

DAF TRUCKS N.V. SUSTAINABILITY REPORT 2023





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P.4

DAF TRUCKS N.V.

Company Profile

DAF Trucks N.V. is a technology company and a premier commercial vehicle manufacturer in Europe. DAF is a wholly owned subsidiary of PACCAR Inc, the global technology leader in the design and manufacture of premium quality medium and heavy-duty commercial vehicles. The company also designs and produces advanced diesel and electric powertrains, provides financial services and information technology and distributes truck parts.



DAF manufactures its industry-leading trucks in its facilities in Eindhoven (The Netherlands), Westerlo (Belgium) and Leyland (United Kingdom). DAF trucks are also assembled in Bayswater (Australia) and Taichung (Taiwan). This report focuses on DAF Trucks N.V. (Eindhoven and Westerlo).

DAF's engine factory, sheet metal component plant and final assembly line for CF, XD, XF, XG and XG+ heavy duty models are located in Eindhoven, as well as the new Electric Truck Assembly facility. Axles and cabs are produced in Westerlo. Leyland Trucks (UK) produces the company's XB series of light and medium duty trucks, as well as CF, XD, XF, XG and XG+ heavy duty vehicles. DAF products are sold and

serviced by a network of over 1,150 independent dealer locations throughout Europe, the Middle East, Africa, South America, Australia, New Zealand and Asia

DAF offers a complete range of trucks from 7.5 tonnes Gross Vehicle Weight up to 120 tonnes Gross Combination Weight. All DAF products are of superior quality and developed for a great variety of transport applications. By continuously listening to the customer, DAF offers an exciting range of modern products and services, focused on providing the lowest operating cost per kilometer in the industry, excellent transport and fuel efficiency, safety, as well as maximum comfort for the driver.

Production 2023 TRUCKS: 11,900 LF/XB 57,900 CF/XF/XG/XG+ ENGINES: 59,500 CABS: 58,400 AXLES:

139,000

EU Market Share 2023

Medium Duty Segment:

9.1%

Heavy Duty Segment:

15.6%

HD Market Leadership

The Netherlands (31.2%)
United Kingdom (28.8%)
Hungary (23.1%)
Bulgaria (22.2%)
Belgium (20.2%)



Sustainability is at our Core

At DAF we are committed to contributing to a better world. That's why you will find sustainability embedded in our mission, our vision and our values. We see it as a natural part of the way we conduct business - it's far more than just a corporate responsibility.

The United Nations Sustainable Development Goals (SDG) aim to make the world more sustainable by 2030. Building on our core strengths, we believe that for DAF five SDGs particularly can make the greatest impact for society and ecology. The following are embedded in our DAF Sustainability Framework:

8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

We believe in a balance between economic growth and social factors, to grow in a sustainable way and assure future work.

9: Build a resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.

We are constantly enhancing the efficiency of our employees, processes and materials and adopting clean and environmentally sound technologies in our production processes.

11: Make cities and human settlements inclusive, safe, resilient and sustainable.

We are contributing to this goal by constantly improving our trucks' safety features and reducing air pollution by investing in innovative technologies.

12: Ensure responsible consumption and production patterns.

We are aware of the value of the materials needed to build a truck. We aim to minimize the volume of required material, increase recycled content and recyclability of our trucks, run a successful remanufacturing program and reduce the residual waste from our production sites.

13: Take urgent action to combat climate change and its impact.

We understand the importance of cutting CO_2 emissions and are committed to have reduced the CO_2 emissions of the trucks we sell by 45% in 2030, as required by the European Union (95% of our CO_2 impact is generated by vehicles on the road). Additionally, we aim to have reduced our Scope 1 and Scope 2 CO_2 emissions by 45% in 2030.



DAF Sustainability Framework

DAF Trucks reviews sustainability risks and opportunities within the ESG Framework: Environment (including both emission reduction and circularity), Social (care for people) and Governance (responsible business), all of them being applicable to our supply chain, our own operations, our dealers and customers, as well as society. Each pillar of our ESG Framework is linked to a United Nations Sustainable Development Goals.

Emission Reduction

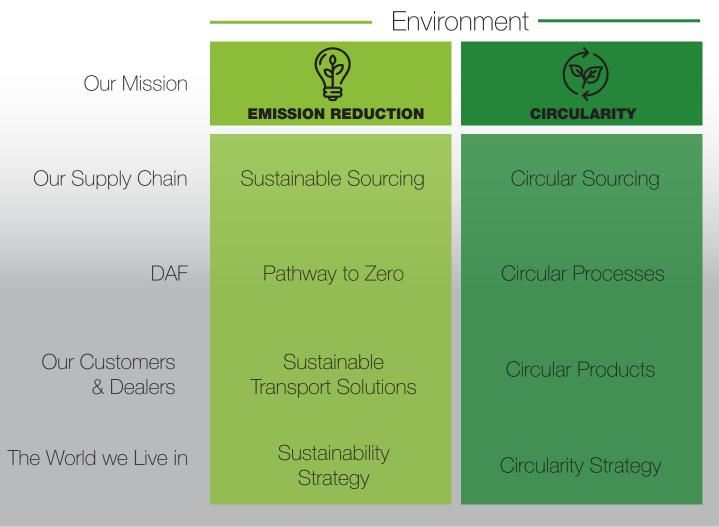
Inside DAF, a number of actions are being taken to reduce our impact, especially on the path towards zero-emission (GHG) operations.

We are also undertaking specific actions with our suppliers to reduce the environmental impact of the parts and materials we specify and the ways in which our suppliers process these for us. In short: sustainable sourcing.

For our customers, we continue to refine our product range to enable them to offer the most sustainable transport solutions, for example through improved fuel efficiency or alternative drivelines.

Circularity

Our Life Cycle Assessment includes recovery, reuse, remanufacturing and recycling in the entire value chain.



UN SDG





Caring for People

Social sustainability is our responsibility towards those who work for us (directly or indirectly in the value chain) as well as towards the users of our products and services. It also embraces 'giving back' to society. Social sustainability aspects range from employee compensation, benefits and working conditions to driver and road user safety, as well as respect, inclusivity, and the wider scope of impact on society.

