

DAIMLER TRUCK



Remuneration Report 2023



# Remuneration Report

## 1. Preamble

The remuneration report<sup>1</sup> was jointly approved by the Supervisory Board and Board of Management of Daimler Truck Holding AG (DTHAG) in accordance with the requirements of Section 162 of the German Stock Corporation Act (*Aktiengesetz - AktG*) and the recommendations of the German Corporate Governance Code (GCGC) in its version dated April 28, 2022 (published on June 27, 2022 in the *Bundesanzeiger*) and explains the main principles of the remuneration system for the Board of Management and Supervisory Board of Daimler Truck Holding AG as well as the remuneration granted and owed to the individual members for the period from January 1, 2023 to December 31, 2023 (hereinafter “reporting period” or “financial year 2023”).

## 2. Review of the past financial year

The year 2023 was a good and successful financial year for Daimler Truck. Further information about our milestones from the financial year 2023 can be found in the Annual Report 2023 on our company website <https://www.daimlertruck.com/en/investors/reports/financial-reports>.

## 3. Structure of remuneration to the Board of Management

The Supervisory Board has determined the remuneration for all members of the Board of Management for the financial year 2023 in accordance with the “Remuneration System 2023+”, which was presented to the Annual General Meeting on June 21, 2023 in accordance with Section 120a (1) AktG and which was approved by 96.62% of the votes cast. The remuneration granted and owed for the financial year 2023 is in line with the approved remuneration system with regard to the fixed remuneration components and the annual bonus. In addition, the remuneration system valid until December 31, 2022 applies in relation to the deferral. The PPSP tranche 2019 was awarded by Daimler AG (now: Mercedes-Benz Group AG) and comes from the remuneration system in force at the time.

The remuneration report for the financial year 2022 was approved by the Annual General Meeting on June 21, 2023 with an approval rate of 96.00%.

### 3.1. Principles of remuneration

The remuneration system for the members of the Board of Management consists of fixed non-performance-related and variable performance-related remuneration components based on qualified and ambitious performance criteria, which together result in the overall remuneration of the Board of Management.

The fixed non-performance-related remuneration consists of the base salary, fringe benefits and the retirement benefit commitments of each member of the Board of Management.

The variable performance-related remuneration is in turn divided into a short-term variable remuneration (annual bonus) and a long-term variable remuneration (Virtual Share-based Equity Plan (VSEP)).

For the variable remuneration, performance criteria and targets are defined in advance by the Supervisory Board, which are derived from the strategy. It is not possible to subsequently change the performance criteria and targets. The degree of target achievement determines the amount of the actual payout to the members of the Board of Management. Outstanding performances are rewarded accordingly, while missed targets reduce the variable remuneration down to zero. Due to the generally higher weighting of the variable long-term remuneration components, the targets defined for the variable long-term remuneration components provide a higher incentive than the relevant targets for the short-term variable remuneration.

When determining the total remuneration of the individual members of the Board of Management, the situation of the Company as well as members' respective areas of activity and responsibility are taken into account. This is done in accordance with legal requirements and with a clear focus on the competition.

In the opinion of the Supervisory Board, a balanced combination of fixed (non-performance-related) and variable (performance-related) remuneration components based on adequate and ambitious performance criteria and targets, provides the Board of Management with an incentive to implement the corporate strategy and to ensure the sustained success of the Group, considering relevant competitors for the measurement of relative performance. [➤ B.01 - B.02](#)

<sup>1</sup> For the sole purpose of better readability, this document does not use gender-specific language. All personal designations and terms are to be understood as being gender-neutral for the purposes of equal treatment.



## B.01

### Remuneration guidelines

The remuneration system in its entirety makes a significant contribution to promoting the business strategy.
The remuneration system and the performance criteria of its variable components incentivize a long-term and sustainable development of the Company.
The remuneration system makes an important contribution to linking the interests of shareholders, customers, employees and other stakeholders.
The performance of the members of the Board of Management is appropriately taken into account through adequately and ambitiously set performance criteria within the variable remuneration components (pay for performance).
When measuring the performance of the Board of Management, relevant competitors are taken into account in all variable remuneration components in order to additionally implement a relative performance measurement and thereby create incentives for outperformance.
The Supervisory Board ensures that the remuneration system of the Board of Management sets ambitious incentives and also takes into account the remuneration system of the senior executives (consistency of remuneration systems).
Current market practice is taken into account when designing the remuneration system.

In addition to ensuring the appropriateness of the remuneration both in terms of performance and in terms of market conformance, taking into account the size, complexity and economic situation of the Group, the focus is also on ensuring that the remuneration system of the Board of Management is consistent with the remuneration system of the management team. The latter ensures that all decision-makers pursue uniform targets, taking into account the same financial and non-financial (especially sustainability-related) aspects and driving forward the cultural and organizational development of Daimler Truck.

A specific connection between the remuneration of the members of the Board of Management and their performance (pay for performance) is of great importance for the Supervisory Board of Daimler Truck Holding AG. In addition to the strong financial performance of the Daimler Truck Group as a whole and the achievement of strategic targets, this also includes responsibility for the employees as well as for the environment and society.

## B.02

### Overview of the Remuneration System of the Board of Management

Remuneration system of the Board of Management			
		Remuneration component	Description
Fixed remuneration	Base salary		Fixed contractually agreed remuneration paid in twelve monthly instalments (Exception USA: bi-weekly payout)
	Fringe Benefits		Mainly expenses for security services and the provision of company cars
	Retirement benefit commitment		An annual contribution of 15% of the sum of the base salary and the total annual bonus as determined as at the end of the reporting date
Variable remuneration	Annual bonus	Type	Short-term variable remuneration model
		Performance criteria	Tranche 2023 – 75% Financial performance criteria (target achievement: 0% – 200%) – Group-EBIT target-/actual-comparison – Free cash flow of the industrial business (FCF IB) target-/actual-comparison – 25% Non-financial (especially sustainability-related) performance criteria; target-/actual-comparison (target achievement: 0% – 200%)
		Cap	200% of the target amount
	Virtual Share-Based Equity Plan (VSEP)	Type	Long-term variable remuneration model (share price based)
		Performance period	4 years: 3-year performance period plus 1-year holding period
		Performance criteria	Tranche 2023 – 75% Financial performance criteria (target achievement: 0% – 200%) – Relative share price development – 25% Non-financial (especially sustainability-related) performance criteria; target-/actual-comparison (target achievement: 0% – 200%)
		Cap	300% of the allocated amount
	Further elements	Malus / Clawback	
Stock ownership guidelines			– Depending on the function on the Board of Management, the number of shares to be held is between 20,000 and 75,000 – These shares must be held until the end of the Board of Management membership
Benefits in the event of early termination			In the event of premature termination of the board member's activities without good cause, payments including fringe benefits should not exceed the value of two years' remuneration and should not amount to more than the remuneration for the remaining term of the service contract.



### 3.2 Regulations from previous remuneration systems

#### Deferral

The medium-term remuneration provided for in the previous remuneration system, the so-called deferral, is no longer applicable in the future with the introduction of the Remuneration System 2023+ on January 1, 2023. Remaining deferral payments from previous remuneration systems that were made to the members of the Board of Management in the financial year 2023 are shown in Section 4.8. A last payment of a deferral from the financial year 2022 will take place in the financial year 2024. The deferral from the annual bonus 2021 was paid out in the financial year 2023. The relative performance of the company's shares compared to the STOXX Europe Auto Index for the deferral 2021 for the period December 31, 2021 - December 31, 2022 is 112%.

#### Performance Phantom Share Plan (PPSP)

The long-term variable remuneration component known as the Performance Phantom Share Plan (PPSP) in previous remuneration systems was replaced by the Virtual Share-based Equity Plan (VSEP) with the introduction of the Remuneration System 2023+ on January 1, 2023 for the future.

However, this did not affect the ongoing PPSP tranches 2020, 2021 and 2022. The PPSP tranches 2019, 2020 and 2021 originally issued by Mercedes-Benz Group AG (formerly Daimler AG) were transferred to Daimler Truck Holding AG in 2021 through transfer agreements and will be continued by the Company. In addition, Daimler Truck Holding AG issued a PPSP tranche 2022, which will be paid out in the financial year 2026.

### 3.3 Review and determination of the remuneration system and the level of remuneration

For each upcoming financial year, the Presidential and Remuneration Committee prepares the review of the remuneration system and level of remuneration by the Supervisory Board and, if necessary, submits suggestions for changes to it, which the Supervisory Board then decides on. If necessary, the Presidential and Remuneration Committee and the Supervisory Board seek advice from independent external remuneration experts.

Based on the preparation and recommendations of the Presidential and Remuneration Committee, the Supervisory Board regularly reviews the remuneration system of the Board of Management members. If necessary, the Supervisory Board decides on changes. In the event of significant changes, but at least every four years, the remuneration system is presented again to the Annual General Meeting for approval. If the Annual General Meeting does not approve the remuneration system, a revised and adjusted remuneration system has to be submitted for approval to the next ordinary Annual General Meeting at the latest.

The Supervisory Board determines the amount of the target total remuneration of the individual Board of Management members for the upcoming financial year, i.e., the sum of the base salary, the target amount of the short-term variable remuneration, the target amount of the long-term variable remuneration as well as expenses for fringe benefits and retirement benefit commitments. The target total remuneration should be in an appropriate relationship to the responsibilities and performance of each Board of Management member and the situation of the Group. In addition, the Supervisory Board ensures that the target total compensation is appropriate to the market. For this reason, the Supervisory Board carries out both a horizontal and a vertical comparison.

In the horizontal - external - comparison of the target total remuneration, the DAX companies and an international group of competitors were used with regard to the market position of Daimler Truck (particularly industry, size, country), and in particular the weighting of the components relative to each other and the level of the target remuneration were reviewed. The Supervisory Board came to the conclusion that the remuneration is in line with the market.

For the vertical - internal - comparison of the target total remuneration, the Supervisory Board uses the two upper management levels below the Board of Management and the workforce of Daimler Truck AG in Germany for a comparison.

In the event of significant shifts in the relationships between the remuneration of the Board of Management and the horizontal and vertical comparison groups, the Supervisory Board examines the causes and, if there are no objective reasons for such shifts, makes

an adjustment to the remuneration of the Board of Management if necessary. The Supervisory Board came to the conclusion that no such adjustment is necessary.

