

DAIMLER TRUCK

Daimler Truck Holding AG

Investor Relations Release

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Management of Daimler Buses and General Works Council agree on target picture to ensure competitiveness and the German sites

- **Structural changes allow permanent reduction of annual operating costs in Germany for necessary competitiveness**
- **Safeguarding employment: German sites of EvoBus excluded from layoffs for operational reasons until the end of 2033**
- **Significantly optimized use of the European production network**
- **Complete bus bodyshell construction for the Ligny-en-Barrois, Mannheim and Neu-Ulm plants will be carried out at the Holýšov site in the Czech Republic beginning in 2028**
- **Daimler Buses investing approximately 150 million euros in Mannheim and Neu-Ulm plants by the end of the decade**
- **Mannheim becomes center of competence for electric city buses in the production network**
- **Neu-Ulm remains center of competence for coaches in the production network**
- **Till Oberwörder, CEO Daimler Buses: "In intensive discussions with the works council, we have agreed on a target picture that is intended to ensure our long-term competitiveness. In this way, we are creating a long-term vision for our production sites in Mannheim and Neu-Ulm. We are and remain the only manufacturer that continues to produce city buses and coaches in Germany."**
- **Bruno Buschbacher, Chairman of the General Works Council of EvoBus GmbH: "With the target picture for EvoBus, we have achieved a viable result. Both sides had to move in the negotiations. We have sustainably safeguarded our tradition-rich plants in Mannheim and Neu-Ulm and given our colleagues a reliable future perspective. Both plants will play a leading role in development and production in the future."**

Leinfelden-Echterdingen/Mannheim/Neu-Ulm – The Management of Daimler Buses and the General Works Council of EvoBus GmbH have agreed on a target picture to ensure long-term

competitiveness and the German sites. The company will implement various structural changes in order to permanently reduce the annual operating costs in Germany. Among other things, the complete bus bodyshell construction for the Ligny-en-Barrois, Mannheim and Neu-Ulm plants will be carried out at the Holýšov site in the Czech Republic beginning in 2028. In return, the General Works Council was able to achieve an extension of the existing employment protection for the employees of the EvoBus GmbH in Germany from 2024 until the end of 2033. This means that layoffs for operational reasons are excluded during this period. Daimler Buses will also invest approximately 150 million euros in both German sites by the end of the decade.

Till Oberwörder, CEO Daimler Buses: "In intensive discussions with the Works Council, we have agreed on a target picture that is intended to ensure our long-term competitiveness. In this way, we are creating a long-term vision for our production sites in Mannheim and Neu-Ulm. We are and remain the only manufacturer that continues to produce city buses and coaches in Germany."

"We have defined a clear roadmap for fully electric vehicles. However, there are many new competitors offering electric buses. This intensified market situation means that we have to position ourselves better in terms of production costs. This applies in particular to our German plants. We want to continue to offer our customers the best products at attractive conditions – and the target picture makes it possible," Oberwörder continues.

Bruno Buschbacher, Chairman of the General Works Council of EvoBus GmbH belonging to Daimler Buses: "With the target picture for EvoBus, we have achieved a viable result. Both sides had to move in the negotiations. We have sustainably safeguarded our tradition-rich plants in Mannheim and Neu-Ulm and given our colleagues a reliable future perspective. Both plants will play a leading role in development and production in the future. Such a result was only possible because the colleagues from the two locations were united and worked together to defend their interests."

"As the General Works Council of EvoBus, we have to accept the relocation of the bus bodyshell construction abroad, because this is the only way for the company to regain the necessary competitiveness. Not conceding would only have brought more uncertainty for EvoBus in the coming years and would ultimately have meant a slow decline. We regret this step, but we have to face reality. Now it is the task of the management to make the necessary investments at the German sites, to ensure the agreed alternative employment and to lead EvoBus into a successful future," says Buschbacher.

Expansion of flexibility in the European production network

As part of the target picture, Daimler Buses will expand its cooperation in the European production network. In future, vehicle quantities will be flexibly distributed depending on the order situation. For the two sites in Mannheim and Neu-Ulm, the minimum size of the permanent workforce in production is set at 1,500 each. There will be no capping of production quantities in Germany, giving the Mannheim and Neu-Ulm plants the opportunity to benefit from future growth in demand.

Mannheim and Neu-Ulm: competence centers in the production network

All new Mercedes-Benz city buses and Setra coaches for the European market will be developed and launched at the Daimler Buses plants in Mannheim and Neu-Ulm in the future. Mannheim will be the center of competence for electric city buses and, from 2024, will focus entirely on the production of fully electric city buses. In addition, the plant is expanding component production. Neu-Ulm will remain the center of competence for coaches, and will continue to be the only location to manufacture Setra coaches. From the second half of the decade onward, fully electric intercity buses will also roll off the production line in Neu-Ulm and, from the end of the decade, coaches with battery electric and hydrogen-based fuel cell drives.