Conducting our Business Responsibly

Effective sustainability improvements require robust systems of 'Governance'. These address taking ownership and responsibility, describing policies and actions (and ensuring that these are implemented, measured and reported on), and cover learning and communication. Governance is about being a responsible business partner. At DAF Trucks we see it as our responsibility to actively engage employees, value chain partners and legislators in creating more sustainable transport solutions as we lead our industry towards the future.

Social & Governance



CARE FOR PEOPLE

Working Circumstances

Best Place to Work

Care for Customer & Dealer Employees

> Giving Back to Society



Responsible Sourcing

Business Values & Conscious Control

Best Products & Service for the Business

Responsible Transport Solutions





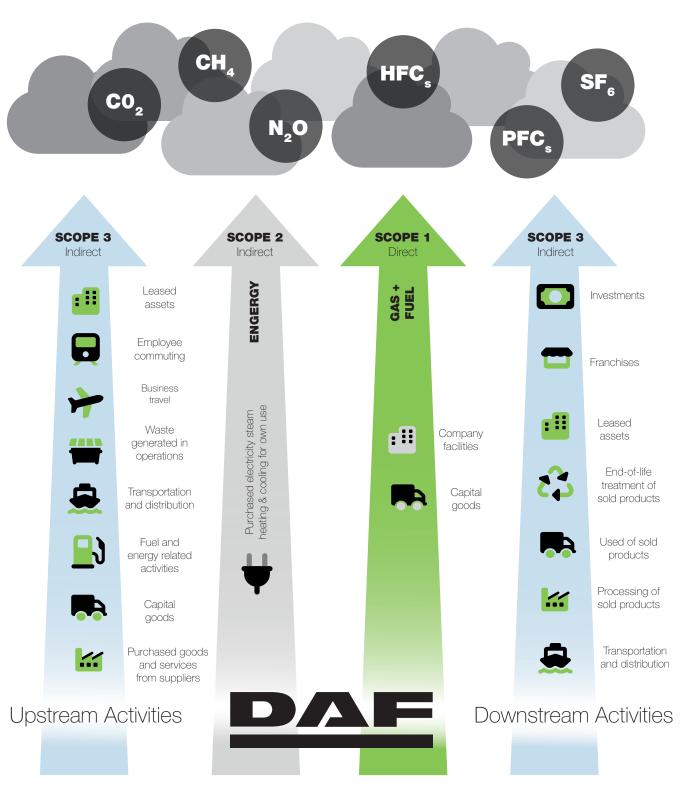




Greenhouse Gas Emissions

The GHG Protocol Corporate Accounting and Reporting Standard classifies a company's greenhouse gas (GHG) emissions into three 'scopes'.

- **Scope 1** emissions are direct emissions from owned or controlled sources. For DAF, Scope 1 emissions result from burning gas and fuel to support our operations.
- **Scope 2** emissions are indirect emissions from the generation of purchased energy.
- **Scope 3** emissions are all indirect emissions (not included in Scope 2) that occur in the value chain of our company, including both upstream and downstream emissions; they include amongst others the use of our trucks.





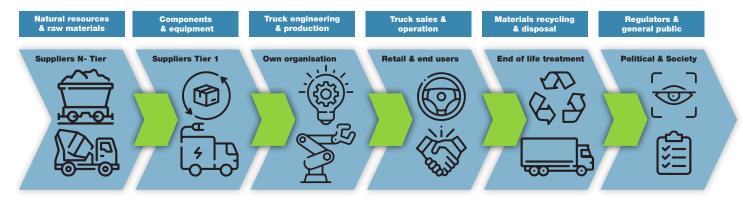
As one of the first large corporate businesses to start addressing its environmental impact, DAF has been ISO 14001-certified since 1998. Regular internal audits are carried out at Eindhoven, Westerlo and the test track at Sint-Oedenrode (Netherlands). All DAF departments

are monitored internally at least once during the ISO certification's three-year validity period. Global assurance provider LRQA carries out an external audit every nine months, visiting the company for two to three days at a time.

Sustainability in the DAF Value Chain

DAF Trucks is part of a comprehensive value chain that ranges from the mining of raw materials to the well-being of local communities. Our Research & Development Department is at the heart of our company. They are continuously making the trucks more efficient and safer as well as optimizing ergonomics for the driver. The number of actors in our strongly interlinked ecosystem is broad, extending from our suppliers' suppliers to dealer employees, transport companies and society as a whole.

VALUE CHAIN



Setting the Standards

We support our suppliers, dealers and customers to improve their sustainability performance. We design our vehicles to be more sustainable, with lower fuel consumption and lower emissions, and help customers choose the most appropriate vehicle for the task. We help dealerships to deal responsibly with the wastes generated in vehicle maintenance. And we work with suppliers to design and specify parts for greater sustainability: in choice of materials, manufacturing processes, transport to our factories, and end of life disposal.

There is also work to be done in the supply of 'indirect' goods and services - from IT equipment to company cars,

from office cleaning to professional services. The topics may be different in detail, but the approach to sustainability is the same.

Some 95% of associated greenhouse gas (GHG) emissions is generated while our trucks are in operation at our customers' businesses (Scope 3, downstream). Approximately 5% is emitted in our supply chain (Scope 3, upstream) and less than 0.5% is released in the entire production process (Scope 1 and 2). Page 17 provides further details through a Life Cycle Assessment (LCA).

Double Materiality Assessment

To achieve focus, DAF carried out a 'double materiality assessment' in 2023. This was performed in alignment with the Corporate Sustainability Reporting Directive (CSRD) to guide our sustainability strategy for 2024 and beyond. The aim was to identify the most significant impact on people and the environment, as well as the key sustainability-related risks and opportunities.

This involved the interrelation between our impact on the outside world on the one hand, and the financial effects on DAF on the other hand. A three-step process was applied. We defined our value chain and stakeholders. We assessed the impact and materiality aspects and we validated the results with external and internal stakeholders.

