

DAIMLER TRUCK

Daimler Truck Holding AG

Opening Speech by the Chairman of the Supervisory Board Joe Kaeser

Annual General Meeting
on May 15, 2024



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Check against delivery during the Annual General Meeting.

Dear Shareholders, Shareholder Representatives, Ladies and Gentlemen!

I hereby open the 2024 Annual General Meeting of Daimler Truck Holding AG.

Virtual Annual General Meeting

Before I report on the work of the Supervisory Board in the past financial year 2023, I would like to say a few words about the format and procedure of our Annual General Meeting today.

Based on the authorization granted by the 2023 Annual General Meeting in § 11 section 3 of the Articles of Incorporation, the Management Board has decided to hold the 2024 Annual General Meeting virtually again.

The virtual format provides a modern and efficient framework for safeguarding all shareholder rights while conserving resources, reducing costs, and increasing the security of the event. Nevertheless, it enables the important interactive exchange between the management of the company and shareholders during the general debate.

The Supervisory Board agreed with this assessment. For the future, we are continuously and openly examining various options for holding either a General Meeting in the presence of the shareholders or a virtual General Meeting and we are keeping both options open as much as possible.

Review of the 2023 financial year

The 2023 financial year will go down as a record year in the company's still young history. The significant increase in revenue of 10 percent to 55.9 billion euros is a strong sign that our customers are happy to buy our products. The adjusted EBIT of 5.5 billion euros underlines the fact that we not only offer attractive products, but can also develop, manufacture and sell them economically. The strong business figures show that the company has taken the right measures. Daimler Truck is on the right track to exploit the potential of the industry and has its sights firmly set on the future.

The figures are the result of a great team effort. The record year is a joint achievement by the employees, the managers, and the Board of Management, which is steering the company prudently and successfully. On behalf of the Supervisory Board, I would like to thank the global Daimler Truck Team for this outstanding commitment and congratulate them on their impressive achievements in the 2023 financial year.

Jochen Goetz also played a significant role in the record results. In the midst of these successes, we remember our esteemed CFO. His life's work and achievements will remain unforgotten.

At the same time, 2023 was also a very turbulent year in terms of world affairs.

The war in Ukraine entered its second year, the energy debate continued, and the German domestic economy was, and remains, in a difficult situation. The fact that this war is still not over despite massive support for Ukraine, far-reaching sanctions by the West and political interventions also shows how wrongly we assessed the situation for years, even decades.

The war in Ukraine is also a wake-up call for all of us who, after the end of the Cold War, believed that a unipolar world order would bring us lasting peace, prosperity, and stability without effort. In any case, the peace dividend has been suspended for the foreseeable future.

With the war in Gaza, the world situation has become significantly more complicated again. The terrorist attack by Hamas on Israel and the resulting resurgence of a conflict that has been smoldering for decades worries me greatly. It brings untold suffering to so many innocent people on both sides, and remembering them is the least we can do today.

But I was also shocked to see that anti-Semitism has resurfaced in Germany after Israel defended itself against the cowardly attack. One does not have to approve of the civilian suffering in the Gaza Strip and Israel's behavior in the West Bank, but the protection of free Jewish life in Germany is not only a reason of state, but a social responsibility of Germany and its citizens. Attacks such as the one on the synagogue in Berlin or hatred and violence against Jews on the streets or in universities make it depressingly clear that "Never again" is not a reminiscence, but a timeless task: "Never again is now - and always".

The Supervisory Board also expressly welcomes the fact that Daimler Truck is also participating in the joint "We stand for values" campaign by over 30 industrial companies and organizations.

And there are numerous other overarching issues that we are monitoring closely, such as the situation in China or the upcoming elections in the USA. Being a company with global operations, these developments are of great economic relevance for Daimler Truck and, like the advancing climate change, require attention as well as a high degree of resilience and a forward-looking strategy.