### 3.4 Remuneration structure and target remuneration

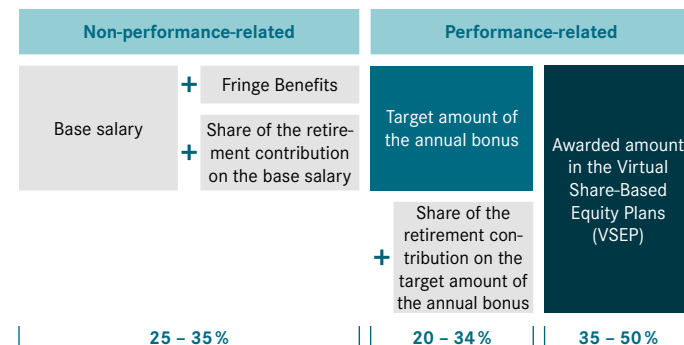
The fixed base salary (with retirement benefit commitments and fringe benefits) contributes around 25-35%, the annual bonus (with the share of the retirement benefit commitments) around 20-34% and the variable remuneration component with long-term incentive effect (VSEP) with around 35-50% to the target total remuneration.

#### ➤ B.03

Additional components of the non-performance-related remuneration include the retirement benefit commitments and the fringe benefits (non-cash benefits, mainly expenses borne by the company for security precautions and the provision of company cars). The pension plan contribution is currently calculated as 15% of the sum of the base salary and the total annual bonus as determined at the end of the reporting period.

#### B.03

##### Structure and range of target total remuneration



The variable remuneration, consisting of the bonus and the VSEP (with its connection to additional comparison parameters and to the share price), reflect the recommendation of the GCGC, which stipulates that the variable remuneration resulting from the achievement of long-term targets shall exceed the share from short-term targets. In addition, the Stock Ownership Guidelines (SOG) require Board of



Management members to hold a certain number of real shares for the duration of their employment in accordance with the GCGC recommendation.

### 3.5. Compliance with maximum remuneration

In addition to the limits on the individual variable remuneration components of the Board of Management members, the Supervisory Board has decided on a maximum remuneration that has been checked for appropriateness in accordance with Section 87a Subsection 1 Sentence 2 No. 1 AktG.

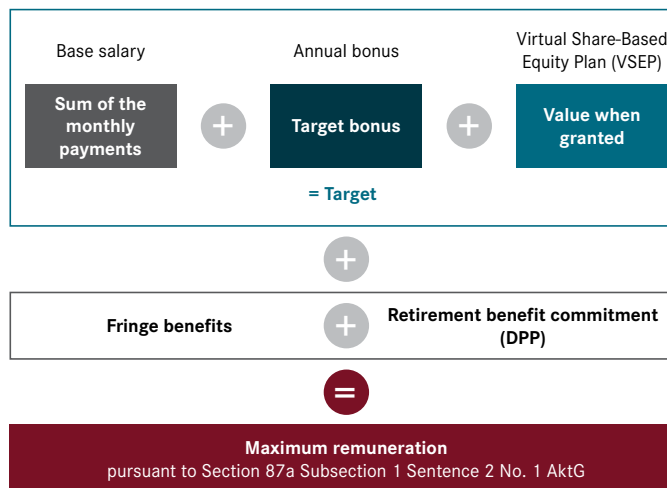
The maximum remuneration for one financial year amounts to €10,000,000 for the Chairman of the Board of Management and €6,000,000 for an ordinary member of the Board of Management. The total of all payments (base salary, annual bonus including deferral, PPSP/VSEP) or the expense in the case of fringe benefits and retirement benefit commitments made in one year is limited to this value, regardless of when the payments are made. [↗ B.04](#)

If the sum of the amounts paid exceeds the maximum remuneration pursuant to Section 87a Subsection 1 Sentence 2 No. 1 AktG, the last remuneration component to be paid out, usually the PPSP/VSEP, will be reduced.

For the financial year 2023, compliance with the specified maximum remuneration cannot be verified yet. The final payment of the VSEP tranche 2023, which was allocated to the members of the Board of Management, can only be finally published in the remuneration report for the financial year 2027, i.e. after the 4-year term.

## B.04

### Calculation of the maximum remuneration 2023<sup>1</sup>



<sup>1</sup> The calculation of the maximum remuneration is based on the maximum achievable performance of the respective variable remuneration component (Cap Annual Bonus = 200%, Cap VSEP Gross Payout = 300%).

However, Daimler Truck Holding AG ensures at all times that the maximum remuneration is not exceeded through the cap regulations for individual remuneration components. The maximum remuneration in 2021 was not exceeded. [↗ B.05](#)

**B.05****Calculation of the maximum remuneration 2023**

	<b>Jochen Goetz</b> Finance and Controlling	<b>Jürgen Hartwig</b> Human Resources	<b>Karin Rådström</b> Region Europa and Latin America and the Mercedes- Benz Truck brand	<b>John O'Leary</b> <sup>2</sup> Region North America and the brands Freightliner, Western Star and Thomas Built Buses	<b>Karl Deppen</b> <sup>3</sup> Truck China and the regions Japan and India with the brands FUSO and BharatBenz	<b>Stephan Unger</b> <sup>4</sup> Financial Services	<b>Andreas Gorbach</b> Truck Technology
	Remuneration December 2021	Remuneration December 2021	Remuneration December 2021	Remuneration December 2021	Remuneration December 2021	Remuneration December 2021	Remuneration December 2021
	in thousands of €	in thousands of €	in thousands of €	in thousands of €	in thousands of €	in thousands of €	in thousands of €
Base salary	54.2	54.2	54.2	59.4	54.2	54.2	54.2
Fringe benefits	9.2	2.4	10.0	2.1	5.3	0.9	4.7
<b>Total fixed remuneration</b>	<b>63.4</b>	<b>56.6</b>	<b>64.2</b>	<b>61.5</b>	<b>59.4</b>	<b>55.0</b>	<b>58.8</b>
<b>Variable remuneration</b>	<b>108.3</b>	<b>108.3</b>	<b>108.3</b>	<b>114.8</b>	<b>108.3</b>	<b>108.3</b>	<b>108.3</b>
Annual variable remuneration (50% of the Annual Bonus 2021)	51.7	51.7	51.7	51.7	51.7	51.7	51.7
Deferral (50% of the Annual Bonus 2021, paid out in 2023)	56.6	56.6	56.6	63.1	56.6	56.6	56.6
<b>Retirement benefit expense</b>	<b>8.1</b>	<b>8.1</b>	<b>154.0</b>	<b>0.0</b>	<b>8.1</b>	<b>8.1</b>	<b>8.1</b>
<b>Total remuneration 2021</b>	<b>179.8</b>	<b>173.0</b>	<b>326.5</b>	<b>176.3</b>	<b>175.8</b>	<b>171.4</b>	<b>175.2</b>
<b>Maximum remuneration 2021</b>	<b>500.0</b>	<b>500.0</b>	<b>500.0</b>	<b>500.0</b>	<b>500.0</b>	<b>500.0</b>	<b>500.0</b>

1 Presentation without Martin Daum due to outstanding PPSP payment in 2025; review of maximum remuneration therefore in 2025.

2 Two contracts (German contract with Daimler Truck Holding AG and U.S. contract with Daimler Truck North America LLC (DTNA)); a large part of the remuneration is settled via DTNA in US\$; deviation of base salary and STI due to exchange rate.

3 A large part of the remuneration is settled by Mitsubishi Fuso Truck and Bus Corp. (MFTBC).

4 A large part of the remuneration is settled by Daimler Truck Financial Services GmbH.

5 Figures may not tie due to rounding.

## 4. Remuneration to the Board of Management during financial year 2023

### 4.1. Fixed remuneration components: Base salary

The base salary is a fixed salary relating to the entire year, which is based on the area of activity and responsibility and the experience of the respective Board of Management member and is paid in twelve or, in the USA, in twenty-six installments (DTNA share).

### Fringe Benefits

Fringe benefits are an additional component of the fixed remuneration. These essentially include expenses for security precautions and the provision of company cars, which can also be used privately, and the resulting non-cash benefit. In connection with Board of Management members whose place of employment is abroad, special location allowances may also apply. ↗ **B.06**

**B.06****Active Board of Management Members – Fringe Benefits<sup>1</sup>**

Daum, Martin	88.0
Goetz, Jochen <sup>2</sup>	150.2
Hartwig, Jürgen	98.7
Radström, Karin	273.8
O'Leary, John	827.5
Deppen, Karl	345.5
Unger, Stephan	34.2
Gorbach, Andreas	182.9

1 Figures may not tie due to rounding.

2 Pro rata temporis calculation (01.01.2023 - 05.08.2023) due to premature termination of the Board of Management mandate (decease).

During the reporting period, the members of the Board of Management were also covered by a directors' and officers' (D&O) liability insurance policy taken out by the Company in the interests of the Company for governing organs and certain executives, with a corresponding deductible in accordance with Section 93 (2) AktG. The premiums were paid by the Company.



In addition, in exceptional cases, members who are newly appointed to the Board of Management can receive special payments to reimburse them for the loss of remuneration from their previous employment. No special payments were granted in financial year 2023.

#### Company retirement benefit plan

The Supervisory Board of Daimler Truck Holding AG has decided on a commitment to the company retirement benefit system in the Daimler Pensions Plan (DPP) for all members of the Board of Management appointed from December 2021, with the exception of the Chairman of the Board of Management Martin Daum and the member of the Board of Management John O'Leary.

The Company merely provides a commitment guarantee on the total of the contributions paid, which are invested in the capital market according to a precautionary investment concept.

The amount of the annual contributions results from a fixed percentage based on the base salary and the annual bonus for the respective financial year calculated as of the annual closing date. This percentage is currently 15%.

The contributions to the retirement benefit system are granted until the age of 62. The benefit from the Daimler Pensions Plan is payable to surviving Board of Management members at the earliest at the age of 62, irrespective of their age upon retirement. If a member of the Board of Management retires due to disability, the benefit is paid as a disability pension, even before the beneficiary reaches the age of 62.