-inancial materality

Environment

- Financial effects of circular economy
- Financial effects of climate change
- Financial effects of pollution

Environment

- Circular economy strategy
- Climate change strategy
- Energy consumption
- GHG emissions scope 3
- Pollution impacts air pollution

Social

- Customer satisfaction
- Employee engagement
- Supply chain resilience

Governance

- Business conduct
- Sustainable product innovation

Environment

- Biodiversity impacts
- Hazardous substances and materials
- Pollution soil and water
- Water consumption

Social

Social impacts - value chain & communities

Governance

- Public affairs
- Speak up channel
- Stakeholder engagement
- Tax

Environment

- GHG emissions scope 1 & 2
- Waste

Social

- Diversity & inclusion
- Health & safety
- Human capital development
- Human rights
- Labor practice
- Privacy and data security
- Responsible supply chain
- Social impact consumers/end-users

Governance

Cyber security

Non - Material

Material

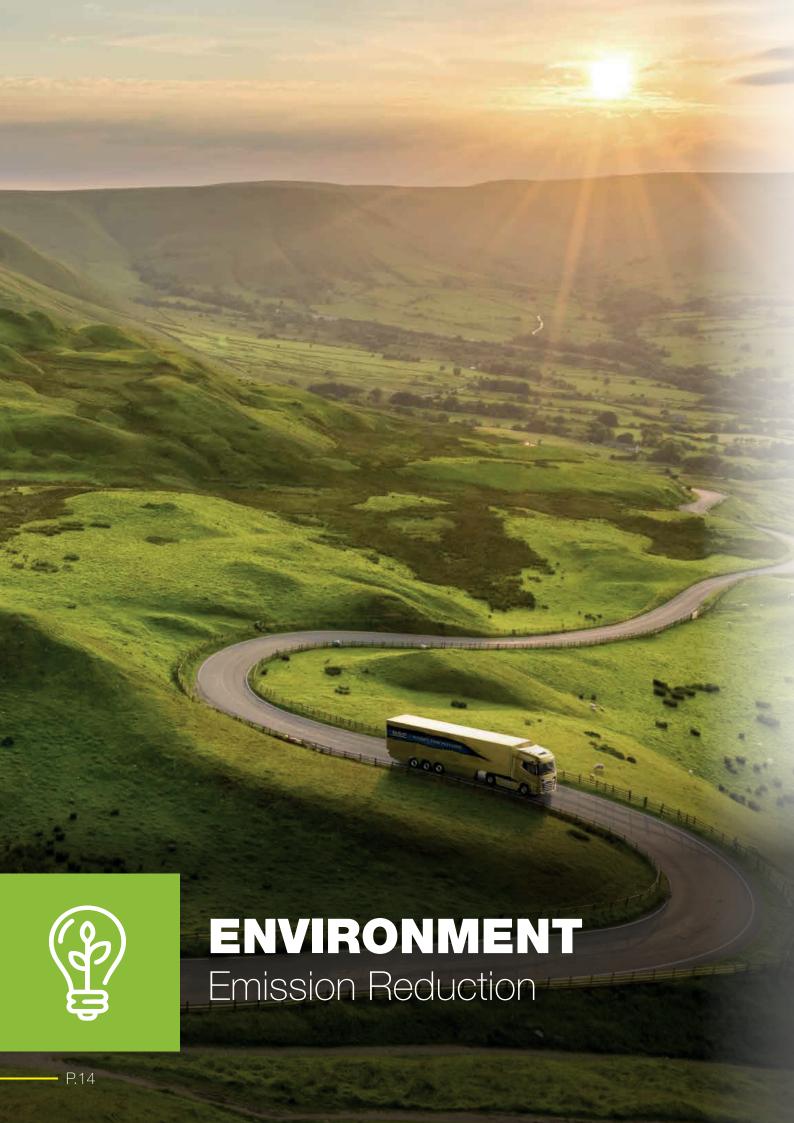
Impact Materality

This matrix shows which topics DAF has prioritized in its efforts to improve sustainability performance. Other items are addressed too but those in the matrix are considered to be the areas where DAF can make the largest impact.

A longlist of over 100 sustainability topics was assessed. resulting in 33 topics to be included in the Double Materiality Matrix. These are:

- Either Financial Material or Impact Material
- Both Financial Material and Impact Material
- Topics that are considered good business conduct but are not strategic focus areas. (Non - Material / Non - Material)

The results of the Double Materiality Assessments have been used to validate the DAF Sustainability Framework (See page 8 and 9).



INTRODUCTION

Environment

Social & Governance







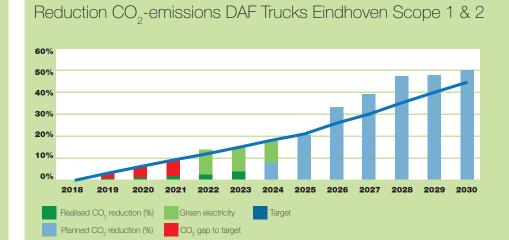


DAF's main impact on the environment is through the emission of greenhouse gases and their related infuence on global warming. For this reason, emission reduction is the first pillar in our Sustainability Framework. This pillar also includes other emissions affecting air, water and soil like NO_x or Volatile Organic Compounds (VOC).



Take urgent action to combat climate change and its impact.

We understand the importance of cutting CO_2 emissions and are committed to have reduced the CO_2 emissions of the trucks we sell by 45% in 2030, as required by the European Union (95% of our CO_2 impact is generated by vehicles on the road). Additionally, we aim to have reduced our Scope 1 and Scope 2 CO_2 emissions by 45% in 2030.



Sustainable Sourcing

DAF is designing robust supply chains with a strong focus on continuous improvement, which is fully embedded in our sourcing decision making. This means we apply Six Sigma methodology to improve on all major performance indicators, including environmental aspects.

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DAF has over 2,500 suppliers for Production and Services. We want our suppliers to care for the environment and have plans in place to continuously improve on lowering waste. To secure continuous improvement at our suppliers, DAF has installed an SPM Program. SPM stands for Supplier Performance Management Program, which is applied to evaluate supplier achievements in the areas of product development, operations and aftermarket support. This program uses a balanced scorecard with supply chain sustainability as one of its KPI's. This KPI is measured by an annual environmental questionnaire.

