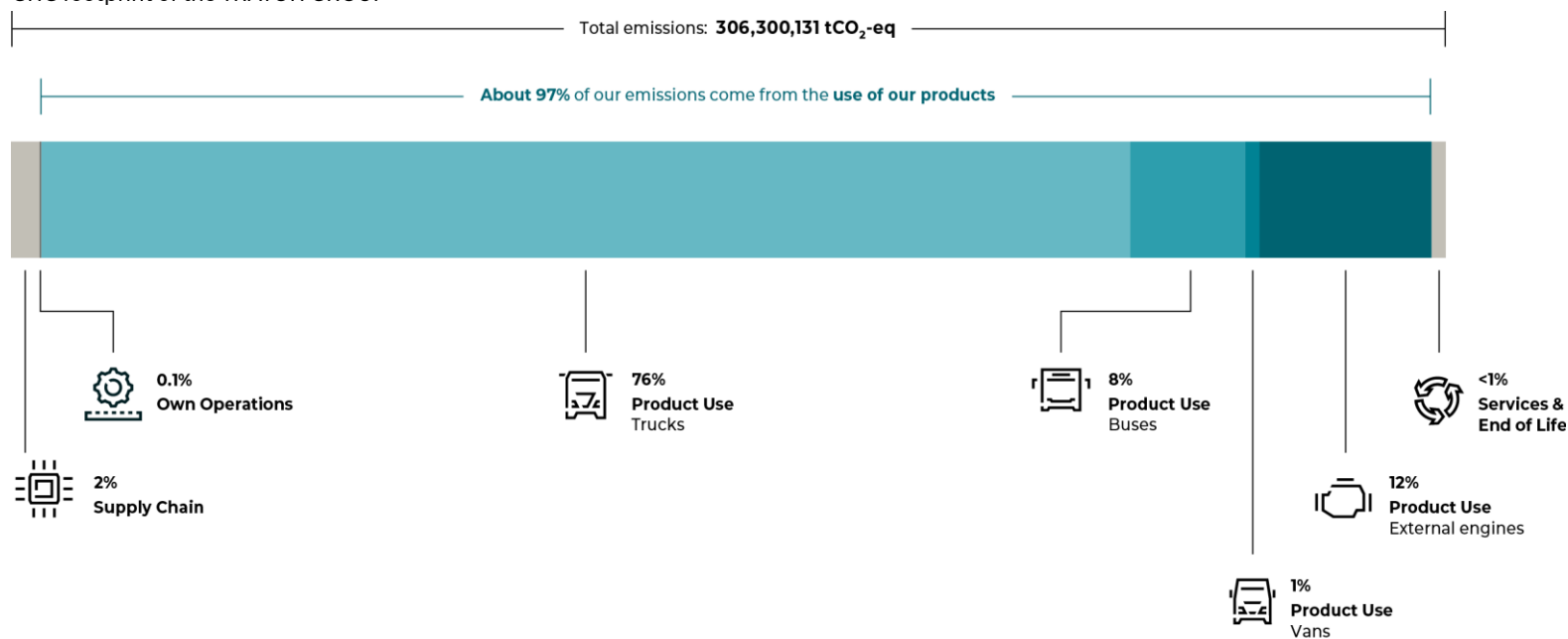
Name of policy	Key contents and objective	Scope	Responsible organizational level and monitoring process	Availability of the policy for stakeholders	Further Information
ECMS (Group policy)	The ECMS directs all TRATON GROUP entities to address environmental management through all stages of their operations and the life cycle of their products and services with the goal of minimizing the environmental impact. By integrating compliance aspects into environmental management, the TRATON GROUP ensures conformity with applicable regulations, uncovers possible misconduct, and prevents it in the future. The policy defines the minimum requirements for operating organizations to implement the ECMS, while providing flexibility to tailor these requirements to the brands' specific business needs. It outlines what is necessary for effective environmental compliance management, without prescribing how it should be carried out. In this way, it empowers each organization, regardless of size, location, range of activities, or degree of regulation, to identify, assess, and manage environmental aspects and risks. The ECMS ambition level is 100% coverage of all TRATON entities within the Group's general compliance framework. The reference period for measuring progress is 2022. In line with the risk-based approach, this Group policy is divided into nine core premises: leadership and commitment; responsibility and accountability; compliance obligations; managing environmental aspects, risks, and opportunities; improving performance; awareness and competence; stakeholder dialog; evaluating performance; and managing non-compliance.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The policy is reviewed and updated if necessary. The effectiveness of the ECMS is tracked by evaluating risks, incidents, and audit findings from both internal and external audits conducted under ISO 14001:2015. These findings are reported annually by the brands and subsequently presented to the Executive Board as part of the annual management review.	Access via intranet	This policy is aligned with internationally recognized standards, e.g., the ISO 14001:2015 and ISO 19011:2018, to enhance environmental compliance across the life cycle of products and services.
Guidelines for renewable and fossil free electricity	The guidelines for renewable and fossil-free electricity outline the commitment of the TRATON GROUP to reducing GHG emissions by transitioning to renewable and fossil-free electricity sources throughout the value chain. Renewable electricity sources such as wind, solar, sustainable hydropower, certified biomass, geothermal, and marine energy are preferable. While nuclear power is considered a fossil-free option, it is only acceptable when renewable options are unavailable due to business, infrastructural, or regulatory constraints. The policy prioritizes on-site electricity generation, followed by off-site generation through investments in renewable projects and contractual solutions for renewable energy procurement. Wherever possible, electricity from renewable sources should be sourced within the same interconnected grid, enhancing the local impact and reliability of renewable electricity use. Exceptions are made only when renewable energy sources are inaccessible, in which case nuclear power may be temporarily used with prior consultation from the TRATON Energy department. The policy does not provide for either a fixed ambition level or a reference period for measuring progress.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for the guidelines is the Chief Sustainability Officer of TRATON GROUP. The guidelines are reviewed and updated if necessary. For monitoring purposes and to track the effectiveness of these guidelines, a uniform reporting system is planned for all sites across the brands and the entire TRATON GROUP. Compliance and transparency are ensured through third-party audits, which also prevent double counting of renewable energy attributes.	These guidelines are distributed to all TRATON brands and are scheduled for integration into the Group's overarching sustainability documentation.	The criteria for implementation of these guidelines are aligned with Scope 2 Guidance of the GHG Protocol and the Technical Criteria of the Renewable Energy Initiative RE100. To support implementation, particularly for regional operational units, the TRATON GROUP Sustainability department offers direct guidance on selecting and procuring renewable and fossil-free electricity.

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Actions

In the reporting period, the TRATON GROUP did not define concrete Group-wide actions, targets, or a climate transition action plan. The primary reason is that the Group is in a preparatory phase focused on establishing the necessary foundations for effective decarbonization. This involves identifying the key decarbonization levers — strategic mechanisms that outline the pathways for addressing decarbonization — across brands and operations, which is essential for setting realistic, fact-based targets. TRATON prioritizes building a robust plan that will enable credible, actionable, and measurable targets in subsequent reporting periods. There is currently no defined scope of application, binding timeframe, or monitoring for the defined levers.

GHG footprint of the TRATON GROUP



TRATON developed forecasts for GHG emissions from its own operations (Scope 1 and 2) and the vehicle use phase (Scope 3, Category 11). The analysis shows that emissions from the use phase account for the predominant share of total emissions, at about 97%. In light of this, the electrification of the product portfolio is the key pathway to reducing emissions. A detailed breakdown of total emissions reveals that 76% are attributable to the use phase of trucks, 8% to the use of buses, 1% to the use of vans, and 12% to the use of external engines in customer applications. Conversely, emissions from own operations represent only 0.1% of the total, with supply chain activities contributing 2%.

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Although the footprint from its own operations is comparatively small (0.1%), TRATON is committed to reducing it. Emissions are systematically measured across all sites, with individual roadmaps developed for each brand.

Levers addressing decarbonization in own operations

Levers	Description
Renewable electricity	Most of the TRATON GROUP's European production sites are already utilizing electricity from renewable energy sources. The remaining sites are evaluated to transition to renewable energy sources in the coming years.
Electrification and renewable heat	When it comes to electrification and the supply of renewable heat, there are various considerations for replacing the existing fossil energy sources. Depending on local requirements, geothermal energy, biogas, or hydrogen are being considered. A timeframe by which all locations of TRATON will be converted to renewable energy sources for heat supply has yet to be defined.
Electrification and fuel switching	In addition, the electrification and transition to alternative fuels for the own fleet of the TRATON GROUP is being driven forward.

About 97% of the TRATON GROUP's CO₂ emissions occur during the use phase of its products. To address this, the company focuses on three key levers: battery-electric vehicles (BEVs) as the primary and most effective means to decarbonize product use, energy-efficient internal combustion engines (ICEs), and solutions based on biofuel and biogas for transitional and external applications. These technologies form the foundation of TRATON's strategy to reduce use-phase emissions.

Levers addressing decarbonization in the use phase

Levers	Description
BEV production	The TRATON GROUP has been accelerating its investment in the development and production of BEVs to reduce reliance on diesel engines. TRATON is introducing a large range of battery-electric trucks and buses to the market, with a focus on long-haul electric solutions equipped with fast-charging capabilities. The TRATON GROUP further aims to lower the total cost of ownership for electric trucks and buses. The brands offer consulting services to fleet operators, helping them evaluate the operational savings BEVs can deliver, including reductions in maintenance and fuel costs.
Improving energy efficiency of internal combustion engine vehicles	By enhancing the efficiency of ICEs, the TRATON GROUP reduces fuel consumption and GHG emissions as it transitions to full electrification. The TRATON GROUP is developing innovative combustion technologies to achieve better fuel consumption and lower emissions. Advanced engineering and leveraging digital solutions to monitor and adjust engine performance in real time, optimizing fuel use based on load and topography, results in more efficient energy use and minimized emissions. These innovations enable the TRATON GROUP to deliver immediate emission reductions through enhanced ICE vehicle efficiency while advancing toward a fully electric future.
Enabling use of renewable fuels	To enable the use of renewable fuels, the TRATON GROUP is making its vehicles' engines compatible with renewable fuels, such as biodiesel and biogas, which can achieve lower CO ₂ emissions compared to traditional diesel if sustainably sourced biofuels are used.

The supply chain accounts for approximately 2% of the TRATON GROUP's total CO₂ emissions. As part of its decarbonization strategy, the company is increasing the use of recycled materials in manufacturing processes. The Group is working with suppliers to reduce emissions from hot spot materials that together represent the majority of material-related emissions. Hotspot materials, identified through Life Cycle Assessment (LCA) at the vehicle level, account for up to 80% of supply chain carbon emissions, primarily from steel, aluminum, cast iron, and battery cells. In the course of reducing its emissions, TRATON is targeting high-impact areas identified through LCAs.

Levers addressing decarbonization in the supply chain

Levers	Description
Use of recycled content in hot spot materials	Recycled materials require significantly less energy to produce compared to virgin materials. By integrating these materials into TRATON's manufacturing processes, the Group directly reduces the embedded carbon in its vehicles. Furthermore, recycled content reduces the need for resource extraction, minimizes waste, and creates a more resilient and sustainable supply chain.
Sourcing of materials produced with renewable energy	The production of batteries, steel, aluminum, and cast iron is energy-intensive. By sourcing materials produced with renewable energy, the TRATON GROUP can substantially reduce the embedded carbon in its materials.

The Group is collaborating with stakeholders across and beyond its value chain to accelerate the transformation to electric mobility. This includes expanding charging infrastructure through initiatives like Milence and TRATON Charging Solutions, which aim to make public charging for heavy-duty vehicles accessible across the entire EU. For long-haul and heavy-duty applications, a robust charging network is essential. These activities are supported by strategic partnerships, direct investments, and the development of new technologies. Together, these initiatives are paving the way for a more sustainable future in transport.

Levers addressing decarbonization via partnerships

Levers	Description
Partnerships for charging infrastructure	TRATON Charging Solutions focuses on simplifying access to the charging infrastructure by providing reliable charging services for commercial vehicle operators. The network currently comprises around 150 locations and over 400 charging points across 19 European countries. TRATON Charging Solutions partnered with Hubei in 2023 to align EU charging data standards, enhancing network usability for fleet operators and enabling global scalability. Additionally, the TRATON GROUP, in partnership with Daimler Truck and Volvo Group, has launched a high-performance charging network in Europe through their joint venture, Milence. Joint investments of €500 million have been allocated to install high-performance charging points along all major TEN-T corridors — the long-distance, multimodal transportation axes of Europe's TransEuropean Transport Network, helping to ensure that infrastructure development aligns with customer needs and market development. Milence opened its first charging hub in the Netherlands in 2023. In 2024, additional hubs were launched in Belgium, Germany, France, and Sweden, followed by Italy, the UK, and Spain in 2025. As of 2025, Milence had over 30 operational sites across Europe. Despite growing regulatory support, charging infrastructure remains a critical bottleneck to the adoption of EVs. Green corridors: together with partners, TRATON develops green corridors — dedicated routes for battery-electric heavy-duty vehicles supported by robust charging infrastructure and renewable energy. TRATON launched a pilot project in Brazil and set up a strong ecosystem of partners supplying the full range of expertise. Further green corridor projects are planned in Mexico, Kenya, Poland, and Australia, among other countries.

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In the reporting year, TRATON continued to allocate resources toward reducing CO₂ emissions, including investments in battery production, transformation of manufacturing lines, and workforce development. These initiatives support the expansion of TRATON's electrified commercial vehicle portfolio and reflect the TRATON GROUP's strategic commitment to sustainable transportation solutions. The electrification of the product portfolio is the primary contributor to decarbonization, which is reflected in the OpEx and CapEx plan.

In 2025, investments of €513 million (previous year: €563 million)¹ were made for decarbonization-related initiatives. Looking ahead, the Group plans to invest an additional €3.1 billion between 2026 and 2030, with a significant share directed toward use-phase decarbonization levers.

¹ The metric for 2024 has been updated due to a small adjustment to the underlying allocation methodology.

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Performance

Energy consumption and mix

	2025	2024 ¹
Total energy consumption (MWh)	2,388,588	2,439,717
Total fossil energy consumption (MWh)²	1,309,127	1,372,865
Fuel consumption from coal and coal products (MWh)	321	293
Fuel consumption from crude oil and petroleum products (MWh)	408,587	444,787
Fuel consumption from natural gas (MWh)	569,144	521,875
Fuel consumption from other fossil sources (MWh)	1,757	3,066
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	329,317	402,844
Share of fossil sources in total energy consumption (%)	55	56
Energy consumption from nuclear sources (MWh)	33,368	34,068
Shares of consumption from nuclear sources in total energy consumption (%)	1	1
Total renewable energy consumption (MWh)	1,046,094	1,032,784
Fuel consumption from renewable sources (MWh) ³	74,739	80,396
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	941,749	925,389
Consumption of self-generated non-fuel renewable energy (MWh) ⁴	29,606	26,999
Share of renewable sources in total energy consumption (%)	44	42
Non-renewable energy production (MWh) ⁵	45,870	4,259
Renewable energy production (MWh) ⁶	48,226	43,880
Total energy consumption from activities in high climate impact sectors (MWh)	2,388,588	2,439,717

1 In addition to the update based on the availability of actual data, the metrics for 2024 were adjusted due to structural changes.

2 Further disaggregation specifies how much energy is used from coal and coal products, crude oil, and petroleum products, natural gas, other fossil sources or purchased or acquired electricity, heat, steam, or cooling from fossil sources.

3 The data on energy consumption from biomass (including industrial and municipal waste of biological origin), biofuels, biogas, and hydrogen from renewable sources is directly derived from the respective invoices.

4 The TRATON GROUP consumes only self-generated, non-fuel renewable solar energy. Meter readings specify the amount produced, consumed, and sold.

5 Energy production from combined heat and power plants driven by gas burning, and electricity production from diesel burning in test engines and diesel generators.

6 Energy production from renewable sources, primarily from solar panels for TRATON, and from biomass pellets, calculated using conversion factors based on invoices detailing the mass (kg) of pellets purchased or from meters in burning stations if mass data is unavailable.

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The energy intensity of TRATON is reported as total energy consumption in megawatt hours (MWh) per million euros (€ million) of sales revenue from activities in high climate impact sectors. All TRATON GROUP activities are considered to fall within high climate impact sectors as the Group's main economic activity is the manufacture of commercial vehicles and engines (NACE Code 29.10: Manufacture of motor vehicles). The only exception is financial services, which are classified under NACE Section K (Financial and insurance activities: divisions 64–66) and therefore not considered high climate impact sectors.

Compared with the previous year, financial services are now excluded from the scope. The prior-period comparative figure was modified accordingly to comply with the new methodology. In 2024, total energy consumption from activities in high climate impact sectors of the TRATON GROUP was 53.6 MWh per € million of revenue, while in the reporting year this figure is 57.1 MWh per € million. The revenue used to calculate energy intensity, corresponding to the Group's total sales revenue from activities in high climate impact sectors, was €45,541 million in 2024 and €41,864 million in 2025.

To track and manage energy consumption, environmental coordinators at each brand collect energy usage invoices and record them in their brand-specific environmental IT systems. These invoices detail the amount of energy consumed from fossil and renewable sources. The consumption of nuclear energy is estimated by multiplying the energy consumption from fossil sources with the country-specific percentage of nuclear energy in the grid, provided from the World Nuclear Performance Report. The data in the table above is based on a combination of actual data and estimates. In particular, consumption data for the fourth quarter was not yet fully available at the time of reporting and was therefore calculated using established estimation methods.

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GHG emissions

GHG emissions (in tCO₂eq)

	2025	2024 ¹
Scope 1 GHG emissions		
Gross Scope 1 greenhouse gas emissions (tCO ₂ eq)	232,441	231,219
Percentage of Scope 2 GHG emissions from regulated emission trading schemes (%) ²	7	7
Scope 2 GHG emissions		
Gross location-based Scope 2 greenhouse gas emissions (tCO ₂ eq)	320,688	323,810
Gross market-based Scope 2 greenhouse gas emissions (tCO ₂ eq) ³	105,188	138,025
Scope 1 & 2 GHG emissions (market-based)	337,628	369,244
Significant scope 3 GHG emissions		
Total gross indirect (Scope 3) GHG emissions (tCO ₂ eq)	305,749,409	359,148,382
Purchased goods and services (tCO ₂ eq) ⁴	6,818,270	7,324,861
Capital goods (tCO ₂ eq) ⁵	684,440	654,381
Fuel and energy-related activities (tCO ₂ eq) ⁶	111,173	121,322
Upstream transportation and distribution (tCO ₂ eq) ⁷	846,222	1,133,269
Waste generated in operations (tCO ₂ eq) ⁸	593,407	397,038
Business travel (tCO ₂ eq) ⁹	80,938	86,700
Employee commuting (tCO ₂ eq) ¹⁰	60,436	61,619
Upstream leased assets (tCO ₂ eq) ¹¹	–	–
Downstream transportation (tCO ₂ eq) ¹²	–	–
Processing of sold products (CO ₂ eq) ¹³	199,587	197,938
Use of sold products (tCO ₂ eq) ¹⁴	295,593,530	348,263,895
End-of-life treatment of sold products (tCO ₂ eq) ¹⁵	465,374	606,022
Downstream leased assets (tCO ₂ eq) ¹⁶	–	–
Franchises (tCO ₂ eq) ¹⁷	287,139	292,358
Investments (tCO ₂ eq) ¹⁸	8,893	8,981
Total GHG emissions		
Total GHG emissions (location-based) (tCO ₂ eq)	306,302,538	359,703,411
Total GHG emissions (market-based) (tCO ₂ eq)	306,087,037	359,517,627

¹ In addition to the update based on the availability of actual data, the metrics for 2024 were adjusted due to structural changes.

² Percentage is calculated with an online tool from the German Emissions Trading Authority (DEHSt) at the Federal Environment Agency.

³ Location-based emission factors were used for individual sites for which no market-based emission factors are available.

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4 Purchased goods = volume of vehicle and components * weight of vehicle and components * kgCO₂eq per reference vehicle or components. Purchased services (IT, supplies, packaging, sales marketing) are scoped out due to their minimal impact (<1%). Scania groups similar products together into reference groups, using production volumes and an in-house Material Data System (SMDS) with external Life Cycle Assessment (LCA) data. International groups similar products together into reference groups, based on the number of vehicles sold, and uses external LCA data. MAN applies LCAs for vehicle categories using sales data, average weight calculations, and expert estimates. VWTB calculates emissions from component volumes, applying Ecoinvent emission factors based on engineering calculations.

5 Capital goods = monetary input * emission factor. Monetary input based on values from Financial Accounting and Cash Transaction System (FACTS). Emission factors are used from GHG protocol. Factors are converted into kgCO₂/€ based on world bank data and adjusted for inflation based on the German Federal Office for statistics. For International, ClimatePartner calculates this datapoint.

6 Fuel and energy-related activities = Sum of (emission factor for fuel type * fuel consumption for fuel type). The emission factors are taken from Volkswagen AG's internal manual. Additional emission factors are taken from Sphera's LCA for Experts database. MAN and International use emission factors from VDA (German Association of the Automotive Industry). VWTB uses emission factors from Ecoinvent, the International Energy Agency (IEA), and the Brazilian Ministry of Energy. The amount of fuel is derived from consumption data and differentiated by fuel type.

7 Scania and VWTB apply an activity-based calculation method. MAN employs a cost-based approach. Scania and MAN rely on emission factors from the Global Logistics Emission Council (GLEC). VWTB uses emission factors from the Department for Environment, Food & Rural Affairs (DEFRA) and the Brazilian GHG Protocol Program (PBGHGP). ClimatePartner calculates this data point for International.

8 Waste generated in operations = Sum of (waste outflow * corresponding emission factor). Scania, MAN and International use emission factors from LCA for Experts and the internal manual from Volkswagen AG. Due to the different type of waste operations in South America, VWTB uses emission factors from the IPCC.

9 Flight, train, and car data is collected separately at brand level and multiplied with the respective emission factors. MAN gets its data from BCD Travel standard reports for flight emissions. Car rental providers report data on the total annual orders of rented cars. Emissions from train travel are set to zero as Deutsche Bahn reports zero CO₂ usage. Scania receives its emissions stemming from flight travel from BCD Travel reports. No emissions from train transportation are reported for Scania. VWTB calculates the emissions based on emission factors from DEFRA 2021 for flights and from PBGHGP for cars. No trains are used in VWTB. ClimatePartner calculates this datapoint for International.

10 Commuting emissions = Σ number of employees per region * distances * modal split * emission factors. The number of employees is split into regions (Europe, North America, South America, Africa, Asia/Pacific, Australia) and direct (production)/indirect (non-production) sector. VWTB uses a calculation based on primary data since its employees' main method of commuting is the chartered bus fleet hired by the VWTB.

11 Upstream leased assets, primarily consisting of vehicles and buildings, are reported under Scope 1 and Scope 2 emissions, as their operational emissions can be determined.

12 Reported under upstream transportation and distribution.

13 Only rigids are included in the processing calculation. The emissions are estimated by assuming the processing emissions per vehicle are the same as the production emissions per vehicle. Scope 1 and 2 emissions are divided by the total number of vehicles sold/produced and then multiplied by the number of rigids sold/produced.

14 See [Scope 3: Methods, assumptions, and emission factors](#)

15 End-of-life treatment of sold products = Scania and MAN have developed internal life cycle assessment (LCA) models to produce intensity factors estimating CO₂ emissions associated with end-of-life treatment per kilogram of product group. These intensity factors are then multiplied by the total weight of each product group to calculate total end-of-life greenhouse gas (GHG) emissions. International and VWTB follow the model developed by Scania.

16 Reported under use of sold products.

17 Scania and MAN franchise emissions are calculated based on the average Scope 1 and Scope 2 emissions of a typical commercial site. VWTB and International do not have any commercial sites in scope for CSRD.

18 Scania calculate this datapoint in two steps. Investments are prioritized by importance, selecting the top ten for evaluation. Scope 1 and 2 emissions are then calculated based on Scania's equity interest in these companies, using the formula: Emissions * Interest. Emission data is obtained from the companies' environmental reports or, if not available, through questionnaires sent to the companies. MAN has fewer than ten investments and therefore includes all investments in its calculation. VWTB and International do not provide financial resources to external companies.

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The TRATON GROUP annually calculates its greenhouse gas emissions using the Scope 1 to 3 inventory, in accordance with the guidelines of the internationally recognized GHG Protocol and the ESRS.

Scope 1 and 2: Methods, assumptions, and emission factors

Currently, Scope 1 and Scope 2 emissions are calculated by the brands and aggregated at Group level.

For Scope 1 emissions, the following emission factors are used: Scania and VWTB apply the Intergovernmental Panel on Climate Change (IPCC) Guidelines. MAN relies on the German Association of the Automotive Industry (VDA) guidelines for facilities, as well as the Life Cycle Assessment (LCA) for Experts Software and the Joint Research Centre (JRC) — of the European Commission and its JEC Consortium for vehicles. International uses factors from the Climate Registry.

Scope 2 GHG emissions are calculated using both location-based and market-based approaches in alignment with Scope 2 Guidance of the GHG Protocol. For US sites, Environmental Protection Agency (EPA) emission factors are applied. For non-US sites, emission factors provided by the International Energy Agency (IEA) are used. Regarding the types of contractual instruments used for energy purchases tied to Scope 2 emissions, the TRATON GROUP identifies renewable energy purchases based on available contractual instruments recorded in each brand's environmental management system. Energy with a valid instrument is classified as renewable, while energy without documentation is treated as non-renewable. The TRATON GROUP records the following types of contractual instruments for renewable energy purchases: Guarantee of Origin (GO), International Renewable Energy Certificate (I-REC), Tradable Instruments for Global Renewables (TIGR), Non-Fungible Digital Certificate (NFD), and Green Electricity Certificate (GEC). All contractual instruments recorded by the TRATON GROUP represent unbundled guarantees of origin for renewable energies; no bundled electricity purchases from renewable energies were recorded for the reporting year. The share of contractual instruments is calculated as the proportion of purchased electricity, heat, steam, and cooling from renewable sources in relation to total purchased energy, reported at TRATON GROUP level. The percentage of contractual instruments in 2025 was 74.1% (previous year: 69.7%).

Scope 3: Methods, assumptions, and emission factors

For the reporting year, emissions are covered for all 15 Scope 3 categories, with methodologies and assumptions detailed in an internally maintained handbook that is updated annually. However, emissions of some categories are reported together with other categories. Upstream leased assets, primarily vehicles and buildings, are accounted for under Scope 1 and Scope 2 emissions as TRATON has operational control over these assets. Downstream transportation and distribution are classified under upstream transportation and distribution (Scope 3 Category 4) as all TRATON brands, except VWTB, outsource these services. To maintain a standardized reporting framework, VWTB's separately calculated data is manually integrated into Scope 3 Category 4. Downstream leased assets are reported under Scope 3 Category 11 as CO₂-equivalent emissions for all vehicles during their use phase are calculated and included in this category, irrespective of whether the vehicles are sold or leased. The emission factors used for calculating Scope 3 emissions are specific to each brand and Scope 3 category.

Emissions from the use phase of sold products represent the major share of the emissions balance sheet of the TRATON GROUP. The calculation of these emissions is divided into two methods based on the product category. The first method applies to the product category of trucks and buses, while the second method applies to the product category of power solutions and external engines. To calculate emissions for trucks and buses, variables such as the number of vehicles, energy consumption, well-to-wheel GHG emission factors, and the driven distance are considered. Each brand applies the same general

formula by multiplying the values but, due to deviations in product portfolios, each brand calculates the total emissions individually with differently grouped vehicle classes. Scania uses its production volume while MAN, International, and VWTB use sales volumes. Scania's and MAN's energy consumption values are derived by collecting operational data sent from vehicles and are extrapolated based on vehicle group average. The monitored truck fleet is assumed to be representative of all vehicles. MAN also uses certificate-based estimates for vehicles that do not deliver operating data. Due to lack of operational data, VWTB uses engineering tests and estimations. International collects telematic data and average data when available for each vehicle group. Estimates are also used for vehicle groups with no or minimal real-world data available such as vans and BEVs. Scania and MAN derive values of driven distance based on a Scania/MAN investigation carried out in 2022-2023. International sets a value based on shares of lifetime driven distance per year in percent (profile derived from service data). VWTB uses engineering judgement to estimate driven distance. TRATON uses dynamic emission factors by combining estimations of driven distance shares per year with forecasted emission factors. CO₂eq from AdBlue, N₂O, and CH₄ are also accounted for in the emission factors. Scania applies a well-to-wheel (WtW) factor based on the energy carrier (diesel, gas, electricity), year, and the geographic segment. MAN aggregates different geographic groups by energy use share and translates it up once over 80% of total energy is accounted for. In the case of BEVs, the total energy is accounted for in its entirety. VWTB and International are in alignment with Scania's WtW emission factor calculation and data source. Scania and MAN calculate CO₂eq emissions from external engines by multiplying the estimated lifetime CO₂eq emissions per unit by the corresponding number of external engines sold. International and VWTB do not sell external engines and therefore do not report emissions for this category.

Primary data in scope 3 reporting

When primary data from value chain partners is unavailable for Scope 3 emissions, assumptions, average values, and estimations are used to approximate the emissions. Currently, individual brands within the TRATON GROUP calculate their Scope 3 emissions independently, and the results are subsequently aggregated on the Group level. This decentralized approach leads to discrepancies in the individual Scope 3 subcategories, as brands differ, for example, in the availability of primary data and the choice of emission factors. Further details on methodological discrepancies can be found in the footnotes to the table on Scope 3 disclosures. Applying industry-wide, average emission factors does not account for individual measures taken by specific suppliers, which further underscores the challenges of the current approach. There is currently no recognized or standardized method for indicating the share of primary data in Scope 3 as well as measuring the extent of scope 3 GHG emissions measured using inputs from specific activities within the upstream or downstream value chain. Recognizing these limitations, TRATON is committed to improving data accuracy and consistency by aligning calculation methods across the Group. This initiative aims to reduce measurement uncertainty and enhance the reliability of reported emissions data in the future.