Payments under the retirement benefit system DPP can be made in three ways:

- as a single amount;
- in twelve annual installments, whereby each installment is increased from the occurrence of the insured event until payment (minimum of 1% p.a. including any surplus shares according to the retirement commitment defined in the plan);
- as a pension with an annual increase (minimum of 1% p.a. including any surplus shares according to the retirement commitment defined in the plan).

The contracts specify that if a Board of Management member passes away before retiring for reason of age, the spouse/registered civil partner/named life partner, or dependent children in accordance with Section 32 of the German Income Tax Act (EStG) is/are entitled to the amount credited to the DPP credit as well as a markup in the three payment options mentioned above for the remaining period until the Board of Management member reaches the calculated age of 62.

If a Board of Management member passes away after retiring for reason of age, in the case of payment of twelve annual installments the heirs are entitled to the remaining present value. In the case of a pension with benefits for surviving dependents, the spouse/registered civil partner/ named life partner is entitled to 60% of the actual pension.

Service costs for pension obligations to Board of Management members in accordance with IFRS amounted to €1.3 million in the financial year 2023. The present value of the total defined benefit obligation according to IFRS amounted to €2.9 million as of December 31, 2023.

The service costs and present value of the pension obligations for each Board of Management member are displayed in the following table: [↗ B.07](#)

#### B.07

##### Active members of the Board of Management – retirement benefit commitment values pursuant to IAS 19

	Expenses IFRS (Service Cost) January – December 2023	Present value of the retirement benefit entitlement IFRS Reporting date view 31.12.2023
in thousands of €		
Daum, Martin <sup>1</sup>	n. a.	n. a.
Goetz, Jochen <sup>2</sup>	162,222.00	334,777.00
Hartwig, Jürgen	215,431.00	445,496.00
Rådström, Karin <sup>3</sup>	248,447.00	700,285.00
O'Leary, John <sup>4</sup>	n. a.	n. a.
Deppen, Karl	215,680.00	444,848.00
Unger, Stephan	222,598.00	454,631.00
Gorbach, Andreas	251,785.00	513,955.00
Gesamt <sup>5</sup>	1,316,163.00	2,893,992.00

1 No more contributions, commitment remained in MBG (DAG).

2 Proportionate calculation (01/01/2023 - 08/05/2023) due to early termination of the board mandate (decease).

3 Including transfer module from DTAG DPP commitment.

4 No commitments arising from his activities of the Board of DTHAG.

5 Figures may not tie due to rounding.



#### 4.2. Variable remuneration components

The variable remuneration is intended to provide the right incentives for the members of the Board of Management to act in the interests of the corporate strategy, shareholders, customers and employees as well as other stakeholders.

In order to ensure the implementation of the corporate strategy in terms of the long-term and sustainable development of the Company, operational annual performance criteria of a financial and non-financial nature are derived, the achievement of which is incentivized via the annual bonus as short-term variable remuneration. In addition, there is the long-term oriented variable remuneration, the VSEP.

The VSEP represents the main long-term financial and non-financial performance criteria, which are primarily based on strategic targets. Achieving these targets ensures sustainable company success compared to the competition. This shall lead to long-term positive share price development for Daimler Truck Holding AG and thus also the sustainable returns for the shareholders.

#### Annual bonus

The annual bonus is a short-term variable remuneration component and rewards the contribution made to the operational implementation of the corporate strategy, in particular the future-oriented expansion of the business model and the sustainable orientation of the Company as a commercial vehicle manufacturer.

In times of comprehensive transformation, it is particularly important to align the incentives in the remuneration system with the investments required for the future. For this purpose, the Supervisory Board derives demanding and ambitious financial and non-financial performance criteria for the upcoming financial year from the strategic corporate targets.

In addition to financial performance criteria, non-financial performance criteria related to sustainability are anchored in the short-term variable remuneration. The sustainability targets help to ensure the sustainable success of the Company and contribute to Daimler Truck's role model function.

The total payout amount from the annual bonus is limited to twice (200%) the individual target value for the corresponding financial year. The target value, which is paid out if the target is achieved by 100%, is determined individually for the Board of Management functions. ➔ **B.08**

#### Performance criteria of the annual bonus - Financial performance criteria

The financial performance criteria are based on Daimler Truck's EBIT (Group-EBIT) and the free cash flow of the Industrial Business (FCF IB). The weightings of the two financial performance indicators EBIT and FCF IB of 50% each are determined by the Supervisory Board before the start of each performance period. EBIT and FCF IB are among the most important performance indicators for Daimler Truck. The financial performance criteria are weighted at 75% in the annual bonus.

As earnings before interest and income taxes, EBIT reflects the profit responsibility of the Group. Daimler Truck's EBIT target for the corresponding financial year is derived on the basis of the demanding medium-term return achievable by the industrial business and the financial services business as determined by the Supervisory Board and based on the competition, as well as on the basis of the growth targets.

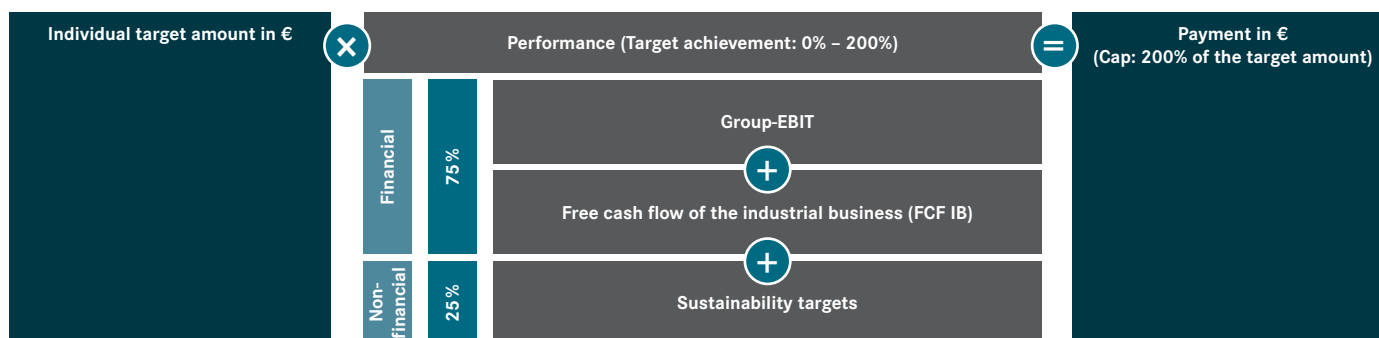
The starting point here is the turnover of the previous year for the Industrial Business or the equity of the previous year for the financial services business.

The FCF IB describes the change in liquid funds from the operating industrial business, which are available, for example, for distributions to shareholders and is therefore an important indicator of the financial strength of the entire Daimler Truck Holding AG. The target for the FCF IB for the respective financial year is determined on the basis of the defined EBIT target of the industrial business (from the derivation of the Group-EBIT target) and a strategic target for the so-called cash conversion rate, taking a growth rate into account. The cash conversion rate represents the proportion for the period that is expected to flow into liquidity after considering the payments for the investments in research and development, property, plant and equipment and working capital required as part of the strategic growth target. The FCF IB actual value is generally determined taking into account investments in transformation, specifically in the fields of "cellcentric", in the charging infrastructure and in the battery cell.

The result of the target achievement of the financial performance criteria for determining the payout amount can be adjusted for extraordinary developments during the year. These include, for example, significant changes to the underlying IFRS accounting standards and the associated valuation methods, acquisitions and

### B.08

#### Annual bonus





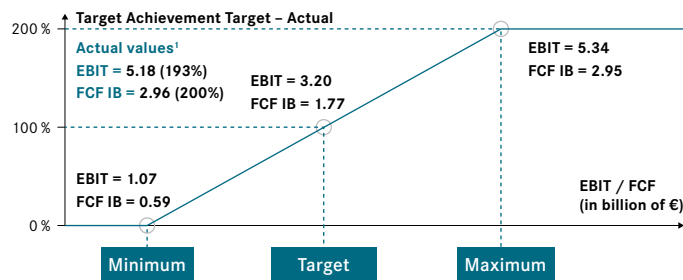


divestments, as well as new, particularly legal, framework conditions that have a significant impact on ongoing business. Unfavorable market developments are expressly not included in the definition of the term.

The range of possible target achievement of the financial performance criteria EBIT (Group-EBIT) and FCF IB is between 0% and 200%. If the actual value is at or below the lower value of the range, the degree of target achievement is always 0%, meaning a total loss of the bonus is possible. If the actual value is at or above the highest value of the range, the maximum target achievement level is 200%. ➔ **B.09**

**B.09**

**Financial Targets: EBIT and Free Cash Flow of the Industrial Business (FCF IB) for the Financial Year 2023**



1 neutralized

By taking into account the key performance indicators EBIT and FCF IB in the Board of Management’s remuneration, as the financial basis for achieving Daimler Truck’s targets, a clear connection to the corporate strategy is created. The EBIT target value serves to focus on strengthening the global core business and the segments. The target value set for the FCF IB supports the prioritization of efficient allocation of capital.

**Performance criteria of the annual bonus – Non-financial performance criteria**

In addition to incentives for strong financial performance of Daimler Truck, the annual bonus also sets sustainability targets that are aligned with the ESG (Environmental, Social & Governance)

framework to take all stakeholder interests into account. These take into account the increased importance of sustainable business. The non-financial performance criteria are weighted at 25% in the annual bonus.

The sustainability targets provide information about whether and to what extent Daimler Truck implements and plans sustainable strategies on an ecological, social and entrepreneurial level and what progress Daimler Truck has already achieved in this regard.

The choice of various non-financial performance criteria ensures extensive coverage of various sustainability criteria, which are of strategic relevance for Daimler Truck.

The topics of sales of locally CO<sub>2</sub>-free vehicles (Zero Emission Vehicles (ZEV)) and general employee wellbeing were taken into account in the variable short-term remuneration of the Board of Management in the financial year 2023. These targets, with a total weighting of 25%, were anchored in the system with an individual weighting of 20% for ZEV and 5% for wellbeing.

The range of possible target achievement of the sustainability targets can also be between 0% and 200%. If the value actually achieved is at or below the lower value of the range, the degree of target achievement is always 0%, meaning a total loss of the bonus is possible. If the actual value is at or above the highest value of the range, the maximum target achievement level is 200%.