Electrically driven models for the entire portfolio

Daimler Buses aims to offer locally CO₂-neutral vehicles based on batteries or hydrogen in each segment by 2030. The focus will initially be on the core markets of Europe and Latin America. By 2039, only locally CO₂-neutral new vehicles will be sold in the core market of Europe. In the city bus segment, in particular, this is to be the case in Europe as early as 2030. On its way to the global electrification of passenger transport, Daimler Buses plans to launch the first all-electric intercity bus in the middle of this decade. Coaches with battery-powered and hydrogen-based drives will follow at the end of this decade. In line with the dual-track strategy of its parent company Daimler Truck, Daimler Buses is focusing on both battery-electric and hydrogen-based technologies – because this is the only way to offer tailored zero-emission solutions for the diverse applications of its customers.

About the Daimler Buses plant in Mannheim

The Mannheim site is the center of competence for city buses of all drive types, as well as part of the Daimler Buses production network. The plant employs around 3,300 people in central functions and in bus production. In addition to conventionally powered city buses, production at the site also includes the fully electric eCitaro – the battery-powered variant that has been in series production since 2018 – and soon, the eCitaro with range extender with a hydrogen-based fuel cell to extend the range.

About the Daimler Buses plant in Neu-Ulm

The Neu-Ulm site is the center of competence for coaches of all drive types and is part of the Daimler Buses production network. The plant employs around 3,600 people in central functions and in coach production. Final assembly of Mercedes-Benz and Setra coaches takes place at the Neu-Ulm plant. In addition, intercity bus and coach seats for both brands are produced in the plant's own seat production facility. At the same time, the paint shop center of competence for the entire European production network, the central spare parts supply for Mercedes-Benz and Setra buses, the Daimler Buses development center for safety and assistance systems, the testing department, and the center of competence for 3D printed parts are located in Neu-Ulm.

About Daimler Buses

As one of the world's leading bus manufacturers, the Daimler Truck business unit Daimler Buses bundles the global activities of the bus and service brands Mercedes-Benz, Setra, OMNIplus and BusStore with numerous national subsidiaries. Daimler Buses' product range extends from coaches, intercity buses, city buses and special-purpose buses to bus chassis. In addition to the production and sales of new buses, Daimler Buses has a global service network and offers comprehensive services for all aspects of the vehicles, including trading of used buses.

The national subsidiaries of Daimler Buses include EvoBus GmbH, Daimler Buses Latin America, Daimler Buses Mexico, Daimler Coaches North America and Mercedes-Benz Türk A.Ş.

Forward-looking statements

This document contains forward-looking statements that reflect our current views about future events. The words "aim", "ambition", "anticipate," "assume," "believe," "estimate," "expect," "intend," "may," "can," "could," "plan," "project," "should" and similar expressions are used to identify forward-looking statements. These statements are subject to many risks and uncertainties, including an adverse development of global economic conditions, in particular a decline of demand in our most important markets; a deterioration of our refinancing possibilities on the credit and financial markets; events of force majeure including natural disasters, pandemics, acts of terrorism, political unrest, armed conflicts, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates, customs and foreign trade provisions; a shift in consumer preferences; a possible lack of acceptance of our products or services which limits our ability to achieve prices and adequately utilise our production capacities; price increases for fuel or raw materials; disruption of production due to shortages of materials, labor strikes or supplier insolvencies; a decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimization measures; the business outlook for companies in which we hold a significant equity interest; the successful implementation of strategic cooperations and joint ventures; changes in laws, regulations and government policies, particularly those relating to vehicle emissions, fuel economy and safety; the resolution of pending government investigations or of investigations requested by governments and the conclusion of pending or threatened future legal proceedings; and other risks and uncertainties, some of which are described under the heading "Risk and Opportunity Report" in the current Annual Report. If any of these risks and uncertainties materializes, or if the assumptions underlying any of our forward-looking statements prove to be incorrect, the actual results may be materially different from those we express or imply by such statements. We do not intend or assume any obligation to update these forward-looking statements since they are based solely on the circumstances at the date of publication.

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Further information on Daimler Truck Group (DTG) is available at:
www.daimlertruck.com/investors

Upcoming Investor Events:

An overview of upcoming events, roadshows or DTG's attendance at investor conferences can be found here: [Roadshows & Conferences](#)