Biogenic carbon emissions

	2025	2024
Biogenic CO ₂ emissions from the combustion or biodegradation of biomass in Scope 1 GHG emissions (tCO ₂ eq)	13,605	15,045
Biogenic CO ₂ emissions from the combustion or biodegradation of biomass in Scope 2 GHG emissions (tCO ₂ eq)	18,643	22,517
Biogenic CO ₂ emissions from the combustion or biodegradation of biomass occurring in the upstream and downstream value chain under Scope 3 GHG emissions (tCO ₂ eq)	18,079,249	20,892,806

The biogenic CO₂ emissions resulting from combustion or biodegradation of biomass are displayed in the table above, categorized by their exclusion from Scope 1, Scope 2, and Scope 3 GHG emissions across the value chain. For reporting, each brand used different emission factors to calculate biogenic Scope 1 emissions: Scania and VWTB used emission factors from the IPCC Guidelines, while International used those from the Climate Registry. MAN uses emission factors from the German Association of the Automotive Industry (VDA) for emissions from facilities and Sphera's LCA for Experts and JEC emission factors for vehicle emissions. For Scope 2 emissions, all brands apply VDA emission factors, which include detailed disclosures on the biogenic share of fuels used in electricity and heat generation. These factors reflect the biomass content specific to each country, allowing the separate identification of biogenic CO₂ emissions. For Scope 3 emissions, all brands use emission factors from Sphera LCA for Experts.

GHG emissions intensity

The table below presents the total GHG emissions calculated using both the location-based and market-based methods, relative to the TRATON GROUP's total net revenue. The net revenue of the TRATON GROUP amounted to €44,052 million in 2025.

GHG intensity based on net revenue¹

	2025	2024
Total GHG emissions (location-based) per sales revenue (tCO ₂ eq/€ million)	6,953	7,577
Total GHG emissions (market-based) per sales revenue (tCO ₂ eq/€ million)	6,948	7,573

¹ To calculate the greenhouse gas (GHG) emissions intensity of TRATON GROUP, the "Sales revenue" line item as reported in the Consolidated Financial Statement is used (see [1. Sales revenue](#)).

Further information on GHG reporting

The changes in the metrics are mainly due to changes in vehicle production and vehicle unit sales between the years. The calculations for gross Scopes 1, 2, 3, and total GHG emissions were not independently validated by an external body. However, recognized methodologies, reporting frameworks, and emission factors provided by external organizations such as ClimatePartner, the German Emissions Trading Authority (DEHSt), and other industry-standard references were used. However, this does not constitute external validation or confirmation.

Currently, there are no active carbon removal or storage initiatives integrated into TRATON's business activities or supply chain. Additionally, no formalized internal carbon pricing schemes are currently in place within the TRATON GROUP's business operations.

Circularity

The TRATON GROUP considers circularity as a core component of its sustainability strategy and a joint impact area. In light of the sharp rise in raw material consumption, which according to the United Nations' Global Resource Outlook 2024 is damaging the climate, biodiversity, and the environment, TRATON sees circularity strategies not only as an ecological imperative, but also as an economic opportunity. The TRATON GROUP is working with its brands on a circular economy policy that outlines the strategic transition from a linear value chain to a circular life cycle model.

The approach is rooted in a life cycle mindset and considers circular materials, the company's own business activities, services, and end-of-life processes. Four levers have been defined to operationalize circular business approaches: reducing resource consumption and waste; increasing reused, recycled, and renewable content in products; optimizing vehicle lifetime and utilization through circular design and services and integrating circularity into business models and partnerships.

Commitments in the Circularity joint impact area

Joint impact area	 Circularity	
Commitments	Decouple the use of resources from our business growth	
	Reduce resource consumption and waste	Reduce resource consumption and waste in own operations and throughout the value chain.
	Reused, recycled and renewable content	Increase the reused, recycled and renewable content in our products.
	Optimize the lifetime and utilization rate	Optimize the lifetime and utilization rate of vehicles through circular design and services.
	Business model and partnerships development	Put circularity in the center of business model and partnerships development.

The TRATON GROUP has firmly anchored circularity principles in its governance structure: TRATON's Sustainability Board makes key decisions and designates sponsors to drive integration across business processes. This shared commitment across all brands makes circularity a collective responsibility for a sustainable transportation ecosystem. Particularly in the case of resource-intensive commercial vehicles, circularity in design is crucial to reducing environmental impacts and ensuring value retention across the entire life cycle. TRATON is committed to using secondary materials and closed material cycles to reduce dependency on finite resources and minimize end-of-life waste.

As part of the DMA, the Group identified an actual negative impact related to resource inflows, as well as potential negative impacts associated with resource outflows and waste. The following section outlines the approach of the TRATON GROUP to managing material impacts related to circularity across the value chain.

Impacts, risks and opportunities related to circularity

Sustainability matter	IRO category	Time horizon	Scope	Description
Resources inflows, including resource use	Actual negative impact	Short-term	Upstream	High virgin and non-renewable resource consumption
Resource outflows related to products and services	Potential negative impact	Short-term	Downstream	The improper disposal or recycling of vehicles can contribute to landfill waste, increased resource outflows, and the loss of valuable resources.
Waste	Potential negative impact	Short-term	Own operations	Landfill waste and contribution to resource scarcity caused by significant waste generation

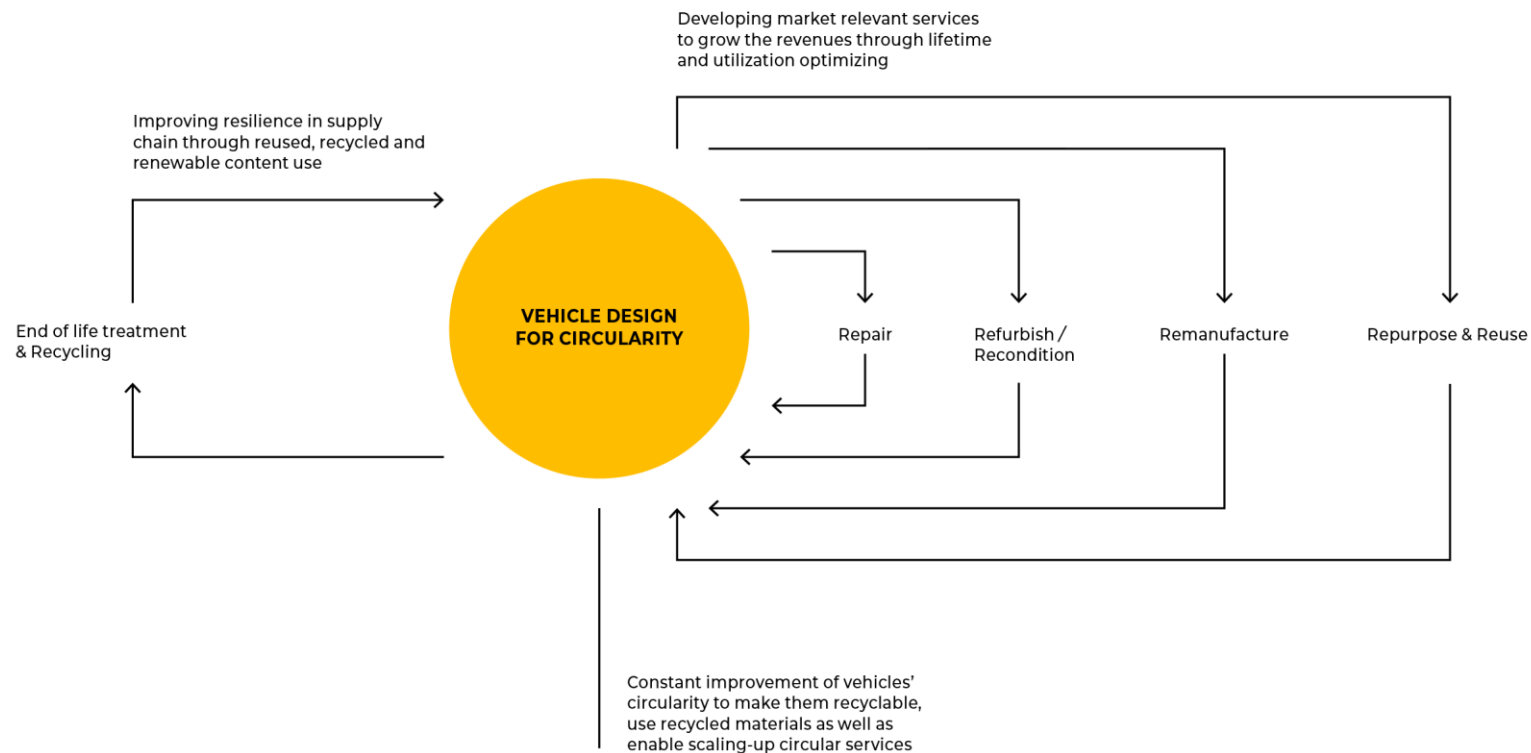
Approaches and policies

As a global manufacturer of commercial vehicles, the TRATON GROUP acknowledges its responsibility to foster circularity. While TRATON does not have a standalone circular economy policy, the Group is working on aligning circularity efforts to guide decision-making and support the integration of circularity across the value chain.

TRATON circular business model

TRATON's circular business model covers the entire life cycle of commercial vehicles. It pursues renewable practices for products, components, and materials to reduce resource consumption, prolong service life, and minimize environmental impact — from initial design to end-of-life.

The TRATON GROUP's circular business model



Circularity begins at the design and engineering stage. As part of the product development process, the TRATON GROUP is working on a common guideline for ecodesign, including circular design, to support engineering decisions. This guideline contains principles such as circular design, modularity, remanufacturing, and material reuse. Each element contributes to reducing resource consumption and extending product life cycles.

By implementing these principles, the TRATON GROUP is strengthening its competitiveness: it is unlocking potential for sales revenue growth, reducing costs for circular services, and preparing for upcoming legal requirements — in particular, standards for circular designs and end-of-life return and disassembly. At the same time, TRATON is building core competencies for circularity and improving access to green financing. The increased use of recycled and renewable components enhances recyclability and promotes the sustainability of vehicles.

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The TRATON Modular System (TMS) acts as a central key element by standardizing components across brands, supporting reuse, enabling scalable remanufacturing processes, simplifying maintenance, and optimizing resource utilization throughout the entire vehicle life cycle.

TRATON's service network plays a role in implementing circular practices throughout the use phase of the vehicles. These include repairs of key systems, such as drivetrains, to extend vehicle life and enable second-life applications. Remanufacturing plays a central role, by rebuilding components to their original specifications. In addition, digital services such as predictive maintenance and fleet optimization could further extend vehicle usage and reduce environmental impact. TRATON brand Scania supports end-of-life management for heavy-duty commercial vehicles by providing data for disassembly. This data includes guidelines for safe draining and disposal of hazardous materials. At the same time, this increases occupational safety.

Resource inflows of materials and products

The TRATON GROUP recognizes the increasing complexity of global supply chains and the rising demand for strategic raw materials driven by the transition to e-mobility. TRATON is committed to closely monitoring the sourcing of these materials, ensuring compliance with human rights standards and ethical practices throughout the supply chain. For more information, refer to the section [Workers in the value chain – Approaches and policies](#).

Circularity in products and materials

The TRATON GROUP is focused on minimizing resource and energy consumption. Initial measures have prioritized batteries, steel, aluminum, and plastics as a decarbonization approach. These initiatives lay the foundation for further advancing the Group's joint impact area and exploring innovative business models.

High-voltage batteries and other key components such as electric drive systems are becoming part of the circular economy due to statutory requirements. The raw materials they contain are playing an increasingly important role in climate change mitigation. These materials are not only valuable but also critical for ensuring resource security. Maintaining these materials in the circular economy supports the decoupling of production from virgin raw material dependency while safeguarding access to resources. Furthermore, the extraction and use of these raw materials are associated with emissions and other environmental impacts. By reusing battery-grade materials, the TRATON GROUP can mitigate these effects, which could contribute to a reduction in the overall CO₂ footprint.

Given the increasing complexity of supply chains and the geopolitical and material availability challenges of recent years, TRATON recognizes the need to develop an efficient, Group-wide strategy for material security. This is not yet an active strategy, but the plan is to establish a comprehensive raw material procurement process aimed at securing critical and strategic raw materials for key components. This approach focuses on strategically relevant raw material groups to define, assess, and implement security scenarios. These groups may include battery materials, rare earth elements (REEs), platinum group materials (PGMs), semiconductor materials, tin, tantalum, tungsten, and gold (3TGs), and mica (a silicate mineral widely used in electronics and industrial applications). Other critical resources such as magnesium, aluminum, plastics, and copper will also be considered.

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Policies

In the DMA, the sustainability matters of resource inflows, resource outflows, and waste were identified as material for the TRATON GROUP. Material impacts that specifically relate to these sustainability matters are managed through the policies described below.

The TRATON sustainability management policy and TRATON sustainability management guideline, in conjunction with the sustainability management process, relate to the potential negative impact of landfill waste and contribution to resource scarcity caused by significant waste generation. The same policies and the Code of Conduct for Suppliers and Business Partners address the actual negative impact of high virgin and non-renewable resource consumption, which is substantial in the transportation supply chain due to the reliance on non-renewable resources. Furthermore, the Code of Conduct for Suppliers and Business Partners addresses the potential negative impact of improper disposal or recycling of vehicles, which can contribute to landfill waste, increased resource outflows, and the loss of valuable resources. Further information on the above-mentioned policies is available in the section [Overarching policies](#).

Resource efficiency is a fundamental aspect of the Code of Conduct for Suppliers and Business Partners. Partners are expected to minimize waste, reuse resources, recycle materials, and dispose of residuals, including hazardous waste and wastewater, safely and sustainably. These practices should apply across development, production, product use, and end-of-life recycling, in compliance with international standards, such as the Basel Convention, and relevant local laws. Where technically and economically feasible, partners should use secondary materials, know the recycled content of their products, and provide this data to TRATON when requested. They are also encouraged to support circular systems by closing material loops, extending product lifespans, and improving utilization.

Actions

In the reporting period, the TRATON GROUP did not yet define concrete Group-wide actions or targets and does not track the effectiveness of its policies for circularity.

The primary reason is that the Group is in a preparatory phase focused on establishing the necessary foundations for a Group-wide circularity approach. This includes identifying key circularity levers across brands and business areas. This is essential for setting realistic, fact-based targets. Circularity levers are strategic mechanisms that outline the main pathways for addressing circularity, such as reducing resource consumption, prioritization of the use of recycled materials, and optimizing the lifetime and utilization rate of TRATON's products. There is currently no defined scope of application, binding timeframe, or monitoring for the defined levers.

The levers are directly aligned with IROs identified in TRATON's DMA. The sustainability matter of waste aligns with the key lever of reducing resource consumption and waste. The three additional key levers align with the sustainability matters of resource inflows, including resource use, and the aspects of resource outflows related to products and services. The specific levers are further detailed in the following section, providing a view of their implementation and contribution to mitigating negative impacts and enhancing long-term value creation.

Levers addressing circularity

Levers	Description
Reducing resource consumption and waste	TRATON has committed to using resources more efficiently, minimizing the amount of waste generated, and ultimately reducing resource consumption throughout the entire value chain. TRATON pays particular attention to the use phase of the vehicles it produces and to its own business activities. At TRATON, waste prevention is a corporate value. The brands are constantly searching for more efficient ways to design and produce vehicles. By optimizing these processes, we aim to not only make our operations more sustainable but also improve affordability for our customers.
Reused, recycled, and renewable content	TRATON encourages its business partners to prioritize the use of recycled materials and to share recycled content data with the TRATON GROUP on request. Through collaboration, the Group aims to source more sustainable materials and increase the share of recycled and renewable content in TRATON's products. Achieving this requires strong cross-functional efforts to incorporate reused parts and higher recycled material content into vehicle designs. Additionally, TRATON is exploring ways to improve the traceability of material composition across its brands. This initiative aims to support more transparent communication around product sustainability.
Optimizing the lifetime and utilization rate	To advance lifetime and utilization rates, TRATON focuses on improving product longevity through enhanced durability and reparability; increasing reuse through reconditioning and repurposing parts; and expanding remanufacturing and refurbishing services to extend the life of components. These efforts primarily target the downstream part of the value chain of TRATON, aiming to reduce resource outflow by prolonging product life. A key aspect of the Group's approach to circularity involves expanding circular services, including remanufacturing, repair, refurbishment, and reconditioning. To support these efforts, TRATON has prioritized scaling up remanufacturing services across brands through a dedicated cross-brand Remanufacturing Task Force. The ongoing development of the common modular platform, TMS, plays a significant role in supporting TRATON's circularity agenda. It contributes to the circular economy by facilitating the reuse and refurbishment of standardized components such as engines, transmissions, and electronics. This alignment with circular principles enhances maintenance services, improves efficiency, and supports resource conservation.
Business model and partnerships development	TRATON is committed to sourcing more renewable and recycled materials and scaling up circular services through essential collaborations, within the Group, along the value chain and beyond. TRATON will work on developing further partnerships with suppliers, customers, governments, and even competitors to create a more circular transportation system and explore new business models, such as Product as a Service, in partnerships with others. Currently, the TRATON GROUP and its brands collaborate with multiple recycling partners in Europe. These partnerships are crucial in advancing sustainable material recovery within TRATON operations. The main business model of the recyclers is to recover critical cathode-grade materials, like nickel, cobalt, and lithium. External advocacy is a key part of our partnership approach. The TRATON GROUP is convinced that the transition to a circular economy is imperative.

Performance

Resource inflows

The total weight of vehicles produced by TRATON, including technical and biological materials, amounted to 2,260,894 tons in the reporting year, following 2,450,218 tons in 2024. This figure is calculated based on either supplier-provided data on the weight of parts or by directly weighing the vehicles. The weight data is averaged for each product group and multiplied by the production volume to derive the total value.

The weight of recycled materials was 557,193 tons, which corresponds to 24.6% of total material usage. In the previous year, the weight of recycled materials had been 608,653 tons (24.8%). The total weight of products is broken down into material groups, and the corresponding share of secondary materials is applied. While brands calculate this in slightly different ways due to data availability, the overall approach follows the same principle of material classification

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and reference vehicle analysis.² The secondary material share is expected to be an accurate representation as the figure is based on industry data. Given the potential for a large range in the secondary material share of some materials, the lower percentage has been used for a conservative approach. To enhance accuracy in the future, plans are in place to actively request and collect information from suppliers on secondary material rates when supplying a part to TRATON brands.

Resource outflows

Products and materials

TRATON GROUP vehicles are designed and built to remain functional over a long period of time. Their longevity is further enhanced by regular maintenance and the repair or replacement of broken parts. However, there is currently no industry-wide standard or average method for calculating the durability of heavy-duty vehicles. Additionally, the durability of such vehicles is influenced not only by their design and construction but also by downstream factors such as intensity of use, geographic conditions, and the frequency of repairs and servicing. As a result, the TRATON GROUP is unable to provide a definitive durability figure for its products.

The TRATON GROUP’s focus on high quality and low repair needs aims to enable the long durability of its vehicles during their use phase, contributing to resource efficiency and sustainability. The exchange parts program is a cornerstone of this approach. It enables the return of “old parts” by importers and national subsidiaries for industrial processing, remanufacturing, or refurbishment, making these components suitable for reuse in other vehicles within the Group. Parts that cannot be remanufactured or refurbished are replaced with brand-new components.

As part of its commitment to circularity, the TRATON GROUP evaluates its vehicles to ensure compliance with international standards and advance sustainability. A recyclability calculation conducted on two 12-meter Citywide urban buses, one Inter ICE and one BEV, using the guidelines set out in ISO 22628:2002, showed a recyclability rate of 91% for both vehicles.

Additionally, a study of the Group’s heavy-duty truck portfolio, including ICE models TGX, TGS, TGM, TGL, and the BEV truck model eTGS, revealed recyclability rates exceeding 85%.

Waste

The TRATON GROUP generates diverse waste streams across its production processes. A significant portion consists of scrap metal, metal filings, and metalworking fluids from machining operations. Paint waste is a major category, containing residues of organic solvents and other chemical components from vehicle painting. Additionally, casting sand from foundries and packaging materials such as cardboard, plastics, and wood are common waste types. The

² Scania uses supplier data from the International Material Data System (IMDS) to classify material weights, according to the VDA 231-106 categories, per reference vehicle group. The total material weight is calculated by applying production volumes with the reference vehicle groups’ material usage. International and VWTB determine the weight of hotspot materials from purchasing data and supplier/engineering data, respectively, in alignment with VDA 231-106. MAN, without access to granular IMDS data, calculates material distribution based on LCA analyses of reference vehicles. Secondary material shares for Scania, VWTB, and International are based on industry association data for metals (VDA categories 1-3), with non-metals assumed to have 0% secondary materials due to limited data availability. MAN has developed expert estimations, with supplier input, for hotspot material groups.

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materials present in these waste streams include metals, oil, organic solvents, plastics, sand, and cardboard. Each material requires specific waste management strategies to minimize environmental impact and comply with regulations.

Waste streams and material management

	2025	2024
Total waste generated [t] ¹	524,419	359,415
Total amount diverted from disposal – non-hazardous:		
Preparation for reuse [t]	2,328	8,585
Recycling [t]	283,390	185,081
Other recovery operations [t]	17,590	30,795
Total amount directed to disposal – non-hazardous:		
Incineration [t]	8,789	1,954
Landfill [t]	37,056	57,788
Other disposal operation [t]	107,269	6,553
Total amount of hazardous waste [t]	67,996	68,659
Total amount diverted from disposal - hazardous:		
Preparation for reuse [t]	2,364	4,558
Recycling [t]	24,816	23,224
Other recovery operations [t]	19,601	23,333
Total amount directed to disposal - hazardous:		
Incineration [t]	9,388	1,369
Landfill [t]	8,408	14,292
Other disposal operation [t]	3,420	1,883
Total amount of non-recycled waste [t]	211,520	137,968
Percentage of non-recycled waste [%]	40	38
Total amount of radioactive waste [t]	0	0

¹ The increased volume of waste is due to construction activities at our sites

Pollution

The TRATON GROUP is aware of the significant role that the transportation industry plays in environmental pollution. Minimizing negative environmental impacts is essential for protecting ecosystems and human health. The TRATON GROUP brands are working to continuously reduce pollutant emissions and phase out harmful substances. The Group-wide research and development teams are working to develop clean technologies and deploy innovative materials. This enables TRATON to lay the foundation for a successful transition to low-emission solutions and actively contribute to the transformation towards cleaner, more sustainable mobility.

Through the DMA, TRATON identified an actual negative impact and a potential positive impact related to pollution of air, as well as a potential negative impact linked to substances of very high concern. No material impacts, risks, or opportunities for other sustainability matters were identified in relation to pollution, which is why they are not addressed further in this report.

Impacts, risks and opportunities related to pollution

Sustainability matter	IRO category	Time horizon	Scope	Description
Pollution of air	Actual negative impact	Medium- and long-term	Upstream, own operations, and downstream	Emissions from transportation and manufacturing release pollutants (e.g., particulates, nitrogen oxides) that degrade air quality and pose health risks
	Potential positive impact	Medium-term	Upstream, own operations, and downstream	Reduction of air pollution by adopting cleaner technologies and systems to control emissions
Substances of very high concern	Potential negative impact	Short-, medium- and long-term	Own operations	Use of substances of very high concern can harm the environment, workers, and customers

Approaches and policies

As a global manufacturer of commercial vehicles, the TRATON GROUP is aware of its responsibility to reduce environmental impacts along the entire value chain. The following section outlines the Group's approach to managing pollution.

No policies or coordinated actions are currently in place at Group level that specifically relate to sustainability matters relating to pollution. There are currently no plans to introduce such Group-wide policies. Responsibility for these topics lies with the individual brands of the TRATON GROUP. This decentralized structure reflects the brand-specific approach to environmental management in the Group. The TRATON GROUP is assessing the need for a more harmonized approach to pollution management across its brands.

Actions

In the reporting period, the TRATON GROUP did not define any specific Group-wide actions or targets for combating environmental pollution. Nor are any activities or targets currently planned at Group level for the coming years. However, the TRATON brands continued to pursue activities to reduce environmental harm across their own operations in 2025. This included activities to mitigate pollution and implement robust systems to prevent and manage potential incidents and emergencies.

Performance

Pollution of air

In 2025, the TRATON GROUP conducted a threshold analysis to identify which pollutants at its production sites exceed the thresholds defined in the European Pollutant Release and Transfer Register (E-PRTR).

Three groups of substances were identified whose emissions exceed the defined thresholds: non-methane volatile organic compounds (NMVOCs), nitrogen oxides (NO_x/NO₂), and benzene.

The TRATON GROUP brands use local emission factors to calculate the pollutants emitted into the air. This approach supports accurate recording of emissions and forms the basis for further actions to reduce environmental impacts.

Pollution of air

	2025	2024	Changes over time (2024-2025) ¹
NMVOC (t) ²	993.9	1,165.6	-171.7
NO _x /NO ₂ (t) ³	167.5	216.0	-48.5
Benzene (t) ⁴	6.3	5.5	+0.8

1 The changes in the metrics are mainly due to changes in vehicle production and vehicle unit sales between the years.
2 Volatile Organic Compounds (VOCs — from painting) are calculated from the material balance, with data provided from all production sites. The method analyses how many organic solvents are put into the production process, and this is compared with the outflows to air/water. Abatement incinerates the solvent, and, in these cases, it is measured to see how much is incinerated.
3 Nitrogen oxides (NO_x/NO₂) are calculated at brand level using local emission factors. In combustion engine development emission factors have been determined from actual measurements of fuel used. The emission factors are calculated using the amount of fuel purchased, compared with the amount of fuel used and considering the type of engine.
4 Benzene is measured in process ventilation. A sample is taken from several hours of product-based air flow and ventilation and extrapolated to an annual value.

Substances of very high concern

The TRATON GROUP uses the IMDS (International Material Data System) list of the European Automobile Manufacturers' Association (ACEA) as the basis for managing substances of very high concern (SVHC). This is based on the candidate list of the European Chemicals Agency (ECHA).

The TRATON GROUP and the operators at the sites of the individual brands always act in accordance with the applicable legal requirements. The onsite technologies are approved by the competent authorities in accordance with these requirements. If SVHCs are used as substances or in mixtures during vehicle production, or if they become part of the “vehicle” product during the production process, they are subjected to individual testing and approval by internal chemical management processes at brand level. No full quantitative analysis of SVHCs can currently be performed at either brand or Group level.

There is no measurement method for recording the entire spectrum of all SVHCs, so no data can be collected on these emissions. Regarding the use of SVHCs in TRATON GROUP products, lead in starter batteries is by far the most significant substance. Lead accounts for approximately 98% of the total

amount of all SVHCs used in a typical truck. The total amount of lead in starter batteries sold by TRATON in 2025 was 23,922 tons (previous year: 24,780 tons)³. The data point “total amount of SVHCs leaving facilities as products” is not considered applicable for TRATON as only “vehicles sold” are considered according to the product definition.

Biodiversity

Biodiversity is essential to the stability of ecosystems and the sustainability of global supply chains. Protecting this diversity is integral to responsible sourcing, land use, and environmental stewardship. The TRATON GROUP is committed to minimizing its ecological footprint and supporting actions that preserve natural habitats, promote regenerative practices, and enhance resilience across the value chain.

As a commercial vehicle manufacturer, the TRATON GROUP acknowledges that activities across its value chain can affect biodiversity and ecosystems. The TRATON GROUP has identified the sustainability matter of direct impact drivers of biodiversity loss as material. No material impacts, risks, or opportunities were identified for other biodiversity-related sustainability matters and are therefore not addressed further in this report. The following section outlines the TRATON GROUP's approach to managing material impacts related to biodiversity across the value chain.

Impacts, risks and opportunities related to biodiversity

Sustainability matter	IRO category	Time horizon	Scope	Description
Direct impact drivers of biodiversity loss	Potential negative impact	Long-term	Upstream and downstream	Support of activities that contribute to biodiversity loss

Approaches and policies

The Group is currently assessing its impacts as well as exposure to biodiversity-related risks and opportunities. TRATON Intends to integrate biodiversity considerations into the sustainability strategy in the future. At present, there are no specific policies addressing the direct drivers of biodiversity loss at Group level. However, the ECMS policy (see [Decarbonization](#)) oversees all environmental topics including biodiversity in own operations of TRATON.

Actions

As of the reporting period, the TRATON GROUP has not implemented targets or specific Group-wide actions to prevent or mitigate direct drivers of biodiversity loss, beyond the activities described under [Decarbonization](#), [Circularity](#), and [Pollution](#). Given the interconnection between biodiversity loss, climate change, and pollution, all actions described in these areas contribute indirectly, however, to biodiversity protection. Furthermore, resource use — particularly the extraction of virgin raw materials — can significantly impact ecosystems. Therefore, activities aimed at reducing the consumption of primary resources are considered relevant to biodiversity.

³ The differences in the metrics are mainly due to changes in vehicle production and vehicle unit sales between the years.

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The lack of specific targets and targeted actions is due to the current preparatory phase, in which the TRATON GROUP is focusing on developing fundamental structures for a systematic approach to biodiversity.

The TRATON GROUP provided sector-specific data for the nature risk study conducted by the WWF. The study identified significant biodiversity impacts across the entire commercial vehicle value chain, from raw material extraction to vehicle production and use. In addition, new risks associated with the transition to electric and alternative powertrains were identified, due in particular to increased demand for critical minerals such as lithium and rare earths. These findings mark an important step towards preparing targeted actions and integrating biodiversity aspects into environmental strategies in the future to address the impacts on biodiversity and encourage long-term ecological resilience.

Performance

The TRATON GROUP conducted an assessment to evaluate whether its production sites are located in or near biodiversity-sensitive areas. The evaluation included 32 sites involved in the manufacturing of vehicles, components, and assemblies.

The TRATON GROUP has defined a radius of 4.5 km for the assessment of production sites located near biodiversity-sensitive areas on the basis of the Technical Instructions on Air Quality Control and in line with the industry standard in accordance with the EU Taxonomy. This radius equates to the height of the tallest chimney multiplied by 50. The corresponding protected areas were analyzed by experts using the Kuyua software.

The analysis revealed that 22⁴ TRATON GROUP production sites (a total area of 1,489 ha) are situated within the 4.5 km radius of 72 protected areas. The status of over 500 protected areas was reviewed as part of this assessment. The evaluation considered protected habitats, species at risk, and those endangered or critically endangered.