We challenge our supplier to come up with new ideas and suggestions for reducing energy and even more efficient and environmental-friendly production and supply processes where possible. To maximize each other's expertise and innovations, suppliers are involved very early in our product development processes (simultaneous engineering) to jointly realize the best possible solutions.DAF expects partners to also be socially responsible, with equal treatment of all

of their employees, offering social security and providing a solid working environment: physically and in terms of mutual respect.

In 2023, DAF emphasized the importance to sustainable sourcing among the supply base in various ways. The Supplier Continuous Improvement Event included a sustainability workshop and handing a sustainability award to the companies with comprehensive plans in place towards a more sustainable production of DAF parts.

DAF will further enhance this process by publishing clear guidelines and processes our suppliers have to meet concerning sustainable sourcing. This is among the focus areas for 2024 and will include – amongst other things – that suppliers have to consider the social aspects at their suppliers and their value chain. This includes that our suppliers are encouraged to manage their suppliers on all relevant ESG aspects. In addition, they should have plans in place regarding lowering emissions and enhancing social matters. In 2024, further investigations will also be performed to further expand circular sourcing, like iron castings are currently produced using metal scrap of stampings.





Production: Pathway to Zero

DAF is pursuing multiple initiatives to meet its 2030 ambition of a 45% reduction in Scope 1 and 2 $\rm CO_2$ emissions (compared to baseline year 2018), aiming for net zero emissions in 2050. A $\rm CO_2$ emission reduction roadmap is in place for each of the company's production sites to measure progress towards our ambitions. From wind and solar energy, insulation to efficiency improvements in manufacturing processes, all possible avenues are being explored for reducing energy consumption, switching to renewable sources and cutting emissions.

Renewable Energy

In 2023, DAF approved a plan to install solar panels on its premises, starting with its Eindhoven and Westerlo facilities in 2024. Furthermore, the company is installing heat pumps at its premises in the Netherlands and Belgium to replace diesel or gas fired boilers and reduce energy consumption and CO₂ emissions. At the company's engine test centers, electric generators have replaced water brakes, and are now generating energy that is used in the production facilities.

Energy Reduction

DAF has moved ahead with changing to LED lighting. As of 2023, LED is fitted in all production buildings, leading to a considerable decrease in energy consumption and an improvement of working conditions for the employees.

LED lighting is controlled in many ways: during breaks or days without production, the lights are dimmed to conserve energy. Buildings are heated via central heating instead of separate units. In 2024, part of the gas-fired central heating will be replaced by a heat pump that uses less gas and reduces CO_2 emissions.

Overall, measures taken in 2023 and throughout 2024 are expected to save a total of 2,300 tons of CO₂ (2.5%) through:

- Installation of solar panels generating 1,300 MWh/ year
- Further LED lighting installations
- Installation of heat pumps.

Manufacturing Emissions

DAF has made great strides forward in reducing the manufacturing emissions from its painting process. As far back as 1997, in the engine and truck chassis paint shops, water-based paint was introduced. In 2017 a new, highly efficient, ultra-modern DAF cab paint shop opened in Westerlo, Belgium, setting the standard for VOC emissions from paint shops, achieving a 70% reduction compared to the legal limit of 55 g/m².

Water and Noise

Since 2003, DAF has been using water from the Eindhoven Canal for industrial cooling, reducing the use of drinkable water for this purpose by up to 80%. This water is returned to the canal after cleaning through a filtration system. In 2023, DAF has also improved the waste water quality in Eindhoven by further reducing oil and particles at its engine factory and switching to an improved pre-treatment process in its parts and chassis rail paint shops.

Attention is given to the quality of life for people living near to DAF's premises in Eindhoven. For example, the foundations of heavy metal-pressing machinery are reinforced and presses are put on springs to reduce ground vibrations, and, where needed, equipment on rooftops has been insulated to reduce noise. Low-noise asphalt at the Eindhoven site also dampens the sound of moving vehicles.



Tap Water Consumption m³

EHV. 2022 268,640 EHV. 2023 254,635 WLO. 2022 177,693 WLO. 2023 198,293

EHV = Eindhoven WLO = Westerlo



Discharge Waste Water m³

EHV. 2022 1,412,900 EHV. 2023 1,563,100* WLO. 2022 222,421 WLO. 2023 ≈ 220,000*

* Estimate: No concrete figure available due to flooding and m³ counted twice



Consumption of Surface Water for Cooling Processes in m³

EHV. 2022 910,594 EHV. 2023 917,616



Electricity Consumption MWh per Plant

EHV. 2022 83,797 EHV. 2023 83,724 WLO. 2022 52,897 WLO. 2023 50,898

kWh per Truck 2022 2 670

2022 2,670 2023 2,599





Gas m³ per Plant

EHV. 2022 8,5 M EHV. 2023 8,1 M WLO. 2022 5,4 M WLO. 2023 5,2 M

Gas m³ per Truck

2022 271 2023 256



VOC Emissions

EHV. 2022 128,2 EHV. 2023 110,3 WLO. 2022 92,6 WLO. 2023 91,6

Emission in tonnes



${\rm CO_2}$ Scope 1 & 2 in Tonnes

EHV 2022 74.448 EHV 2023 73.941 WLO 2022 20.346 WLO 2022 19.439

$\mathbf{CO_2}$ per Truck in kg

Scope 1 2022 768 Scope 1 2023 761 Scope 2 2022 1.179 Scope 2 2023 1.167



Eindhoven

2022 38,608 2023 39,337*

Emission in KG

* Increase driven by higher production volumes

Westerlo information will be available as from 2024

Sustainable Transport Solutions

A modern truck with a Euro 6 diesel engine emits around 95% less NO_x (nitrogen oxide) than a truck from 25 years ago. To put it another way: one Euro 1 truck from 1994 emits as much nitrogen oxide as 20 trucks from the present day. Similarly, emissions of soot particles have been reduced by no less than 97% in the same period of time, meaning that in this respect one Euro 1 truck from 1994 can be compared to 35 modern-day trucks. Also in terms of CO_2 emissions large progress has been made over the past years, driven by impressive fuel efficiency improvements.