For locally CO<sub>2</sub>-free vehicles, the sales of all electrically powered trucks and buses within the Daimler Truck Group for 2023 are examined in comparison to the targets derived from the planning.

For the wellbeing criterion, based on the results of the employee survey, it is taken into account that collaboration that is characterized by attention to health and safety creates wellbeing for each individual. Within the community, this leads to a climate of psychological safety, commitment and motivation. This represents the basis of the Group’s profitability. This creates a strong incentive to consistently implement the Group’s sustainable corporate strategy.

3,443 units of ZEV (eTrucks and eBuses) were sold in the financial year 2023. With a defined range of 1,000 - 5,000 units, this

corresponds to a target achievement of 122% for the Environmental target.

A measurement value of 3.66 was achieved for the social target “Wellbeing” in the financial year 2023, which corresponds to a target achievement of 155% with a specified range of 3.35-3.75 points.

The Supervisory Board derived a joint level of target achievement for the Board of Management from the achievement of the individual sustainability targets and the strategic, organizational and structural contribution of the entire Board of Management, taking into account the economic environment and the competitive situation/positioning. For the financial year 2023, this is 32 percentage points based on the weighting of 25% for the weighting of the non-financial targets. ➔ **B.10**

**B.10**

**Overview of the defined ESG performance criteria for the 2023 financial year**

Cluster	Target	Target Achievement
<b>E</b> Environmental	Number of ZEVs sold (eTrucks and eBuses; Group Sales target)	122%
<b>S</b> Social	Wellbeing	155%
<b>G</b> Governance	No criteria in 2023.	n. a.

**Payout amount of the annual bonus 2023**

The annual bonus 2023 will be paid in full to the members of the Board of Management in the first half of of 2024. Based on the previously presented target achievements of financial and non-financial performance criteria, this results in an overall target achievement level of 180% and the following payout amounts. ➔ **B.11**



### The long-term variable remuneration

This section reports on the payout and performance criteria of the Performance Phantom Share Plan (PPSP) 2019 as well as on the new structure and allocation of the Virtual Share-based Equity Plan (VSEP) 2023, which is part of the Remuneration System 2023+, as presented at and approved by the Annual General Meeting 2023.

### Basic principles of the PPSP and VSEP

Both the PPSP and the VSEP are long-term variable remuneration components that were/are generally awarded to the members of the Board of Management of Daimler Truck Holding AG in annual tranches.

At the beginning of the plan, the Supervisory Board determines an award amount in euros as part of the determination of the individual annual target total remuneration. This amount is divided by the relevant average price of the Daimler Truck Holding AG share determined over a predetermined longer period of time (initial price), which results in the number of phantom/virtual shares provisionally awarded.

Performance criteria are also set at the beginning of the plan for a period of three years (performance period). Depending on the achievement of these performance criteria with a possible range of 0% to 200%, the phantom/virtual shares provisionally awarded at the beginning of the plan will initially be converted into the final number of phantom/virtual shares awarded at the end of the three years.

After another year (holding period), the final number of phantom/virtual shares will be multiplied by the then applicable price (final price) of the Daimler Truck Holding AG share and the payout amount will be determined.

A dividend equivalent is awarded to each phantom/virtual share held if a dividend is distributed on Daimler Truck Holding AG shares in the relevant year. The amount of the dividend equivalent is then determined by the dividend paid on a real share of the Company in the relevant year. It is granted in the performance period for the preliminary awarded number of phantom/virtual shares and in the year of the holding period for the final number of phantom/virtual shares.

The sum for the dividend equivalent is the addition of the dividend equivalent payment of EUR 1.30 per virtual share, which was paid out for the plans 2020 to 2023 in the financial year 2023.

If a plan participant deceases during the performance period, during the holding period or after the holding period before the payment claim is due, his heirs will receive remuneration in addition to any dividend equivalents already received, which is determined by differentiated regulations in the plan conditions depending on the circumstances. As a rule, the corresponding tranche is paid out on a pro rata basis.

### Final price of the PPSP 2019

For the PPSP 2019 paid out in the financial year 2023, the final price is the average opening price of the Daimler Truck Holding AG share (Xetra trading or the functionally comparable successor system of the Frankfurt Stock Exchange) between January 1, 2023 and the day before the first ordinary meeting of the Presidential and Remuneration Committee of the Supervisory Board of Daimler Truck Holding AG in 2023, but no later than the day before the Supervisory Board meeting to approve the annual financial statements for the financial year 2022.

The share price that determines the plan's payout is also decisive for the allocation of the provisional number of phantom shares for the newly issued plan in the respective year. The amount to be paid out after the end of the plan also takes into account the dividend equivalents paid out during the four-year plan term and is subject to a cap if necessary.

### Performance Criteria of the PPSP 2019

The target achievement for long-term variable remuneration is measured by two performance criteria, each of which is weighted at 50%. On the one hand, the performance criterion "relative return on sales" (RoS) is used as a performance criterion that provides incentives to ensure sustainable and profitable growth and to achieve an increase in efficiency. On the other hand, the performance criterion "relative share price performance" is used, a performance criterion that reflects the interests of the shareholders to a particular extent.

## B.11

### Amount of the annual bonus 2023 to be paid out DTHAG<sup>1</sup>

	Target amount thousands of € January – December 2023	Target achievement financial targets in % (75%)	Target achievement sustainability targets in % (25%)	Total Target Achievement in %	Amount to be paid out in thousands in €
Daum, Martin	1,330.0				2,394.0
Goetz, Jochen <sup>2</sup>	395.4				711.6
Hartwig, Jürgen	665.0				1,197.0
Rådström, Karin	665.0				1,197.0
O'Leary, John <sup>3</sup>	737.8	147.4%	32.2%	180%	1,328.0
Deppen, Karl	665.0				1,197.0
Unger, Stephan	665.0				1,197.0
Gorbach, Andreas	665.0				1,197.0
<b>Gesamt</b>	<b>5,788.2</b>				<b>10,418.7</b>

<sup>1</sup> Figures may not tie due to rounding; it is rounded up to the next highest percentage point.

<sup>2</sup> Pro rata temporis calculation due to premature termination of the Management Board mandate due to decease.

<sup>3</sup> To determine John O'Leary's annual bonus, the basic remuneration was converted from USD to EUR. Change in fixed salary due to exchange rate.



For the current PPSP 2019 up to and including 2021, the share performance and RoS for the periods up to the spin-off were based on the performance of Mercedes-Benz Group AG (former Daimler AG) and for the periods after the spin-off based on the performance of Daimler Truck Holding AG. In the period from the first trading day of the Daimler Truck Holding AG share on December 10, 2021 to December 31, 2021, the average of the prices of the shares of Mercedes-Benz Group AG (former Daimler AG) and Daimler Truck Holding AG was taken into account for the relative share price performance. The RoS performance was determined up to the period-end of 2021 based on Mercedes-Benz Group AG (former Daimler AG).

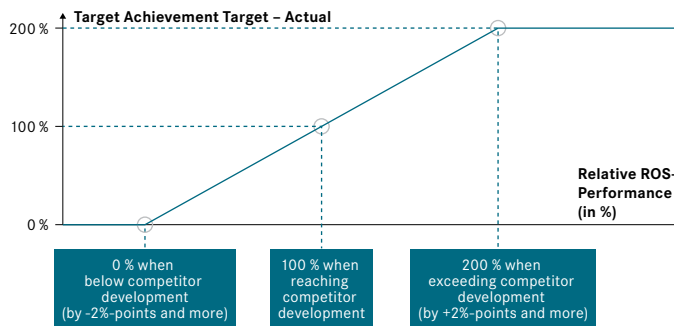
– Relative return on sales (RoS)

The deviation of the average RoS according to the Consolidated Financial Statements of Mercedes-Benz Group AG (former Daimler AG) from the average RoS of the peer group (revenue weighted average) determines the amount of the target achievement RoS. If the average RoS of Mercedes-Benz Group AG (former Daimler Truck AG) corresponds to the average RoS of the peer group, the RoS target achievement is 100%.

If the average RoS of Mercedes-Benz Group AG (former Daimler AG) is 2 percentage points or more below (above) the average RoS of the peer group, the RoS target achievement is 0% (200%). Within a range of +/-2 percentage points deviation, the target achievement RoS develops proportionally to the deviation. ➔ **B.12**

**B.12**

Financial performance criteria PPSP: Return on Sales

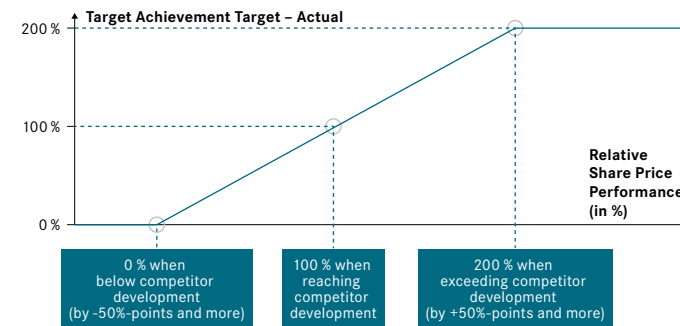


– Relative share price performance

The relative share price performance is measured by the performance of the Mercedes-Benz Group AG (former Daimler AG) share and in addition by the performance of the Daimler Truck Holding AG share between 10. December 2021 until 31. December 2021 in a three-year comparison with the performance of a defined peer group. If the performance of the share (in%) corresponds to the development of the peer group (in%), the degree of target achievement is 100%. If the performance of the share (in%) is 50 percentage points or more below (above) the performance of the peer group, the degree of target achievement is 0% (200%). In the range of +/- 50 percentage points of deviation, the target achievement relative share price performance develops proportionally to the deviation. ➔ **B.13**

**B.13**

Financial performance criteria PPSP: Relative Share Price Performance



**Transfer and target achievement of the PPSP 2019**

The PPSP tranches allocated to Martin Daum by Daimler AG (now: Mercedes-Benz Group AG) in the financial years 2019 to 2021 were transferred to the PPSP of Daimler Truck Holding AG after the Daimler Truck Group spin-off. The remaining members of the Board of Management of Daimler Truck Holding AG were not members of the Board of Management of Daimler/Mercedes-Benz Group AG at the time the PPSP tranches (2019-2021) were awarded. Therefore, within the scope of the remuneration granted and owed in accordance with Section 162 AktG, the PPSP tranche 2019 is only reported for Martin Daum. ➔ **B.14**

**B.14**

Overall target achievement of PPSP 2019<sup>1</sup>

Last Name	First Name	Granted Value in Euro	Initial Price	Preliminary number of Phantom Shares (converted due to spin-off) <sup>2</sup>	Performance-Factor (Target Achievement)	Final number of Phantom Shares	Final price	Calculated Gross payout amount PPSP 2019 in Euro	Gross payout PPSP 2019 in Euro (after Cap) <sup>3</sup>
Daum	Martin	1,100,000	49,62	61,484	186%	114,361	30,69	3,509,746	2,628,068

<sup>1</sup> Figures may not tie due to rounding

<sup>2</sup> Conversion factor from original Daimler shares to Daimler Truck Holding shares 2.7734

<sup>3</sup> The total payout amount was limited to 2.5 times the allocation value at the start of the plan. Cap including dividend equivalent.