Potential impacts and dependencies were identified using the online tool Exploring Natural Capital, Opportunities, Risks and Exposure (ENCORE). The evaluation looked at the sector's potential impacts on vehicle production and identified the following relevant aspects:

- Material dependencies: soil and sediment retention, water treatment, regulation of water flow, flood protection, and storm mitigation.
- Material impacts: disruptions in the value chain (e.g., noise, light) and emissions of toxic and water pollutants.

There are currently no plans for specific mitigation actions.

Information on significant sites and biodiversity-sensitive areas, as well as activities and land use at sites near key biodiversity areas, can be found under [Further information on biodiversity](#).

⁴ The increase in the number of sites in or near KBAs compared with the previous year (19) is due to the construction of new sites.

Social

Respect for human rights is a guiding principle for the TRATON GROUP and forms the foundation of its approach to social sustainability. This chapter outlines how the Group manages material impacts, risks, and opportunities related to four key areas: its own workforce, workers in the value chain, road safety, and affected communities. These disclosures are linked to the “Human Rights” joint impact area and reflect the Group’s ambition to contribute to a just transition.

Own workforce⁵

The attractiveness and innovative strength of an organization is largely dependent on how well it recognizes and leverages the individual capabilities of its employees. Especially considering the dynamic shifts shaping today’s workplaces, diversity in employees’ job profiles and qualifications is becoming increasingly important. TRATON relies on qualified, motivated employees, and wants to offer its staff a safe and attractive working environment in which they can develop their full potential. In the DMA, the Group identified the following IROs related to its own workforce.

Impacts, risks and opportunities related to own workforce

Sustainability matter	IRO category	Time horizon	Scope	Description
Working conditions	Potential negative impact	Short-term	Own operations	Damage on own workers' well-being from adverse working conditions, discrimination, and poor safety practices
	Risk	Long-term	Own operations	Staff turnover, productivity loss, and safety issues in own workforce resulting from adverse working conditions
Equal treatment and opportunities for all	Potential negative impact	Short-term	Own operations	Negative effects from discrimination in employment like unequal training, promotion opportunities, pay, and benefits

The material impacts and risk relate to all employees. However, some groups in the TRATON workforce may be more vulnerable to these risks due to economic, political, and social processes of exclusion. These groups could therefore be disproportionately affected by the TRATON GROUP’s operations and value chain. Vulnerable groups of TRATON’s own workforce may be migrant workers, female workers, temporary workers, minority workers (e.g., linguistic, racial, or religious minority), juvenile workers, interns or apprentices, less technically literate groups, marginalized groups, low-income and low-skilled workers with limited literacy.

⁵ All statistics presented in this report represent an aggregate calculation for the entire TRATON GROUP. They do not reflect the specific figures for individual brands within the Group. In addition, targets related to gender representation in management, as outlined in this report, do not apply to TRATON’s US subsidiaries (e.g., International Motors, etc.). Statements in this report apply only if they do not violate the applicable law, including the laws and regulations of the United States of America. The ability to achieve these and other goals, targets and aspirations described in this report, either at all or in a timely manner, is subject to a variety of factors, including evolving laws, regulations and other demands in the various jurisdictions in which TRATON operates. TRATON may update or rescind the goals, targets and commitments described in this report in the future as TRATON deems necessary or appropriate.

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Additionally, the human rights salience assessment (see [Stakeholder engagement](#)) has enabled TRATON to identify certain groups within its workforce who may be at greater risk of harm, with particular attention given to vulnerable groups.

The risk analysis of the TRATON GROUP's own business areas (see [Report on opportunities and risks](#)) has neither identified a risk of incidents of forced or compulsory labor nor a risk of incidents of child labor. Therefore, no specific types of operations, countries, or geographies are considered at significant risk. Nevertheless, due to the global activities of TRATON, the Group operates in countries with significant social, political, or economic instability, conflict regions, or high-risk areas, among others. Such an environment, despite all efforts, could complicate the TRATON GROUP's commitment to complying with international standards around the world.

Approaches and policies

General approach to people and culture management

TRATON's purpose is: "Transforming Transportation Together. For a sustainable world". This requires a team of dedicated and passionate individuals working collaboratively across the entire TRATON GROUP towards a common objective. The TRATON GROUP employer value proposition (EVP), "be part of something bigger," reflects this sentiment.

The culture foundation of the TRATON GROUP's corporate values and TRATON's shared leadership principles (see [Corporate culture](#)) provides the necessary support for this purpose and EVP.

Employee representation

The TRATON GROUP attaches great importance to the participation of its employees and their representatives. Decisions and activities to manage impacts are therefore aligned with the perspectives of TRATON's workforce. This engagement takes place mainly with employee representatives.

Employee representatives are involved in various bodies at the TRATON GROUP. One such is the TRATON Supervisory Board, which is made up of an equal number of shareholder and employee representatives and, hence, enables equal say from both groups in decision-making.

At Group level, TRATON has two forums — the Group Works Council (*Konzernbetriebsrat*) and the SE Works Council — that are designed to enable the multinational involvement of employee representatives in the European Union. As part of an additional agreement with the SE Works Council, TRATON enables participants to be invited from outside the European Union so that employee representatives from locations around the world can take part in the meetings. TRATON conducts at least five SE Works Council meetings and four Group Works Council meetings per year to enable effective communication and collaboration across the organization. In addition, the Executive Board and the employee representatives established an economic committee held twice a year for information on economic matters at the level of the SE Works Council. Subcommittees hold several meetings to discuss matters related to Group Industrial Functions.

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Frameworks for employee engagement

The rights of TRATON's European employees are governed by the SE Participation Agreement as defined under section 2 (3) and (4) of the Act on the participation of the employees in a European community (SEBG), in member states of the European Union, and the European Economic Area. The Chief Human Resources Officers (CHROs) and the Group Labor Relations department are responsible for enabling employee engagement on an operational level. The strategy on labor standards and working conditions (see table on [Policies addressing own workforce](#)) defines common principles and standards for TRATON employees. Further internal agreements include the SE Participation Agreement and the Business and Human Rights Commitment. External commitments comprise e.g., the TRATON Modern Slavery and Human Trafficking Statement, and the commitment to the United Nations Global Compact. Each brand is responsible for ensuring execution and compliance with these standards and agreements and is autonomous in shaping their individual work environment and framework for execution.

The TRATON GROUP tracks compliance with labor standards through monitoring tools and reporting, such as the reporting for CSRD, for the SE Works Council meetings and dialog with the SE Works Council, (e.g., country reports), the TRATON Speak up! Whistleblower portal or brand-respective whistleblower initiatives, as well as surveys (e.g., annual employee survey). These surveys as well as the SE Works Council meetings are used to assess the effectiveness of employee engagement.

At the Group Works Council level, TRATON has established over 20 work agreements covering several topics, including the proper use of Group-wide IT systems and measures to protect employees. At the international level, the Group has implemented several agreements that enable the involvement of employee representatives in decision-making processes. During SE Works Council meetings, a variety of local issues are directly addressed and directed to the appropriate individuals within various brands.

The TRATON GROUP has several initiatives in place to gain insight into the perspectives of people in its own workforce who may be particularly vulnerable and/or marginalized and to improve inclusion. For instance, the TRATON GROUP has a strategic initiative to improve the engagement of underrepresented groups of employees. The SE Works Council representatives for severely disabled employees met twice in the reporting year. The TRATON GROUP works together to find solutions for integrating people with disabilities into working life by offering them suitable jobs, work aids, or appropriate support measures.

Frameworks for human rights

The TRATON GROUP integrates human rights into its compliance management system and respects all applicable regulations in force to protect human rights as a fundamental and general requirement throughout the world. This is stressed in internal regulations and in the due diligence processes described below, where TRATON strives to involve relevant stakeholders.

TRATON is committed to complying with applicable national and international human rights legislations and, hence, acknowledges the International Bill of Human Rights and has joined the UN Global Compact where TRATON recognizes the commitment to its principles regarding human rights and environmental protection. TRATON further strives to operate in line with the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and international labor standards such as the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. Furthermore, TRATON acknowledges the following conventions and uses them to guide its actions, where applicable within the countries in which it operates:

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- Minamata Convention on Mercury
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal
- Stockholm Convention on Persistent Organic Pollutants

TRATON considers these international conventions and declarations as the basis of its commitment and the way in which business should be conducted.

As described in the Codes of Conduct (for both the one for Employees as well as the one for Suppliers and Business Partners, see the section on [Sustainability governance](#)), the TRATON GROUP rejects all kinds of forced or compulsory labor as well as modern slavery and human trafficking. This includes work carried out involuntarily due to intimidation, penalty, violence by security forces, or threat of being disadvantaged. Employment relationships are based on voluntary participation and can be terminated at any time by the employees of their own free will and within a reasonable period of notice. The TRATON GROUP assumes responsibility for the health and safety of its employees and the continuous improvement of their work environment. Child labor is prohibited across the entire TRATON GROUP. The ILO determines the minimum age for employment, which must be adhered to.

The Group has defined clear responsibilities within the organization in the human rights risk management system. Moreover, the TRATON Human Rights Committee (HRC) is a multidisciplinary committee that monitors and tracks the implementation of human rights' due diligence obligations in the Group. The HRC meets regularly and reports directly to the Executive Board. Such reports include the results of risk analysis, the effectiveness of preventive and remedial measures, and relevant findings from the complaints procedure. Further, employees are trained on the Code of Conduct for Employees in web-based and face-to-face training. Moreover, employees receive specific training on business and human rights to provide guidance and raise awareness of the Group's corporate responsibility for this topic (see [Corporate culture](#)). They can address questions on human rights, e.g., via the TRATON Compliance helpdesk and receive information on human rights through various communication formats. In addition to general preventive measures, TRATON continuously evaluates and implements measures addressing identified risks.

The TRATON human rights approach encompasses not only the working conditions of the Group's own workforce, but also those of workers in the value chain. Also covered are other material matters, such as other work-related rights of workers in the value chain, equal treatment, and opportunities for the Group's own workforce, and affected communities' economic, social, and cultural rights.

Human rights risk management

A central element of the human rights management is the risk analysis. For TRATON's own operations, an abstract risk analysis was first carried out in 2024. Based on the analysis of external sources such as industry studies and country risk indices, abstract human rights and environmental risks were identified. All relevant entities of the TRATON GROUP were assigned to one of three risk categories. The subsequent concrete risk analysis included the validation of the identified abstract risks and the determination of concrete risks. Following a risk-based approach, risk workshops as well as questionnaires and individual interviews with topic managers and subject matter experts were used to identify, prioritize, and validate risks. To deepen its understanding of selected risk areas, TRATON began in 2025 to supplement the risk assessment in its own operations by initiating specific "deep-dive" projects. The results of the risk assessment are analyzed in the context of our human rights management system and the implemented human rights measures, where potential gaps are being addressed by additional measures and controls, if needed.

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Policies

TRATON has implemented several policies that provide guidance for managing the IROs related to its own workforce. These policies also outline fundamental principles for the actions.

The TRATON Policy Statement on Human Rights, the TRATON Strategy on Working Conditions and Labor Standards, the OHS Group Policy as well as the Code of Conduct for Employees relate to the identified potential negative impact and risk related to the working conditions of TRATON's own workforce.

Furthermore, TRATON has several policies in place related to the potential negative impact on the TRATON GROUP's own workforce that would occur in case of discrimination in employment like unequal training, promotion opportunities, pay, and benefits. Apart from the Code of Conduct for Employees, these policies are the TRATON GROUP Diversity & Inclusion commitment, the TRATON GROUP corporate values, and the TRATON Policy Statement on Human Rights.

The aforementioned policies are described in detail in the [Policies addressing own workforce](#) table below. Exceptions are the Code of Conduct for Employees and the TRATON GROUP's corporate values, which are presented in the [Sustainability governance](#) section and in the [Policies addressing corporate culture](#) table in the [Corporate culture](#) chapter.

Policies addressing own workforce

Name of policy	Key contents and objective	Scope	Responsible organizational level and monitoring process	Availability of the policy for stakeholders	Further Information
TRATON Policy Statement on Human Rights	The Policy Statement on Human Rights outlines the principles on how TRATON wants to live up to its commitment to comply with applicable national and international human rights legislation. It applies to all TRATON companies worldwide and is based on internationally recognized tools. The principles shall be incorporated and inherent in our systems and processes.	TRATON GROUP and its value chain	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The policy is reviewed and updated if necessary. The management of TRATON GROUP entities is responsible for implementing the actions and requirements defined in this commitment in their entities.	Access via intranet and website	The policy is based on the UN Guiding Principles on Business and Human Rights, as well as other international instruments such as the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.
TRATON Strategy on Working Conditions and Labor Standards	This strategy aims to secure fair working conditions and labor standards and is based on the TRATON Policy Statement on Human Rights and associated standards. It contains Group-wide minimum standards for our entire workforce considering wages and salaries, working hours and rest periods, employment contracts as well as social protection. Besides the minimum standards, it also describes the roles of the Labor Relations Cross-Brand Team, the TRATON SE Works council, and the TRATON CHRO Team.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The policy is reviewed and updated if necessary.	Access via intranet	The policy is based on the International Labour Standards. To consider the interests of key stakeholders, the strategy has been aligned with the SE Works Council, the TRATON CEO, HR board members of the brands, labor relations representatives, and trade unions.

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Name of policy	Key contents and objective	Scope	Responsible organizational level and monitoring process	Availability of the policy for stakeholders	Further Information
TRATON GROUP OHS Policy	A Group policy for occupational health and safety (OHS) was aligned with all TRATON brands and will enter into force in 2026. The TRATON GROUP's goal is to provide safe and healthy workplaces to prevent work-related injury and ill health, and to promote a safety and health culture and well-being at work. The purpose of this policy is to establish holistic and effective management of OHS matters in the TRATON GROUP.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board.	Access via intranet	
TRATON GROUP Diversity & Inclusion commitment	TRATON does not tolerate discrimination on grounds of ethnic or national origin, sex, gender identity, religion, views, age, disability, sexual orientation, skin color, political views, social background, or any other characteristics protected by law. TRATON embraces diversity, actively encourages inclusion, and creates an environment that fosters each employee's individuality in the interests of the Group. At the TRATON GROUP, diversity and inclusion is viewed as central to success and crucial for reaching the goals as a company and as a responsible employer. The TRATON GROUP Diversity and Inclusion commitment is an essential component of the "Responsible Company" pillar of the TRATON Strategy and aligns with the Group's corporate values. Commitments and actions are fundamentally anchored through a set of strategies and measures across all brands. Diversity and inclusion at the TRATON GROUP is a long-term strategic approach to safeguard future success. TRATON encourages a corporate culture that supports the diversity of skills, experience, knowledge, and the perspectives of the most valuable asset — the Group's employees.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. To support development in line with the Diversity & Inclusion commitment and enable continuous strategic Group initiatives and best-practice sharing, TRATON established a Group diversity and inclusion working party with representatives from each of the brands across the TRATON GROUP. TRATON follows up on the success of diversity and inclusion initiatives through relevant key performance indicators such as the representation of women in management and the representation of women in management development.	Access via intranet and website (link: https://traton.com/dam/jcr:961d4ca4-b778-4b29-8bd8-762e0c495427/230221%20%20TRATON%20Group%20Diversity%20Inclusion%20Commitment%20-%20EN%20-%20final.pdf)	

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Actions

The following section outlines the measures and processes in place to manage material impacts, risks, and opportunities related to own workforce, including regular risk analyses, monitoring, and compliance mechanisms to provide a safe, fair, and supportive workplace.

The TRATON GROUP conducts regular risk analyses to identify, assess, and address potential negative impacts within its business operations and supply chain. These analyses prioritize areas such as workers' well-being, workplace safety, and the prevention of discrimination and adverse working conditions. This ensures that timely and effective mitigation measures are taken to uphold ethical standards and support sustainable practices.

The implementation of measures related to working conditions within the TRATON GROUP is overseen by the Group Human Resources (HR) department. In 2025, the following actions were taken regarding working conditions of our own workforce. Regular works council meetings, updating the annual employee survey (MyVoice), and central coordination by the Group Health, Safety, and Security department aim to prevent potential negative impacts on the well-being of our own workforce due to adverse working conditions, discrimination, and poor safety practices, as well as related identified risks. The actions listed in the table below relate to the sustainability matters equal treatment, working conditions, and equal opportunities.

Actions related to own workforce

Actions	Description and time horizon	Scope	Target in place	Overall progress in 2025 and how we track effectiveness
Regular Works Council meetings	Works Council Meetings take place regularly throughout the year. The TRATON Strategy on Working Conditions and Labor Standards is coordinated and monitored in collaboration with the Group Works Council. Its aim is to improve working conditions for all employees of the TRATON GROUP. TRATON supports the employee representatives and the corresponding committees, including funding for events, translation, interpreters, material preparation, and other subsidies. In addition, the Group provides the necessary human resources to support the committees, goals, and plans of the employee representatives and collective bargaining agreements.	European entities	No	Ongoing process, meeting frequency set by each Works Council
Group talent development programs	The TRATON GROUP is committed to continuously developing its employees to promote their motivation, necessary skills, and competencies, with a strong focus on daily learning. The goal is to enable self-driven and accessible learning throughout the TRATON GROUP, empowering the business in the present to be as successful as the future it envisions. In addition to brand-level learning initiatives, the Volkswagen Academy, and partnerships with external learning providers, the TRATON GROUP has offered talent development programs since 2017, covering each of the hierarchical levels. The Group talent development programs are held annually or bi-annually and are adjusted to meet the evolving needs of the organization or to reflect fundamental changes, such as the implementation of TRATON's corporate values.	TRATON GROUP	Yes	The goal is to facilitate cross-brand collaboration among top talents, ensure the visibility of talents at Group level, and develop key skills aligned with the Group strategy. To track and assess the effectiveness of these programs, evaluations are gathered from participants on the program content, presenters, and the practical application of new knowledge in daily business. This feedback helps ensure the programs are aligned with the ongoing needs of the organization.

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Actions	Description and time horizon	Scope	Target in place	Overall progress in 2025 and how we track effectiveness
Representation of women in Group talent development programs	TRATON endeavors to improve the representation of women in the Group talent development programs, with a particular focus on professionals, brand managers, brand executives, and Group executives, and has taken decisive action to achieve this goal. The Group's initiatives began in 2023 and continued throughout 2025, with a commitment to ongoing progress. To drive these improvements, we actively engage in communication and follow up with brand representatives.	TRATON GROUP	Yes	For more details on the target and progress, see the section on Performance below.
Annual Employee Survey (MyVoice)	This new employee survey will serve as a crucial method for gathering employee views on workplace dynamics, team collaboration, and manager relationships. It will provide an overall assessment of employee engagement, offering insights from line managers up to the TRATON GROUP level on what is working well and areas that need further development. This process aims to enable continuous improvement at both team and organizational levels. Aligned with the TRATON GROUP's corporate values, TRATON Shared leadership principles, which are described in detail in the section on Corporate Culture, and the TRATON GROUP Diversity & Inclusion commitment, the new survey will be closely tracked from 2026 onward.	TRATON GROUP	No	The TRATON GROUP made the decision to pause its annual employee survey "Stimmungsbarometer"(StiBa) from 2024 to prepare for implementing a new group-wide employee survey and tool called MyVoice. It was planned to be introduced in 2025 and has been postponed to 2026. To facilitate the development and implementation of this new survey, both financial and personnel support was provided through the HR and IT departments. The tracking of this action and its effective implementation is carried out by TRATON and the brands, which will follow up on the action plans derived from survey results. Each TRATON brand defined its own initiatives for 2025, as the Group survey will not be introduced until 2026.
D&I Strategy	In 2025, a cross-brand working group updated and sharpened the existing diversity and inclusion (D&I) approach based on the Diversity & Inclusion Commitment. It thereby established a strategy framework that can be also used by the brands and that shows the link between strategy and operational initiatives. D&I is an important part of company culture and the new D&I strategy also shows a clear link to the TRATON Corporate Culture Frameworks.	TRATON GROUP	No	The D&I Strategy was developed and adopted during fall 2025. Continuous monitoring of target achievement is carried out by the CHROs. The TRATON GROUP shared targets, and future initiatives will be updated and steered within the HR Governance model.
Central coordination via Group Health, Safety and Security department	To strengthen group-wide health and safety management, TRATON centralized its coordination in a new Group Health, Safety and Security department. This Group function leads efforts to unify and enhance the topic of health and safety across all brands. This coordinated approach is designed to set a new standard for health and safety across the TRATON GROUP.	TRATON GROUP	No	A senior expert was appointed with a coordinating function and a TRATON GROUP health and safety policy was developed. The policy will enter into force in 2026. A collaborative platform for the brands supports regular meetings and streamlined collaboration. The current brand structures were reviewed and an internal audit with a focus on corporate governance and reporting at the level of TRATON SE and in two brands was initiated. In addition, an internal process to review occupational health and safety (OHS) was established. To monitor the effectiveness of OHS approach, progress is reported regularly to the CHRO. This reporting enables any necessary adjustments to be made, keeping health and safety standards aligned with the strategy.

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Performance

Characteristics of the undertaking's employees

112,123 (previous year: 109,826) employees were employed by the TRATON GROUP at the end of 2025.⁶

In the reporting year, 9,022 (previous year: 10,271) employees left the TRATON GROUP. The turnover rate was 8.1% (previous year: 9.4%). It is calculated by relating the number of departures to the average number of employees in the reporting year. The basis of the calculation is the data from December of the previous year to December of the fiscal year of the reportable entities of the Group. The reference basis is the average number of employees during this period. The following groups are considered in the departures: employees who left TRATON due to dismissal, retirement, death, or at their own request. For Scania and MAN, departures to TRATON GROUP entities are included in the total departure numbers. This is due to technical challenges in the system, which does not record transfers between TRATON GROUP entities.

All individuals with an active employment relationship involved in the value-adding process of the TRATON GROUP are included. All metrics are reported as headcount in this section and reflect the number of the respective group of employees as of December 31 of the reporting year.

Number of employees by headcount, broken down by gender

Gender	As of December 31, 2025	As of December 31, 2024
Female	22,923	22,229
Male	89,170	87,564
Other	2	0
Not disclosed	28	33
Total	112,123	109,826

Number of employees by headcount, broken down by country

Country ¹	As of December 31, 2025	As of December 31, 2024
Germany	21,292	21,239
Sweden	22,688	22,570
USA	14,386	15,378

¹ Only countries with more than 10% of total headcount mentioned

⁶ In the Human Resources section of the Annual Financial Statements, the total workforce is also reported as headcount, but based on the annual average. By contrast, the headcount reported in the sustainability report reflects the total workforce as of December 31, 2025.

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Number of employees by headcount, broken down by gender and employment relationship

	Female		Male		Other		Not disclosed		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Number of employees ¹	22,923	22,229	89,170	87,564	2	0	28	33	112,123	109,826
Number of permanent employees	21,928	20,742	86,222	83,497	2	0	28	33	108,180	104,272
Number of temporary employees	995	1,487	2,948	4,067	0	0	0	0	3,943	5,554
Number of non-guaranteed hours employees ²	0	0	0	0	0	0	0	0	0	0

¹ All persons with an active employment relationship involved in the value-adding process of TRATON are included, such as top management, those in the passive phase of partial early retirement (ATZ), and apprentices. Excluded are all forms of dormant employment, such as employees on parental leave as well as marginal employment, employees in academic training temporary external personnel and self-employed individuals.

² Non-guaranteed hours employees are employed without a guarantee of a minimum or fixed number of working hours.

Characteristics of non-employees in the undertaking's own workforce

As of December 31, 2025, there were a total of 5,335 (previous year: 5,127) non-employees in the TRATON GROUP's own workforce. Non-employees include temporary external personnel and self-employed people. Temporary external personnel refers to personnel in an employment relationship with a temporary employment agency, who are only employed for a limited period and perform the same work as the company's employees. These personnel are not paid directly by TRATON and are therefore not considered employees. Self-employed people work independently to operate business or professional activities themselves, as opposed to working for an employer.

Collective bargaining coverage and social dialog

TRATON surveys coverage by collective bargaining agreements and social dialog. Collective bargaining refers to negotiations between employers (or their organizations) and trade unions (or duly elected worker representatives) to determine working conditions, terms of employment, and regulate relations between employers and workers or their organizations. A collective bargaining agreement is a written agreement resulting from these negotiations, covering conditions of employment such as payment and working hours, and potentially addressing topics like health and safety. In the reporting year, the overall percentage of employees covered by collective bargaining agreements was 67% (previous year: 69%⁷).

⁷ Excluding International

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Percentage of total employees in the European Economic Area (EEA) covered by collective bargaining agreements and workers' representatives

Coverage Rate	Collective Bargaining Coverage ¹		Social Dialog ²	
	Employees – EEA (for countries with > 50 employees representing > 10% total number of employees)		Workplace representation – EEA (for countries with > 50 employees representing > 10% total number of employees)	
	2025	2024	2025	2024
0 to 19%				
20 to 39%				
40 to 59%				
60 to 79%				
80 to 100%	Germany, Sweden	Germany, Sweden	Germany, Sweden	Germany, Sweden

¹ Coverage includes all employees under a collective bargaining agreement, including those under voluntary extension (e.g., non-union members). An employee covered by multiple agreements is counted only once. In countries with trade unions, only employees covered by agreements between the employer and a trade union are considered.

² Representatives of the workers duly elected and authorized are those freely elected by the workers, independent of employer control, in accordance with national laws or collective agreements. Their functions do not overlap with trade union prerogatives and do not undermine the position of trade unions or their representatives.

Adequate wages

To assess whether employees are being paid an adequate wage, an annual reference value is used as a benchmark. Within the EEA, the minimum wage serves as the reference value, while outside the EEA the living wage is applied. The source for the reference values is WageIndicator. This is a global research initiative that collects and publishes data on wages, cost of living, and labor market conditions. It provides living wage benchmarks to help organizations ensure fair and adequate pay. If there is no applicable minimum wage in an EEA country, comparative values are used that are not lower than the minimum wage of a socio-economically similar neighboring country. Almost all employees of the TRATON GROUP received remuneration above the applicable reference values. In countries where the reference values referred to above were not reached, a case-by-case review was conducted with regard to existing local collective bargaining agreements. If the case-by-case review showed compliance with existing local collective bargaining requirements, those employees are considered to be adequately remunerated. In Singapore, there are no local collective bargaining requirements within the TRATON GROUP and 19% of the workforce (10 employees) fall below the reference value applied. All employees were remunerated in line with existing local legal requirements.

Representation of women in Group talent development programs (target)

By increasing the representation of women in the Group talent development programs, TRATON encourages the brands to promote women to higher management positions based on objective criteria. This is closely connected to the TRATON GROUP diversity and inclusion commitment. The Group's targets for 2025 were to increase the share of women in the High Potential Challenge and Management Excellence Program to 50% and in the Leading the Future Program to 35%. The target setting was informed by the actual data of previous years since 2017 and the women in management target set out below. The CHROs were involved in target setting and inform the brands via the CHRO meeting. TRATON successfully met its targets for the High Potential Challenge, Management Excellence, and Leading the Future Programs for the cohorts starting in 2025. Since the Executive Elite Program (EEP) generally follows a two-year cycle, there was no cohort in 2025, and the EEP will also be paused temporarily in 2026. This is an ongoing goal, and the proportion of women in the talent development program cohorts applies to each respective year, meaning that there is no base value or year.

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Representation of women in management (target)

In the context of the commitment, the TRATON GROUP has set the target of achieving a 28% female management workforce by 2029, with an interim target of 24.8% by 2025. TRATON has fulfilled this interim target. In 2025, the TRATON GROUP reassessed its Women in Management target path in light of organizational changes and applicable regulatory requirements for US entities. Updated brand forecasts led the TRATON GROUP to adjust its target for 2029 from 30% to 28%. The revised goal reiterates the continued commitment to fostering an inclusive working environment. The women in management target includes Group Executives, Brand Executives, and Brand Managers and the objective is to increase the proportion of women in all three management groups. The target is closely connected to the TRATON GROUP diversity and inclusion commitment. To define the target, TRATON relied on workforce data, discussions with internal experts, alignment with the Volkswagen Group, and involvement of the Group Works Council. Monitoring and reviewing the target is also a collaborative effort that involves TRATON and the Volkswagen Group.

Diversity metrics

The following tables show the distribution of employees by age group and gender at the highest management level (by number and percentage).

Distribution of employees by age group

Number of employees	2025	2024
Under 30 years	24,198	25,149
Percentage of employees under 30 years	22%	23%
Between 30 and 50 years	60,374	58,365
Percentage of employees between 30 and 50 years	54%	53%
Over 50 years	27,551	26,312
Percentage of employees over 50 years	25%	24%

Gender distribution in number and percentage at top management level

Number of employees at top management level ¹	2025	2024
Female	8	7
% of total at top management level	18%	16%
Male	36	37
% of total at top management level	82%	84%
Other	0	0
% of total at top management level	0%	0%
Not disclosed	0	0
% of total at top management level	0%	0%
Total	44	44

¹ Top management level is defined as the Volkswagen Group's "TMK Group" (Top-Management Kreis Group).

Health and safety metrics

84% of employees⁸ are covered by a company health and safety management system based on legal requirements and/or recognized standards or guidelines. In the reporting year, there was one fatality in TRATON's own operations.⁹ This fatality involved a non-employee. Therefore, no fatalities involved employees of the TRATON GROUP and no fatalities involved other workers.¹⁰ In the reporting year, there were 3,331 reportable work-related accidents involving employees of the TRATON GROUP, resulting in a rate of 17.8 work-related accidents per 1,000,000 hours worked (TRIR).

Incidents, complaints, and severe human rights impacts

During the reporting year, the TRATON GROUP received 1,169 (previous year: 863) hints through the whistleblower channels. The number of reported cases has risen compared with the prior-year period, as expected, due to awareness campaigns and whistleblower protection laws in force within Europe. Of these cases, six (previous year: 53¹¹) cases were confirmed as violations related to discrimination and harassment. 13 cases (previous year: nine) cases were confirmed as violations related to workforce issues outside of discrimination and harassment. As in the previous year, there were no fines, sanctions, or compensation payments related to incidents and complaints about discrimination, including harassment. No (previous year: 0) cases¹² were submitted to the national contact points for multinational enterprises of the OECD in connection with workforce issues.

8 Based on headcount as reported in table "Number of employees by headcount, broken down by gender."

9 The reporting of fatalities resulting from work-related accidents complies with the Group-wide process for reporting fatal accidents and serious incidents.