The New Generation DAF trucks, introduced in 2021, reprecent the largest design program in our history, which has led to enhanced sustainability in both manufacturing and operation. The trucks' low fuel consumption (saving up to 10% compared to its predecessor with consequently equal ${\rm CO_2}$ emissions reduction) led to the New Generation DAF winning several awards in 2023, including the 'Green Truck Award' and 'European Transport Award for Sustainability'. In addition, during the 'European Truck Challenge', the

New Generation DAF proved to be the most cost-efficient truck thanks to its very low combined fuel and AdBlue consumption. At the end of 2023, DAF announced the 'Efficiency Champion' special models, with a dedicated vehicle specification for lowest fuel consumption and CO₂ emissions. Within the German Maut road tax collection system, these trucks are categorized in the favorable CO₂ Class III vehicles for up to six years. This results in Maut savings of up to 1.6 cents per kilometer.

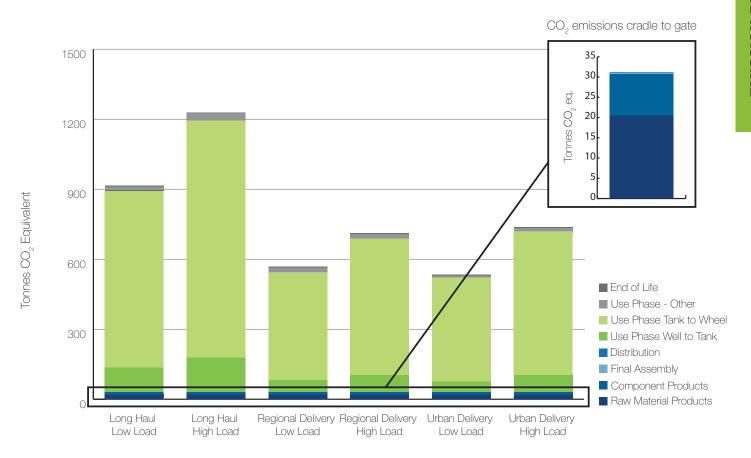
Fuel Efficiency Improvement Throughout the Years







CO₂ footprint New Generation DAF XF Internal Combustion Diesel Engine (based on Life Cyle Assessment)



Life Cycle Assessment

At the core of our CO₂ impact calculations is the Life Cycle Assessment (LCA). A life cycle assessment is the measurement of the environmental impact of a product or service throughout its life cycle, from the resources used to create the product or service, to its use by the user, and its end-of-life destination. In this analysis, we have reviewed the Bill of Materials of a typical New Generation DAF XF truck with an internal combustion engine and calculated the material usage for this truck. We then calculated the greenhouse gas emission and circularity potential for all the used materials and components.

Finally, we factored in data about greenhouse gas emissions during transport, use, repair and maintenance, and the end-of-life process. The LCA complies with ISO Standards (14040 & 14044). We are applying it to the development of all our new or redesigned components. For almost all of our products, the main impact on sustainability occurs when they are being used by our customers. So, while we consider the ecological impact of all life-cycle phases in our designs, we prioritize the use-phase since that delivers the greatest benefits, both for our customers, as well as for the environment.



Alternative Fuels and Drivelines

DAF Trucks supports the need for the transport industry to transition to green, non-fossil fuels. Attention is focused on fuel efficiency and thus CO_2 emissions across the fleet, working to the EU target of a further 15% improvement on the 2019 baseline by 2025, and a target of 45% by 2030.

Therefore, we continue to expand and refine our batteryelectric offer across most vehicle types. As the technology matures, we see potential for hydrogen engines, with hydrogen fuel cell technology also under review.

In 2023, DAF commissioned a completely new 'Electric Truck Assembly' plant in Eindhoven, the Netherlands, ready to start production of customer vehicles of the New XD and XF Electric truck models (zero emission ranges of up to 500 kilometer) in 2024. DAF also announced the XB battery-electric city distribution truck, which is produced in the UK DAF Leyland Assembly plant.

DAF Trucks believes that there won't be a 'one size fits all solution' to cover every sustainable transport need. The optimal solution will always depend on the application, available infrastructure for refueling/recharging, and the overall well-to-wheel emissions. DAF is calling on national and international governmental bodies to accelerate realization of an adequate green energy infrastructure, instrumental for achieving the Green Deal targets.

All latest generation DAF truck models are capable of running on HVO – Hydrotreated Vegetable Oil – made from waste products and fats from the food industry. It is currently the most sustainable fuel on the market for

diesel trucks and offers a reduction of up to 95% in ${\rm CO_2}$ emissions ('well-to-wheel'). Unlike previous generations of biofuels, HVO has no impact on food production.

Services

Our sustainability is influenced not only by how we design and manufacture our products but also by the services we offer to support our customers' sustainable operations.

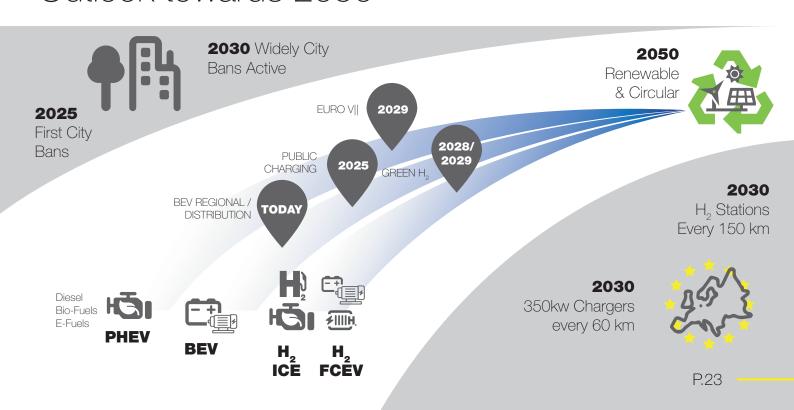
The DAF TOPEC Configurator, for example, is a 3D model helping select the best configuration of truck for the task by choosing the most efficient chassis and body configuration for the intended use case.