The payment of the PPSP 2019 is based on a combined final price of the Daimler/Mercedes-Benz Group share and the Daimler Truck Holding AG share in the period between January 1, 2023 and the day before the first ordinary meeting of the Presidential and Remuneration Committee of the Supervisory Board of Daimler Truck Holding AG in 2023, but no later than the day before the Supervisory Board meeting of Daimler Truck Holding AG to approve the Annual Financial Statements for the financial year 2022 and the allocation ratio defined for the shareholders.

The PPSP tranches 2020 and 2021 will be continued as group-specific plans following the successful spin-off of Daimler Truck. In contrast to real shares, there was no inevitable effect of the spin-off on the share price of phantom shares. In order to compensate for the loss in value of the Daimler/Mercedes-Benz Group shares resulting from the spin-off, the number of preliminary phantom shares awarded was adjusted.

The relative return on sales and relative share price performance of Daimler AG (now: Mercedes-Benz Group AG) were used as a reference value for the target achievement of the financial performance criteria for the PPSP 2019. The target achievement for Martin Daum from the PPSP 2019 was 186%.

### Allocation of the VSEP 2023

In the financial year 2023, the Board of Management of Daimler Truck Holding AG was awarded phantom shares as part of the VSEP. The individual award value was divided by the initial price of the Daimler Truck Holding AG share.

The average opening price of the Daimler Truck Holding AG share in Xetra trading on the Frankfurt Stock Exchange between January 1 and March 8, 2023 was used as the initial price. For the VSEP 2023, this initial price is €30.69. [↗ B.15](#)

### B.15

#### Award of VSEP 2023 for the Board of Management members

	Grant value in thousand € 2023	Initial price in €	Number of preliminary allocated phantom shares
Daum, Martin	2,210	30.69	72,010
Goetz, Jochen	1,050		34,213
Hartwig, Jürgen	950		30,955
Rådström, Karin	950		30,955
O'Leary, John	950		30,955
Deppen, Karl	950		30,955
Unger, Stephan	950		30,955
Gorbach, Andreas	950		30,955

### Performance criteria of the VSEP 2023

For the VSEP-tranche 2023, the relative share price performance in relation to the MSCI World Industrials Index will be used as the financial performance criterion. The non-financial performance criteria used are the reduction in CO<sub>2</sub> emissions from the Daimler Truck Group's production facilities and the proportion of female executives among all executives at levels 1 to 4 of the Group. The financial performance criterion is weighted at 75% and the non-financial performance criteria are weighted together at 25%. The target achievement for the VSEP 2023 and the actual payout amounts will be published in the remuneration report for the 2027 financial year after the end of the three-year performance period and the one-year holding period.

If a plan participant deceases during the performance period, during the holding period or after the holding period before the payment claim is due, his heirs will receive remuneration in addition to any dividend equivalents already received, which is determined by differentiated regulations in the plan conditions depending on the circumstances. As a rule, the corresponding tranche is paid out on a pro rata basis.

### 4.3 Malus and Clawback Provisions

Malus and Clawback provisions are implemented in the service agreements and the VSEP plan conditions. Under these rules, a breach of the duties set out in Section 93 AktG and the principles of conduct set out in the Company's Code of Conduct in the capacity of a member of the Board of Management of the Company may lead to a partial or complete reduction of the annual bonus (malus). If it is not possible to deduct the reduction amount from bonuses not yet paid out or from future bonuses, there is an obligation to repay bonuses already paid out (Clawback) in the amount of the reduction. The Supervisory Board shall decide on whether and how much to reduce the bonus, considering the circumstances of the individual case and weighing up the interests of both parties to the agreement.

Under the VSEP terms and conditions, in the event of a demonstrable breach of the principles of conduct set out in the Company's Code of Conduct or of other service obligations up to the time of payment of the plan proceeds, a partial or full reduction of the preliminary (including adjusted) as well as the final allocated amount is possible. The Supervisory Board shall decide on any reduction.

In the financial year 2023, no circumstances were identified that would justify a reduction or Clawback of the variable remuneration. A claim for repayment was therefore not necessary.



#### 4.4 Stock Ownership Guidelines

To further align the interests of the Board of Management and shareholders, stock ownership guidelines (“SOG”) are in place as part of the Board of Management’s remuneration. According to these guidelines, the members of the Board of Management are obliged to acquire Daimler Truck Holding AG shares over a period of several years until the SOG target is reached and to hold these shares for the duration of their employment. To comply with the guidelines, up to 25% of the gross payments from the performance phantom share plans must be used each year to purchase real shares in the Company; however, shares may also be purchased in other ways.

Starting with the VSEP 2023 and the associated payout in 2027, 50% of the gross payout must then be used to purchase real shares.

The number of shares to be acquired as well as the number of shares to be held (SOG targets) is as follows per Board of Management function:

- Chairman of the Board of Management: 75,000
- Chief Financial Officer: 25,000
- Ordinary member of the Board of Management: 20,000

With the payment of the PPSP 2018 (in 2022), the members of the Board of Management have started to acquire Daimler Truck Holding AG shares to fulfill the above-mentioned SOG targets.

#### 4.5 Benefits in the event of early termination and other contractual provisions

The service agreements of the Board of Management members are concluded for the duration of the appointment and are extended in each case for the duration of the reappointment. If the appointment as a member of the Board of Management is revoked in accordance with Section 84 Subsection 4 AktG and there is a good cause (wichtiger Grund) within the meaning of Section 626 of the German Civil Code (Bürgerliches Gesetzbuch - BGB), also the service agreement ends at the time the revocation of the appointment takes effect. In this case, the member of the Board of Management will not receive any payments for the period from the effective date of the revocation.

In the event of premature termination of the employment relationship without good cause in accordance with Section 626 of the German Civil Code (BGB) for extraordinary termination - even if the service contract continues - payments to the member of the Board of Management, including fringe benefits, should not exceed the value of two years' remuneration and should not be more than the remuneration for the remaining term of the service agreement.

The entitlement to payment of the annual bonus only exists pro rata until the end of the Board of Management member’s term of office.

The right to payment of long-term variable remuneration (PPSP/VSEP) that has already been allocated is determined by the conditions of the respective plans and the provisions in the service contracts.

In the event of the plan participant departing as a result of a mutually agreed termination of the employment relationship, a regular expiry of the contract, early retirement, retirement (including after partial retirement) or occupational disability, the plan participant shall retain the plan participant’s entitlements to any dividend equivalents and to the remuneration for the entire term of the plan.

If the employment relationship ends automatically due to extraordinary termination or in the event of a revocation of the appointment or resignation from office, all claims to long-term variable remuneration (PPSP/VSEP) generally expire at the end of the employment relationship. If the employment relationship ends because the member of the Board of Management does not agree to its extension, in certain constellations claims to long-term variable remuneration (PPSP/VSEP) may expire.

Both the annual bonus and the long-term variable remuneration (PPSP/VSEP) are not paid out early in the event of early termination of the contract, but rather at the times specified in the service contract or in the respective plan conditions.

There are no commitments in the event of premature termination of the Board of Management member’s activities as a result of a change of control.

#### 4.6 Sideline activities

The Presidential and Remuneration Committee decides on the granting of prior approval for sideline activities of the Board of Management members and reports to the Supervisory Board on an ongoing and immediate basis about the approvals it has granted. Once a year, it presents the Supervisory Board with a complete list of the sideline activities of each Board of Management member for its information.

The members of the Board of Management should only take on management or supervisory board mandates and/or other administrative or voluntary functions outside of the Daimler Truck Group to a limited extent. The activities mentioned should generally serve the interests of the Company and, in particular, must not interfere with the activities of the Board of Management.

To the extent that the sideline activities involve mandates on statutory supervisory boards or comparable control bodies of commercial companies, these are listed in the Annual Report (annual financial statements) of Daimler Truck Holding AG, which is published on the Company’s website. In principle, there is no entitlement to separate remuneration for the performance of mandates in the Group’s companies.



#### 4.7 Third party services

The members of the Board of Management of Daimler Truck Holding AG did not receive any benefits from third parties for their service on the Board of Management of Daimler Truck Holding AG.

#### 4.8 Individualized disclosure of the Board of Management remuneration

The remuneration granted and owed to the individual members of the Board of Management in individual form and their relative shares in accordance with Section 162 AktG can be found in the following table. [↗ B.16](#)

Both vesting- and payout-oriented reporting is carried out.

The annual bonus earned in full in the financial year 2023 will be paid out in the financial year 2024. This is reported in accordance with a vesting-oriented interpretation.

The deferral from 2021 (50% of the 2021 annual bonus ) was paid out in 2023. This is shown in accordance with the payout-oriented interpretation. Based on the “Remuneration System 2023+”, which was approved at the Annual General Meeting 2023, the deferral will no longer apply in the future and will be paid out for the last time in the financial year 2024 as part of the bonus for the financial year 2022 and reported in the remuneration report 2024.

The payout-oriented interpretation logic is also chosen for the PPSP. This ensures that the the actual amount can be properly reported. The PPSP tranche 2019 was paid out in the financial year 2023.

Likewise, the dividend equivalents of the PPSP 2020-2022 and VSEP 2023 that were paid out in the financial year 2023 are reported according to the payout-oriented reporting logic.