10 Other workers include workers in the value chain, if they work on TRATON sites.

11 The confirmed cases are retrieved from the whistleblower system. In contrast to the 2024 reporting period, reporting in 2025 was based exclusively on the whistleblower system; disciplinary statistics were no longer factored into the reporting. The TRATON GROUP measures the total number of incidents of discrimination, including harassment and the number of complaints in its own workforce filed through channels to raise concerns, with the Group-wide reporting structure established by the Volkswagen Group in 2019.

12 TRATON uses the OECD database as data source. The update frequency of this database is uncertain, therefore a case reported at the end of December may not be published on the website immediately.

As in the previous year, during the reporting period, there were no¹³ serious incidents related to human rights in connection with the workforce that were reported through the whistleblower channels. Therefore, no¹⁴ cases were violations of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises. The fines, sanctions, and compensation payments related to these incidents amount to €0 (previous year: €0).

Additionally, the same methodology as above is used to measure the total amount of fines, penalties, and compensation for damages resulting from complaints. The total amount of fines, penalties, and compensation for severe human rights incidents is also tracked.

Furthermore, based on the available data, the TRATON GROUP did not face significant fines, penalties, or compensation for damages in an amount that requires a separate disclosure of those numbers in the consolidated financial statement.

During the reporting period, one infringement of human rights protected by the German Supply Chain Due Diligence Act¹⁵ (*Lieferkettensorgfaltspflichtengesetz*, LkSG) with regard to the workforce of suppliers in the upstream and downstream value chain was identified (previous year: none). The infringement concerned the prohibition on disregarding occupational safety.

Workers in the value chain

The TRATON GROUP recognizes its responsibility to uphold labor rights and ethical standards throughout its supply chain. This section details the Group's policies, risk assessments, and grievance mechanisms related to value chain workers. In the DMA, TRATON identified the following IROs related to workers in its value chain.

Impacts, risks and opportunities related to workers in the value chain

Sustainability matter	IRO category	Time horizon	Scope	Description
Working conditions	Potential negative impact	Short-term	Upstream	Impact of adverse working conditions, occupational health and safety issues, and denial of freedom of association on workers in the value chain
Other work-related rights	Potential negative impact	Short-term	Upstream	Potential employment of underage workers and the use of forced labor within the value chain

These IROs are strongly connected to the "Responsible Company" pillar of the TRATON Way Forward strategy and the joint impact area of human rights. Based on the human rights salience assessment, TRATON developed an understanding of how particular value chain workers may be at greater risk of harm.

The material negative impacts on affected communities identified in the DMA are widespread and do not pertain to specific incidents or business relationships. In the DMA and based on the results of the human rights salience assessment, only workers in the upstream value chain were identified to be potentially impacted materially, with workers in the raw materials supply chain at greater risk of being negatively impacted. Among these, the following

13 The methodology described is also used to measure the number of severe human rights incidents connected to the workforce.
14 The methodology described is also used to measure the cases of non-compliance with the UN Guiding Principles, ILO Declaration, or OECD Guidelines.
15 The German Act on Corporate Due Diligence Obligations in Supply Chains

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particularly vulnerable groups were identified: migrant workers, temporary workers, female workers, trade unions and workers' representatives, minors, low-income and low-skilled workers with limited literacy, and individuals from minority ethnic, religious, or language groups. In general, raw material mining in certain regions is more at risk of child and forced labor, particularly in cobalt mining sites in the Democratic Republic of the Congo. For more details on the human rights salience assessment, see the section on [Stakeholder engagement](#).

Approaches and policies

The Group policies — Policy Statement on Human Rights and Code of Conduct for Suppliers and Business Partners — relate to the potential negative impacts identified within the value chain.

The TRATON GROUP's Policy Statement on Human Rights is applicable to own workforce as well as to workers in the value chain and is described in the section [Own workforce](#). The Group's Code of Conduct for Suppliers and Business Partners is further detailed in the section [Sustainability governance](#) and essentially covers all material IROs related to the following topics: elimination of child labor and protection of minors, elimination of forced labor, working hours, fair wages, work-life balance, health and safety measures, freedom of association, and collective bargaining.

Processes for identifying, addressing, and monitoring supplier violations

To mitigate negative impacts on workers in the value chain, violations of the Code of Conduct for Suppliers and Business Partners can be identified in the case of direct or indirect suppliers through the Supply Chain Grievance Mechanism (SCGM) as part of the complaints procedure and the sustainability rating (for more details, refer to the table below describing [Actions](#)). In both cases, on-site audits can be used.

TRATON empowers and upskills its suppliers and business partners in executing corrective actions to effectively address violations and fosters a collaborative environment where both short- and long-term improvements are achieved. Suppliers are actively involved in the development of these actions with SCGM experts and/or auditors. This allows action to be taken to stop or minimize the breach. In particular, the selection and design of appropriate measures weighs up the effort associated with the specific violation and the affected persons in the relevant local context. If necessary, an escalation process can be initiated, in which it is possible to block the supplier or business partner.

The check of the effectiveness of the measures implemented by the supplier or business partner as a result of an on-site audit is carried out by the auditor or the responsible brand expert as part of a desktop review or by a further on-site audit. In cases where a direct supplier or a business partner fails to implement the defined measures or does not implement them completely, the defined steps of a multi-stage escalation process are followed. As part of this process, if the measures are not implemented effectively within the specified period, a new on-site audit can be ordered or, if necessary, the business relationships can be suspended. This temporary suspension means that the supplier or business partner is blocked from being re-awarded a contract. If, upon re-examination of the action plan by the auditor or subject matter expert, it is determined that the supplier or business partner has not corrected the violation, the supplier will remain barred from new business. Finally, current and upcoming orders from the supplier or business partner can be verified based on the evidence.

In the event of specific indications of potential misconduct by employees of TRATON, a business partner, or its business partners in turn in the context of collaboration with TRATON, the Group offers all stakeholders the option of reporting such misconduct via the TRATON whistleblower system. The Group's approach to addressing negative impacts via the whistleblower system as well as mechanisms in place to protect its users against retaliation is outlined in

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the section [TRATON's grievance mechanism](#). As the complaint channels are available to the public, they are also accessible for all value chain workers as well as affected communities. To prevent and detect negative impacts on value chain workers specifically, TRATON requires its suppliers and business partners to establish a grievance mechanism adequate to their business via the Code of Conduct for Suppliers and Business Partners. The mechanism allows for concerns related to business ethics, human rights, or the environment to be raised by both their own employees as well as other potentially affected people anonymously, confidentially, and without fear of retaliation. The Group's Code of Conduct for Suppliers and Business Partners further demands suppliers and business partners provide their employees with unhindered access to the whistleblower system implemented by TRATON and not perform any actions that obstruct, block, or impede access. Suppliers and business partners undertake contractually to pass these obligations on to their suppliers and to ensure, to the extent possible and reasonable, that the obligations are passed on further in the supply chain. Detailed information on how topics addressed are monitored and how the effectiveness of the whistleblower system is ensured is presented in the section [TRATON's grievance mechanism](#).

As of now, TRATON has not adopted a process to engage directly with workers in the value chain about impacts. Until a process is in place, TRATON integrates value-chain workers' perspectives through external research including reports, papers, and articles from Non-Governmental Organizations (NGOs), media, and other reputable organizations/experts, reflecting affected persons' perspectives and voices.

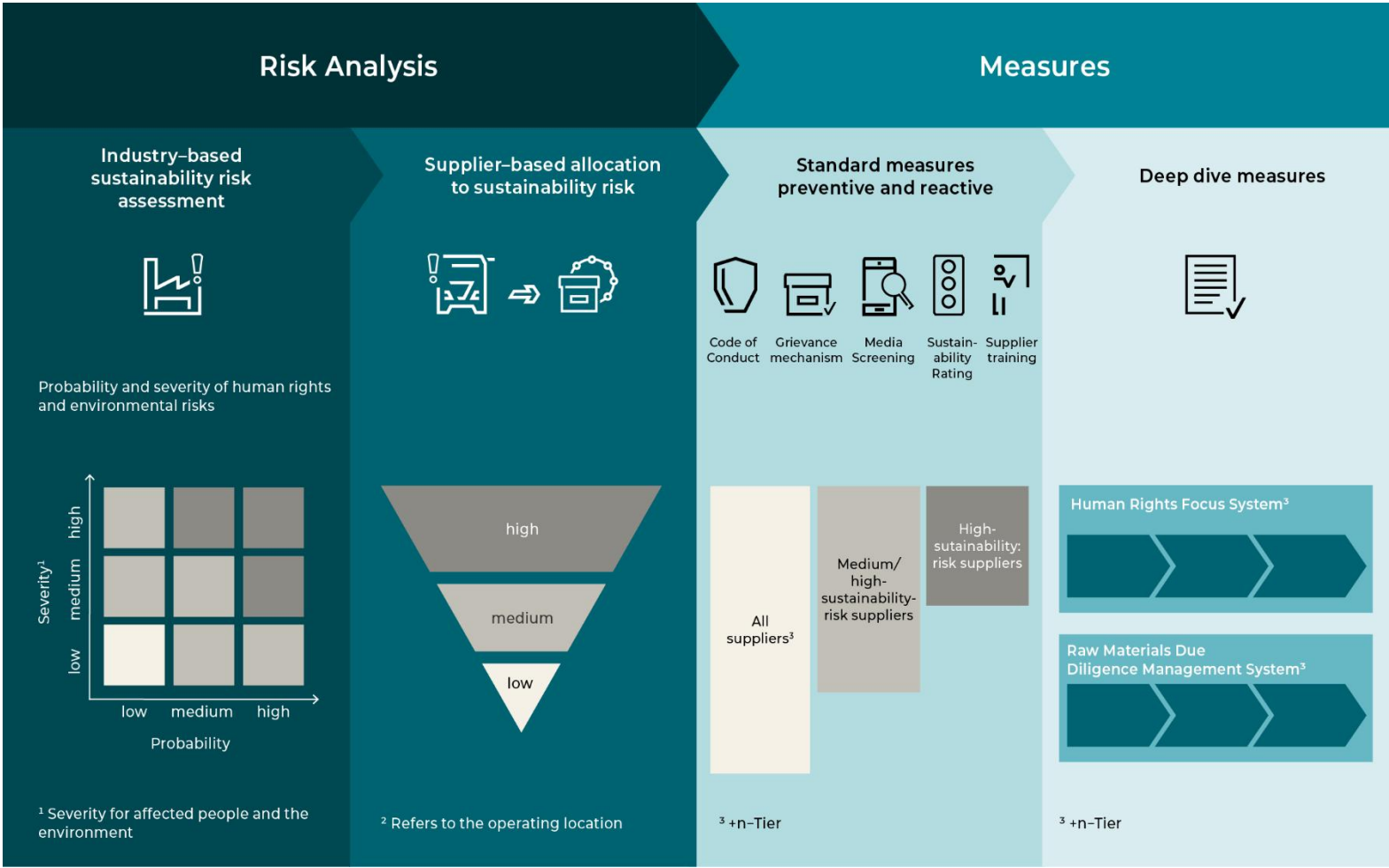
Actions

Responsible supply chain system

The TRATON approach to managing supplier relationships largely relies on the Responsible Supply Chain System (ReSC system), which includes preventive actions including confirmation of the Code of Conduct for Suppliers and Business Partners, the sustainability rating (S-Rating), training courses for suppliers, and the human rights focus system (HRFS), as well as mitigation and remedial action such as the supply chain grievance mechanism (SCGM). In the context of the responsible supply chain system policy and incorporated actions, such as the raw materials due diligence management system (RMDDMS) and the HRFS incorporating supplier audits, TRATON, together with the Volkswagen Group has developed an understanding of the extent to which workers with certain characteristics and workers who work in a specific environment, or perform certain activities may be more affected by impacts. As the Code of Conduct for Suppliers and Business Partners is a standard measure of the ReSC system, the actions relate to the same IROs as the Code of Conduct for Suppliers and Business Partners and therefore cover both sustainability matters, namely working conditions and other work-related rights of workers in the value chain.

The ReSC system includes the following elements, which build on each other:

- **Risk analysis:** A regular risk analysis is used to identify potential negative impacts on workers at supplier level. The processes for analyzing risk represent the first step of the ReSC system. Based on the risk class determined for certain business models and countries, the supplier is assigned a package of actions to prevent and mitigate the potential negative impacts identified to enable it to be eligible for the award of contracts.
- **Standard measures:** These preventive and reactive actions include confirmation of the Code of Conduct for Suppliers and Business Partners by direct suppliers, the Supply Chain Grievance Mechanism (SCGM), media screening, the S-Rating, and training for suppliers and employees.
- **Deep-dive measures:** These include the human rights focus system (HRFS), the raw materials due diligence management system (RMDDMS), and collaboration with external partners to progress the sustainability policy in the supply chain.



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Actions related to workers in the value chain

Action	Description and time horizon	Scope	Target in place	Overall progress in 2025 and how we track effectiveness
Standard measure Supply Chain Grievance Mechanism (SCGM)	The SCGM was implemented as part of the ReSC system to systematically process reports of risks or violations. It is used to process hints of violations of the Code of Conduct for Suppliers and Business Partners by the TRATON GROUP's direct or indirect suppliers. Part of this may also include the definition of (remedial) actions once the facts of the case have been established and the corresponding conclusions have been made, i.e., via ad hoc on-site audits. These audits can identify gaps in supplier performance as well as risks at indirect suppliers' sites that need to be mitigated through the direct supplier. The mechanism is available via the channels of the Volkswagen Group, the TRATON GROUP, or TRATON brand whistleblower systems and is open to all potentially affected stakeholders.	Direct and indirect suppliers Upstream and downstream supply chain	No target has been set because it is currently not possible to define a measurable and verifiable target due to the qualitative nature of this topic.	Supplier-specific measures, defined during audits or through the SCGM (e.g., following up on reports of violations) and implemented by the supplier, are assessed for effectiveness by auditors or case handlers. This is carried out through methods such as desktop reviews or on-site follow-up audits.
Standard measure Media screening	The TRATON GROUP brands, either directly or through Volkswagen Group Procurement Sustainability, carry out continuous and risk-based media screening of relevant suppliers' using a software tool. If the tool identifies indications of possible breaches of the Code of Conduct for Suppliers and Business Partners by suppliers in the upstream and downstream value chain, these are reviewed and, if necessary, processed in the SCGM. The media screening can identify potential breaches even if there is no direct report in the whistleblower system, or no findings are made in supplier audits. This enables these cases to be processed by the SCGM, and where necessary, remedial action to be taken.	Direct and indirect suppliers Upstream and downstream supply chain	No target has been set because it is currently not possible to define a measurable and verifiable target due to the qualitative nature of this topic.	In the case of media screening, it was not feasible to define suitable indicators to determine the effectiveness of this measure.
Standard measure S-Rating	The S-Rating is an established process in the brands of the TRATON GROUP. This standardized instrument is used to assess the degree to which direct suppliers with high sustainability risks and a corresponding company size comply with Volkswagen's Group sustainability requirements. It is closely linked to the requirements of the Code of Conduct for Suppliers and Business Partners. The goal is to create transparency, verify compliance with Volkswagen's Group sustainability standards, identify potential areas for improvement, and provide incentives for sustainable corporate governance. In 2025, the S-Rating process was fundamentally revised and reintroduced under the name "S-Rating 2.0." The new evaluation logic distinguishes between positive and negative S-Ratings: Positive S-Rating: The supplier meets the sustainability requirements and is eligible for contract awards. A positive S-Rating is intended to demonstrate that a direct supplier, by meeting the minimum criteria of the S-Rating, has the capacity to mitigate or avoid potential negative impacts on the working conditions of its own employees, and to eliminate actual negative impacts on working conditions and other labor-related rights. Negative S-Rating: The supplier has not yet submitted the necessary documentation or has violated sustainability requirements of the TRATON GROUP. A negative S-Rating generally means the supplier is not eligible for contract awards and serves as a targeted incentive to improve sustainability performance and promote responsible business practices. The evaluation is risk-based and event-related, conducted before each new contract award. It is based on a risk analysis that considers	Direct suppliers Upstream and downstream supply chain	Long-term goal: By 2040, more than 95% of relevant Volkswagen Group direct suppliers, based on turnover, should have a positive S-Rating. Interim goal: For the reporting year 2025, an interim target of 85% for the Volkswagen Group was defined. TRATON brands are contributing to this target, but a target feasible specifically for commercial vehicles is currently being evaluated. The target is directly linked to the Group's sustainability goals, as a positive S-Rating shows that suppliers meet sustainability requirements and thereby reduce or avoid negative impacts on working conditions and work-related rights. The interim target was defined by a cross-functional working group based on feasibility analyses and internal benchmarking.	The target has not been adjusted since the goal was defined. The underlying methodology for calculating the associated KPI was revised and updated as part of the introduction of S-Rating 2.0, expanding the supplier base covered and the assessment logic. This methodological change improves transparency and harmonization across brands, but affects comparability with previous evaluations. The revised method for calculating the KPI will be implemented gradually to ensure consistency across all brands. Performance is continuously monitored at brand level using internal systems that aggregate supplier S-Rating data. Although no direct employee integration into tracking has been established, the system takes supplier feedback and audit results into account when assessing effectiveness. The

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environmental, social, and integrity aspects. TRATON draws on data from a specialized service provider to determine the country risk.

Supplier evaluation begins with a Self-Assessment Questionnaire (SAQ), which captures documented processes, management systems, and relevant documents. These responses are validated by external service providers and typically adjusted based on country risk. Based on the SAQ responses, suppliers receive recommendations to improve their processes and regulatory frameworks.

For certain companies, an audit (on-site inspection) by selected service providers may also be required. If discrepancies are found, the supplier must develop and implement an action plan. The effectiveness of these measures is reviewed by auditors, for example, through desktop reviews or follow-up audits.

Audits are conducted based on risk. If the supplier receives a score below 100 points, they are issued a Corrective Actions Plan (CAP). The required actions are documented in the CAP, jointly agreed upon with the supplier, and subsequently monitored. If a supplier receives an audit result of less than 50 points, a follow-up audit will be conducted after the CAP has been implemented.

In addition to SAQ and audits, other instruments — such as the SCGM or specification-specific requirements (e.g., through RMDDMS) — influence the S-Rating and thus the supplier's eligibility for contract awards.

Workers in the supply chain or their representatives were not directly involved in the target-setting process.

results are regularly reviewed and analyzed for significant trends to support targeted supplier outreach and improvements. In 2025, the share of supplier sales revenue with a positive S-Rating at TRATON was 85%. As 2025 is the first year using the revised methodology, the reporting year serves as the baseline for future tracking.

Standard measure
Sustainability training for employees in procurement

Sustainability is an integral part of the skills profile for employees in procurement, deeply embedded not only in individual competencies related to the core focus areas of sustainable procurement, but also in the organizational culture. Systematic training of TRATON's employees is essential for improving sustainability in the supply chain.

TRATON GROUP
buyers globally

No specific target has been defined at this stage due to ongoing data validation and evolving standards. The focus is on continuously enhancing the internal training portfolio.

In 2025, training courses on sustainability for procurement were performed by the brands and attended more than 1,817 (previous year: 363 attendees) times worldwide. The significant increase is primarily attributable to major training events at MAN and Scania. To date, no monitoring of effectiveness in relation to working conditions and other work-related rights has been implemented.

Standard measure
Sustainability training for suppliers

To enable continuous supplier development, the TRATON GROUP brands in collaboration with Volkswagen Group conduct topic-specific sustainability training and workshops with suppliers at selected locations or online. They also offer web-based training courses, including on S-rating and the Code of Conduct for Suppliers and Business Partners. Since 2023, an in-depth human rights training has been rolled out to suppliers with a high sustainability risk. The training includes legally required aspects such as training on child labor, forced labor, and discrimination. In addition to the training courses, TRATON provides current suppliers with an e-learning module on sustainability in eight languages.

Direct suppliers
Upstream supply
chain

No specific target has been defined at this stage due to ongoing data validation and evolving standards. The priority is to continuously enhance the external training portfolio.

In 2025, 600 (previous year: 733) suppliers were trained accordingly. To date, no monitoring of effectiveness in relation to working conditions and other work-related rights has been implemented.

Deep-dive measures
Raw materials due diligence management system (RMDDMS)

Regarding the responsible sourcing of raw materials, TRATON as part of the Volkswagen Group RMDDMS follows the approach on the five steps of the OECD Due Diligence Guidance for Responsible Business Conduct and the requirements of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

This management system serves to identify, assess, and implement mitigation actions. In total, it currently covers 18 raw materials. These include the battery raw materials cobalt, lithium, nickel, and graphite, the

Direct and
indirect suppliers
Upstream supply
chain

No target has been set because it is currently not possible to define a measurable and verifiable target due to the qualitative nature of this topic.

In the RMDDMS, measures are considered effective if they help improve living conditions or protect the environment. Each measure is assigned a timeline and success indicators upon selection, with results feeding into the annual risk

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conflict minerals tin, tungsten, tantalum, and gold (3TG), and aluminum, copper, leather, mica, steel, natural rubber, platinum group metals, rare earths, cotton, and magnesium.

With this risk-based approach, the TRATON GROUP, as part of the Volkswagen Group, prioritizes its activities based on the severity and likelihood of the infringement and the ability to influence it. Audits are one of the key tools used to assess risks in the upstream supply chains and identify mitigation measures. They are utilized alongside other tools used for raw material due diligence and help promote transparency, compliance, and a culture of continuous improvement and dialog throughout the supply chain.

RMDDMS mitigation measures are implemented by TRATON brands in a way that corresponds to their business. Some TRATON brands implement additional measures tailored to their specific supply chain risks and sustainability goals.

analysis for 18 high-risk raw materials. To date, no monitoring of effectiveness in relation to working conditions and other work-related rights has been implemented.

Deep-dive measure
Human rights focus system (HRFS)

Within the sustainable supplier management, TRATON as part of the Volkswagen Group is also involved in protecting groups of people who may be affected by negative impacts along the upstream and downstream supply chain. To achieve greater impact here, Volkswagen Group introduced the HRFS. TRATON brands as part of Volkswagen Group use the HRFS in a way that corresponds to their business to identify topics that may be associated with human rights and environmental risks. These topics require more in-depth analysis and are continuously addressed. The tools and actions implemented in the HRFS are intended to minimize and stop identified negative impacts on value chain workers. Simultaneously, the aim is to promote positive impacts on these workers.

Direct suppliers
Upstream and
downstream
supply chain

No target has been set because it is currently not possible to define a measurable and verifiable target due to the qualitative nature of this topic.

As of the reporting year, no measurement for tracking the effectiveness is in place.

Human rights salience assessment (not part of the ReSC system)

To understand the TRATON GROUP's human rights and social risk profile and increase the readiness and ability of the key decision-makers to consider human rights in TRATON's sustainability and business strategy, the TRATON GROUP commissioned an external consultancy to conduct a human rights salience assessment in 2023-2024. The salience assessment identifies and prioritizes human rights risks from the perspective of rightsholders prior to any management effort. It covers the TRATON GROUP's value chain across its brands including TRATON's own operations, supply chain, distribution, and sales networks, as well as customers and end-users. The salience assessment methodology on negative impacts is aligned with the United Nations Guiding Principles on Business and Human Rights considering the four criteria of scope, scale, remediability, and likelihood. In total, 18 salient human rights risks and impacts were identified, which can be split into the three categories labor and workforce; product, customer, and end-users; and cross cutting and emerging themes.

Upstream and
downstream
supply chain
TRATON GROUP

No target has been set because it is not possible to define a measurable and verifiable target due to the qualitative nature of this topic.

The human rights salience assessment served as a basis for the DMA and will inform further actions around managing IROs related to value chain workers. As a next step, the TRATON GROUP will start a new human rights program. In 2025, no measurement for tracking the effectiveness was in place.

¹ The relevance of a supplier for media screening results from factors including the procurement volume or the risk exposure derived from the type of product or service.

Road safety

Countless people come into contact with the TRATON GROUP's products and services on a daily basis. TRATON gives the highest priority to the security and safety of its products. Through the DMA, the company identified potential negative and positive impacts related to the entity-specific issue of road safety. The following section outlines the approach of the TRATON GROUP to managing material impacts related to road safety across the value chain.

Impacts, risks and opportunities related to road safety

Sustainability matter	IRO category	Time horizon	Scope	Description
Road Safety (entity-specific sub-topic)	Potential negative impact	Short-term	Downstream	Impact of traffic accidents on road users.
	Potential positive impact	Short-term	Downstream	Increasing safety features in the products and promoting safe road use.

Approaches and policies

The TRATON GROUP Policy on Product Safety and Conformity is related to the potential negative impact on people from traffic accidents and the potential positive impact by increasing the safety features in products and promoting safe road use. The Policy plays a key role, especially in ensuring the personal safety of customers, the environment, and society in general. It is strongly aligned with the corresponding Volkswagen Group policy and sets consistent standards across the Group to meet legal requirements and fulfill the TRATON GROUP's commitment to responsible product stewardship. A system for actively and passively monitoring products placed on the market must be maintained, and any risks associated with these products must be prevented as far as reasonably possible.

Road safety policy

Name of policy	Key contents and objective	Scope	Responsible organizational level and monitoring process	Availability of the policy for stakeholders
Product Safety and Conformity (Group policy)	The Product Safety and Conformity policy established consistent standards for the TRATON GROUP. It is closely aligned with the Volkswagen Group's policy. It stipulates that TRATON entities bringing products to market adhere to the organizational and procedural frameworks and aims to ensure that in-the-field identified risks against safety and/or conformity are detected, assessed, and appropriately mitigated. Additionally, the policy specifies multi-brand collaboration among the TRATON brands. It sets consistent, Group-wide standards in accordance with the TRATON GROUP's module and component strategy, facilitating the coordination of necessary measures across the entities within the TRATON GROUP. As a commercial vehicle manufacturer, TRATON strives to manufacture products of the highest possible quality. However, sustained success is possible only if integrity — in other words, activities conforming to statutory requirements and driven by a commitment to values — forms the basis for day-to-day activities. It further maintains a system for active and passive product surveillance monitoring for the products that it releases on the market. Finally, TRATON aims to avert hazards and danger to life and limb arising from such products as far as it is reasonably able to do so.	TRATON GROUP	The monitoring process for this policy is described in detail in the following in the Actions related to road safety table.	Access via intranet

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Process for Safety-Conformity-Related Matters

If a case has the potential to be safety- and/or conformity relevant, the Product Safety Committee at the respective manufacturing entity must be consulted in accordance with Group regulations. The Product Safety department then determines the necessary and appropriate actions to restore the safety and conformity of products on the market. These actions may include recall campaigns, workshop service actions, warranty extensions, or production halts.

Any indications of safety- and/or conformity relevant issues identified through passive or active product monitoring are analyzed in detail. Once the Product Safety Committee approves a measure, its implementation is initiated and coordinated by the respective brand's field quality and service organization, which reports to the Product Safety Committee on timing and progress.

The effectiveness of each measure is tracked through ongoing product monitoring and evaluated based on the implementation rate.

All decisions and measures approved by the Product Safety Committee are binding for all relevant departments. The Product Safety Committee office monitors the timely execution of these measures and, when necessary, reports the status back to the Committee. This includes input from departments such as Technical Development and Production, and considers factors like frequency of occurrence, root cause, affected components, and other impacted Group models.

Cybersecurity Management System

The brands use a variety of automotive management systems for motor vehicles to address the cybersecurity of their vehicles.

Potential risks are analyzed during development and mitigated using appropriate state-of-the-art solutions. Tests uncover remaining weak spots and help to close them before starting production.

To effectively respond to new cybersecurity risks, ongoing risk assessments are maintained by the brands and different monitoring procedures were implemented. Continuous monitoring includes internal sources, like the analysis of vehicle data, and external sources, like the screening of the web by a threat intelligence service provider. These measures enable the brands to detect new cybersecurity vulnerabilities and cyberattacks on TRATON GROUP products (also known as incidents). Vulnerability and incident management processes on brand and VW Group level ensure an appropriate and prompt response.

If necessary, suitable countermeasures will be rolled out in the field via the known channels like over-the-air updates or field campaigns.

Actions

The following actions highlight the TRATON GROUP's ambition regarding road safety.

Actions related to road safety

Action	Description and time horizon	Scope	Target in place	Overall progress in 2025 and how we track effectiveness
Monitoring and management of product safety and conformity	The brands of the TRATON GROUP placing products on the market are committed to maintaining robust systems for both active and passive surveillance of products released on the market to prevent potential hazards. As soon as indications of potential safety and/or conformity-relevant deviations are identified, this information must be immediately subjected to a more detailed technical analysis and, if necessary, a risk assessment to introduce any necessary measures. For managing such procedures, designated committees are installed within the brands. This is a recurring action.	TRATON GROUP	No	Regular internal audits are conducted to ensure that all actions required by the product safety and conformity policy are complied with and effective. To this end, at least 5% of the new cases of suspicion of non-conformity or lack of safety added since the last audit should be audited in each calendar year.
Scania Zone	Scania Zone is a position-based service for vehicles that allows geographic conditions to be set to restrict speed in certain areas. It is managed in Scania's digital ecosystem My Scania and the applications Scania Driver app and Scania Fleet app.	Scania's L, P, G, R and S cabs as well as the CrewCab models	No	
Fédération Internationale de l'Automobile (FIA) Road Safety Index.	As part of Scania's ambition to drive the shift towards zero accidents, Scania has completed the first three steps of the FIA Road Safety Index — Value Chain Analysis, Commitment, and Footprint — initially focusing on Scania's global functions and the operations in Sweden. This is an important step in measuring how well Scania aligns with its ambition.	TRATON GROUP operations in Sweden	No	Scania received a 3-star rating, the highest rating awarded by a third-party certification body. This makes Scania one of the world's leading companies and the first heavy-duty vehicle manufacturer to receive this award.

Affected communities

The TRATON GROUP recognizes that its vehicles and operations can influence the lives of people. This section outlines how the Group manages impacts related to affected community rights and vehicle misuse, in line with the joint impact area human rights.

Impacts, risks, and opportunities related to affected communities

Sustainability matter	IRO category	Time horizon	Scope	Description
Communities' economic, social and cultural rights	Potential negative impact	Short-term	Upstream, own operations, and downstream	Harm due to inadequate protection of communities' rights and vehicle misuse.