Supervisory Board topics in the past financial year

Now specifically to the Supervisory Board's other work in the past year. The Supervisory Board held nine meetings in the 2023 financial year. The detailed report of the Supervisory Board can be found on pages 15 to 20 of the Daimler Truck Annual Report. You will also find the Declaration on Corporate Governance in the Annual Report. In the following, I will therefore only focus on a few key aspects of the Supervisory Board's work.

In accordance with the corresponding recommendation of the German Corporate Governance Code, we carried out a self-assessment of the Supervisory Board's work, accompanied by external experts, for the first time in the past financial year.

This included a Management Board survey. The focus was on the supervisory and advisory activities of the Supervisory Board and how it cooperates as well as the provision of information by the Management Board and issues of corporate governance and the work of the committees. The results of the overall positive self-assessment, particularly with regard to the effectiveness of the Supervisory Board's and its committees' performance of their duties, were discussed in detail by the Board and measures for further improvement were defined.

There was only one change to the composition of the Supervisory Board in the 2023 financial year. Raymond Curry stepped down as a member of the Supervisory Board for personal reasons with effect from October 15, 2023. On behalf of my colleagues, I would like to expressly thank him for his valuable commitment and his international perspective on the Supervisory Board. Shintaro Suzuki, President of the Mitsubishi Fuso Workers' Union in Japan, was subsequently appointed by the Stuttgart District Court as a new member of the Supervisory Board as an employee representative. On behalf of the Supervisory Board, I would like to welcome him once again.

We appreciate the constructive and trusting cooperation between the employee and shareholder representatives. This forms a good basis for a constructive discussion of the major strategic and transformative issues in the future direction of our company. I would like to take this opportunity to thank all members of the Supervisory Board. They have always intensively contributed their different experiences and perspectives to the work of the Board as a whole.

Our activities on the Supervisory Board focused on continuously advising the Management Board on the management of the company and monitoring its corporate governance. This included, above all, assessing the financial performance in relation to the company's own targets and in comparison with the competition, as well as an intensive examination of the company's strategic direction. This also includes topics that are fundamental to the transformation success of the commercial vehicle industry, such as sustainability and autonomous driving.

With a view to Daimler Truck's 2023 financial year, I would like to return to four particularly relevant topics and explain how these correspond to the basic understanding of the Supervisory Board's work:

1. Climate change requires the industry to play an active role.

One central task for Daimler Truck is to curb climate change worldwide with innovative products and solutions and thus drive forward decarbonization. The COP28 World Climate Change Conference in Dubai showed us just how urgent active action is and - this was a first - what an important role the industry has to play in this.

For Daimler Truck, economic performance and ecological sustainability are not necessary opposites. Daimler Truck has the ambition to lead the commercial vehicle industry in terms of transformation and profitability. One core element of this transformation is a dual technology strategy that offers customers options depending on their needs.

The company is therefore focusing on the two sustainable drive concepts of batteries and hydrogen. Sales of battery-electric commercial vehicles already almost quadrupled in 2023 compared to the previous year. And this summer, selected companies will be able to gain initial experience with fuel cell vehicles as part of a customer-oriented test fleet.

As an overall body, the Supervisory Board plays a strong advisory and monitoring role when it comes to sustainability. The overall responsibility of the Supervisory Board encompasses all sustainability-related aspects of corporate strategy and business planning as well as strategic measures that are important for sustainability at Daimler Truck. In addition, various committees such as the Presidential and Remuneration Committee and the Audit Committee deal with key sustainability issues.

2. We rely on a strong and diverse Management Board team.

A congenial Board of Management team forms the basis for sustainable corporate success. This is also the case at Daimler Truck. The commitment, empathy, and passion of all members of the Board of Management for their company are an integral part of the management culture. The reappointments of Karin Rådström, Dr. Andreas Gorbach and John O’Leary in 2023 underline our confidence in this team.

This also applies to the reappointment of Karl Deppen for a further five years until the end of November 2029. Karl Deppen is an extremely experienced and reliable manager who manages the complex business in the Asia region prudently and drives the business and strategic development of the division. We are very pleased to be able to count on him in the future!