For transparent reporting, the pension expense in accordance with IAS 19 for retirement benefits is additionally disclosed, although this is not part of the remuneration granted and owed in accordance with Section 162 AktG.

#### B.16

##### Individualized remuneration disclosure for members of the Board of Management according to Section 162 AktG<sup>1,9</sup>

	Martin Daum <sup>4</sup>				Jochen Goetz <sup>5</sup>			
	Chairman of the Board of Management of DTH AG				Finance and Controlling			
	January - December 2023		January-December 2022		January - December 2023		January-December 2022	
	in thousands of €	in %	in thousands of €	in %	in thousands of €	in %	in thousands of €	in %
Base salary	1,300.0	18.8%	1,300.0	38.3%	433.3	30.3%	650.0	46.6%
Fringe benefits	88.0	1.3%	88.8	2.6%	150.2	10.5%	95.2	6.8%
<b>Total fixed remuneration</b>	<b>1,388.0</b>	<b>20.0%</b>	<b>1,388.8</b>	<b>40.9%</b>	<b>583.5</b>	<b>40.7%</b>	<b>745.2</b>	<b>53.4%</b>
Annual variable remuneration (Fully earned annual bonus 2023 respectively Annual Bonus 2022 (without deferral))	2,394.0	34.6%	1,300.0	38.3%	711.6	49.7%	650.0	46.6%
Deferral (50% of Annual Bonus 2021) <sup>2</sup>	113.2	1.6%			56.6	4.0%		
Multi-year variable remuneration (PPSP Plan 2019 respectively PPSP Plan 2018)	2,628.0	38.0%	709.7	20.9%				
Dividend Equivalent <sup>3</sup>	400.8	5.8%			80.3	5.6%		
<b>Variable remuneration</b>	<b>5,536.0</b>	<b>80.0%</b>	<b>2,009.7</b>	<b>59.1%</b>	<b>848.5</b>	<b>59.3%</b>	<b>650.0</b>	<b>46.6%</b>
<b>Total remuneration within the meaning of Section 162 AktG</b>	<b>6,924.0</b>	<b>100.0%</b>	<b>3,398.5</b>	<b>100.0%</b>	<b>1,432.1</b>	<b>100.0%</b>	<b>1,395.2</b>	<b>100.0%</b>
Retirement benefit expense	0.0		0.0		162.2		226.5	
<b>Total remuneration (incl. retirement benefit expense)</b>	<b>6,924.0</b>		<b>3,398.5</b>		<b>1,594.3</b>		<b>1,621.7</b>	

1 A portion of the total remuneration of the members of the Board of Management for the financial year 2023 by Daimler Truck Holding AG is burdened by Daimler Truck AG.

2 Target achievement of deferral annual bonus 2021: 112% (before cap due to bonus regulation).

3 Payment of dividend equivalents from allocation of the PPSP/VSEP plans from the date of the Board of Management membership Daimler Truck Holding AG 2022-2023; for Martin Daum 2020-2023 (please see footnote 4).

4 As the only member of the Board of Management of Daimler Truck Holding AG, Martin Daum was already a member of the Board of Management of Daimler AG (now: Mercedes-Benz Group AG). The amount paid out under the PPSP 2019 was capped. In 2023, Martin Daum received a deferral payment of €763 thousand from Mercedes-Benz Group AG (then Daimler AG) for the year 2021 from the then existing employment relationship with the Board of Management.

5 Pro rata temporis calculation (01.01.2023 - 05.08.2023) due to premature termination of the Board of Management mandate (decease).

6 Two contracts (German contract with Daimler Truck Holding AG and U.S. contract with Daimler Truck North America LLC (DTNA)); a large part of the remuneration is settled via DTNA in US\$; deviation of base salary and STI due to exchange rate.

7 A large part of the remuneration is settled by Mitsubishi Fuso Truck and Bus Corp. (MFTBC).

8 A large part of the remuneration is settled by Daimler Truck Financial Services GmbH.

9 Figures may not tie due to rounding.



## B.16

### Individualized remuneration disclosure for members of the Board of Management according to Section 162 AktG<sup>1,9</sup>

	Jürgen Hartwig Human Resources				Karin Rådström Region Europe and Latin America and the Mercedes-Benz Truck brand			
	January - December 2023		January-December 2022		January - December 2023		January-December 2022	
	in thousands of €	in %	in thousands of €	in %	in thousands of €	in %	in thousands of €	in %
Base salary	650.0	31.3%	650.0	48.7%	650.0	28.9%	650.0	43.7%
Fringe benefits	98.7	4.8%	34.0	2.5%	273.8	12.2%	186.4	12.5%
<b>Total fixed remuneration</b>	<b>748.7</b>	<b>36.1%</b>	<b>684.0</b>	<b>51.3%</b>	<b>923.8</b>	<b>41.1%</b>	<b>836.4</b>	<b>56.3%</b>
Annual variable remuneration (Fully earned annual bonus 2023 respectively Annual Bonus 2022 (without deferral))	1,197.0	57.7%	650.0	48.7%	1,197.0	53.2%	650.0	43.7%
Deferral (50% of Annual Bonus 2021) <sup>2</sup>	56.6	2.7%			56.6	2.5%		
Multi-year variable remuneration (PPSP Plan 2019 respectively PPSP Plan 2018)								
Dividend Equivalent <sup>3</sup>	72.1	3.5%			72.1	3.2%		
<b>Variable remuneration</b>	<b>1,325.7</b>	<b>63.9%</b>	<b>650.0</b>	<b>48.7%</b>	<b>1,325.7</b>	<b>58.9%</b>	<b>650.0</b>	<b>43.7%</b>
<b>Total remuneration within the meaning of Section 162 AktG</b>	<b>2,074.4</b>	<b>100.0%</b>	<b>1,334.0</b>	<b>100.0%</b>	<b>2,249.5</b>	<b>100.0%</b>	<b>1,486.4</b>	<b>100.0%</b>
Retirement benefit expense	215.4		207.0		248.4		253.8	
<b>Total remuneration (incl. retirement benefit expense)</b>	<b>2,289.8</b>		<b>1,541.0</b>		<b>2,497.9</b>		<b>1,740.2</b>	

1 A portion of the total remuneration of the members of the Board of Management for the financial year 2023 by Daimler Truck Holding AG is burdened by Daimler Truck AG.

2 Target achievement of deferral annual bonus 2021: 112% (before cap due to bonus regulation).

3 Payment of dividend equivalents from allocation of the PPSP/VSEP plans from the date of the Board of Management membership Daimler Truck Holding AG 2022-2023; for Martin Daum 2020-2023 (please see footnote 4).

4 As the only member of the Board of Management of Daimler Truck Holding AG, Martin Daum was already a member of the Board of Management of Daimler AG (now: Mercedes-Benz Group AG). The amount paid out under the PPSP 2019 was capped. In 2023, Martin Daum received a deferral payment of €763 thousand from Mercedes-Benz Group AG (then Daimler AG) for the year 2021 from the then existing employment relationship with the Board of Management.

5 Pro rata temporis calculation (01.01.2023 - 05.08.2023) due to premature termination of the Board of Management mandate (decease).

6 Two contracts (German contract with Daimler Truck Holding AG and U.S. contract with Daimler Truck North America LLC (DTNA)); a large part of the remuneration is settled via DTNA in US\$; deviation of base salary and STI due to exchange rate.

7 A large part of the remuneration is settled by Mitsubishi Fuso Truck and Bus Corp. (MFTBC).

8 A large part of the remuneration is settled by Daimler Truck Financial Services GmbH.

9 Figures may not tie due to rounding.



## B.16

### Individualized remuneration disclosure for members of the Board of Management according to Section 162 AktG<sup>1,9</sup>

	John O'Leary <sup>6</sup>				Karl Deppen <sup>7</sup>			
	Region North America and brands Freightliner, Western Star and Thomas Built Buses		Truck China and the regions Japan and India with brands FUSO and BharatBenz		Truck China and the regions Japan and India with brands FUSO and BharatBenz		Truck China and the regions Japan and India with brands FUSO and BharatBenz	
	January - December 2023		January-December 2022		January - December 2023		January-December 2022	
	in thousands of €	in %	in thousands of €	in %	in thousands of €	in %	in thousands of €	in %
Base salary	728.8	24.1%	750.7	34.0%	650.0	28.0%	650.0	40.4%
Fringe benefits	827.5	27.4%	707.0	32.0%	345.5	14.9%	310.0	19.3%
<b>Total fixed remuneration</b>	<b>1,556.3</b>	<b>51.5%</b>	<b>1,457.7</b>	<b>66.0%</b>	<b>995.5</b>	<b>42.9%</b>	<b>960.0</b>	<b>59.6%</b>
Annual variable remuneration (Fully earned annual bonus 2023 respectively Annual Bonus 2022 (without deferral))	1,328.0	44.0%	750.7	34.0%	1,197.0	51.6%	650.0	40.4%
Deferral (50% of Annual Bonus 2021) <sup>2</sup>	63.1	2.1%			56.6	2.4%		
Multi-year variable remuneration (PPSP Plan 2019 respectively PPSP Plan 2018)								
Dividend Equivalent <sup>3</sup>	72.1	2.4%			72.1	3.1%		
<b>Variable remuneration</b>	<b>1,463.3</b>	<b>48.5%</b>	<b>750.7</b>	<b>34.0%</b>	<b>1,325.7</b>	<b>57.1%</b>	<b>650.0</b>	<b>40.4%</b>
<b>Total remuneration within the meaning of Section 162 AktG</b>	<b>3,019.5</b>	<b>100.0%</b>	<b>2,208.4</b>	<b>100.0%</b>	<b>2,321.2</b>	<b>100%</b>	<b>1,610.0</b>	<b>100.0%</b>
Retirement benefit expense	0.0		0.0		215.7		204.8	
<b>Total remuneration (incl. retirement benefit expense)</b>	<b>3,019,5</b>		<b>2,208,4</b>		<b>2,536,9</b>		<b>1,814,8</b>	

1 A portion of the total remuneration of the members of the Board of Management for the financial year 2023 by Daimler Truck Holding AG is burdened by Daimler Truck AG.