Aside from the DMA, the Human Rights Salience Assessment was conducted for various groups of rightsholders. One of these groups is the local communities in the vicinity of TRATON's sites and along TRATON's supply chain that may be impacted by activities such as production or raw material extraction.

Affected communities in the scope of this report are all communities affected by material IROs. The following were identified as affected communities in this context:

1. Rightsholders affected by crimes and illegal activities facilitated by the Group's vehicles, such as illegal logging, mining, robberies, terrorist attacks, kidnapping, or human trafficking. These persons may experience impacts on their health, standard of living, personal safety, and life. In conflict zones, misuse of the TRATON GROUP's vehicles may exacerbate these impacts, while in authoritarian states, it could affect political expression and personal liberty.
2. Rightsholders in communities near TRATON operations or along the supply chain may face impacts from activities like mining.
3. Primary users of the Group's vehicles, such as drivers, may have their privacy impacted if smart systems collect data like location history or health information without consent. This also applies to connected devices and vehicle cameras.
4. Drivers and passengers of TRATON vehicles may experience impacts on their right to health, safety, and life if there are accidents associated with poor product or road safety. Other rightsholders that may be involved in accidents with TRATON vehicles, such as pedestrians or passengers in other vehicles, may also experience impacts on health, safety, and life.

The material negative impacts on affected communities identified in the DMA are widespread and do not pertain to specific incidents or business relationships. The identified risk of legal and reputational harm and operational disruptions from implication in human rights violations may arise from dependencies of the TRATON GROUP on communities located near its operations or within its supply chain, potentially leading to disruptions that affect business continuity and local stakeholder relations. The material impacts in the area of product misuse are reflected in the TRATON project on conflict-affected and high-risk areas (CAHRA).

Approaches and policies

The Group's approach to addressing negative impacts via the grievance mechanism as well as mechanisms in place to protect its users against retaliation is laid out in the section on [TRATON's grievance mechanism](#).

Besides the grievance mechanism, which is accessible to everyone, the TRATON GROUP has not adopted a process to engage with affected communities as of now. Until a process is in place, TRATON integrates communities' perspectives through external research including reports, papers, and articles from NGOs, media, and other reputable organizations/experts, reflecting rightsholders' perspectives and voices.

TRATON respects the human rights of affected communities in the same manner as TRATON respects the human rights of its own workforce and value chain workers, striving to ensure that its internal mechanism and principles are in line with the UN Guiding Principles on Business and Human Rights, ILO Declaration, and OECD Guidelines. This approach is important for communities near the Group's operations or supply chain and communities affected by crimes and illegal activities potentially facilitated by the Group's vehicles. Therefore, the Group's risk analysis addresses negative impacts on local communities that may be caused by own business operations or TRATON's suppliers. Similarly, cases of regulatory violations with negative impact on local communities that are caused by misconduct of employees or suppliers of the Group can be addressed via the relevant channels contained within the TRATON complaints procedure.

The Code of Conduct for Suppliers and Business Partners (see section [Sustainability governance](#)) requires suppliers and business partners to respect the rights of local communities to decent living conditions, including their rights to land, access to water, and other natural resources, as well as their right to practice their culture. The Policy Statement on Human Rights sets out further principles that TRATON adheres to in the context of human rights, contributing to mitigating potential negative impacts in this context.

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Policy addressing affected communities

Name of policy	Key contents and objective	Scope	Responsible organizational level and monitoring process	Availability of the policy for stakeholders
Export Control Policy	The policy serves as the overarching framework for all Group entities. It defines the Group's responsibilities and principles for complying with export control and sanctions requirements, and assigns clear accountability for their implementation. As export control laws and regulations inherently incorporate human rights considerations by prohibiting exports that could contribute to repression, conflict, or violations of international law, the Group integrates human rights protection by restricting sales to sanctioned countries, high-risk end-users, and conflict regions. These measures ensure products are used solely for legitimate civilian purposes and prevent potential misuse of products. Under the framework of the Group policy, each entity must designate appropriate governance and accountability (e.g., an export control function with defined reporting lines), perform risk-based classification of products, software, and technology, conduct screening of transactions and business partners, determine licensing needs, maintain records, and provide role-appropriate training and awareness. Brand- or country-specific procedures, work instructions, and process descriptions supplement this policy, provided they meet or exceed its requirements. The TRATON GROUP Export Control department supports the Group entities in ensuring compliance with this policy as well as with national, EU, and US regulations. Entities report to their respective Export Control function, these to the TRATON Export Control function. Moreover, reporting is annually taken to the Volkswagen Export Control department. Where necessary, qualified external parties may be considered to conduct reviews and audits. Corrective actions required to adapt export control operations or the Internal Compliance Program (ICP) based on review findings will be jointly defined and monitored by the respective brand and/or TRATON GROUP entity. All TRATON GROUP entities and their employees are required to comply with this policy.	TRATON GROUP	Each local brand entity involved in exports must appoint an Export Control Officer in line with the governance structure provided by the Central Brand Export Control function. Additionally, all TRATON GROUP entities nominate a member of their respective management board or board of directors to be Chief Export Control Officer and responsible for foreign trade and export control matters. The policy defines the framework for each Group entity to implement an Internal Compliance Program (ICP) including export control self-assessments as described in the table Actions addressing affected communities	Access via intranet

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Actions

The table below outlines the actions addressing affected communities taken in 2025.

Actions addressing affected communities

Action	Description and time horizon	Scope	Target in place	Overall progress in 2025 and how we track effectiveness
Project to conflict-affected and high-risk areas (CAHRA)	To address negative impacts on affected communities in conflict-affected and high-risk areas (CAHRA) caused by our own operations and those of business partners, TRATON develops its heightened human rights due diligence approach (CAHRA) project. Additionally, this action aligns with identified impacts and material topics related to upholding international standards in CAHRA. The scope of this action extends to business partners in the downstream value chain that are located in or sell to CAHRAs. In this context, input from this project could help to better understand the adverse impact of certain complaints related to CAHRAs.	Downstream	No target has been set because it is currently not possible to define a meaningful and measurable target due to the qualitative nature of this topic.	This project started in 2025 and aims to focus on sales and end-use related risks. The project facilitates risk mapping for sales and end-use risks. A due diligence process for CAHRAs is to be developed.
Internal Compliance Program and export control self-assessment	The TRATON Export Control Policy establishes a binding framework and requires all TRATON brands and entities to implement an Internal Compliance Program (ICP) to ensure adherence to international legal requirements arising from trade regulations, including the U.S. Export Administration Regulations (EAR), the EU Dual-Use Regulation, and other applicable national export control laws. The ICP serves as the overarching framework for the Group. It defines the Group's responsibilities and principles for complying with export control and sanctions requirements, and assigns clear accountability for their implementation. The scope and level of detail of each ICP shall be tailored to the commercial activities of the respective entity and will depend on factors such as its size, structure, scope of business, and customer portfolio.	TRATON GROUP	No target has been set because it is currently not possible to define a meaningful and measurable target due to the qualitative nature of this topic.	To identify export control requirements and as part of the ICP, Group entities are required to conduct continuous export control self-assessments to identify and mitigate risks. These assessments help evaluate the effectiveness of procedures and controls in place, ensuring improvement and alignment with evolving legal requirements (e.g., in the field of sanctions). Where necessary, qualified external parties may be considered to conduct reviews and audits. Corrective actions to adopt the export control operations according to the findings of the review are monitored by the respective brand and/or TRATON GROUP entity.

Performance

In 2025, no confirmed cases were reported of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, OECD Guidelines for Multinational Enterprises, nor cases of severe human rights issues and incidents connected to affected communities.

Further aspects of the management of impacts and risks related to affected communities are described in section [TRATON's grievance mechanism](#). The processes described in the section [Own workforce](#) for identifying appropriate action for negative impacts are implemented across the TRATON GROUP's operations and supply chain.

No specific measurable targets with respect to the defined affected communities have yet been established due to the need for further internal evaluation.

Governance

Business conduct is a decisive factor in ensuring the long-term success of the TRATON GROUP. It significantly influences relationships with customers, employees, suppliers, and other stakeholders. Ethical and responsible corporate governance is therefore of paramount importance. The TRATON GROUP's ongoing membership and active participation in initiatives such as Transparency International Deutschland e.V., UN Global Compact, German Institute for Compliance (*Deutsches Institut für Compliance*), and Alliance for Integrity (*Allianz für Integrität*) demonstrate its unwavering commitment to conducting business with integrity, ethics, and compliance.

The sustainability matters that were identified as material for TRATON in the context of business conduct are: corporate culture, corruption and bribery, protection of whistleblowers, and political engagement. For the topics of management of relationships with suppliers including payment practices, and animal welfare, no material impacts, risks, or opportunities were identified, hence the topics are not addressed further in this report.

Corporate culture

The TRATON GROUP regards its corporate culture as a vital foundation for success and a driver of fostering collaboration across the entire organization. The following table shows the material IROs related to corporate culture for TRATON.

Impacts, risks and opportunities related to corporate culture

Sustainability matter	IRO category	Time horizon	Scope	Description
Corporate culture	Potential negative impact	Short-term	Own operations	Disengagement of employees, lack of employee empowerment and motivation, potential unethical behavior from weak corporate culture.
	Risk	Short-term	Own operations and downstream	Reduced productivity, decreased efficiency, and higher employee turnover fostered by a negative corporate culture.

Approaches and policies

To maintain responsible business conduct and implement the sustainability strategy of TRATON in line with its corporate values, several Group policies guide the Group's efforts. They all relate to both the risk described in the IRO table above and the potential negative impact.

The TRATON GROUP's values and principles are anchored in the overarching Code of Conduct for Employees, which shapes the corporate culture. It covers a wide range of topics, including ethical leadership and prohibition of corruption, as well as TRATON's corporate values. Detailed information on our Code of Conduct for Employees can be found in the section on [Sustainability governance](#).

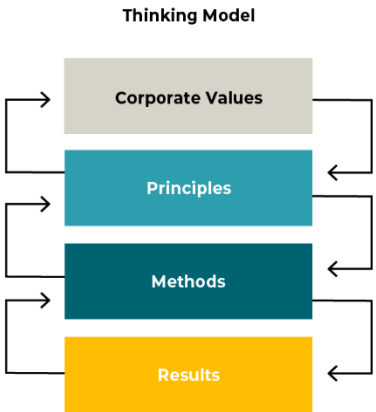
TRATON corporate culture frameworks

Three frameworks further shape our corporate culture: TRATON GROUP corporate values, TRATON GROUP thinking model, and TRATON GROUP shared leadership principles. Together they form a system in which all components are interdependent.

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Policies addressing corporate culture

Name of policy	Key contents and objective	Scope	Responsible organizational level and monitoring process	Availability of the policy for stakeholders
TRATON GROUP corporate values	The TRATON GROUP corporate values provide the framework for how business is conducted in the Group. This is based on the firm conviction that there is a close connection between the results and the way in which all employees, managers, and the Executive Board behave, think, and make decisions. That is why the TRATON GROUP is committed to five corporate values: Customer First, Respect, Team Spirit, Responsibility, and Elimination of Waste (see figure below). These values underline its purpose "Transforming Transportation Together. For a sustainable world". Although the TRATON GROUP finds its strength in the different perspectives within the Group, it is crucial that the full business potential be achieved and that the Group leverage its advantages to create value for clients and society. Hence, the TRATON GROUP has stepped up collaboration between its brands through work groups to successfully implement its strategy and realize joint projects.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The framework is reviewed and updated if necessary.	Access via intranet and website For more details, see the "Actions addressing corporate culture" table below under "Corporate value roll-out."
TRATON GROUP thinking model	The TRATON GROUP thinking model is a framework that describes how everyone involved learns, adapts, and evolves. It connects the TRATON GROUP corporate values with the Group's results — and back again — to create a real-time and relevant organizational learning system, as shown in the figure below. This ensures that everyone involved in the development of methods has the same vision, even if they are not in direct contact with each other. The TRATON GROUP thinking model not only links corporate values and results but also integrates principles and methods into the strategy. It describes how principles are translated into methods and how knowledge is learned and preserved within the Group.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The framework is reviewed and updated if necessary.	Access via intranet
TRATON GROUP shared leadership principles	The TRATON GROUP shared leadership principles capture how TRATON regards great leadership. Principles are rooted in the Group's corporate values because it matters how we achieve business results. Each leadership principle serves all TRATON GROUP corporate values and describes a core idea that shapes the methods, connections, and dependencies described at greater length in the thinking model. The shared leadership principles help to avoid misunderstandings and unnecessary conflicts by defining good leadership. By adhering to the shared leadership principles, employees follow certain standards and methods that strengthen the Group's external image. TRATON pursues three leadership principles: (1) own today, shape tomorrow, (2) start with trust, build together, and (3) dare to try, manage the risk. The shared leadership principles were developed in 2024 and implemented through various communication measures within the Group brands.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The framework is reviewed and updated if necessary.	Access via intranet



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Actions

In 2025, the Group took several actions to engage the corporate culture. The key actions focus on the implementation of the corporate culture framework and are presented in the table below.

Actions addressing corporate culture

Action	Description and time horizon	Scope	Target in place	Overall progress in 2025 and how we track effectiveness
Corporate value roll out	The TRATON GROUP is actively rolling out and strengthening its corporate values across all its brands, ensuring the seamless integration of these values throughout the organization. The implementation started in 2024 and continued in 2025. This is supported by a tool-based process, which consists of seven team sessions taking approximately ten hours per employee to complete. Each brand and Group function further needs to set up a system to implement the values in training, promotion schemes, and HR processes such as recruitment and similar to ensure that the corporate values are put into practice throughout the organization. The expected outcome is to support the development of the TRATON GROUP's culture and to create awareness of the TRATON GROUP corporate values among all employees.	TRATON GROUP	See Role model Program in the section "Performance" below.	This will help shape actions and new behaviors that are aligned with the corporate values, ultimately contributing to a positive work environment and a strong Group culture. By November 2025 inclusive, 20,406 employees of TRATON GROUP (previous year: 12,672) had participated in the corporate value training.
Operationalization of The TRATON Way	In 2025, the TRATON GROUP initiated the operationalization of "The TRATON Way" across all brands and Group functions. These activities build on the TRATON GROUP Thinking Model, core values, and shared leadership principles, and aims to embed a shared mindset and way of working, enabling continuous improvement throughout the organization. The Executive Board endorsed four main principles "continuous improvements," "right from me," "normal situation," and "demand driven" — as the foundation for this cultural alignment. Group functions were tasked with defining functional principles and visualizing their interpretation of "The TRATON Way" using a common shape and color scheme, while brands embarked on a validation journey to adapt and implement these principles. The initiative is coordinated by brand CEOs and functional leads. This cultural anchoring supports TRATON's transformation goals and strengthens its identity as a unified yet diverse organization.	TRATON GROUP	No	The operationalization of "The TRATON Way" has led to increased clarity and consistency in decision-making and collaboration across functions. The definition of functional principles has been started in key areas such as HR, R&D, and Communications, and is being integrated into leadership development, onboarding, and change enablement programs. Effectiveness is tracked through feedback loops, workflow alignment sessions, and the adoption of shared practices in strategic projects.
Collaboration tools	Two tools are available to employees via the Group's intranet: Team collaboration toolbox and culture kit. These tools serve as an implementation aid for corporate culture frameworks and are promoted throughout talent development programs, training, and working groups.	TRATON GROUP	No	The collaboration tools are continuously updated.
Change management	Good change management drives the TRATON strategy forward. Using change management for change initiatives embodies the TRATON GROUP core values, putting people in the center, and preparing the transformation. In 2025, a cross-brand working group aligned shared concepts, developed a joint training portfolio and a new change management page on the intranet The Tube. Implementation will continue in 2026.	TRATON GROUP	No	This will help shape actions and new behaviors that are aligned with the values and leadership principles, ultimately contributing to a positive work environment and a strong Group culture.
Tone from the top statements	Regular tone from the top statements addressing the Group's own workforce by members of the Executive Board and management demonstrate the importance of compliance and commitment to ethical and compliant behavior. Such statements appear through various channels such as quotes in training and communication material and keynotes at compliance events. A clear tone from the corporate leadership encourages a compliance culture throughout the TRATON GROUP and demonstrates the commitment to internal and external stakeholders.	TRATON GROUP	No	

Talent development programs

Another action significantly strengthening the application of the TRATON corporate values and beliefs reflected in the Group's corporate culture are the talent development programs, which are described in the section on [Own workforce](#).

Annual employee survey

In previous years, an annual employee survey called *Stimmungsbarometer* (StiBa) was conducted to obtain feedback on employees' experiences and review how the corporate culture is developing. In the reporting year, this process was paused as the TRATON GROUP is developing and implementing a new employee survey process and tool called MyVoice, covering all brands. The new annual employee survey will help evaluate the success of business conduct implementation and serve to guide actions in the area of governance. In 2025, each TRATON brand decided on its own initiatives as the new MyVoice survey will be introduced in 2026.

Performance

In 2025, the following targets were set regarding corporate culture.

Role Model Program

The Role Model Program is based on TRATON's corporate values and supports the culture change within the entire TRATON GROUP by reinforcing an open and trustful culture, as well as reducing silo thinking. For 2025, we set the target of a 75% implementation rate for the Role Model Program throughout the Group. The target was exceeded with a 76% (previous year: 82%) implementation rate. The targets are based on managers' completion of their individual targets. Managers with a leadership function were required to set a good example by implementing at least two activities by the end of 2025 to reach 100%. Managers who made a status change in the second half of the year were only required to implement and document one activity in this timeframe. In total, 6,039 (previous year: 6,222) managers participated in the Role Model Program in 2025. Several functions from the TRATON GROUP's People & Culture were involved in setting the targets, meaning that the Role Model Program is aligned with relevant policies, programs, and other goals of TRATON.

Prevention and detection of corruption and bribery

TRATON promotes ethical conduct and compliance across its own operations and value chain. This section outlines TRATON's approach to preventing and detecting corruption and bribery, including relevant policies, training, and internal procedures that support transparency and integrity.

Impacts, risks and opportunities related to corruption and bribery

Sustainability matter	IRO category	Time horizon	Scope	Description
Corruption and bribery	Potential negative impact	Short-term	Upstream, own operations, and downstream	Corruption can weaken governance, harm environmental initiatives, and foster unfair competition.

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Approaches and policies

The TRATON GROUP's procedures to prevent, detect, and address allegations or incidents of corruption and bribery include, amongst others, the implementation of Group-wide policies (see [Sustainability management process](#)), conduct of due diligence checks (see [Workers in the value chain](#)), anti-corruption training and communications as described below, and the whistleblower system (see [TRATON's grievance mechanism](#)). Furthermore, the TRATON GROUP Compliance department provides advice on compliance- and integrity-related questions, e.g., via the Compliance Helpdesk that employees can phone or email. Internal control systems (ICSs) are integrated into the business processes to help ensure that the TRATON GROUP's financial and non-financial data is reliable, operations are effective and efficient, and activities comply with applicable laws and regulations. Findings from detective measures are used to identify additional preventive compliance measures. Furthermore, independence is assured as investigations are conducted by independent investigation offices and investigation units. The Chief Compliance Officer (CCO) of TRATON SE reports topics to the Compliance Board three times a year and to the Executive Board once a year. Further, the CCO reports quarterly to the Audit Committee.

Several policies manage the prevention and detection of corruption and bribery and relate to the potential negative impact of corruption, such as weakening governance, harming environmental initiatives, and fostering unfair competition. These policies are: Antitrust compliance, Business partner due diligence, Prevention of money laundering and terrorism financing, Donations and sponsoring, and Handling gifts, hospitality and invitations to events, and conflicts of interest. Further, the Code of Conduct for Employees, Code of Conduct for Suppliers and Business Partners (see [Sustainability governance](#)) and Internal investigations (see [TRATON's grievance mechanism](#)) also relate to this IRO.

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Name of policy	Key contents and objective	Scope	Responsible organizational level and monitoring process	Availability of the policy for stakeholders
Antitrust compliance	Antitrust laws protect free and fair competition, thus preventing anti-competitive practices to the detriment of customers and other market participants. Hence, the TRATON GROUP commits itself without restriction to free and fair competition and does not tolerate violations of antitrust regulations. For this reason, the Antitrust compliance policy has been developed. It provides guidelines on how to address relevant areas in terms of antitrust regulations, when interacting with competitors, customers, and suppliers, and in cases where a company dominates the market. The Compliance department at TRATON is responsible for conducting training and other awareness measures, addressing questions related to the policy, and providing advice on potential antitrust infringements. In addition, the Legal department provides legal advice, particularly in the course of merger control proceedings.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The policy is reviewed and updated if necessary.	Access via intranet and communicated in compliance training
Business partner due diligence (Group policy)	The TRATON GROUP strives to work with partners that follow the same high ethical principles of conduct to which we adhere. The Business partner due diligence policy relates to the risk of working with business partners lacking integrity by providing guidance on engaging with business partners, evaluating third parties using the business partner approval tool, concluding contracts, documenting, and archiving information, and establishing payment and remuneration frameworks. The policy governs the mandatory use of the Business Partner Approval Tool (BPA Tool), a web-based application that supports the assessment of the business partner's integrity and provides approval workflows. The effectiveness of the policy is reviewed via quality assessments of due diligence checks conducted in the BPA Tool. Additionally, internal controls check whether all business partner contracts have gone through the due diligence process. The policy applies to the engagement of business partners that have an intermediary and representative function. This includes importers, dealers, resellers, authorized service partners, bodybuilders, and many more. The same rules for checking the integrity of these business partners are valid for all TRATON GROUP entities. The business partner's integrity check utilizes the Corruption Perception Index (CPI), created by Transparency International.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The policy is reviewed and updated if necessary.	Access via intranet and communicated in compliance training
Prevention of money laundering and terrorism financing (Group policy)	This Policy describes measures to prevent money laundering and terrorist financing as required by international applicable money laundering regulations. It further defines roles and responsibilities, explains red flags and the prohibition of cash payments above a certain threshold as well as obligations in the event of any suspicion of money laundering or terrorism financing. In case a TRATON GROUP employee becomes suspicious of any potential or factual money laundering in connection with a transaction or business relationship, the employee must report this immediately to the Compliance department responsible. It assesses the facts of the case, if necessary, with the support of the TRATON GROUP employee responsible, and decides whether there is indeed suspected money laundering. If required, the Compliance department ensures that the relevant authorities and the relevant stakeholders are informed accordingly. In addition, the TRATON GROUP employee is informed of the outcome of the analysis and advised on the next steps, if appropriate.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The policy is reviewed and updated if necessary.	Access via intranet and communicated in compliance training

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Name of policy	Key contents and objective	Scope	Responsible organizational level and monitoring process	Availability of the policy for stakeholders
Policy for donations and sponsorships	TRATON supports selected institutions and projects with donations and sponsoring measures. The Donations and sponsoring Group policy ensures that donations and sponsoring measures are implemented in line with applicable legal provisions and in compliance with the TRATON GROUP's integrity standards by stating admissible areas of support, (in)admissible donations, and sponsoring measures as well as additional process rules and thresholds. This policy prohibits any financial or in-kind political contributions, whether direct or indirect.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The policy is reviewed and updated if necessary. To monitor compliance with and effectiveness of the policy, benefits in the form of donations and sponsoring measures must be documented and archived by the responsible donations or sponsorship manager of the brands.	Access via intranet and communicated in compliance training
Policy for gifts, hospitality and invitations to events and conflicts of interest (Group policy)	This policy lays down binding instructions on how to handle benefits granted to natural persons or legal entities, including criteria for determining the appropriateness of benefits to prevent corrupt behavior. Furthermore, this policy establishes rules for handling conflicts of interests. While the policy applies to TRATON employees, it affects several stakeholders in the value chain such as business partners, suppliers, and customers.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The policy is reviewed and updated if necessary.	Access via intranet and communicated in compliance training

Actions

In 2025, the following action was taken in relation to the prevention of corruption and bribery.

Action addressing the prevention of corruption and bribery

Action	Description and time horizon	Scope	Target in place	Overall progress in 2025 and how we track effectiveness
Compliance helpdesk	The Compliance helpdesk is a service accessible to all TRATON GROUP employees via phone and email, providing guidance on a variety of compliance-related inquiries, topics, and requests. These may pertain to questions or uncertainties regarding the Code of Conduct for Employees, the Policy on handling gifts, hospitality and invitations to events, and conflicts of interest, the Group policy on internal investigations, the Policy on antitrust compliance, and the Policy on the prevention of money laundering and terrorism financing, and other compliance topics. The Compliance helpdesk serves as a point of contact for two purposes: first, to address inquiries aimed at preventing policy violations, and second, to report potential misconduct by employees. In the latter scenario, the matter is referred to the TRATON Central Investigation Office.	TRATON GROUP	The target below related to the Code of Conduct training is connected to the compliance helpdesk. During the training, employees are informed of the service.	This is a recurring action. Quarterly management reports on the number and types of compliance-related inquiries across all compliance areas.

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Performance

In 2025, the following targets were set regarding the prevention and detection of corruption and bribery.

Code of Conduct training

To support employees in applying the Code of Conduct for Employees, Code of Conduct training is offered to all employees of the TRATON GROUP. All employees, except for production and service personnel, are required to complete a web-based training course. For this training, we aimed at a 100% completion rate throughout the reporting year.

In the reporting period, 80% (previous year: 94%¹⁶) of the target group completed the web-based training. The difference can be explained by regular employee turnover, i.e., employees joining and leaving during the training period, as well as the continuing transition to the newly created Group R&D department.

Anti-corruption training

All TRATON GROUP employees receive training on the Code of Conduct for Employees, which includes education on anti-corruption. In addition, all employees of the TRATON GROUP, except for production and service personnel, must complete the web-based anti-corruption training, which also includes specific anti-bribery content. The training program defines corruption in general and covers topics such as dealing with public officials, gifts, hospitality and invitations, donations and sponsorships, and conflicts of interest. Employees in the target group must complete the training every three years. The TRATON GROUP aims at a 100% completion rate of mandatory anti-corruption training. In 2025, 79% (previous year: 86%¹⁷) of employees in the target group completed anti-corruption training. The difference is primarily attributable to employee turnover and the transition to the newly created Group R&D department.

Further, the anti-money laundering and terrorism financing training is a web-based training program for employees who are exposed to higher money laundering risks and could become aware of suspicious transactions. These include employees involved in payment services or with direct contact to third parties. In a three-year interval, they are trained on the respective policy, the risks of money laundering, red flags, and how to act when they suspect money laundering. The TRATON GROUP aims at a 100% completion rate of mandatory anti-money laundering training. In 2025, 73% (previous year: 52%) of employees in the target group completed the training on money laundering and terrorism financing. The difference is primarily attributable to employee turnover and the transition to the newly created Group R&D department.

In addition to web-based training, the TRATON GROUP offers face-to-face compliance training on a risk-based approach. Participating in corruption training is mandatory for all levels. Board members and relevant management functions participate in an additional Code of Conduct for Employees training since they act as role models and are exposed to higher risks due to their responsibilities. The format is a one-off, face-to-face training session. Based on case studies, topics such as fair and free competition, gifts, hospitality, and invitations, conflicts of interest, donations, sponsoring, and charity, and human rights

¹⁶ Does not include Scania due to technical system challenges.

¹⁷ The percentage of at-risk functions covered by training programs is calculated by dividing the number of training participants by the number of employees in the target group. Numbers from Scania are not included for 2024 reporting as the tracking system was simultaneously updated. This datapoint reveals the participation rate in training sessions focused on Anti-Money Laundering (AML) and Anti-Corruption (AC). According to ESRS, functions at risk are identified based on their specific tasks and responsibilities.

and environmental protection are discussed. The compliance training program including the anti-corruption training and related target have been discussed with the TRATON SE Works Council.

Metrics related to corruption or bribery

In 2025, no criminal convictions were identified within the TRATON GROUP for breaches of anti-corruption or anti-bribery laws. Convictions for corruption and bribery include criminal convictions of a legal entity within the TRATON GROUP. Therefore, the TRATON GROUP incurred no fines as part of convictions for a violation of corruption and bribery laws including anti-money laundering in 2025.

To continuously improve its framework for combating corruption and bribery, the TRATON GROUP is implementing targeted measures designed to prevent, detect, and effectively address potential risks. These include root cause analyses for identified violations as well as proactive modifications and optimizations of processes and standards.

TRATON's grievance mechanism

TRATON provides centralized channels for employees and external stakeholders to report concerns related to ethical conduct, compliance, and human rights. Through the DMA, TRATON identified a potential positive impact related to the protection of whistleblowers.

Impacts, risks and opportunities related to the grievance mechanism

Sustainability matter	IRO category	Time horizon	Scope	Description
Protection of whistleblowers	Potential positive impact	Short-term	Upstream and own operations	Implementing robust speak-up channels promotes trust and a transparent culture.

Approaches and policies

Integrity and compliant conduct in line with applicable statutory regulations, internal policies, as well as the principles laid down in the Code of Conduct for Employees and the Code of Conduct for Suppliers and Business Partners are of the highest priority for the TRATON GROUP. To avoid potential violations by employees, suppliers, business partners, or other external parties related to TRATON, or minimize the possibility of violations, it is crucial to identify these at an early stage. That is why the TRATON GROUP maintains an independent, impartial, and confidential whistleblower system that provides multiple channels for employees, business partners, and external parties to report potential violations.

The potential positive impact that occurs when implementing robust speak-up channels within the Group relates to the Group internal investigations policy and the complaints procedure. They are implemented through two actions, in particular, the Speak up! whistleblower portal and regular internal and external compliance audits. The 100% participation rate of Code of Conduct for Employees training also relates to this impact and the general sustainability matter of protection of whistleblowers. The target and the associated action are described in the [Prevention and detection of corruption and bribery](#) section. In addition to the policies described in the table below, the Code of Conduct for Suppliers and Business Partners further regulates the protection of whistleblowers.