To monitor trucks in service and help run them efficiently, PACCAR Connect provides owners with reliable insights into fleet performance via fuel reporting, real-time alerts and vehicle health updates using the vehicle's data interface.

For maximum vehicle availability, DAF MultiSupport offers customized service plans that optimize a fleet's uptime by scheduling preventative maintenance and responding fast when issues might arise.

And for DAF customers 'going electric', detailed analysis of applications, routes, distances and journey patterns are made, while dedicated trainings are available to teach drivers to get the best out of their vehicles. Through PACCAR Parts, DAF's parts division, a full range of mobile and stationary chargers (AC or DC) are available, allowing customers to make the energy transition as easily as possible.

Outlook towards 2050





INTRODUCTION





Social & Governance -



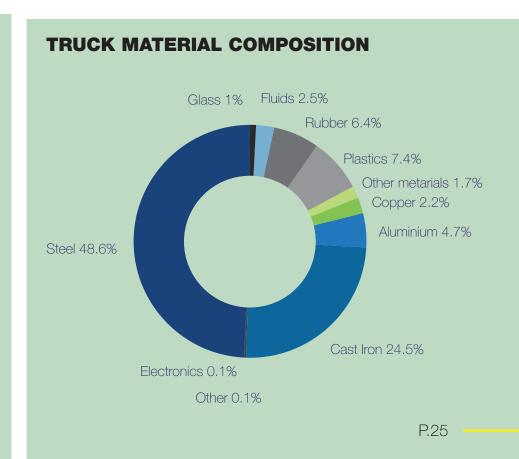


Circularity relates to a sustainable process with focus on re-use and reduction and ultimately elimination of waste.



Ensure sustainable consumption and production patterns.

We are aware of the value of the materials needed to build a truck. We aim to minimize the volume of required material, increase recycled content and recyclability of our trucks, run a successful remanufacturing program and reduce the residual waste from our production sites.



Circular Processes

Reduce, Reuse, Rethink

Reduce, reuse, rethink—that is DAF's approach to improving the sustainability of its packaging material. Suppliers, DAF and dealers share best practice across Europe.

Waste Management

DAF is continuously working to reduce the amount of packaging material that arrives with parts at the production facilities. In a 'war on waste' awareness campaign, the company's procurement teams and factory workers are encouraged to engage with suppliers to cut down on—or even refuse to accept—unnecessary packaging.

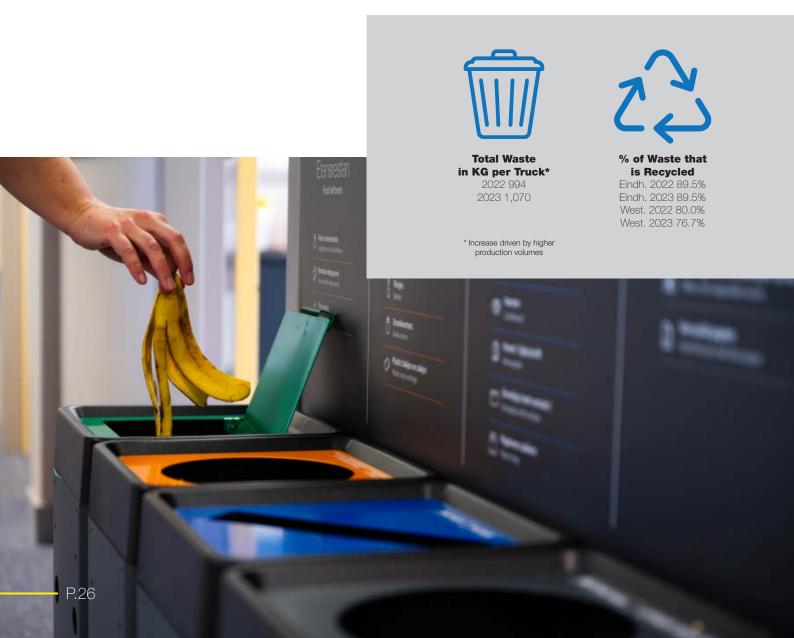
For that reason, the focus is on reusable packaging. Components are loaded into a DAF-designed return packaging at the supplier's premises.

For years, DAF has a policy of sending zero waste to landfill. Waste that cannot be recycled is incinerated to generate electricity. DAF has reduced residual waste from the office buildings by 78% in just one year, after launching a program in late 2022 to improve waste separation in office environments.

At our production premises, we have our own recycling stations that collect over 100 different types of materials from concrete and cardboard to plastics, wood and metal. Our waste collector and treatment partners process and sell these materials for reuse.

In 2023 several improvements have been implemented to further reduce disposable waste.

- Process improvements in the engine plant have improved oil separation from waste water to further reduce chemical waste and improve waste water quality;
- Since 2023, the oil-water mixture that is released from periodic cleaning of the "waste water oil and gasoline separators" is processed by the water purification plant located on the DAF Trucks Eindhoven site; this has led to a reduction of 35,000 kg of chemical waste per year;
- Sorting campaigns have been launched to make people aware how to sort waste.
- DAF started waste separation in office environments.





PACCAR Parts is DAF's parts supply organization. Its packaging roadmap focuses on product packaging, storage, and transportation materials. The goal is to achieve a fully circular process for packaging materials by 2050, with the ambition of a 35% reduction by 2030 in the total amount of single use packaging materials shipped to dealers. In 2023, the organization reduced plastic and cardboard in its parts' packaging sent to dealers by 7% and 2% respectively.

PACCAR Parts plans to use more recycled packaging material*, reduce one-way shipments, increase the use of returnable packaging, and facilitate recycling by switching to mono materials and reducing ink usage.

* Through switching to 100% recycled filling material at just one Parts Distribution Center (PDC), DAF's parts division was able to save a CO₂ equivalent of 175 trees.

Total Productive Maintenance

Effective maintenance of our production equipment and machinery contributes significantly to our sustainability goals by prolonging the lifetime of our installations, preventing leakages and reducing energy and oil usage. We use an approach called 'Total Productive Maintenance' (TPM), which creates a partnership between machine operators, maintenance staff and engineers responsible for the installation.