2 Target achievement of deferral annual bonus 2021: 112% (before cap due to bonus regulation).

3 Payment of dividend equivalents from allocation of the PPSP/VSEP plans from the date of the Board of Management membership Daimler Truck Holding AG 2022-2023; for Martin Daum 2020-2023 (please see footnote 4).

4 As the only member of the Board of Management of Daimler Truck Holding AG, Martin Daum was already a member of the Board of Management of Daimler AG (now: Mercedes-Benz Group AG). The amount paid out under the PPSP 2019 was capped. In 2023, Martin Daum received a deferral payment of €763 thousand from Mercedes-Benz Group AG (then Daimler AG) for the year 2021 from the then existing employment relationship with the Board of Management.

5 Pro rata temporis calculation (01.01.2023 - 05.08.2023) due to premature termination of the Board of Management mandate (decease).

6 Two contracts (German contract with Daimler Truck Holding AG and U.S. contract with Daimler Truck North America LLC (DTNA)); a large part of the remuneration is settled via DTNA in US\$; deviation of base salary and STI due to exchange rate.

7 A large part of the remuneration is settled by Mitsubishi Fuso Truck and Bus Corp. (MFTBC).

8 A large part of the remuneration is settled by Daimler Truck Financial Services GmbH.

9 Figures may not tie due to rounding.





## B.16

### Individualized remuneration disclosure for members of the Board of Management according to Section 162 AktG<sup>1,9</sup>

	Stephan Unger <sup>4</sup> Financial Services				Andreas Gorbach Truck Technology			
	January - December 2023		January-December 2022		January - December 2023		January-December 2022	
	in thousands of €	in %	in thousands of €	in %	in thousands of €	in %	in thousands of €	in %
Base salary	650.0	32.3%	650.0	49.0%	650.0	30.1%	650.0	47.2%
Fringe benefits	34.2	1.7%	25.6	1.9%	182.9	8.5%	77.2	5.6%
<b>Total fixed remuneration</b>	<b>684.2</b>	<b>34.0%</b>	<b>675.6</b>	<b>51.0%</b>	<b>832.9</b>	<b>38.6%</b>	<b>727.2</b>	<b>52.8%</b>
Annual variable remuneration (Fully earned annual bonus 2023 respectively Annual Bonus 2022 (without deferral))	1,197.0	59.6%	650.0	49.0%	1,197.0	55.5%	650.0	47.2%
Deferral (50% of Annual Bonus 2021) <sup>2</sup>	56.6	2.8%			56.6	2.6%		
Multi-year variable remuneration (PPSP Plan 2019 respectively PPSP Plan 2018)								
Dividend Equivalent <sup>3</sup>	72.1	3.6%			72.1	3.3%		
<b>Variable remuneration</b>	<b>1,325.7</b>	<b>66.0%</b>	<b>650.0</b>	<b>49.0%</b>	<b>1,325.7</b>	<b>61.4%</b>	<b>650.0</b>	<b>47.2%</b>
<b>Total remuneration within the meaning of Section 162 AktG</b>	<b>2,009.9</b>	<b>100.0%</b>	<b>1,325.6</b>	<b>100.0%</b>	<b>2,158.6</b>	<b>100.0%</b>	<b>1,377.2</b>	<b>100.0%</b>
Retirement benefit expense	222.6		209.1		251.8		238.3	
<b>Total remuneration (incl. retirement benefit expense)</b>	<b>2,232.5</b>		<b>1,534.7</b>		<b>2,410.4</b>		<b>1,615.5</b>	

1 A portion of the total remuneration of the members of the Board of Management for the financial year 2023 by Daimler Truck Holding AG is burdened by Daimler Truck AG.

2 Target achievement of deferral annual bonus 2021: 112% (before cap due to bonus regulation).

3 Payment of dividend equivalents from allocation of the PPSP/VSEP plans from the date of the Board of Management membership Daimler Truck Holding AG 2022-2023; for Martin Daum 2020-2023 (please see footnote 4).

4 As the only member of the Board of Management of Daimler Truck Holding AG, Martin Daum was already a member of the Board of Management of Daimler AG (now: Mercedes-Benz Group AG). The amount paid out under the PPSP 2019 was capped. In 2023, Martin Daum received a deferral payment of €763 thousand from Mercedes-Benz Group AG (then Daimler AG) for the year 2021 from the then existing employment relationship with the Board of Management.

5 Pro rata temporis calculation (01.01.2023 - 05.08.2023) due to premature termination of the Board of Management mandate (decease).

6 Two contracts (German contract with Daimler Truck Holding AG and U.S. contract with Daimler Truck North America LLC (DTNA)); a large part of the remuneration is settled via DTNA in US\$; deviation of base salary and STI due to exchange rate.

7 A large part of the remuneration is settled by Mitsubishi Fuso Truck and Bus Corp. (MFTBC).

8 A large part of the remuneration is settled by Daimler Truck Financial Services GmbH.

9 Figures may not tie due to rounding.

## 5. Remuneration of the Supervisory Board

### Remuneration System of the Supervisory Board

The remuneration of the members of the Supervisory Board is governed by Article 10 of the Articles of Incorporation of Daimler Truck Holding AG. In accordance with Section 113 Subsection 3 AktG, the remuneration system for the Supervisory Board was presented to the Annual General Meeting 2022 and approved by 99.84% of the votes.

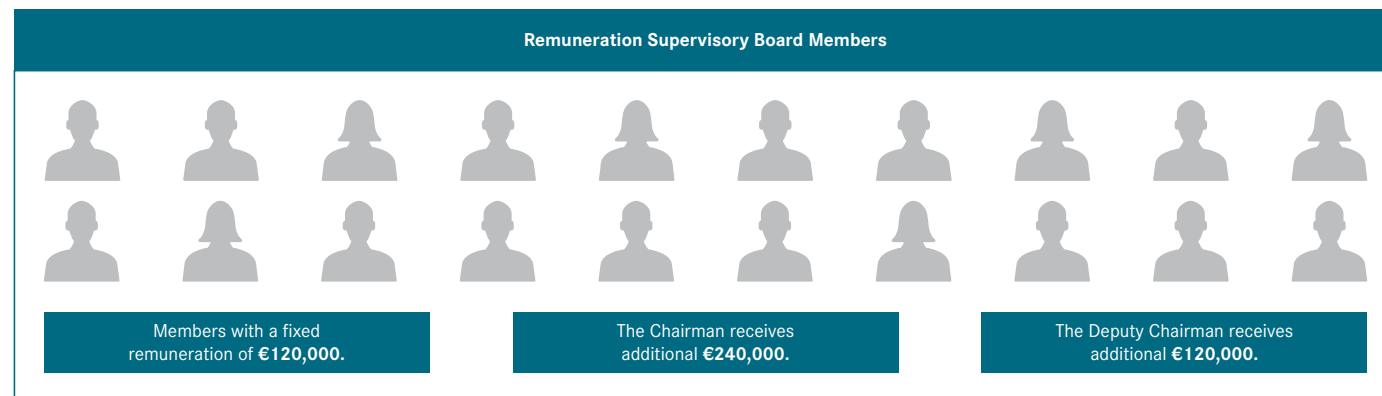
The Supervisory Board remuneration is as a fixed, function-related remuneration without variable components and appropriately takes into account the responsibilities and scope of activities of the members of the Supervisory Board. The members of the Supervisory Board receive fixed remuneration of €120,000 after the end of the financial year.

The Chairman of the Supervisory Board receives an additional €240,000 and the Deputy Chairman of the Supervisory Board an additional €120,000. Membership of the Audit Committee is remunerated with an additional €60,000, membership of the Presidential and Remuneration Committee with an additional €50,000, and membership of other Supervisory Board committees with an additional €24,000; in deviation from this, the Chair of the Audit Committee is remunerated with an additional €120,000. Committee activities are remunerated for a maximum of three committees, whereby if this number is exceeded, the three highest-paid functions are decisive. Remuneration for committee activities for a financial year is conditional on the committee in question having met during that period to perform its duties. [↗ B.17](#)



**B.17**

**Remuneration System of the Supervisory Board**



	Audit Committee	Presidential and Remuneration Committee	Further Committees
Chair	€120,000	€50,000	€24,000
Member	€60,000	€50,000	€24,000

The members of the Supervisory Board and its committees receive an attendance fee of €1,100 for each Supervisory Board and committee meeting they attend. For several meetings of the Supervisory Board and/or its committees on one calendar day, the attendance fee is paid only once. In addition, the members of the Supervisory Board are reimbursed for the value-added tax payable on their Supervisory Board activities and for their expenses.

In addition, the members of the Supervisory Board were also covered in the reporting period by insurance against pecuniary damage, taken out by and in the interest of the Company for corporate bodies and certain executives. The insurance premiums were paid by the Company.

With the exception of the remuneration of the employee representatives from their respective employment relationships, no remuneration was granted to members of the Supervisory Board in the financial year 2023 for personally provided services outside of the committee activities described above, in particular advisory or agency services.