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Policies addressing the grievance mechanism

Name of policy	Key contents and objective	Scope	Responsible organizational level and monitoring process	Availability of the policy for stakeholders
Internal investigations (Group policy)	The internal investigations policy regulates how hints regarding potential violations are handled. Violations are all intentional or negligent violations of regulations of applicable law (e.g., statutory laws, regulations) or internal regulations (especially violations of the Code of Conduct for Employees or employment contractual obligations) committed by employees in connection with, or based upon, their employment by the TRATON GROUP. It describes the TRATON GROUP's commitment and process to consequently follow up on potential violations, such as corrupt behavior. Standards are set such as general procedural rules for implementing and executing internal investigation processes in the TRATON GROUP, and the competencies, responsibilities, and cooperation requirements to be established within the Group are defined. The TRATON Central Investigation Office or Brand Investigation Offices conduct an internal investigation. The effectiveness of the policy is measured via the tracking of incoming hints, regular reporting, audits, and through an IT-based case management system, which documents and archives hints on violations and their processing, including the results in compliance with relevant data protection regulations.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The policy is reviewed and updated if necessary.	Access via intranet
Complaints procedure	The TRATON GROUP's complaints procedure is an important part of safeguarding the corporate values and beliefs and serves to identify potential risks and violations to remedy them. It describes generally applicable principles for handling reports of potential risks or violations in the TRATON GROUP and across the associated supply chains. Anyone within the TRATON GROUP and along its supply chain can submit a report or complaint about potential risks or violations. The TRATON Central Investigation Office and the Brand Investigation offices operate the internal and external reporting channels. The TRATON GROUP ensures that reports of potential violations by TRATON GROUP employees and business partners along the supply chain are handled properly.	TRATON GROUP	The effectiveness of the complaints procedure is measured via the tracking of incoming hints, regular reporting, and audits. The Head of Investigations at TRATON SE is responsible for the implementation of the policy.	Accessible via the website. The complaints procedure aligns with internationally recognized instruments by complying with the legal requirements for a whistleblower system in accordance with the EU Whistleblower Protection Act.

Actions

In 2025, the following action was implemented regarding TRATON's grievance mechanisms.

Whistleblower portals

The TRATON GROUP whistleblower portal Speak Up! is accessible 24/7 in several languages for whistleblowers of the TRATON GROUP workforce to report any potential violations e.g., white-collar crime, corruption, antitrust law, and data protection concerns. It also allows for reporting of violations and risks related to human rights and environmental obligations, as well as other internal and statutory regulations. Besides, the whistleblower portal can be used by workers, direct, indirect suppliers, and affected communities to report violations of the Code of Conduct for Suppliers and Business Partners as well as violations of environmental laws and human rights. Even if the reporters' preferred language is not offered in the reporting channel, whistleblowers can use any language to submit their report. The whistleblower portal is operated by a third party, which hosts the portal on external, certified servers, allowing whistleblowers to address hints to the company on an anonymous, non-traceable basis. Besides the electronic Speak Up! whistleblower portal, internal or external reports of misconduct can be directed towards the contacts within the TRATON Central Investigation Office by post or email, the 24/7 Volkswagen whistleblower hotline, and the ombudspersons of the Volkswagen Group.

After receiving a tip-off, the TRATON Central Investigation Office checks whether it is well-founded. It categorizes the tip-off according to its severity and, if appropriate, launches an investigation. It is dedicated to investigating potentially serious violations that could significantly impact the interests of the TRATON GROUP, particularly in terms of reputation or financial interests, or that could significantly violate the ethical values of the TRATON GROUP or one of its brands. In the event of a confirmed serious violation, the TRATON Central Investigation Office will present the outcome, along with appropriate disciplinary measures, to a Disciplinary Committee consisting of several functions. The Disciplinary Committee is chaired by the Chief Compliance Officer of TRATON SE and further comprises the Chief Human Resources Officer, the Chief Audit Executive, and the HR Coordinator of TRATON SE for cases concerning employees of TRATON SE. For cases concerning employees of a TRATON GROUP brand, the Brand Chief Executive Officer, Brand Chief Human Resources Officer, and Brand Chief Compliance Officer of the brand are included. Furthermore, the Head of the TRATON Central Investigation Office provides reports to the TRATON Chief Compliance Officer on selective cases on a regular basis and as needed.

The whistleblower system is designed to protect whistleblowers, the persons concerned, and equivalent individuals. Equivalent individuals are all persons who confidentially support a whistleblower in reporting a hint in a work-related context, individuals who are related to the whistleblower, and who may suffer retaliation in a work-related context. Discrimination against them is itself considered a serious violation. The investigation process is based on procedural principles, which include confidentiality, the need-to-know principle, and objectivity. The presumption of innocence applies to all persons concerned, as defined in the Internal Investigations Policy. The policy explicitly addresses the prohibition of any form of retaliation against whistleblowers, ensuring their protection throughout the investigation process.

Information about the whistleblower system is available on both the TRATON GROUP website and intranet. Regular and engaging communication measures and initiatives are carried out to raise awareness. In addition, TRATON conducts training sessions that are obligatory for all employees, including Executive Board members, and cover information on the TRATON GROUP whistleblower system (see [Prevention and detection of corruption and bribery](#)). Specialized training is available for key contact points (KCPs) of the whistleblower system. These KCPs are departments that potentially encounter the process of reporting, investigating, and sanctioning employee misconduct.

Actions related to TRATON's grievance mechanism

Action	Description and time horizon	Scope	Target in place	Overall progress in 2025 and how we track effectiveness
Regular internal and external compliance reports	To help ensure compliance with corporate governance, while also increasing corporate transparency and accountability across the TRATON GROUP, regular internal reporting related to GRC is provided to various boards and committees, including the Audit Committee of the Supervisory Board, Executive Board, Compliance Board, Human Rights Committee, and Sustainability Board. External GRC-related reporting is also conducted, such as communication on TRATON's website, reports to relevant authorities and to the TRATON GROUP's investors. GRC-related reporting is submitted via the digital compliance reporting tool of Volkswagen.	TRATON GROUP	No	This is a recurring action.

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Political engagement

Through the DMA, the following material impacts related to political engagement were identified by TRATON:

Impacts, risks and opportunities related to political engagement

Sustainability matter	IRO category	Time horizon	Scope	Description
Political engagement	Potential negative impact	Long-term	Downstream	Possible impairment of sound decision-making due to opaque or questionable political influence
	Potential positive impact	Long-term	Downstream	Support for a vibrant democracy and informed decision-making through transparent political influence.

Approaches and policies

The policies TRATON Code of Conduct for Employees, Donations and sponsoring, Public Affairs One-Voice Policy and State Aid – Europe, as well as Handling gifts, hospitality and invitations to events, and conflicts of interest, relate to both potential impacts described in the table above. There is no process in place for tracking these policies' effectiveness as violations of the policy would be handled in the regular compliance and investigation processes described throughout this section. These were discussed in the previous section.

Policy addressing political engagement

Name of policy	Key contents and objective	Scope	Responsible organizational level and monitoring process	Availability of the policy for stakeholders
Public affairs one-voice-policy and state aid — Europe (Group policy)	This policy explains the fundamental procedure of the work process between the TRATON Public Affairs department, the brands, and TRATON entities. Regarding handling public affairs in the Group, the TRATON brands act independently and on their own responsibility but aligned with the TRATON Public Affairs department according to the policy. The key content of the policy includes a framework for lobbying, the One-Voice policy, the dotted line principle, an explanation of Group relevance, as well as principles and obligations that the TRATON GROUP and its brands must follow. Additionally, the application and handling process of the state aid and grant register is addressed and explained. Regarding the state aid and grant register, TRATON Public Affairs reports directly to the Volkswagen Group Public Affairs department, which then prepares an annual report on the state aid and grant register applied for and received in the EU by the Volkswagen Group and its brands and entities. The necessary data is provided by state aid coordinators or parties responsible for installing adequate processes for the appropriate and proper application and handling of the state aid and grant register. Furthermore, the Volkswagen Group Public Affairs department must be informed about the relevant activities of the brands and entities to support the implementation of suitable processes. To identify and track risks arising from the receipt of the state aid and grant register, brands and entities are obliged to maintain processes to identify and avoid project-specific risks. In the event of imminent reputational damage or legal consequences for TRATON GROUP or the Volkswagen Group, coordination with the departments of Volkswagen Group Public Affairs and TRATON Public Affairs takes place at an early stage.	TRATON GROUP	The most senior level at the TRATON GROUP that is accountable for this policy is the Executive Board. The policy is reviewed and updated if necessary.	Access via intranet

Actions

In 2025, the following actions were related to TRATON's political engagement. Regarding the sustainability matter of political engagement, no relevant actions or targets are reported for 2025 as the potential impacts are already well regulated by TRATON GROUP policies and procedures, as well as by the legislation to which the Group adheres strictly.

Action related to political engagement

Action	Description and time horizon	Scope	Target in place	Overall progress in 2025
Chairmanship of ACEA Commercial Vehicles Board 2025	The TRATON GROUP actively contributes to shaping the sustainable transformation of the European transportation sector through industry collaboration. In 2025, Christian Levin, CEO of TRATON SE, was elected Chair of the ACEA Commercial Vehicles Board, strengthening TRATON's role and visibility within the European automotive industry. This chairmanship provides an opportunity to advance TRATON's ambition to drive the shift towards sustainable and innovative transportation solutions and to represent the Group's perspectives in alignment with the TRATON One-Voice Policy. The engagement supports transparent and responsible dialog with EU policymakers and stakeholders on key topics such as decarbonization, electrification, and fair market conditions.	ACEA is focused on the European market.	No target has been set because it is currently not possible to define a meaningful and measurable target due to the qualitative nature of this topic.	In the course of its chair activities in 2025, TRATON defined key focus areas and initiated coordination with ACEA working groups. Internally, the TRATON GROUP coordinated across brands and functions to set its own priorities.
Steering TRATON Public Affairs through the One-Voice Policy	In 2025, TRATON strengthened internal coordination between the Group Public Affairs department and the brands to ensure consistent representation of Group positions in political and regulatory discussions. The One-Voice Policy served as the guiding framework to align priorities, messaging, and stakeholder engagement activities across all brands. Regular coordination meetings and strategic alignment sessions were held to enhance transparency and coherence in external advocacy efforts.	TRATON GROUP	No target has been set because it is currently not possible to define a meaningful and measurable target due to the qualitative nature of this topic.	Ongoing alignment activities and structured coordination processes implemented across brands to reinforce unified representation in public affairs.

Political influence and lobbying activities

All political engagement is conducted in accordance with the TRATON GROUP's strategy and values, with integrity, transparency, and compliance given high priority. TRATON SE is listed in the German lobby register for the representation of interests vis-à-vis the German Parliament and the Federal Government under registration number R001565. Comparable transparency requirements are also complied with in other jurisdictions. TRATON SE engages in transparent, responsible dialog with political and administrative decision-makers at European, national, and regional level, as well as with relevant stakeholder groups. The aim of this engagement is to monitor regulatory and political developments, contribute relevant expertise where appropriate, and ensure coordinated and consistent representation of the Group's interests. Activities within TRATON SE focus on coordination, governance, and harmonization within the Group. This includes ensuring a uniform corporate image, fostering the exchange of information between the Group and its brands, and ensuring compliance with applicable laws, transparency regulations, and internal policies. Responsibility for the content of technical, regulatory, or political positions lies with the relevant Group functions and brands. The TRATON GROUP's responsibilities for monitoring lobbying activities are set out in the TRATON Code of Conduct for Employees and other Group policies (handling donations and sponsorship activities, public affairs One Voice policy, and state aid — Europe, as well as handling gifts, hospitality and invitations to events, and conflicts of interest). The Executive Board is responsible for approving these regulations. Since the Handling of donations and sponsoring measures policy of TRATON (see the table on [Policies addressing corporate culture](#)) does not allow political donations, the amount of political contributions (monetary and in-kind) made in 2025 was €0.

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Notes to the Sustainability Report

References

Incorporation by reference

The table below provides an overview of where information can be found relating to ESRS disclosures that have been incorporated by reference and stated outside of the sustainability report.

Disclosure Requirement	Data point(s)	Paragraph	Reference
GOV-1	§21a-d §23, §23a		Corporate Governance Statement
GOV-3 EI.GOV-3	§27 §29a-e §13	Information on sustainability-linked remuneration	Remuneration Report
GOV-5	§36a-e	Information on risk management and controls	Report on opportunities and risks

Disclosure requirements covered in the TRATON GROUP Annual Report 2025

The table below provides an overview of ESRS datapoints and indicates where the relevant information can be found if deemed material.

Disclosure Requirement		Reference
ESRS 2 BP-1	General basis for preparation of the sustainability report	Basis for preparation
ESRS 2 BP-2	Disclosures in relation to specific circumstances	Basis for preparation Double materiality assessment
ESRS 2 GOV-1 ¹	The role of the administrative, management and supervisory bodies	Sustainability governance Corporate Governance Statement
ESRS 2 GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Sustainability governance
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	Remuneration Report
ESRS 2 GOV-4	Statement on due diligence	Statement on due diligence
ESRS 2 GOV-5	Risk management and internal controls over sustainability reporting	Report on opportunities and risks
ESRS 2 SBM-1	Strategy, business model and value chain	Business model and value chain Characteristics of the undertaking's employees
ESRS 2 SBM-2	Interests and views of stakeholders	Double materiality assessment

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Disclosure Requirement		Reference
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Business model Material impacts, risks and opportunities and their interaction with strategy and business model Double materiality assessment IRO descriptions at the beginning of all topical standards
ESRS 2 IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	Double materiality assessment
ESRS 2 IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability report	References Double materiality assessment
E1 ESRS2 GOV-3	Integration of sustainability-related performance in incentive schemes	Remuneration Report
E1 ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, Risks and opportunities	Double materiality assessment
E1-1	Transition plan for climate change mitigation	Decarbonization — Actions
E1 ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities and their interaction with strategy and business model Double materiality assessment Decarbonization — Approaches and policies
E1-2	Policies related to climate change mitigation and adaptation	Decarbonization — Approaches and policies
E1-3	Actions and resources in relation to climate change policies	Decarbonization — Actions
E1-4	Targets related to climate change mitigation and adaptation	Decarbonization — Actions
E1-5	Energy consumption and mix	Decarbonization — Performance
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Decarbonization — Performance
E1-7	GHG removals and GHG mitigation projects financed through carbon ₂ credits	TRATON does not use GHG removals and GHG mitigation projects
E1-8	Internal carbon pricing	TRATON does not use internal carbon pricing
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	TRATON uses the option to phase in this disclosure requirement in line with ESRS 1 Appendix C
E2 ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, Risks and opportunities	Double materiality assessment
E2-1	Policies related to pollution	Pollution — Approaches and policies
E2-2	Actions and resources related to pollution	Pollution — Actions
E2-3	Targets related to pollution	Pollution — Actions
E2-4	Pollution of air, water and soil	Pollution — Performance
E2-5	Substances of concern and substances of very high concern	Pollution — Performance
E2-6	Anticipated financial effects from material pollution-related risks and opportunities	TRATON uses the option to phase in this disclosure requirement in line with ESRS 1 Appendix C

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Disclosure Requirement		Reference
E4 ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, Risks and opportunities	Double materiality assessment
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	TRATON uses the option to phase in this disclosure requirement in line with ESRS 1 Appendix C
E4 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Biodiversity — Actions
E4-2	Policies related to biodiversity and ecosystems	Biodiversity — Approaches and policies
E4-3	Actions and resources related to biodiversity and ecosystems	Biodiversity — Actions
E4-4	Targets related to biodiversity and ecosystems	Biodiversity — Actions
E4-5	Impact metrics related to biodiversity and ecosystems change	Biodiversity
E4-6	Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities	TRATON uses the option to phase in this disclosure requirement in line with ESRS 1 Appendix C
E5 ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, Risks and opportunities	Double materiality assessment
E5-1	Policies related to resource use and circular economy	Circularity — Approaches and policies
E5-2	Actions and resources related to resource use and circular economy	Circularity — Actions
E5-3	Targets related to resource use and circular economy	Circularity — Actions
E5-4	Resource inflows	Circularity — Performance
E5-5	Resource outflows	Circularity — Performance
E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	TRATON uses the option to phase in this disclosure requirement in line with ESRS 1 Appendix C
S1 ESRS 2 SBM-2	Interests and views of stakeholders	Own workforce — Approaches and policies
S1 ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities and their interaction with strategy and business model
S1-1	Policies related to own workforce	Own workforce — Approaches and policies
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Own workforce — Employee representation Own workforce — Frameworks for employee engagement
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Own workforce — Employee representation Own workforce — Frameworks for employee engagement TRATON's grievance mechanism
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Own workforce — Actions Own workforce — Performance
S1-5 ¹	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Own workforce — Performance
S1-6	Characteristics of the undertaking's employees	Own workforce — Performance

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Disclosure Requirement		Reference
S1-7	Characteristics of non-employees in the undertaking's own workforce	Own workforce — Performance TRATON uses the option to phase in parts of this disclosure requirement in line with ESRS 1 Appendix C
S1-8	Collective bargaining coverage and social dialog	Own workforce — Performance
S1-9	Diversity metrics	Own workforce — Performance
S1-10 ¹	Adequate wages	Own workforce — Performance
S1-11	Social protection	TRATON uses the option to phase in this disclosure requirement in line with ESRS 1 Appendix C
S1-12	Persons with disabilities	TRATON uses the option to phase in this disclosure requirement in line with ESRS 1 Appendix C
S1-13	Training and skills development metrics	TRATON uses the option to phase in this disclosure requirement in line with ESRS 1 Appendix C
S1-14	Health and safety metrics	Own workforce — Performance
S1-15	Work-life balance metrics	TRATON uses the option to phase in this disclosure requirement in line with ESRS 1 Appendix C
S1-16 ¹	Remuneration metrics (pay gap and total remuneration)	Own workforce — Performance
S1-17	Incidents, complaints, and severe human rights impacts	Own workforce — Performance
S2 ESRS 2 SBM-2	Interests and views of stakeholders	Workers in the value chain — Approaches and policies
S2 ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities and their interaction with strategy and business model
S2-1	Policies related to value chain workers	Workers in the value chain — Approaches and policies
S2-2	Processes for engaging with value chain workers about impacts	Workers in the value chain — Approaches and policies
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Workers in the value chain — Approaches and policies Workers in the value chain — Actions
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	Workers in the value chain — Actions
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Workers in the value chain — Actions
S3 ESRS 2 SBM-2	Interests and views of stakeholders	Road safety — Approaches and policies Affected communities — Approaches and policies

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Disclosure Requirement		Reference
S3 ESRS SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Double materiality assessment
S3-1	Policies related to affected communities	Affected communities — Approaches and policies
S3-2	Processes for engaging with affected communities about impacts	Road safety — Approaches and policies Affected communities — Approaches and policies
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	Road safety — Approaches and policies Affected communities — Approaches and policies TRATON's grievance mechanism
S3-4 ¹	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Road safety — Actions Affected communities — Actions
S3-5 ¹	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Affected communities — Performance
G1 ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	Sustainability governance Corporate Governance Statement
G1 ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, Risks and opportunities	Double materiality assessment
G1-1	Business conduct policies and corporate culture	Corporate culture
G1-2	Management of relationships with suppliers	Not material
G1-3	Prevention and detection of corruption and bribery	Prevention and detection of corruption and bribery
G1-4	Incidents of corruption or bribery	Prevention and detection of corruption and bribery — Performance
G1-5	Political influence and lobbying activities	Political engagement

¹ Disclosure requirement incomplete

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The table below provides an overview of ESRS data points that derive from other EU legislation.

ESRS data point	Information	Regulation	Section
GOV-1 21 (d)	Board's gender diversity ratio	SFDR	Composition, diversity and expertise of governance bodies
GOV-1 21 (e)	Percentage of independent Board members	SFDR	Composition, diversity and expertise of governance bodies
GOV-4 30	Statement on due diligence	SFDR	Statement on due diligence
SBM-1 40 (d) i	Activity in fossil fuel sector	SFDR	Not material to TRATON
SBM-1 40 (d) ii - 40 (d) iv	Activity in chemical, controversial weapons and/or tobacco industry	SFDR	Not material to TRATON
E1-1 14	Transition plan for climate change mitigation	EU Climate Law	Decarbonization — Actions
E1-1 16 (g)	Exclusion from EU Paris-aligned Benchmarks	Pillar 3, Benchmark regulation	Decarbonization — Actions
E1-4 34 (a) - 34 (b)	Emission reduction targets	SFDR, Pillar 3, Benchmark regulation	Decarbonization — Actions
E1-5 37 (a) (c)	Energy consumption from fossil and renewable sources	SFDR	Decarbonization — Performance
E1-5 37 (b)	Energy consumption from nuclear sources	SFDR	Decarbonization — Performance
E1-5 38 (a) (b)	Fuel consumption from coal and coal products and from crude oil and petroleum products	SFDR	Decarbonization — Performance
E1-5 38 (c) (d)	Fuel consumption from natural gas and other fuel sources	SFDR	Decarbonization — Performance
E1-5 38 (e)	Consumption of purchased or acquired electricity, heat, steam or cooling from fossil sources	SFDR	Decarbonization — Performance
E1-5 40-43	Energy consumption and intensity from activities in high-climate-impact sectors	SFDR	Decarbonization — Performance
E1-6 48-52	Scope 1, scope 2 and scope 3 emissions	SFDR, Pillar 3, Benchmark regulation	Decarbonization — Performance
E1-6 53, 55	GHG emissions intensity	SFDR, Pillar 3, Benchmark regulation	TRATON does not use internal carbon pricing
E1-7 56	GHG removals and carbon credits	EU Climate Law	TRATON does not use GHG removals and GHG mitigation projects
E1-9 66	Assets at material financial risk	Pillar 3	TRATON uses the option to phase in this disclosure requirement in line with ESRS 1 Appendix C
E1-9 67 (c)	Carrying amount of real estate assets by energy efficiency classes	Pillar 3	TRATON uses the option to phase in this disclosure requirement in line with ESRS 1 Appendix C
E1-9 69	Financial opportunities (cost savings, market size and changes to net revenue) from climate change actions	Benchmark regulation	TRATON uses the option to phase in this disclosure requirement in line with ESRS 1 Appendix C
E2-4 28 (a)	Emissions to air, water and soil	SFDR	Pollution — Performance
E4.SBM-3 16 (a) (b) (c)	Activities in biodiversity-sensitive areas, impacts related to land degradation, desertification and soil sealing, and operations affecting threatened species	SFDR	Biodiversity — Actions
E4-2 24 (b) (c) (d)	Policies on sustainable land or agriculture practices, sustainable oceans and sea practices, land deforestation practices	SFDR	Biodiversity — Approaches and policies

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ESRS data point	Information	Regulation	Section
E5-5 11 13 14	Non-recycled waste	SFDR	Circularity — Performance
E5-5 28 (c) (e)	Hazardous waste	SFDR	Circularity — Performance
E5-5 29	Radioactive waste	SFDR	Circularity — Performance
S1.SBM-3 11 (b)	Geographies or commodities with risk of forced labor	SFDR	Own workforce
S1.SBM-3 11 (b)	Geographies or commodities with risk of child labor	SFDR	Own workforce
S1-1 20 (a)	General approach to human rights	SFDR	Own workforce — Frameworks for human rights
S1-1 20 (b)	General approach to engagement with own workforce	SFDR	Own workforce — Approaches and policies
S1-1 S1-3 20 (c) 32 (c)	Approach and availability of grievance and remedy in regard to own workforce	SFDR	TRATON's grievance mechanism — Actions
S1-1 21	Policies are aligned with internationally recognized instruments	SFDR	Sustainability governance — Overarching management policies for sustainability
S1-1 22	Policies addressing human trafficking forced labor and child labor	SFDR	Own workforce — Frameworks for human rights
S1-1 23	Policies on accident prevention	SFDR	Own workforce — Approaches and policies
S1-16 97 (a) - 97 (b)	Gender pay gap annual total remuneration	SFDR, Benchmark regulation	Own workforce — Performance
S1-17 103 (a)	Incidents of discrimination	SFDR	Own workforce — Performance
S1-17 104 (a)	Severe human rights issues and incidents	SFDR, Benchmark regulation	Own workforce — Performance
S2.SBM-3 11 (b)	Geographies or commodities with risk of forced labor	SFDR	Own workforce
S2.SBM-3 11 (b)	Geographies or commodities with risk of child labor	SFDR	Own workforce
S2-1 17 (a), 19	Human rights policy commitments and approach related to value chain workers aligned with internationally recognized standards	SFDR	Sustainability governance — Overarching management policies for sustainability
S2-1 17 (b)	General approach to engagement with value chain workers	SFDR	Workers in the value chain — Approaches and policies
S2-1 17 (c)	Approach to remedy for human rights impacts	SFDR	Workers in the value chain — Actions
S2-1 18, 19	Policies explicitly addressing forced labor and child labor aligned with internationally recognized standards	SFDR	Sustainability governance — Overarching management policies for sustainability
S2-1 18	Undertaking has a supplier code of conduct	SFDR	Overarching policies
S2-4 19, 36	Severe human rights issues and incidents connected to value chain workers	SFDR, Benchmark regulation	Own workforce — Performance
S3-1 16, 17	Human rights policy commitment to affected communities whether policies are aligned with internationally recognized instruments and general approach to human rights of communities	SFDR, Benchmark regulation	Sustainability governance — Overarching management policies for sustainability
S3-1 16 (b)	Approach to engagement with affected communities	SFDR	Affected communities — Approaches and policies
S3-1 16 (c)	Approach to remedy in regard to human rights impacts for affected communities	SFDR	TRATON's grievance mechanism — Approaches and policies
S3-4 36	Severe human rights issues and incidents connected to affected communities	SFDR	Affected communities — Performance

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ESRS data point	Information	Regulation	Section
S4-1, S4-4 16 (a) (b) (c) 17 35	All disclosures	SFDR, Benchmark regulation	Not material
G1-1 10 (b) (d)	Statement if no policies exist in regard to anti-corruption and bribery and to protection of whistleblowers	SFDR	TRATON has policies in place
G1-4 24 (a)	Number of convictions and amount of fines for violations of anti-corruption and bribery laws	SFDR	Prevention and detection of corruption and bribery — Performance

Statement on due diligence

Core elements of due diligence	Reference to sections in the Sustainability Report
a) Embedding due diligence in governance, strategy and business model	Sustainability management process Material impacts, risks and opportunities and their interaction with strategy and business model
b) Engaging with affected stakeholders in all key steps of the due diligence	Description of the process to identify and assess material impacts, risks and opportunities Sustainability management process Stakeholder engagement Environment, specifically disclosures on policies Social, specifically disclosures on policies Governance, specifically disclosures on policies
c) Identifying and assessing adverse impacts	Description of the process to identify and assess material impacts, risks and opportunities Material impacts, risks and opportunities and their interaction with strategy and business model
d) Taking actions to address those adverse impacts	Environmental, specifically disclosures on actions and targets Social, specifically disclosures on actions and targets Governance, specifically disclosures on actions and targets
e) Tracking the effectiveness of these efforts and communicating	Environmental, specifically disclosures on targets and metrics Social, specifically disclosures on targets and metrics

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Further disclosures on biodiversity

Disclosure of significant sites and biodiversity-sensitive areas

Brand	Country	Location/city	Site name	Location/Site code
Scania	Brazil	Sao Paulo	Área De Proteção Ambiental Haras São Bernardo	555682085
Scania	China	Qingdao	Qingdao-Rizhao coastal wetland and islands	15607
Scania	France	Angers	Basses vallées angevines, aval de la rivière Mayenne et prairies de la Baumette	FR5200630
Scania	France	Angers	Basses vallées angevines et prairies de la Baumette	FR5210115
Scania	Netherlands	Meppel	Weerribben-Wieden	331642
Scania	Netherlands	Meppel	NNN-OV	
Scania	Netherlands	Meppel	NNN-OV	
Scania	Netherlands	Meppel	Reestdal	45717
Scania	Netherlands	Zwolle	Uiterwaarden Zwarte Water en Vecht	NL9902003
Scania	Netherlands	Zwolle	Rijntakken	NL2014038
Scania	Netherlands	Zwolle	NNN-OV	
Scania	Netherlands	Zwolle	NNN-GE	
Scania	Poland	Gdansk	Twierdza Wisloujście	PLH220030
Scania	Poland	Gdansk	Zatoka Pucka	PLB220005
Scania	Poland	Slupsk	Dolina Ślupi	PLH220052
Scania	Sweden	Lulea	Gammelstadsviken	SE0820042
Scania	Sweden	Lulea	Ormberget-Hertsölandet	2021406
Scania	Sweden	Lulea	Kallaxheden	103295
Scania	Sweden	Södertälje	SK 616-2005	555724465
Scania	Sweden	Södertälje	Biotopskydd	2006780
Scania	Sweden	Södertälje	Kvedesta	SE0110324
Scania	Sweden	Södertälje	Lina	SE0110164
MAN Truck & Bus	Germany	Munich	Nymphenburger Park mit Allee und Kapuzinerhölzl	DE7834301
MAN Truck & Bus	Germany	Munich	Gebiet des Kapuzinerhölzls einschließlich eines Teiles des Gebietes um Hartmannshofen	395564
MAN Truck & Bus	Germany	Munich	Münchner Norden im Bereich der Gemeinden Garching bei München, Ober- und Unterschleißheim	395944
MAN Truck & Bus	Germany	Munich	Gebiet um den Langwieder Autobahnsee unter Einschluß des anschließenden Gebietes links der Autobahn München-Stuttgart	395558
MAN Truck & Bus	Germany	Munich	Schwarzhölzl	165514
MAN Truck & Bus	Germany	Munich	Angerlohe	395573