The Supervisory Board has also decided to dissolve the Financial Services division and to initially assign it to the CEO. Stephan Unger has successfully built up the Financial Services business and consistently expanded the resilient service portfolio with his team. We are very pleased that Stephan Unger will continue to head the Financial Services division as Executive Vice President.

Karin Rådström has successfully developed Mercedes-Benz Trucks in a difficult environment, sets new accents in the performance culture and promotes customer orientation, empowerment, and diversity in particular.

Dr. Andreas Gorbach inspires with his distinctive technological expertise and, as Chief Technology Officer, has a key role in the technology transformation at Daimler Truck.

John O’Leary shows an outstanding sense for customers and employees and sets benchmarks for the entire company with his focus on efficiency, performance and sustainable innovation at Daimler Truck North America.

Following the tragic death of Jochen Goetz in August 2023, we initiated a search and selection process involving an international recruitment company. We are delighted that Eva Scherer took up her position as Head of Finance and Controlling on April 1, 2024.

In addition to her professional expertise and her aspiration for top performance, Eva Scherer also stands for diversity and impresses us with her open-mindedness, her potential and her enthusiasm to drive change.

This is also the moment to pay tribute to a leader who has played a key role in shaping the development of Daimler Truck and made it his life's work: our CEO Martin Daum.

This began with the reorganization of today's top performer Daimler Truck North America in Portland, which has become his second home. As the member of the Board of Management responsible for the truck division in what was the Daimler Group at the time, he ensured that the truckers were heard in an environment dominated by the passenger car business. As part of the spin-off of the truck business, he turned a marginal division into a respected, independent company that found its way into the DAX40 at an early stage.

There are many factors behind this success. The most important one for me was that Martin always ran the business as if it were his own company - his own money and his own destiny. And he had a feel for the people in the company - that also sets him apart. This is how he really became "Mr. Daimler Truck".

Martin's contract ends in February 2025. So today is probably his last Annual General Meeting. That is why it was important for me to say this and to thank him sincerely for his life's work in front of you - the owners of the company.

He leaves behind a well-run company - and plenty of scope for his successors. Thank you very much, dear Martin!

3. The remuneration system 2023+ incentivizes financial and sustainable performance.

The remuneration system for the members of the Board of Management approved by a large majority at the 2023 Annual General Meeting proved its worth in the 2023 financial year. With the remuneration system 2023+, we want to reward not only strong financial performance but also performance in the area of sustainability. We have provided important stimuli for achieving our non-financial targets in the variable remuneration with the sustainability targets anchored in the short-term and long-term incentives. We are convinced that, with our remuneration system, we have established an appropriate and up-to-date system for the remuneration of the Board of Management at Daimler Truck.

4. The company belongs to the shareholders.

It is our deep understanding that sustainable and reliable value creation is a high priority for you as the owners of the company. We intend to achieve this with leading innovation, strong competitiveness, high customer satisfaction as well as great employee commitment and will continue to build on this in the future. In addition to the performance of the share price, our focus is therefore also on your direct participation in profits. The Board of Management and the Supervisory Board have therefore decided to propose to the Annual General Meeting a dividend of 1.90 euros per share entitled to dividends. This is an increase of 46 percent compared to last year.

Thanks and outlook

The Supervisory Board is convinced that the management of Daimler Truck is pursuing the right strategy and taking appropriate measures to succeed even in a more difficult environment. The entire team is focused on sustainably transforming the commercial vehicle industry and unlocking the company's full profit potential. Together with my Supervisory Board colleagues, I look forward to continuing to promote and oversee this path.

We are certain that the shareholders of Daimler Truck are investing in a company that is characterized by determination and vision and that will continue to create attractive value for all stakeholders over the cycle. Thank you very much for your confidence in Daimler Truck and its boards.

Thank you for your attention.

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