TPM is multifaceted and includes cleaning as well as predictive maintenance. Instead of maintaining machines at fixed time intervals (whether they need it or not), sensors gather information on critical parameters such as temperature or vibration (Shop Floor Data Capture). This is

then combined with the skills and experience of operators (who are also responsible for the routine care of the equipment) to plan when maintenance is necessary.

Besides avoiding downtime, this allows us to reduce the unnecessary replacement of parts and consumables such as oil. TPM extends the productive life of equipment. Optimal maintenance of items such as electric motors, bearings on rotating equipment, and burners in ovens has a major effect on reducing our energy consumption.

Circular Products

We are aware of the value and scarcity of the materials we use to build trucks, so we aim to minimize the volume of materials required, where possible select non-critical raw materials, and increase the recycled content and recyclability of our trucks, parts and components.

Circularity Principles by Design - EcoDesign

For DAF increasing circularity means to:

- 1. Refuse unnecessary use of raw materials;
- 2. Reduce the raw materials used:
- 3. Reuse (remanufacture, repurpose) items at the end of their 'first life';
- 4. Recycle to recover material;
- 5. Only if reuse or recycling is not possible: waste disposal (possibly with energy recovery).

Circularity can be measured by the percentage of parts eligible for recycling and by the actual usage of recycled materials. On average, a DAF truck contains around 35% recycled material—mainly driven by the metal types in the heavier parts. DAF is increasing its efforts to incorporate more and more recycled materials, such as metals, plastics and textiles. Over 90% of the materials is recycable after end of life.

Remanufacturing and Product Return Policies

DAF Trucks is increasing the volume and range of remanufactured parts and components it offers to the aftermarket, such as complete engines, particulate filters, brake callipers, injectors and cooling pumps.

In 2023, we received over 400,000 items back from dealers (a 16% increase, compared to 2022) for remanufacturing purposes both at DAF and its suppliers. Studies have started

to investigate remanufacturing opportunities for the driveline components from electric trucks, such as batteries and e-motors.

Recycling - the Use of Recycling Guides

Recycling of vehicles is mostly handled by a specialized industry. DAF is supporting the recycling process in several ways. These include material marking on parts and freely available recycling guides.

The recyclability of DAF trucks is over 90%. Recoverability - which also includes potential energy recovery by incineration - even exceeds 95%.

Renewable Materials

Circularity is an important goal for DAF. This includes the use of renewable materials, such as remelted steel and glass, and the application of alternative, renewable fuels.

Future possibilities studied by DAF, include plastics derived from biological sources, and recycling plastics by using techniques such as pyrolysis to create new feedstocks.

Developments in all these areas are very sensitive to tax and legislative regulations and work has yet to be done. But if and when fully or largely renewable materials do come on the market, DAF Trucks will explore their possibilities.



Product Life Cycle

To help protect the environment, DAF takes into account the complete life cycle of a product, which consists of three stages: production, use and disposal.

The impact on the environment is largest during operation of the truck; mainly as a result of fuel consumption and the associated emissions. During the production and disposal

phases, the impact on the environment is considerably less. This is why DAF is focusing mainly on the truck operational phase to reduce the environmental impact.

PRODUCTION*

EMISSIONS INCLUDING PAINTS



MATERIALS:

Ferro Metal Non Ferro Metals Plastics Elastomers Others



WASTE:

Recycling
Incineration
(Physical/Chemical) Treatment
0% Landfill

USE

TRANSPORT EMISSIONS

CO, NO, PM







DIESEL CONSUMPTION UREA CONSUMPTION

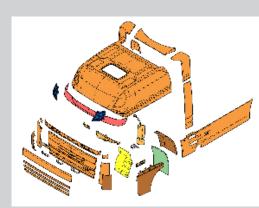
MAINTENANCE:

Parts Tyres Liquids

DISPOSAL

Recyclability**: >90%

Recoverability**: >95%



The most important substance flows in the life cylce, based on the New Generation DAF trucks

- * Includes Product Development and Purchasing
- **Definitions: see ISO 22628 "Road Vehicles Recyclability and recoverability Calculation Method" and Directive 2000/53/EG on end-of life vehicles

Recyclability: Ability of component parts, materials or both that can be diverted from an end-of-life stream to be recycled.

Recycling: Reprocessing in a production process of the waste materials for the original purpose or for other

purposes, excluding processing as a means of generating energy.

Recoverability: Ability of component parts, materials or both that can be diverted from an end-of-life stream to be recovered.

Recovery: Reprocessing in a production process of the waste materials for the original purpose or for other purposes, together with processing as a means of generating energy.



INTRODUCTION









Social sustainability refers to our responsibility towards our employees and those in our value chain, as well as the users of our products and services. It involves offering fair compensation, benefits, and working conditions for employees, as well as prioritizing their safety. It also includes promoting respect, inclusivity, and considering the impact on the wider community.



Promote sustained, inclusive and sustainable economic growth, full and employment and

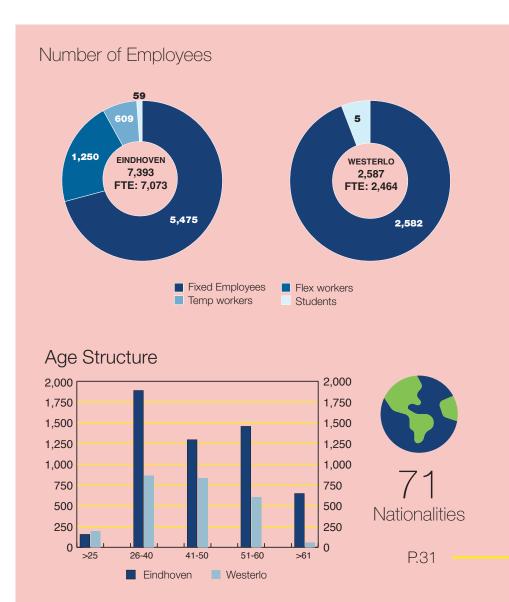
productive employment and decent work for all.

