

TRATON



TRATON GROUP SUSTAINABILITY MANAGEMENT



INTERNATIONAL



Truck
Bus

PURPOSE OF THIS DOCUMENT

The purpose of this brief is to provide an overview of TRATON's Sustainability Management Approach. This approach describes how the TRATON GROUP translates its sustainability purpose and ambitions into action and results.

Background and challenge

Today, we are facing multiple social and environmental challenges. We are experiencing the immense effects of climate change on our planet as well as on people and societies everywhere. Biodiversity loss caused by unsustainable agriculture and industry practices further damage the resilience of our societies. Further on, inequalities exacerbate the effects of climate change causing disproportionate damage to the world's most vulnerable livelihoods.

TRATON's purpose is: Transforming Transportation Together. For a sustainable world. This is a commitment to build a profitable business by developing transport solutions fit for a sustainable society.

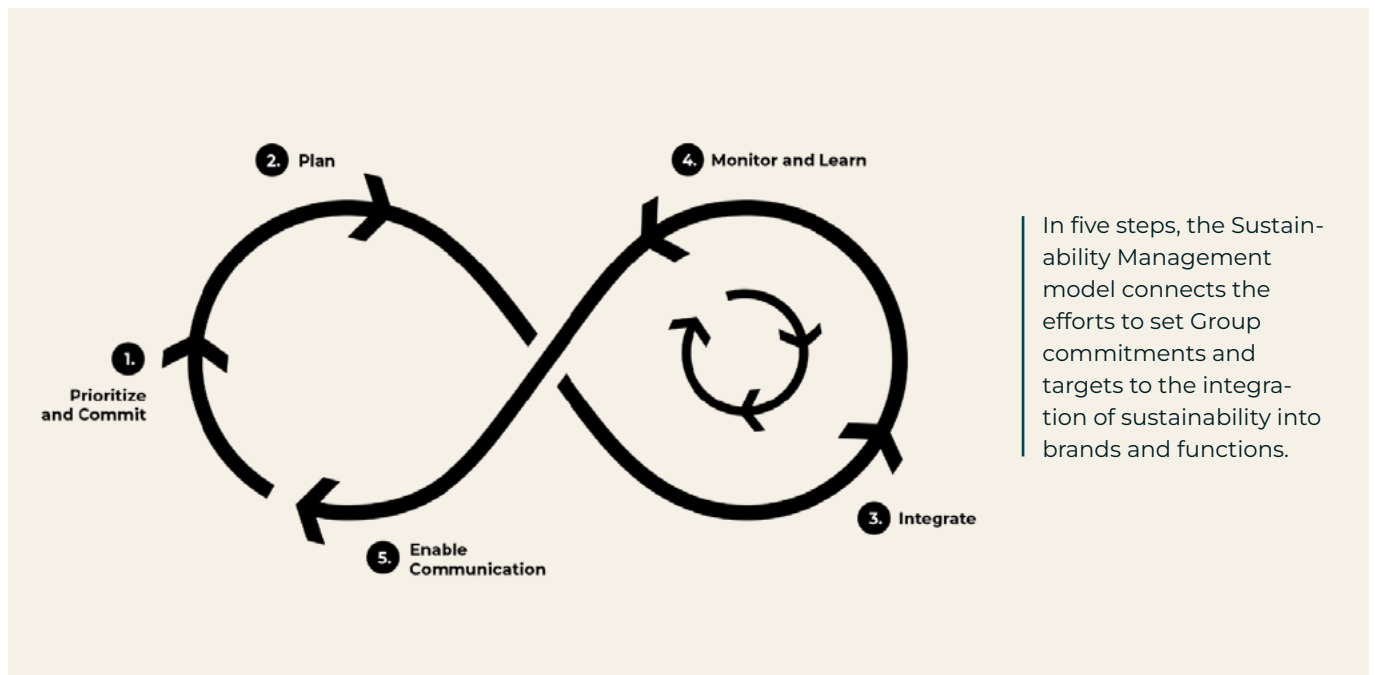
TRATON adopts a transformative approach to sustainability. This implies fundamental changes to products and

services all the way to our relationships with suppliers, customers and partners, while ensuring relevance in the transition in the different parts of the world. We are active in shaping policies, practices and collaborations to shoulder our responsibility for the systemic changes needed.

To remain successful, TRATON must embrace challenges and actively shape solutions in collaboration with our brands, partners, investors, and society at large. This requires harnessing the expertise of over 100,000 employees and building on the centuries of innovation from our legacy brands to lead the transition to a sustainable transport system. To enable this, we have developed a model for Sustainability Management, that allows all functions in the TRATON GROUP to understand their impacts and risks and take action to mitigate them.



THE SUSTAINABILITY MANAGEMENT MODEL



1. Prioritize and Commit

We always start by identifying where we have our biggest impacts and risks. We do this constantly and regularly, together with our whole ecosystem, to ensure that we focus on what matters most. Once we have done this we prioritize and make a commitment to act on those impacts. Key processes in this step include stakeholder engagement and our materiality analysis.

2. Plan

As the next step we define the action we need to take. By defining an approach, setting requirements or targets, we will enable a better understanding of our impacts and drive action. This can be done on a brand or a Group level.

3. Integrate

This is the key to reaching our sustainability ambitions, as we find the right ways to integrate commitments and targets into how we make decisions and operate. Here we rely on our whole organization to take decisive action towards fulfilling our commitments and targets.

4. Monitor and Learn

We ensure that we monitor our progress and learn from our successes and mistakes. This is done within the existing governance structures of all functions, as well as through the TRATON Sustainability Board.

5. Enable communication

We communicate in a transparent way. We strongly believe transparency is key to credible sustainability management. We communicate both internally through various channels as well as externally, where our sustainability report plays a key role.

Overall, the model for sustainability management helps drive sustainability action within the whole TRATON GROUP, integrating our ambitions into daily business.

JOINT IMPACT AREAS

In order for TRATON to stay focused and use its resources in a manner that creates the most impact, three Joint Impact Areas have been identified:

Decarbonization, Circularity and Human Rights. They allow us to address these areas in an integrated and efficient way, based on our Sustainability Management Model. The Joint Impact Areas also have a commitment* that indicated our long-term objective and ambition.

Decarbonization

We are committed to reducing greenhouse gas emissions across the value chain in line with the Paris agreement.

Circularity

We are committed to decoupling resource use from business growth.

Human Rights

We are committed to respecting human rights and ensuring a just transition.

Please see the briefs on our Joint Impact Areas [here](#)

* These commitments reflect TRATON GROUP's long-term aspirations and strategic direction. They are intended to guide our actions and decision-making and should not be interpreted as guarantees of specific future outcomes or performance.