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Brand	Country	Location/city	Site name	Location/Site code
MAN Truck & Bus	Germany	Munich	Lochholz	395562
MAN Truck & Bus	Germany	Munich	Gräben und Niedermoorreste im Dachauer Moos	DE7734301
MAN Truck & Bus	Germany	Munich	Amperauen mit Hebertshauser Moos und Inhauser Moos	395850
MAN Truck & Bus	Germany	Munich	Schwarzhölzl mit dem nach Süden und Osten anschließenden Gebiet, dem Würmkanal und dem Gebiet um den Baggersee in Feldmoching	395569
MAN Truck & Bus	Germany	Munich	Würmniederung mit Erweiterungen bis zur Stadtgrenze	395574
MAN Truck & Bus	Germany	Munich	Allacher Forst und Angerlohe	DE7734302
MAN Truck & Bus	Germany	Nuremberg	Langwasser	396076
MAN Truck & Bus	Germany	Nuremberg	LSG Stein	395993
MAN Truck & Bus	Germany	Nuremberg	Rednitztal – Nord	396078
MAN Truck & Bus	Germany	Nuremberg	Sandgruben am Föhrenbuck	165316
MAN Truck & Bus	Germany	Nuremberg	Wöhrder See	396074
MAN Truck & Bus	Germany	Nuremberg	Königshof	396069
MAN Truck & Bus	Germany	Nuremberg	Rednitztal in Nürnberg	DE6632371
MAN Truck & Bus	Germany	Nuremberg	Nürnberger Reichswald	DE6533471
MAN Truck & Bus	Germany	Salzgitter	Oderwald (Nord)	323448
MAN Truck & Bus	Germany	Salzgitter	Beddinger Holz und Langes Holz	319846
MAN Truck & Bus	Germany	Salzgitter	Heerter See und Waldgebiet Heerter Strauchholz	164109
MAN Truck & Bus	Poland	Krakow	Puszcza Niepołomicka	PLB120002
MAN Truck & Bus	Poland	Starachowice	Sieradowicki	
MAN Truck & Bus	Poland	Starachowice	Sieradowicki Park Krajobrazowy	106893
MAN Truck & Bus	Poland	Starachowice	Doliny Kamiennej	114946
MAN Truck & Bus	Poland	Starachowice	Uroczyska Lasów Starachowickich	PLH260038
MAN Truck & Bus	Poland	Starachowice	Ostoja Sieradowicka	PLH260031
MAN Truck & Bus	Slovakia	Banovce	Dubnicka	SKUEV0881
MAN Truck & Bus	Slovakia	Banovce	Rokoš	SKUEV0128
MAN Truck & Bus	Slovakia	Banovce	Strážovské vrchy	SKCHVU028
MAN Truck & Bus	South Africa	Olifantsfontein	Rietvlei Nature Reserve	-25.882883, 28.263150
MAN Truck & Bus	South Africa	Pinetown	Lower Umgeni	100843
MAN Truck & Bus	South Africa	Pinetown	Giba Gorge - Marianhill	555571048
MAN Truck & Bus	South Africa	Pinetown	Krantzkloof Nature Reserve	26031
MAN Truck & Bus	South Africa	Pinetown	New Germany Nature Reserve	555571042
MAN Truck & Bus	South Africa	Pinetown	Marion Wood Nature Reserve	555571041

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Brand	Country	Location/city	Site name	Location/Site code
INTERNATIONAL	USA	Huntsville	Dallas W. Fanning Nature Preserve	258 Old Jim Williams Rd SW, Huntsville, AL 35824
INTERNATIONAL	USA	Huntsville	Wheeler National Wildlife Refuge	34.627877, -86.753455
INTERNATIONAL	USA	San Antonio	Mitchell Lake	555607823
INTERNATIONAL	USA	San Antonio	Cassin Lake	29.301112, -98.458457
INTERNATIONAL	USA	San Antonio	Medina River	29.265685, -98.486560
INTERNATIONAL	USA	San Antonio	San Antonio Missions National Historical Park	29.305421, -98.451557
INTERNATIONAL	USA	Springfield	Wetlands Reserve Program (WRP), Champaign, OH	555612719
INTERNATIONAL	USA	Springfield	Mad River	40.015899, -83.822472
INTERNATIONAL	USA	Springfield	Cedar Bog Nature Preserve	Cedar Bog Nature Preserve, 980 Woodburn Rd, Urbana, OH 43078
INTERNATIONAL	USA	Tulsa	Oxley Nature Center	6700 Mohawk Blvd, Tulsa, OK 74115
Volkswagen Truck & Bus	Brazil	Resende	Refúgio De Vida Silvestre Estadual Do Médio Paraíba	555682072
Volkswagen Truck & Bus	Brazil	Resende	Refúgio De Vida Silvestre Estadual Da Lagoa Da Turfeira	555682323

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Activities and land use of the sites close or near Key Biodiversity Areas

Site	MAN T&B Krakow	MAN T&B Munich	MAN T&B Nuremberg	MAN T&B Pinetown	MAN T&B Salzgitter	MAN T&B Starachowice	MAN T&B Banovce
Country	Poland	Germany	Germany	South Africa	Germany	Germany	Slovakia
Activity	Production	Production	Production	Production	Production	Production	Production of components
Area (ha)	116.1	94	35.5	5.4	71.5	29.9	7.5

Site	Scania Angers	Scania Luleå	Scania Meppel	Scania Sao Paulo	Scania Slupsk	Scania Södertälje	Scania Zwolle
Country	France	Sweden	Netherlands	Brazil	Poland	Sweden	Netherlands
Activity	Production	Production of components	Production of components	Production	Production	Production	Production
Area (ha)	37.7	15.8	11.1	43.2	14.2	421.3	37

Site	INTERNATIONAL Huntsville	INTERNATIONAL Springfield	INTERNATIONAL Tulsa	INTERNATIONAL San Antonio	Volkswagen T&B Resende
Country	USA	USA	USA	USA	Brazil
Activity	Production of components	Production	Production	Production	Production of components
Area (ha)	34.4	180.6	51	172	108.4

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Remuneration Report

Section 162 of the *Aktiengesetz* (AktG — German Stock Corporation Act) requires the Executive Board and Supervisory Board of TRATON SE to prepare a clear, readily understandable report on the remuneration of members of the Executive Board and the Supervisory Board. 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

Fiscal year 2025 was marked by numerous trade and geopolitical challenges for the TRATON GROUP that intensified over the course of the year. These circumstances led to challenging business performance overall. The TRATON GROUP therefore revised its forecast for fiscal year 2025 when it published its half-year financial report. The TRATON GROUP's most important truck markets worldwide recorded a noticeable decline in new registrations overall, whereas the TRATON GROUP's most important bus markets grew significantly compared with the previous year. Overall, the TRATON GROUP's unit sales declined by 9% in fiscal year 2025 compared with the previous year. This figure is within the adjusted forecast range. The TRATON GROUP's sales revenue was also noticeably below the previous year's level, which is attributable, among other things, to the distinct decline in unit sales and a change in the market and product mix. The TRATON Financial Services segment significantly increased its sales revenue compared with the previous year. Overall, the year-on-year decline in sales revenue at the TRATON GROUP and the TRATON Operations business area was therefore within the adjusted forecast range, at –7% and –8%, respectively.

Principles of Executive Board remuneration

The remuneration of the members of the Executive Board is based on the revised remuneration system for the Executive Board ("remuneration system") adopted by the Supervisory Board effective from January 1, 2024, which largely corresponds to the remuneration system already adopted on December 16, 2020, and effective from January 1, 2021, and most recently approved by the Annual General Meeting on June 9, 2022. The Annual General Meeting approved the remuneration system on June 13, 2024, with 97.98% of the votes cast. The remuneration system implements the requirements of the AktG in the version as amended by ARUG II and takes account of the recommendations of the German Corporate Governance Code (the Code) as amended on April 28, 2022 (entered into force on June 27, 2022). The Supervisory Board reviews the remuneration system at its reasonable discretion at regular intervals, but at least every four years.

The remuneration applies to all active members of the Executive Board.

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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 Executive Board and Supervisory Board reported in detail on the remuneration of the Executive Board and Supervisory Board in fiscal year 2024 in the 2024 Remuneration Report. The Annual General Meeting approved the 2024 Remuneration Report on May 14, 2025, with 97.72% of the votes cast.

The following provides an overview of the remuneration system for the Executive Board that was applicable in fiscal year 2025 before discussing the remuneration components in the same reporting period.

Overview of the remuneration components

The following table provides an overview of the components of the remuneration system applicable to the members of the Executive Board for fiscal year 2025. 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.

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2025 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	In particular: – 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 Modified fringe benefits for Executive Board members who are also members of the Executive Board of a foreign subsidiary or perform functions there as senior managers: – Executive Board members who are also members of the Executive Board of a foreign subsidiary or perform functions there as senior managers do not 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. The Chair of the Executive Board receives an annual flat-rate fringe benefit allowance from which the benefits used by TRATON SE or a foreign subsidiary are deducted. Any residual amount is paid out to the Chair of the Executive Board.	
Occupational retirement provision	– 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 annual base salary – Executive Board members who are also members of the Executive Board of a foreign subsidiary or perform functions there as senior managers do not currently receive occupational retirement provision from TRATON SE but from the respective foreign subsidiary.	

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Component	Composition	Target
Variable remuneration components		
Profit bonus	– Plan type: target bonus – Minimum payment amount: €0 – Cap: 200% of the target amount – Assessment period: profit bonus fiscal year (year for which the bonus is granted) – Performance criteria: ○ Financial subtargets: • Operating return on sales (50%) and net cash flow (50%) - Operating return on sales is the ratio of operating result in the TRATON GROUP before tax and excluding adjustments to the corresponding sales revenue. - Net cash flow comprises net cash provided by/used in operating activities and net cash provided by/used in investing activities attributable to operating activities in the TRATON Operations business area and indicates the excess funds from operating activities in the reporting period. • The Supervisory Board defines threshold, target, and maximum values for the financial subtargets for the profit bonus fiscal year. The threshold corresponds to a subtarget achievement of 50% for the operating return on sales subtarget and of 0% for the net cash flow subtarget, the target value corresponds to a subtarget achievement of 100% in each case, and the maximum value corresponds to a subtarget achievement of 180% in each case; interim values are interpolated on a linear basis. • The profit bonus depends on target achievement in the profit bonus fiscal year. • Total financial target achievement = subtarget achievement operating return on sales x 50% + subtarget achievement net cash flow x 50% ○ ESG targets • Environmental subtarget (ratio of the number of battery-electric vehicles and fuel cell electric vehicles sold to the total number of vehicles sold, excluding the MAN TGE model) weighted at 50% • The Social subtarget (generally the opinion index; Gender Index 1 for fiscal year 2025¹), weighted by 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 Environmental 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: [Environmental 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: generally in cash in the month following approval of the consolidated financial statements for the profit bonus fiscal year	The profit 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 Environmental, Social, and Governance factors.

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Component	Composition	Target
Long-term incentive (LTI)	- Plan type: performance share plan - Performance period: in principle, forward-looking four-year term - Minimum payment amount: €0 - Cap: 250% 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 of 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 175%, 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). - Payout: generally 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.	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.
Other benefits		
Special payment	- If applicable, based on 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.	Special payments can reward outstanding performance and may only be granted if it is in the company's interest to do so and generates a forward-looking benefit for the company.
Benefits agreed with new Executive Board members for a defined period of time or for the entire term of their employment contracts	- Optional payments to compensate for declining variable remuneration or other financial disadvantages - Optional benefits in connection with relocation - Optional minimum remuneration guarantee	These (compensation) payments are intended to enable the company to attract qualified candidates for the Executive Board.
Other remuneration provisions		
Penalty and clawback	- 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.

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Component	Composition	Target
Maximum remuneration	– The relevant components are the base salary paid for the respective fiscal year, the service cost for occupational retirement provision, the fringe benefits granted, the profit bonus 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. – Amounts to €8,500 thousand gross per fiscal year for the Chair of the Executive Board and generally €5,000 thousand gross per fiscal year for the members of the Executive Board. – The maximum remuneration for Executive Board members who are also members of the Executive Board of a foreign subsidiary or perform functions there as senior managers consists of the total remuneration from TRATON SE together with that from the respective subsidiary outside Germany. – If the maximum remuneration is exceeded, the variable remuneration components will be reduced on a pro rata basis.	The aim is to ensure that the remuneration of Executive Board members is not inappropriately high when measured against the peer group.

¹ Employees of International Motors, LLC., including its subsidiaries, and other employees of the TRATON GROUP employed in the United States are not included in the calculation of the Gender Index.

Remuneration of the Executive Board members appointed in fiscal year 2025

Members of the Executive Board in fiscal year 2025

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 or perform functions there as senior managers and receive their remuneration proportionately from TRATON SE and from 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 generally 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 2025, 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 Chief Executive Officer and Chairman of the Executive Board since October 1, 2021. Mr. Levin has also been President and Chief Executive Officer of Scania AB and Scania CV AB since May 1, 2021. Since October 1, 2021, the remuneration has been divided between TRATON SE and Scania CV AB (Scania) based on areas of responsibility. Since May 1, 2021, Mr. Levin has received fringe benefits and occupational retirement provision solely from Scania CV AB.

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 International Motors, LLC (International). Since October 1, 2021, 20% of his fixed and variable remuneration has been borne by TRATON SE and 80% by International. The fringe benefits for Mr. Carlbaum are borne by International. All pension expenses are borne by Scania CV AB, with which Mr. Carlbaum still has a dormant employment contract, and charged on to International.

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 Volkswagen Truck & Bus Latin America Indústria e Comércio de Veículos Ltda. (Volkswagen Truck & Bus), formerly MAN Latin America Indústria e Comércio de Veículos Ltda. Mr. Cortes received 20% of his fixed and variable remuneration from TRATON SE and 80% from Volkswagen Truck & Bus. Mr. Cortes receives fringe benefits and occupational pension benefits solely from Volkswagen Truck & Bus.

Dr. Michael Jackstein: Dr. Jackstein has been a member of the Executive Board of TRATON SE since April 1, 2023.

Niklas Klingenberg: Mr. Klingenberg has been a member of the Executive Board since January 1, 2025. In addition, Mr. Klingenberg has been Head of Group R&D since January 1, 2025, and Managing Director of TRATON AB since October 1, 2025. Mr. Klingenberg received 20% of his fixed and variable remuneration from TRATON SE and 80% from TRATON AB. Mr. Klingenberg receives fringe benefits and occupational pension benefits solely from TRATON AB.

Catharina Modahl Nilsson: Ms. Modahl Nilsson has been a member of the Executive Board of TRATON SE since April 1, 2023. Ms. Modahl Nilsson has also been Head of Group Product Management at TRATON AB since April 1, 2023. Ms. Modahl Nilsson received 20% of her fixed and variable remuneration from TRATON SE and 80% from TRATON AB. Ms. Modahl Nilsson receives fringe benefits and occupational pension benefits solely from TRATON AB.

Alexander Vlaskamp: Mr. Vlaskamp has been a member of the Executive Board since November 25, 2021, and is also Chief Executive Officer of MAN Truck & Bus SE. Mr. Vlaskamp received no separate remuneration in fiscal year 2025 for his role at MAN Truck & Bus SE. The Supervisory Board of MAN Truck & Bus SE resolved to reimburse TRATON SE for 80% of the remuneration expenses by way of intercompany charging.

Remuneration granted and owed in fiscal year 2025

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.

Table overview

The following tables show the remuneration actually received by the members of the Executive Board in fiscal year 2025. The time of actual payment is not significant. Correspondingly, the remuneration granted in 2025 includes the base salary paid in fiscal year 2025, the fringe benefits, and the profit bonus for fiscal year 2025 paid in the month following approval of the company's 2025 Consolidated Financial Statements. In fiscal year 2025, the LTI with the 2021–2024 or 2022–2024 performance period was also paid out and is reported as remuneration granted. As the companies were 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, irrespective of 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

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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.

Pension expense is reported as service cost within the meaning of IAS 19. The service cost in accordance with IAS 19 does not constitute remuneration granted or owed within the meaning of section 162 (1) sentence 1 of the AktG as it is not actually received by the Executive Board member 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.

In addition, the employment contracts of the Executive Board members contain a penalty and clawback provision in accordance with the approved remuneration system. TRATON SE did not make use of these regulations in fiscal year 2025.

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

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Christian Levin

		2025	
Remuneration component		€ thousand ¹	in %
Fixed remuneration components			
Base salary	TRATON SE	1,220	31
	Scania	630	
Fringe benefits	TRATON SE	120	3
	Scania	59	
Total	TRATON SE	1,340	
	Scania	689	34
	Total	2,029	
Variable remuneration components			
– Profit bonus 2025 (target amount €1,600 thousand per annum; minimum €0; maximum €3,200 thousand per annum)	TRATON SE	436	13
	Scania	366	
– LTI 2022–2024 (performance share plan, three-year term; target amount €1,800 thousand per annum; minimum €0; maximum €3,600 thousand per annum)	TRATON SE	1,804	53
	Scania	1,433	
Sum — remuneration granted and owed	TRATON SE	3,579	
	Scania	2,488	100
	Total	6,067	
Pension expenses	TRATON SE	–	
	Scania	1,346	
Total remuneration including pension expenses	TRATON SE	3,579	
	Scania	3,834	–
	Total	7,413	
Maximum remuneration	Total	8,500	

¹ Contractually agreed exchange rate: SEK 11.47 = €1

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Mathias Carlbaum

		2025	
Remuneration component		€ thousand ¹	in %
Fixed remuneration components			
Base salary	TRATON SE	170	
	International ²	667	32
Fringe benefits	TRATON SE	–	
	International ³	1,070	40
Total	TRATON SE	170	
	International	1,737	72
	Total	1,907	
Variable remuneration components			
– Profit bonus 2025 (target amount €850 thousand per annum; minimum €0; maximum €1,700 thousand per annum)	TRATON SE	85	
	International	341	16
– LTI 2021–2024 (performance share plan, four-year term; proportionate (3/12) target amount €249 thousand per annum; minimum €0; maximum €498 thousand per annum)	TRATON SE	66	
	International	262	12
Sum — remuneration granted and owed	TRATON SE	321	
	International	2,340	100
	Total	2,661	
Pension expenses	TRATON SE	–	
	International	427	
Total remuneration including pension expenses	TRATON SE	321	
	International	2,767	–
	Total	3,088	
Maximum remuneration		Total	5,000

¹ Contractually agreed exchange rate: USD 1.08 = €1

² In fiscal year 2025, Mr. Carlbaum waived part of his base salary from International in the amount of €13 thousand as part of International's "Summer Shutdown" program.

³ The fringe benefits include in particular international benefits that Mr. Carlbaum receives due to his work at International. Among other things, the figure shown includes tax payments incurred retrospectively in fiscal year 2025.

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Antonio Roberto Cortes

		2025	
Remuneration component		€ thousand ¹	in %
Fixed remuneration components			
Base salary	TRATON SE	140	43
	Volkswagen Truck & Bus	560	
Fringe benefits	TRATON SE	–	4
	Volkswagen Truck & Bus	60	
Total	TRATON SE	140	47
	Volkswagen Truck & Bus	620	
	Total	760	
Variable remuneration components			
– Profit bonus 2025 (target amount €550 thousand per annum; minimum €0; maximum €1,100 thousand per annum)	TRATON SE	55	17
	Volkswagen Truck & Bus	221	
– LTI 2022–2024 (performance share plan, three-year term; target amount €320 thousand per annum; minimum €0; maximum €640 thousand per annum)	TRATON SE	115	36
	Volkswagen Truck & Bus	460	
Sum — remuneration granted and owed	TRATON SE	310	100
	Volkswagen Truck & Bus	1,301	
	Total	1,611	
Pension expenses	TRATON SE	–	
	Volkswagen Truck & Bus	273	
Total remuneration including pension expenses	TRATON SE	310	–
	Volkswagen Truck & Bus	1,574	
	Total	1,884	
Maximum remuneration	Total	5,000	

¹ Contractually agreed exchange rate: BRL 6.15 = €1

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Dr. Michael Jackstein

	2025	
Remuneration component	€ thousand	in %
Fixed remuneration components		
Base salary	850	63
Fringe benefits	78	6
Total	928	69
Variable remuneration components		
– Profit bonus 2025 (target amount €850 thousand per annum; minimum €0; maximum €1,700 thousand per annum)	426	31
Sum — remuneration granted and owed	1,354	100
Pension expenses	351	
Total remuneration including pension expenses	1,705	–
Maximum remuneration	5,000	

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Niklas Klingenberg

		2025	
Remuneration component		€ thousand ¹	in %
Fixed remuneration components			
Base salary	TRATON SE	170	
	TRATON AB	680	65
Fringe benefits	TRATON SE	–	
	TRATON AB	24	2
Total	TRATON SE	170	
	TRATON AB	704	67
	Total	874	
Variable remuneration components			
– Profit bonus 2025 (target amount €850 thousand per annum; minimum €0; maximum €1,700 thousand per annum)	TRATON SE	85	
	TRATON AB	341	33
Sum — remuneration granted and owed	TRATON SE	255	
	TRATON AB	1,045	100
	Total	1,300	
Pension expenses	TRATON SE	–	
	TRATON AB	428	
Total remuneration including pension expenses	TRATON SE	255	
	TRATON AB	1,473	–
	Total	1,728	
Maximum remuneration		Total	5,000

¹ Contractually agreed exchange rate: SEK 11.47 = €1

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Catharina Modahl Nilsson

		2025	
Remuneration component		€ thousand ¹	in %
Fixed remuneration components			
Base salary	TRATON SE	170	
	TRATON AB	680	65
Fringe benefits	TRATON SE	3	
	TRATON AB	27	2
Total	TRATON SE	173	
	TRATON AB	707	67
	Total	881	
Variable remuneration components			
– Profit bonus 2025 (target amount €850 thousand per annum; minimum €0; maximum €1,700 thousand per annum)	TRATON SE	85	
	TRATON AB	341	33
Sum — remuneration granted and owed	TRATON SE	259	
	TRATON AB	1,048	100
	Total	1,307	
Pension expenses	TRATON SE	–	
	TRATON AB	464	
Total remuneration including pension expenses	TRATON SE	259	
	TRATON AB	1,512	–
	Total	1,771	
Maximum remuneration		Total	5,000

¹ Contractually agreed exchange rate: SEK 11.47 = €1

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Alexander Vlaskamp

Remuneration component	2025	
	€ thousand	in %
Fixed remuneration components		
Base salary	850	58
Fringe benefits	53	4
Total	903	62
Variable remuneration components		
– Profit bonus 2025 (target amount €850 thousand per annum; minimum €0; maximum €1,700 thousand per annum)	426	29
– LTI 2021–2024 (performance share plan, four-year term; proportionate (37/365) target amount €94 thousand per annum; minimum €0; maximum €188 thousand per annum)	124	9
Sum — remuneration granted and owed	1,453	100
Pension expenses	351	
Total remuneration including pension expenses	1,804	–
Maximum remuneration	5,000	

Explanation

Additional contractual agreements with the members of the Executive Board

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

Dr. Jackstein will be reimbursed for the costs of accommodation at his regular place of work and for weekly family trips home.

These benefits for the individual members of the Executive Board are included in the amounts reported as fringe benefits.

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Performance criteria for variable remuneration

Profit bonus performance criteria

Financial subtargets

The following overviews show the values defined by the Supervisory Board for the threshold, target, and maximum values for the financial subtargets, namely operating return on sales and net cash flow for fiscal year 2025, and the actual values or target achievement.

	2025
Operating return on sales	
Maximum value (180% target achievement)	11.0%
100% target level	7.0%
Threshold value (50% target achievement)	4.0%
Actual	5.5%
Target achievement (in %)	75%
Net cash flow	
Maximum value (180% target achievement)	€3.19 billion
100% target level	€2.2 billion
Threshold value (0% target achievement)	€1.54 billion
Actual	€1.64 billion
Target achievement (in %)	16%
Overall target achievement	46%

The indicator relevant for calculating operating return on sales is operating result in the TRATON GROUP. The TRATON GROUP's operating return on sales is the ratio of the TRATON GROUP's operating result to its sales revenue. The figures for the TRATON GROUP's operating result and sales revenue reported in the company's annual report are applicable. Net cash flow comprises net cash provided by/used in operating activities and net cash provided by/used in investing activities attributable to operating activities in the TRATON Operations business area, and indicates the excess funds from operating activities in the reporting period.

In justified exceptional cases, the Supervisory Board can adjust the degree of subtarget achievement actually achieved for the net cash flow subtarget in order to ensure an assessment for this subtarget that is tied to actual performance. Justified exceptions include acquisitions that have a significant impact on net cash flow. The Supervisory Board did not exercise this option for fiscal year 2025.

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ESG targets

For the Social subtarget, the Supervisory Board can choose either the opinion index criterion or the gender index criterion, or a combination of the two. The opinion index criterion is based on a suitable methodology, to be selected by the Supervisory Board, for measuring the development of employee satisfaction, whereas the gender index criterion is based on a suitable methodology, to be selected by the Supervisory Board, for measuring the development of the proportion of women in management positions in the TRATON GROUP companies. For fiscal year 2025, the Supervisory Board resolved to suspend the opinion index as an ESG factor for the Social subtarget because the methodology for measuring the opinion index is currently being revised and the targets are being recalibrated. Instead of the opinion index ESG factor, the Social subtarget for fiscal year 2025 takes into account the gender index ESG factor, which is linked to the development of the percentage of women in management positions in TRATON GROUP companies and contributes to the advancement of women in the TRATON GROUP. Because of the legal framework in the USA, employees of International Motors, LLC., including its subsidiaries, and other employees of the TRATON GROUP employed in the United States are not included in the calculation of the Gender Index.

The Environmental subtarget incorporates the criterion of decarbonization/CO₂ reduction. This is calculated using the ratio of the number of battery-electric vehicles and fuel cell electric vehicles sold to the total number of vehicles sold, excluding the MAN TGE model. The minimum, target, and maximum values for the Environmental subtarget are defined by the Supervisory Board for each fiscal year and are based in particular on the business plan to achieve a consistently increasing proportion of battery-electric and fuel cell electric vehicles.

The following overview shows the values defined by the Supervisory Board for the minimum, target, and maximum values for the Environmental subtarget and the Social subtarget for fiscal year 2025, and the actual values or target achievement in fiscal year 2025.

Environmental (decarbonization/CO₂ reduction)	
in %	2025
Maximum value	1.46
100% target level	0.97
Minimum value	0.49
Actual	1.17
Subtarget achievement	1.12
Social (gender index)	
in %	2025
Maximum value	25.2
100% target level	24.2
Minimum value	23.2
Actual	24.4
Subtarget achievement	1.06

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For fiscal year 2025, the Supervisory Board defined a normal value of 1.0 for the Governance factor for all current members of the Executive Board, taking account of and assessing the performance of the Executive Board as a whole and the performance of the current individual members of the Executive Board. To determine the Governance factor, the Supervisory Board assesses the collective performance of the Executive Board in the first step. In the second step, the Supervisory Board assesses the performance of each individual Executive Board member in terms of integrity and compliance. The Supervisory Board can increase the Governance factor to 1.1 or reduce it to 0.9 on the basis of the collective and individual assessment. If there are no special circumstances in a fiscal year, the Governance factor is 1.0 (normal value).

The ESG factor for fiscal year 2025 is therefore 1.09, taking into account the achievement of the Environmental subtarget, the Social subtarget, and the Governance factor.

LTI performance criteria

The four-year performance share plan has been in force since January 1, 2021, for all members of the Executive Board whose employment contracts have been newly entered into or extended since the Supervisory Board resolution on December 16, 2020. For members of the Executive Board already appointed at the time of the Supervisory Board resolution on December 16, 2020, a three-year performance period applied — until any contract extension. No active member of the Executive Board had a performance share plan with a three-year performance period in fiscal year 2025. However, Executive Board members Mr. Levin and Mr. Cortes still receive subsequent payments from the three-year performance share plan. For this reason, Mr. Levin and Mr. Cortes are shown in the performance share plan with the performance period 2022–2024.

EPS target values

The following overviews show the minimum, target, and maximum values defined by the Supervisory Board at the beginning of the relevant 2021–2024, 2022–2024, 2022–2025, 2023–2025, 2023–2026, 2024–2026, 2024–2027, and 2025–2028 performance periods, and the actual values and target percentage achievement already achieved for individual years in the assessment period. The performance share plans for the 2022–2025, 2023–2025, 2023–2026, 2024–2026, and 2024–2027 and 2025–2028 performance periods were not yet due and were not paid out in fiscal year 2025. They therefore do not represent remuneration granted or owed in fiscal year 2025.

The performance share plans due for payment in fiscal year 2025 for the 2021–2024 or 2022–2024 performance period are based on the target achievement of the EPS of TRATON shares.

Performance period 2021–2024
EPS TRATON share

€	2024	2023	2022	2021
Maximum value (150% target achievement)	4.32	4.32	4.32	4.32
100% target level	2.90	2.90	2.90	2.90
Minimum value (50% target achievement)	1.95	1.95	1.95	1.95
Actual	5.61	4.90	2.28	0.91
Target achievement (in %)	150.00	150.00	67.37	0

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Performance period 2022–2024

EPS TRATON share

€	2024	2023	2022
Maximum value (150% target achievement)	4.32	4.32	4.32
100% target level	2.90	2.90	2.90
Minimum value (50% target achievement)	1.95	1.95	1.95
Actual	5.61	4.90	2.28
Target achievement (in %)	150.00	150.00	67.37

The total target achievement of the EPS in the 2021–2024 performance period is 91.87% and 122.49% in the 2022–2024 performance period. The previous EPS target achievement for the past fiscal years of a performance period of performance share plans that were not yet due in fiscal year 2025 and were therefore not yet paid out can be seen in the following overviews:

Performance period 2022–2025

EPS TRATON share

€	2025	2024	2023	2022
Maximum value (150% target achievement)	4.32	4.32	4.32	4.32
100% target level	2.90	2.90	2.90	2.90
Minimum value (50% target achievement)	1.95	1.95	1.95	1.95
Actual	3.09	5.61	4.90	2.28
Target achievement (in %)	106.66	150.00	150.00	67.37

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Performance period 2023–2025

EPS TRATON share

€	2025	2024	2023
Maximum value (150% target achievement)	4.32	4.32	4.32
100% target level	2.90	2.90	2.90
Minimum value (50% target achievement)	1.95	1.95	1.95
Actual	3.09	5.61	4.90
Target achievement (in %)	106.66	150.00	150.00

Performance period 2023–2026

EPS TRATON share

€	2025	2024	2023
Maximum value (150% target achievement)	4.32	4.32	4.32
100% target level	2.90	2.90	2.90
Minimum value (50% target achievement)	1.95	1.95	1.95
Actual	3.09	5.61	4.90
Target achievement (in %)	106.66	150.00	150.00

Performance period 2024–2026

EPS TRATON share

€	2025	2024
Maximum value (175% target achievement)	9.00	9.00
100% target level	5.00	5.00
Minimum value (50% target achievement)	3.00	3.00
Actual	3.09	5.61
Target achievement (in %)	52.23	111.44

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Performance period 2024–2027

EPS TRATON share

€	2025	2024
Maximum value (175% target achievement) ¹	9.00	9.00
100% target level	5.00	5.00
Minimum value (50% target achievement)	3.00	3.00
Actual	3.09	5.61
Target achievement (in %)	52.23	111.44

¹ A maximum value of 150% applies contractually to former Executive Board members Ms. Danielski and Mr. Osterloh. The value defined for this maximum value is 7.67.