The compensation granted and owed (vesting-oriented interpretation) of the individual members of the Supervisory Board in individual form as well as their relative shares can be found in the following table in accordance with Section 162 AktG. [➤ B.18](#)



## B.18

### Disclosure of the remuneration of the members of the Supervisory Board on an individual basis pursuant to Section 162 AktG<sup>1</sup>

Incumbent Supervisory Board members (Financial Year 2023)	Fixed remuneration		Committee remuneration		Attendance fee		Total remuneration granted and owed
	in thousands of €	in %	in thousands of €	in %	in thousands of €	in %	in thousands of €
Kaeser, Joe Chairman of the Supervisory Board	360.0	79.1%	74.0	16.3%	20.9	4.6%	<b>454.9</b>
Brecht, Michael Deputy Chairman of the Supervisory Board	240.0	64.3%	110.0	29.5%	23.1	6.2%	<b>373.1</b>
Brosnan, Michael	120.0	47.2%	120.0	47.2%	14.3	5.6%	<b>254.3</b>
Buschbacher, Bruno	120.0	92.4%	0.0	0.0%	9.9	7.6%	<b>129.9</b>
Curry, Raymond (01.01.2023 - 15.10.2023)	94.7	94.5%	0.0	0.0%	5.5	5.5%	<b>100.2</b>
Esculier, Jacques	120.0	92.4%	0.0	0.0%	9.9	7.6%	<b>129.9</b>
Eto, Akihiro	120.0	61.8%	60.0	30.9%	14.3	7.4%	<b>194.3</b>
Ipsen, Laura	120.0	92.4%	0.0	0.0%	9.9	7.6%	<b>129.9</b>
Jungo Brüngger, Renata	120.0	77.4%	24.0	15.5%	11.0	7.1%	<b>155.0</b>
Klitzsch-Müller, Carmen	120.0	93.2%	0.0	0.0%	8.8	6.8%	<b>128.8</b>
Köhlinger, Jörg	120.0	62.1%	60.0	31.1%	13.2	6.8%	<b>193.2</b>
Krafcik, John	120.0	92.4%	0.0	0.0%	9.9	7.6%	<b>129.9</b>
Lorz, Jörg	120.0	92.4%	0.0	0.0%	9.9	7.6%	<b>129.9</b>
Reith, Andrea	120.0	92.4%	0.0	0.0%	9.9	7.6%	<b>129.9</b>
Richenhagen, Martin	120.0	92.4%	0.0	0.0%	9.9	7.6%	<b>129.9</b>
Seidel, Andrea	120.0	92.4%	0.0	0.0%	9.9	7.6%	<b>129.9</b>
Suzuki, Shintaro (16.10.2023 - 31.12.2023)	25.3	92.0%	0.0	0.0%	2.2	8.0%	<b>27.5</b>
Wieck, Marie L.	120.0	55.8%	74.0	34.4%	20.9	9.7%	<b>214.9</b>
Wilhelm, Harald	120.0	61.8%	60.0	30.9%	14.3	7.4%	<b>194.3</b>
Zitzelsberger, Roman	120.0	64.0%	50.0	26.7%	17.6	9.4%	<b>187.6</b>
Zwick, Thomas	120.0	61.8%	60.0	30.9%	14.3	7.4%	<b>194.3</b>

<sup>1</sup> Figures may not tie due to rounding

## 6. Comparative representation

The comparative presentation displays the annual change in the remuneration of the Board of Management, the Company's profit development, and the average remuneration of employees on a full-time equivalent basis.

The basis for calculating the development of the remuneration of the Board of Management and Supervisory Board is the remuneration granted and owed in the respective financial year in accordance with Section 162 Subsection 1 Sentence 1 AktG.

The development of the annual net profit of Daimler Truck Holding AG is used as indicator for the Company's profit development. The selected key performance indicator adequately reflects the profit development of Daimler Truck. In addition to the Company's profit development, the average remuneration of employees (active workforce excluding trainees and interns, those writing theses, doctoral students and working students) of Daimler Truck AG Germany on the basis of a full-time equivalent is used.

The results of the comparative presentation can be found in the tables below. [➔ B.19 – 20](#)

The comparative presentation takes into account the financial years 2023 to 2021. When comparing the years 2022 to 2021, the comparative representation shows very high percentages due to the spin-off in December 2021, as only just under a month was included in the reporting period.



## B.19

### Comparison of the annual changes with regards to the Board of Management Remuneration, key figures and the remuneration of employees<sup>1</sup>

	Actual January - December 2023	Actual January - December 2022	Actual December 2021	Delta 2023 to 2022 in %	Delta 2022 to 2021 in %
values in TEUR					
<b>Changes in Remuneration of Board of Management</b>					
Daum, Martin	6,924.0	3,398.5	218.5	103.7%	1,455.4%
Goetz, Jochen <sup>2</sup>	1,432.1	1,395.2	115.1	2.6%	1,112.2%
Hartwig, Jürgen	2,074.4	1,334.0	108.3	55.5%	1,131.8%
Rådström, Karin	2,249.5	1,486.4	115.9	51.3%	1,182.5%
O'Leary, John	3,019.5	2,208.4	113.2	36.7%	1,850.9%
Deppen, Karl	2,321.2	1,610.0	111.2	44.2%	1,347.8%
Unger, Stephan	2,009.9	1,325.6	116.8	51.6%	1,034.9%
Gorbach, Andreas	2,158.6	1,377.2	110.6	56.7%	1,145.2%

	Actual January - December 2023	Actual January - December 2022	Actual 2021 <sup>3</sup>	Delta 2023 to 2022 in %	Delta 2022 to 2021 in %
<b>Entwicklung Kennzahlen</b>					
Net profit Daimler Truck Holding AG (HGB) in Mio.€	5,262	1,362	1,206	286.3%	12.9%
Average remuneration employees Daimler Truck AG <sup>4</sup> (active work-force/ full-time equivalent) in thousands of €	90.0	86.0	79.4	4.7%	8.3%

<sup>1</sup> Figures might not tie due to rounding.

<sup>2</sup> Pro rata temporis calculation (01.01.2023 - 05.08.2023) due to premature termination of the Board of Management mandate (decease).

<sup>3</sup> Net profit DTH AG Actual 2021 = short financial year (25.03.2021 - 31.12.2021).

<sup>4</sup> Personnel expenses shown on the basis of the figures in the profit and loss account (Annual Report 2023).

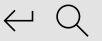


## B.20

### Comparative Presentation Supervisory Board<sup>1</sup>

Incumbent Supervisory Board Members (Financial year 2023)	Actual	Actual	Actual	Delta 2023	Delta 2022
	January - December 2023	January - December 2022	December 2021	to 2022 (relative)	to 2021 (relative)
	in thousands of €	in thousands of €	in thousands of €	in %	in %
Kaeser, Joe Chairman of the Supervisory Board	454.9	447.2	22.8	1.7%	1,861.4%
Brecht, Michael Deputy Chairman of the Supervisory Board	373.1	365.4	15.6	2.1%	2,246.8%
Brosnan, Michael	254.3	252.1	8.3	0.9%	2,926.4%
Buschbacher, Bruno	129.9	127.7	8.3	1.7%	1,433.0%
Curry, Raymond (22.11.2022 - 15.10.2023)	100.2	14.3	n.a.	600.6%	n.a.
Esculier, Jacques	129.9	125.5	8.3	3.5%	1,406.6%
Eto, Akihiro	194.3	192.1	8.3	1.1%	2,206.1%
Ipsen, Laura	129.9	126.6	8.3	2.6%	1,419.8%
Jungo Brüngger, Renata	155.0	152.8	8.3	1.4%	1,734.3%
Klitzsch-Müller, Carmen	128.8	126.6	8.3	1.7%	1,419.8%
Köhlinger, Jörg	193.2	192.1	8.3	0.6%	2,206.1%
Krafčík, John	129.9	127.7	8.3	1.7%	1,433.0%
Lorz, Jörg	129.9	127.7	8.3	1.7%	1,433.0%
Reith, Andrea	129.9	127.7	8.3	1.7%	1,433.0%
Richenhagen, Martin	129.9	127.7	8.3	1.7%	1,433.0%
Seidel, Andrea (22.11.2022 - 31.12.2023)	129.9	14.3	n.a.	808.4%	n.a.
Suzuki, Shintaro (16.10.2023 - 31.12.2023)	27.5	n.a.	n.a.	n.a.	n.a.
Wieck, Marie L.	214.9	207.2	8.3	3.7%	2,387.4%
Wilhelm, Harald	194.3	192.1	8.3	1.1%	2,206.1%
Zitzelsberger, Roman	187.6	182.1	8.3	3.0%	2,086.1%
Zwick, Thomas	194.3	192.1	8.3	1.1%	2,206.1%

<sup>1</sup> Figures may not tie due to rounding



**For the Board of Management (03/2024):**

Martin Daum  
Chairman of the Board of Management Daimler Truck Holding AG,  
additionally responsible for Finance and Controlling

**For the Supervisory Board (03/2024):**

Joe Kaeser  
Chairman of the Supervisory Board Daimler Truck Holding AG

# Independent Auditor's Assurance Report on Examination of the Remuneration Report pursuant to Section 162 (3) AktG

To Daimler Truck Holding AG, Stuttgart,

## Opinion

We have formally examined the remuneration report of Daimler Truck Holding AG for the financial year from January 1 to December 12, 2023, to determine whether the disclosures pursuant to Section 162 (1) and (2) AktG have been made in the remuneration report. In accordance with Section 162 (3) AktG, we have not examined the content of the remuneration report.

In our opinion, the accompanying remuneration report complies, in all material respects, with the disclosure requirements pursuant to Section 162 (1) and (2) AktG. Our opinion does not cover the content of the remuneration report.

## Basis for Opinion

We conducted our examination of the remuneration report in compliance with Section 162 (3) AktG taking into account the *IDW assurance standard: Examination of the remuneration report pursuant to Section 162 (3) AktG (IDW AsS 870 (09.2023))*. Our responsibilities under this regulation and this standard are further described in the "Our Responsibilities" section of our assurance report. Our audit firm has applied the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1). We have complied with our professional duties pursuant to the German Public Accountants Act [WPO] and the Professional Charter for Auditors/Chartered Accountants [BS WP/vBP], including the independence requirements.

## Responsibilities of the Management Board and the Supervisory Board

The management and the Supervisory Board of Daimler Truck Holding AG are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The management and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of the remuneration report that is free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

## Our Responsibilities

Our objectives are to obtain reasonable assurance about whether the remuneration report complies, in all material respects, with the disclosure requirements pursuant to Section 162 (1) and (2) AktG, and to issue an assurance report that includes our opinion.

We planned and performed our examination to obtain evidence about the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the

disclosures required by Section 162 (1) and (2) AktG. In accordance with Section 162 (3) AktG, we have not examined whether the disclosures are correct or individual disclosures are complete or whether the remuneration report is fairly presented.

### **Handling Potential Misleading Presentations**

In connection with our examination our responsibility is to read the remuneration report by taking into account the findings of the audit of the annual financial statements and, in doing so, remain alert for indications of misleading presentations in the remuneration report to determine whether the disclosures are correct or individual disclosures are complete or whether the remuneration report is fairly presented.

If, based on the work we have performed, we conclude that there is such misrepresentation, we are required to report that fact. We have nothing to report in this regard.

Stuttgart, February 29, 2024

KPMG AG  
Wirtschaftsprüfungsgesellschaft  
[Original German version signed by:]

Pritzer  
Wirtschaftsprüfer  
[German Public Auditor]

Rohrbach  
Wirtschaftsprüfer  
[German Public Auditor]