Performance period 2025–2028

EPS TRATON share

€	2025
Maximum value (175% target achievement)	9.00
100% target level	5.00
Minimum value (50% target achievement)	3.00
Actual	3.09
Target achievement (in %)	52.23

Reference prices/dividend equivalent for the performance period

The initial reference price, closing reference price, and dividend equivalent for TRATON shares for the 2021–2024 or 2022–2024 performance period are shown in the following overview.

€	2021–2024	2022–2024
Initial reference price	22.40	21.70
Closing reference price	29.15	29.15
Dividend equivalent		
2021	0.25	–
2022	0.50	0.50
2023	0.70	0.70
2024	1.50	1.50

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The reference prices and dividend equivalents for TRATON shares for the performance periods of the performance share plans not yet due and not yet paid out in fiscal year 2025 are shown in the following overview.

€	2025-2028	2024-2027	2024-2026	2023-2026	2023-2025	2022-2025
Initial reference price	29.15	20.42	20.42	14.69	14.69	21.70
Closing reference price ¹	–	–	–	–	29.33	29.33
Dividend equivalent						
2022	–	–	–	–	–	0.50
2023	–	–	–	0.70	0.70	0.70
2024	–	1.50	1.50	1.50	1.50	1.50
2025	1.70	1.70	1.70	1.70	1.70	1.70

¹ Determined at the end of the performance period

Alignment with the remuneration system

The remuneration granted and owed to the members of the Executive Board in fiscal year 2025 complies with the requirements of the Executive Board remuneration system. There was no deviation from the valid remuneration system in fiscal year 2025. The profit bonus payments and the payments under the performance share plans for the 2022–2024 or 2021–2024 performance period were not reduced because the caps of 200% on the profit 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 2025 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 twelve 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 twice the annual gross income. As a rule, the annual gross income used as the basis for calculating the severance payment consists of the base salary 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

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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 role

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 or perform functions there as senior managers do not receive retirement benefits from TRATON SE but from the respective foreign subsidiary. TRATON SE manages the occupational pension plans for Executive Board members Dr. Jackstein and Mr. Vlaskamp, as well as the former Executive Board members Ms. Danielski and Mr. Osterloh, who left in fiscal year 2023. The occupational pension plans for the other members of the Executive Board are maintained by Scania CV AB (Mr. Levin and Mr. Carlbaum), TRATON AB (Mr. Klingenberg and Ms. Modahl Nilsson), and Volkswagen Truck & Bus (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, 2025, as well as the pension expenses incurred in fiscal year 2025, 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 pension expenses are incurred in the year under review.

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€ thousand	Cash value	Pension expenses in fiscal year 2025
Christian Levin (Scania)	741	1,346
Mathias Carlbaum (Scania)	413	427
Antonio Roberto Cortes (Volkswagen Truck & Bus)	–	273
Dr. Michael Jackstein (TRATON SE)	959	351
Niklas Klingenberg (TRATON AB)	18	428
Catharina Modahl Nilsson (TRATON AB)	29	464
Alexander Vlaskamp (TRATON SE)	1,405	351

In the event of the regular termination of their function, the members of the Executive Board who previously had a company car provided to them by TRATON SE may be able to continue using their company car under certain circumstances. These include the respective Executive Board member having held the function for a total of at least ten years, or having worked for the company for a total of at least 15 years, or the Supervisory Board considering the provision of a company car in retirement to be appropriate and in the company's interest.

There were no changes to the commitments explained in this section in fiscal year 2025.

Benefits and defined benefits to members of the Executive Board who stepped down in fiscal year 2025

No members of the Executive Board of TRATON SE left the Executive Board in fiscal year 2025.

No clawback in fiscal year 2025

TRATON SE did not claw back any variable remuneration components in fiscal year 2025 on the basis of the penalty and clawback conditions agreed with the members of the Executive Board. None of the circumstances justifying such 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.

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Remuneration granted and owed in fiscal year 2025 (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 2025 to former members of the Executive Board who stepped down after fiscal year 2015. The profit bonuses for fiscal year 2025 paid out at the start of 2026 as well as the performance share plans with the 2021–2024 or 2022–2024 tranche paid out in fiscal year 2025 are treated as remuneration granted in fiscal year 2025 for both active and former members of the Executive Board.

Annette Danielski

Member of the Executive Board of TRATON SE, CFO Left March 31, 2023	2025	
	€ thousand	in %
Pension payments	–	–
Base salary	–	–
Fringe benefits	–	–
LTI 2021–2024 (performance share plan, four-year term; proportionate (3/12) target amount €232 thousand per annum; minimum €0; maximum €465 thousand per annum)	306	100
Severance payments	–	–
Sum — remuneration granted and owed	306	100
Pension expenses	–	–

Joachim Drees

Member of the Executive Board of TRATON SE; CEO of MAN SE and MAN Truck & Bus SE Left July 15, 2020	2025	
	€ thousand	in %
Pension payments	–	–
Base salary	–	–
Fringe benefits	–	–
LTI 2022–2024 (performance share plan, three-year term; target amount €930 thousand per annum; minimum €0; maximum €1,860 thousand per annum)	1,672	100
Severance payments	–	–
Sum — remuneration granted and owed	1,672	100
Pension expenses	–	–

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Matthias Gründler

Chief Executive Officer of TRATON SE Left September 30, 2021	2025	
	€ thousand	in %
Pension payments	–	–
Base salary	–	–
Fringe benefits	–	–
LTI 2022–2024 (performance share plan, three-year term; target amount €1,800 thousand per annum; minimum €0; maximum €3,600 thousand per annum)	3,236	100
Severance payments	–	–
Sum — remuneration granted and owed	3,236	100
Pension expenses	–	–

Bernd Osterloh

Member of the Executive Board of TRATON SE Left March 31, 2023	2025	
	€ thousand	in %
Pension payments	901 ¹	52
Base salary	–	–
Fringe benefits	14	1
LTI 2021–2024 (performance share plan, four-year term; target amount €930 thousand per annum; minimum €0; maximum €1,860 thousand per annum)	816	47
Severance payments	–	–
Sum — remuneration granted and owed	1,731	100
Pension expenses	–	–

¹ In accordance with the pension arrangements applicable to Mr. Osterloh, he has the option of choosing whether his occupational pension should be paid out as a lump sum, in up to ten annual installments, or as a regular annuity. Mr. Osterloh opted for a lump sum payment.

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Christian Schulz

Member of the Executive Board of TRATON SE, CFO Left September 30, 2021	2025	
	€ thousand	in %
Pension payments	–	–
Base salary	–	–
Fringe benefits	–	–
LTI 2022–2024 (performance share plan, three-year term; target amount €930 thousand per annum; minimum €0; maximum €1,860 thousand per annum)	1,672	100
Severance payments	–	–
Sum — remuneration granted and owed	1,672	100
Pension expenses	–	–

Dr. Ing. h.c. Andreas Tostmann

Member of the Executive Board of TRATON SE; CEO of MAN SE ¹ and MAN Truck & Bus SE Left November 24, 2021	2025	
	€ thousand	in %
Pension payments	–	–
Base salary	–	–
Fringe benefits	–	–
LTI 2022–2024 (performance share plan, three-year term; target amount €930 thousand per annum; minimum €0; maximum €1,860 thousand per annum)	1,672	100
Severance payments	–	–
Sum — remuneration granted and owed	1,672	100
Pension expenses	–	–

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

Explanation

Ms. Danielski was a member of the Executive Board of TRATON SE until the end of March 31, 2023. Ms. Danielski's employment contract with TRATON SE ran until the end of its regular termination effective the end of September 30, 2024. Notwithstanding the revised remuneration system, the previous maximum remuneration of €3.7 million gross per year continued to apply for Ms. Danielski until the end of her regular term.

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 continued until its planned end on January 17, 2024.

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Mr. Schulz left the Executive Board of TRATON SE effective the end of September 30, 2021. He was originally appointed as a member of the Executive Board until January 17, 2024. The employment contract between Mr. Schulz and TRATON SE continued until December 31, 2022. In fiscal year 2025, Mr. Schulz received a final payment under the performance share plan 2022–2024.

Mr. Osterloh was a member of the Executive Board of TRATON SE until the end of March 31, 2023. Mr. Osterloh's employment contract with TRATON SE ran until the end of its regular termination effective the end of April 30, 2024. Notwithstanding the revised remuneration system, the previous maximum remuneration of €3.7 million gross per year continued to apply for Mr. Osterloh until the end of his regular term. In accordance with the agreement reached with him, Mr. Osterloh receives a company car during his retirement, which is why fringe benefits are reported for him in the table.

Mr. Gründler was a member of the Executive Board of TRATON SE until the end of September 30, 2021, and was appointed Chairman of the Executive Board. Mr. Gründler's employment contract with TRATON SE expired at the end of its regular term effective the end of July 15, 2023. Mr. Gründler still has rights to payments under the performance share plans that he acquired during his term of office.

Dr. Ing. h.c. Tostmann was appointed as a member of the Executive Board of TRATON SE until November 24, 2021, as Chairman of the Executive Board of MAN SE until August 31, 2021, and as Chairman of the Executive Board of MAN Truck & Bus SE until November 24, 2021. Dr. Ing. h.c. Tostmann's employment contract with TRATON SE expired at the end of its regular term effective the end of July 15, 2023. The Supervisory Board of MAN Truck & Bus SE has resolved that MAN Truck & Bus SE will reimburse TRATON SE for 80% of the expenses for Dr. Ing. h.c. Tostmann. Dr. Ing. h.c. Tostmann still has rights to payments under the performance share plans that he acquired during his term of office.

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 a full-time equivalent (FTE) basis.

Earnings performance is calculated using the following earnings-related indicators of TRATON SE and the TRATON GROUP, which are published in TRATON SE's annual report: the earnings after tax of TRATON SE in accordance with German GAAP. The TRATON GROUP's operating return on sales corresponds to the ratio of the TRATON GROUP's operating result to the TRATON GROUP's sales revenue, as reported in TRATON SE's annual report.

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 (426.06 employees) on FTE basis as of December 31, 2025, excluding the members of the Group's 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 (total workforce of 112,116 in accordance with internal reporting, i.e., including performance-related wage-earners, salaried staff, and vocational trainees) (employees of the TRATON GROUP).

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Annual change in %	2025 compared with 2024	2024 compared with 2023	2023 compared with 2022	2022 compared with 2021	2021 compared with 2020
Executive Board remuneration¹					
Carlbaum, Mathias ²	2.2%	17.8%	28.8%	431.3%	–
Cortes, Antonio Roberto	–8.3%	74.1%	–11.1%	27.3%	–10.6%
Danielski, Annette ²	–75.1%	–31.9%	38.5%	597.2%	–
Drees, Joachim	125.0%	–38.8%	–32.4%	19.5%	3.8%
Gründler, Matthias	154.0%	–35.4%	–19.5%	68.8%	69.0%
Jackstein, Dr. Michael ³	–37.2%	55.6%	–	–	–
Klingenberg, Niklas	–	–	–	–	–
Levin, Christian	17.5%	55.2%	–3.2%	96.1%	25.1%
Modahl Nilsson, Catharina ³	–38.1%	57.2%	–	–	–
Osterloh, Bernd ²	205.7%	–69.3%	34.5%	152.2%	–
Schulz, Christian	154.0%	–208.9%	–134.1%	16.2%	6.1%
Tostmann, Dr. Andreas	154.0%	–36.2%	–22.1%	–22.5%	96.9%
Vlaskamp, Alexander ²	–32.2%	16.8%	37.9%	1,542.7%	–
Earnings performance					
Earnings after tax of TRATON SE in accordance with German GAAP ⁴	312.5%	–	316.6%	–	–
Operating return on sales of the TRATON GROUP	–3.4 pp	+0.9 pp	+4.1 pp	+2.6 pp	+0.9 pp
Development of employee remuneration⁵					
Employees of TRATON SE	–11.9%	7.8%	21.7%	–7.0%	7.5%
Employees of TRATON GROUP	2.1%	5.3%	6.6%	0.5%	1.1%

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

² Joined in the course of fiscal year 2021

³ Joined as of April 1, 2023

⁴ Percentage change in earnings after tax of TRATON SE in accordance with German GAAP cannot be presented because there were negative earnings from fiscal year 2020 through fiscal year 2022.

⁵ Personnel expenses additionally adjusted for exceptional project profit sharing by selected managers in 2021

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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 on a regular basis, most recently in March 2025, and adjusted as needed. The peer group currently comprises the following companies: Caterpillar Inc., Continental AG, Cummins Inc., Daimler Truck Holding 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.

The companies in the peer group were selected on the basis of their size, sector, and regional distribution, and reflect the TRATON GROUP's strategic business areas and most relevant competitors. To adequately reflect TRATON SE's business model, competitors from the manufacturing industry and the mechanical and plant engineering sectors were selected in addition to companies from the automotive sector. The peer group comprises an appropriate mix of listed companies from Europe, America, and Asia. In the opinion of the Supervisory Board, this peer group represents the specific competitive environment of TRATON SE on the sales market as well as on the recruitment market for top executives.

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, the annual general meeting of a listed company must resolve on the remuneration of its supervisory board members at least every four years. 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 interest of TRATON SE and whether it is commensurate with the tasks performed by the members of the Supervisory Board and with the position of TRATON SE. Based on this review, which was carried out under the supervision of a renowned, independent external remuneration consultant, the Supervisory and Executive Boards presented an adjusted remuneration system for the members of the Supervisory Board for approval at the Annual General Meeting on June 13, 2024. The remuneration was confirmed, and the adjusted remuneration system resolved on by 99.15% of the votes cast in the Annual General Meeting on June 13, 2024. The adjusted remuneration system came into force when the amendment to the Articles of Association was entered in the commercial register and is applicable retrospectively for the first time for fiscal year 2024.

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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 fixed annual remuneration is €300 thousand for the Chairman of the Supervisory Board, €200 thousand for the Deputy Chairman of the Supervisory Board, and €100 thousand for each further member of the Supervisory Board.

For their work on committees, the members of the Supervisory Board receive additional fixed annual remuneration per committee provided the committee has met at least once per year for the performance of its duties. The fixed annual remuneration is €100 thousand for the chair of a committee, €75 thousand for the deputy chair of a committee, and €50 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 members 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 of 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 chair or deputy chair of the 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.

The members of the Supervisory Board were also included in liability (D&O) insurance policy taken out on their behalf in accordance with Article 16 (5) sentence 1 of the Articles of Association of TRATON SE. There was a deductible in the amount of the gross annual fixed remuneration for Supervisory Board members.

Former members of the Supervisory Board of TRATON SE do not receive any further remuneration for the period following the termination of office.

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

Both the structure and the amount of the remuneration received by the members of the Supervisory Board consider 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 for 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 German Corporate Governance Code.

Remuneration of Supervisory Board members in fiscal year 2025

Remuneration granted and owed to the Supervisory Board members in office in fiscal year 2025

The following table shows the members of the Supervisory Board of TRATON SE in office in fiscal year 2025 and the remuneration granted and owed to the individual members of the Supervisory Board in fiscal year 2025. 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 2025, i.e., the remuneration paid to the members of the Supervisory Board for their roles on the Supervisory Board in fiscal year 2025, even if the remuneration is not owed until the year following the end of the Annual General Meeting.

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	Fixed remuneration		Work in the committees		Attendance fees		Total	Remuneration from other Group appointments
	2025		2025		2025		2025	2025
	€	in %	€	in %	€	in %	€ thousand	€ thousand
	thousand		thousand		thousand			
Pötsch, Hans Dieter	300	73	100	24	10	2	410	0
Kerner, Jürgen ¹	200	70	75	26	10	4	285	21
Andersson, Ödgård	100	93	0	0	7	7	107	0
Antlitz, Dr. Arno ²	0	0	0	0	0	0	0	0
Bechstädt, Torsten ¹	100	54	75	41	10	5	185	0
Carlquist, Mari ^{3,4}	0	0	0	0	0	0	0	0
Cavallo, Daniela ¹	100	94	0	0	6	6	106	0
Döss, Dr. Manfred ³	0	0	0	0	0	0	0	0
Kilian, Gunnar ^{3,5}	0	0	0	0	0	0	0	0
Kirchmann, Dr. Albert X.	100	93	0	0	7	7	107	21
Kuhn-Piëch, Dr. Julia	100	63	50	31	10	6	160	71
Lorentzon, Lisa ^{3,4,6}	0	0	0	0	0	0	0	0
Luthin, Bo ^{3,4}	0	0	0	0	0	0	0	0
Lyngsie, Michael ^{3,4}	0	0	0	0	0	0	0	0
Macpherson, Nina	100	63	50	31	10	6	160	50
Porsche, Dr. Dr. Christian	100	63	50	31	9	6	159	71
Schmid, Dr. Wolf-Michael	100	93	0	0	7	7	107	0
Schnur, Karina ¹	100	47	100	47	12	6	212	21
Sedlmaier, Josef ¹	100	93	0	0	7	7	107	0
Wansch, Markus ¹	100	93	0	0	7	7	107	21
Widén, Christina ^{3,4,7}	0	0	0	0	0	0	0	0
Witter, Frank	100	48	100	48	9	4	209	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 Supervisory Board member since September 26, 2025

³ Remuneration for fiscal year 2025 was waived in full.

⁴ In view of the waivers, the Executive Board of TRATON SE decided that it will make a contribution of €519 thousand to "Scania Personalstiftelse 1996" after the 2026 Annual General Meeting.

⁵ Supervisory Board member and member of the Presiding Committee and the Nomination Committee until July 16, 2025.

⁶ Supervisory Board member and member of the Audit Committee until June 30, 2025

⁷ Supervisory Board member since July 1, 2025, and member of the Audit Committee since September 22, 2025

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 indicators of TRATON SE and the TRATON GROUP, which are published in TRATON SE's annual report: the earnings after tax of TRATON SE in accordance with German GAAP. The TRATON GROUP's operating return on sales corresponds to the ratio of the TRATON GROUP's operating result to the TRATON GROUP's sales revenue, as reported in TRATON SE's annual report.

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 (426.06 employees) on FTE basis as of December 31, 2025, excluding the members of the Group's 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 (total workforce of 112,116 in accordance with internal reporting, i.e., including performance-related wage-earners, salaried staff, and vocational trainees) (employees of the TRATON GROUP).

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Annual change in %	2025 compared with 2024	2024 compared with 2023	2023 compared with 2022	2022 compared with 2021	2021 compared with 2020
Supervisory Board remuneration¹					
Pötsch, Hans Dieter	-0.5%	30.0%	1.6%	0.0%	0.3%
Kerner, Jürgen	21.7%	72.3%	2.0%	-10.6%	-18.8%
Andersson, Ödgård ²	-0.9%	83.4%	-	-	-
Antlitz, Dr. Arno ³	-	-	-	-	-
Bechstädt, Torsten	-1.1%	29.0%	-0.7%	0.7%	-1.4%
Carlquist, Mari	0.0%	0.0%	0.0%	0.0%	0.0%
Cavallo, Daniela ⁵	1.0%	17.1%	-25.3%	73.9%	-
Döss, Dr. Manfred	0.0%	0.0%	0.0%	0.0%	0.0%
Kilian, Gunnar	0.0%	0.0%	0.0%	0.0%	0.0%
Kirchmann, Dr. Albert X.	-0.1%	24.5%	-0.1%	4.0%	15.1%
Kuhn-Piëch, Dr. Julia	0.1%	18.4%	1.5%	27.2%	-16.6%
Lorentzon, Lisa	0.0%	0.0%	0.0%	0.0%	0.0%
Luthin, Bo	0.0%	0.0%	0.0%	0.0%	0.0%
Lyngsie, Michael	0.0%	0.0%	0.0%	0.0%	0.0%
Macpherson, Nina	-5.5%	17.0%	-0.6%	0.0%	-1.5%
Porsche, Dr. Dr. Christian	-0.2%	17.3%	4.6%	25.3%	17.2%
Schmid, Dr. Wolf-Michael	-1.8%	32.9%	0.0%	0.0%	-1.2%
Schnur, Karina	-0.6%	30.1%	24.3%	-16.2%	-16.0%
Sedlmaier, Josef ⁵	-1.8%	34.6%	-	-	-
Wansch, Markus ⁴	-1.1%	25.8%	0.9%	43.7%	-
Widén, Christina ⁴	-	-	-	-	-
Witter, Frank	-1.4%	28.5%	0.0%	103.7%	-
Earnings performance					
Earnings after tax of TRATON SE in accordance with German GAAP ⁶	312.5%	-	316.6%	-	-
Operating return on sales of the TRATON GROUP	-3.4 pp	+0.9 pp	+4.1 pp ⁸	+2.6 pp	+0.9 pp
Development of employee remuneration⁷					
Employees of TRATON SE	-11.9%	7.8%	21.7% ⁸	-7.0%	7.5%
Employees of TRATON GROUP	2.1%	5.3%	6.6%	0.5%	1.1%

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

2 Joined in fiscal year 2023

3 Joined in fiscal year 2025

4 Joined in fiscal year 2021

5 Joined in fiscal year 2022

6 Percentage change in earnings after tax of TRATON SE in accordance with German GAAP cannot be presented because there were negative earnings from fiscal year 2020 through fiscal year 2022.

7 Personnel expenses additionally adjusted for exceptional project profit sharing by selected managers in 2021

8 Correction after preparation of the 2023 Annual Report

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 January 1, 2025, to December 31, 2025, 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 (i.e., fraudulent financial reporting and misappropriation of assets) 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, whether due to fraud or error.

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.

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Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the fiscal year from January 1, 2025, to December 31, 2025, 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 January 1, 2024, 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, February 25, 2026

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Dr. Janze	Maurer
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Financial Calendar

April 29, 2026	3M 2026 Interim Statement
June 16, 2026	2026 Annual General Meeting
July 23, 2026	2026 Half-Year Financial Report
October 28, 2026	9M 2026 Interim Statement

The latest information and dates are available on TRATON SE's website at www.traton.com/financialcalendar.

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Glossary

Active workforce: Number of employees who have an active employment contract, excluding vocational trainees and employees in the passive phase of partial retirement.

Australian Medium Term Notes program (AMTN program): A master agreement between companies and bond dealers that allows companies to place securities on the Australian capital markets very quickly to obtain debt capital.

Payout ratio: The payout ratio means the proportion of the total amount of dividends attributable to common shares to earnings after tax attributable to TRATON SE shareholders. The payout ratio provides information about the allocation of earnings.

BEV: Battery electric vehicles and fuel cell electric vehicles

Commercial paper program (CP program): A master agreement between companies and bond dealers that allows companies to place unsecured, short-term debt instruments on the international money market very quickly to obtain debt capital.

Committee of Sponsoring Organizations of the Treadway Commission (COSO): Internationally recognized framework for enterprise risk management and internal control (ICS).

Compliance: Adherence to statutory provisions, internal corporate policies, and ethical principles.

Corporate governance: A commonly used international term that denotes responsible corporate management and control geared toward long-term value added.

CSRD: Corporate Sustainability Reporting Directive of the European Union

German Corporate Governance Code (the Code): Constitutes key statutory requirements for the management and supervision of listed German companies and contains internationally and nationally recognized standards of good, responsible corporate governance in the form of recommendations and suggestions.

Derivatives/derivative financial instruments: Financial instruments whose value is derived primarily from the price and price volatility/expectations of an underlying (e.g., stocks, foreign currency, interest-bearing securities).

Dividend yield: Dividend yield is defined as the ratio of the dividend for the reporting year to the closing price per share class on the final trading date of the reporting year and indicates the return per share. Dividend yield is used in particular for measuring and comparing shares.

ESG: Environmental, Social, Governance.

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European Medium Term Notes program (EMTN program): A master agreement between companies and bond dealers that allows companies to place securities on the European capital markets very quickly to obtain debt capital.

Fair value: The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing, and independent parties in an arm's length transaction.

Functional expenses: Functional expenses comprise the cost of sales, distribution expenses, and general and administrative expenses.

Price-earnings ratio: The price-earnings ratio is calculated by dividing the year-end closing price per share by earnings per share. It reflects the earnings power per share and provides information about its development compared over a number of years.

Market share: TRATON's share of registrations of trucks and buses in the overall market.

OECD: Organisation for Economic Co-operation and Development

Option: Agreement under which the purchaser is entitled, but not obligated, to acquire (call option) or sell (put option) the underlying asset at a future date for a predefined price. By contrast, the seller of the option is obligated to sell or purchase the asset and usually receives a premium for granting the option rights.

Section 232: Section 232 of the Trade Expansion Act of 1962 is a key US trade policy tool that gives the US president the power to regulate imports if they could threaten national security. Section 232 allows the US president to impose measures such as tariffs, import quotas, or other trade restrictions if certain goods are considered strategically relevant to US defense, critical infrastructure, or key industries.

Other operating result comprises net impairment losses on financial assets, other operating income, and other operating expenses.

Swap: Agreement between two counterparties to swap cash payments over a certain period. Prime examples are currency swaps, under which principal amounts denominated in various currencies are exchanged, and interest rate swaps, which usually entail the exchange of fixed and variable interest payments in the same currency.

TMS: TRATON Modular System

Weighted Average Cost of Capital (WACC): WACC is derived from the return required by capital providers.

Registrations: Number of new vehicles registered for the first time in a country with the relevant registration authorities. The term "registrations" describes the size of the market for new vehicles and thus also the development of the market. Market share is also calculated from the registration data.

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Five-Year Overview

	2025	2024	2023	2022	2021
Order situation (units)					
Incoming orders	281,325	263,575	264,798	334,583	359,975
of which trucks	224,243	208,519	210,617	274,299	305,745
of which buses	27,932	32,235	29,808	32,274	22,237
of which MAN TGE vans	29,150	22,821	24,373	28,010	31,993
Unit sales	305,486	334,215	338,183	305,485	271,608
of which trucks	239,783	278,130	281,290	254,300	230,549
of which buses	34,359	28,413	30,266	29,601	18,857
of which MAN TGE vans	31,344	27,672	26,627	21,584	22,202
BEV unit sales ratio (excluding MAN TGE, in %) ¹	1.2	0.5	0.6	–	–
TRATON GROUP					
Sales revenue (€ million)	44,052	47,473	46,872	40,335	30,620
Operating result (adjusted) (€ million)	2,773	4,384	4,034	2,071	1,599
Operating return on sales (adjusted) (in %)	6.3	9.2	8.6	5.1	5.2
Active workforce ²	107,454	105,541	103,621	100,356	97,235
TRATON Operations					
Sales revenue (€ million)	42,536	46,182	45,736	39,554	30,103
Operating result (adjusted) (€ million)	3,092	4,776	4,272	2,257	1,883
Operating return on sales (adjusted) (in %)	7.3	10.3	9.3	5.7	6.3
Net cash flow (€ million)	1,643	2,834	3,594	–625	938
Primary R&D costs (€ million) ³	2,731	2,456	2,170	1,892	1,462
Capex (€ million)	1,555	1,751	1,516	1,298	1,125

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	2025	2024	2023	2022	2021
Scania Vehicles & Services					
Incoming orders (units)	92,351	81,012	84,080	82,071	116,798
Sales (units)	94,073	102,069	96,727	85,232	90,366
Sales revenue (€ million)	17,945	18,907	17,878	15,316	13,927
Operating result (adjusted) (€ million) ³	1,926	2,801	2,266	1,315	1,412
Operating return on sales (adjusted) (in %) ³	10.7	14.8	12.7	8.6	10.1
MAN Truck & Bus					
Incoming orders (units)	99,961	77,108	86,783	109,717	143,531
Sales (units)	101,642	96,037	116,033	84,513	93,668
Sales revenue (€ million) ³	14,095	13,652	14,811	11,331	10,934
Operating result (adjusted) (€ million) ³	904	919	1,075	139	249
Operating return on sales (adjusted) (in %) ³	6.4	6.7	7.3	1.2	2.3
International Motors⁴					
Incoming orders (units)	46,177	56,616	60,932	86,019	42,588
Sales (units)	63,732	90,562	88,890	81,892	30,305
Sales revenue (€ million)	8,169	11,116	11,042	10,501	3,557
Operating result (adjusted) (€ million) ³	9	724	734	502	41
Operating return on sales (adjusted) (in %) ³	0.1	6.5	6.6	4.8	1.2
Volkswagen Truck & Bus					
Incoming orders (units)	42,988	48,865	33,739	57,042	57,241
Sales (units)	46,171	45,846	37,203	54,136	57,405
Sales revenue (€ million)	2,768	2,918	2,477	2,952	2,113
Operating result (adjusted) (€ million) ³	323	346	217	309	171
Operating return on sales (adjusted) (in %) ³	11.7	11.9	8.8	10.5	8.1

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	2025	2024	2023	2022	2021
TRATON Financial Services					
Sales revenue (€ million)	2,188	1,932	1,589	1,294	964
Return on equity (in %)	8.0	10.8	8.4	4.0	18.6
TRATON shares					
Earnings per share (in €)	3.09	5.61	4.90	2.28	0.91
Dividend per share (€) ⁵	0.93	1.70	1.50	0.70	0.50
Number of shares on 12/31	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000
Common shares, closing price (Xetra price in €)	30.50	27.95	21.32	14.13	22.14

1 The BEV unit sales ratio (excluding MAN TGE vans, in %) was calculated for the first time for 2023

2 As of December 31

3 The previous year's figures for 2024 were adjusted to the current presentation, see the [Combined Management Report, Financial management](#) section.

4 2021: July 1 to December 31

5 2025: proposed dividend, subject to approval by the 2026 Annual General Meeting

Disclaimer

This report contains certain forward-looking statements that are based on present assumptions and forecasts by the company's management. A range of known and unknown risks, uncertainties, and other factors may result in the actual results, net assets, financial position, and results operations, development, or performance of the TRATON GROUP (TRATON) differing materially from the estimates given here. Such factors include those that TRATON has described in published reports. These reports are available on our website at www.traton.com. The company does not assume any obligation to update such forward-looking statements or to adapt them to future events or developments.

All figures shown are rounded, so minor discrepancies may arise from addition of these amounts. Unless otherwise stated, comparable prior-year figures are presented in brackets in the text alongside the figures for the fiscal year under review.

This is a translation of the German original. In the event of discrepancies between the German language version and any translation thereof, the German version will prevail.

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