We believe in a balance between economic growth and social factors to grow in a sustainable way and assure a future workforce to be available.



Make cities and human settlements inclusive, safe, resilient and sustainable.

We are contributing to this goal by constantly improving safety features of our trucks and reduce air pollution by investing in innovative technologies.





Best Place to Work

DAF is committed to creating and enhancing an open and inclusive environment, where people feel at home. The company wants each member of its diverse, international workforce to reach their full potential, take pride in working for DAF, and know that they are appreciated.

Proud and Engaged Employees

The company's positive approach is a formula for success. Employees are proud to be part of an enterprise producing high quality products, and there is a strong sense of belonging in the teams. "My direct supervisor treats me with respect" was the highest scoring statement in the 2023 Employee Survey. Employee attrition is low, with many people recognized for long service with DAF. In 2023, no fewer than 123 colleagues celebrated 25 years of service, nine reached 40 years and two marked 50 years.

Open and Inclusive Culture

Focus of DAF's diversity efforts—since 2023 under the umbrella of the "Open and Inclusive Culture" program—is on raising awareness and building skills around appreciation,

giving and receiving feedback, social safety, respect and similar topics.

The company's Diversity Council, run by staff volunteers, acts as an ambassador for diversity and inclusion, through publications, events and training. The "Warm Welcome International" program helps DAF's many international employees to settle into a new environment, while the "PACCAR Women's Association" (PWA) supports women's career development and networking.

DAF Board and executive members are selected on the basis of their wide-ranging experience, business and industry backgrounds, skills, knowledge and valuable insights.

Level	No. of Females	No. of Males	Total	% Females 2023	% Females 2022	vs 2022	Plan 2027
Supervisory Board	1	6	7	14%	14%	0%	14%-29%
Extended Board of Management	2	12	14	14%	14%	0%	14%-21%
Other Execultives	7	83	90	8%	6%	+2%	6%-15%

Of all the DAF employees in Eindhoven and Westerlo, 10% are female (2022: 12%). One out of seven DAF Supervisory Board members is female (14%), the same as in 2022. In 2023, one of the six statutory directors of DAF Trucks N.V. was female (17%), making a total of two out of the 14 in the Extended Board of Management.

The Company's ambition is to achieve a more even distribution between men and women. DAF encourages development and promotion of diverse talents to executive positions through internal career development. In 2023 external hires were 25% female, versus 19% female hires in 2022

Ongoing diversity actions include mentorship programs, female role models, employer branding, training programs, enhancement of an inclusive work environment, equal pay opportunities, management development programs, a diversity council and PACCAR Woman's Association activities.

Promoting Well-being

DAF takes a pro-active approach to creating a healthy work environment. The company has implemented strict, new ergonomic guidelines to reduce physical strain. Workstations and tasks are assessed for ergonomic risks using tools like the Automotive Assembly Worksheet. The company's engineers are trained to make continuous improvements.

If necessary, programs are available to reduce stress and workload. These include training sessions and support from social workers, psychologists and company doctors, as well as preventive initiatives to address sources of work stress. Managers are trained to recognize and respond to stress signals. The company also provides support for personal issues like financial management and health problems, recognizing that these contribute to overall well-being. Where possible DAF supports employees in making their lifestyle healthier by providing a lifestyle coach, offering a bicycle plan and supporting programs to stop smoking and drinking.

Health and Safety

Safety at work is a high priority. DAF has an ISO45001 certified Health & Safety Management System in place and has adopted the United States' Occupational Safety and Health Administration (OSHA) standards for recording accidents and sick leave. With these data, the company can compare safety performance across its plants regardless of their size or headcount. Incidents can then be investigated, and structural improvements made.

All the preventive activities, like safety observation rounds, reporting unsafe situations and safety training, support the DAF organization in continuously improving its Health

& Safety performance. Next to creating a safe working environment, a crucial aspect is addressing safe culture and behavior.

Through communication and training, DAF's "I make a difference" program teaches employees to work safely. The effectiveness of this approach is demonstrated by the steady decline in injury rates achieved over the past 15 years - a more than four-fold decrease in OSHA score from 6,6 in 2005 to 1,6 in 2023. At an individual level, the company ensures that employees receive proper treatment after injury or illness and that their work conditions are adjusted for a healthy return.





Care for Employees in the Value Chain

It takes a team to get a best-in-class truck out on the road. DAF cares for the entire team, from its suppliers' employees to dealers' technicians and sales people, to the customers' drivers.

Supplier Working Conditions

As part of our aim to achieve ethical and sustainable business practices, DAF expects its suppliers to give priority to good working conditions.

We expect suppliers to use the highest ethical business standards in conducting all aspects of their operations. This means suppliers are expected to:

- a. refrain from any form of discrimination within their company or with regard to their subcontractors;
- b. ensure the safety of their personnel and third parties;
- c. only engage employees in line with applicable laws and regulations;
- d. refrain from using child labor or any other form of forced or compulsory labor in accordance with the International Labor Organization's standards.

Training Drivers & Dealer Employees

The DAF Academy works with partners across Europe to deliver online and in-person training to DAF dealers, their salespeople and technicians, as well as DAF HQ staff and customers' drivers. Drivers learn how to drive safely and in the most fuel-efficient way, supporting the lowest possible environmental impact.

The DAF Academy also supports salespeople in configuring trucks in the most environmentally-friendly way, shows drivers how to optimize ergonomics, and instructs mechanics in handling and storing fluids correctly, avoiding spillage.

Dealer Working Conditions

Care for the dealers' employees is set out in the DAF Dealer Standards. The dealers' premises must be clean and tidy, with lighting that ensures security and safety. Workshops are required to have adequate lighting in line with legal requirements, and one person is designated responsible for the safety of technicians working on battery electric vehicles (BEV). All staff facilities have to be clean and well-maintained. Dealers are required to have a training room for staff, with internet, as well as a professionally designed retention program. Overall, the workplace has to support the social, psychological and physical well-being of staff.



Major Improvements in Driver Ergonomics

Comfort and good ergonomics are vital for a healthy life as a truck driver. Ahead of other manufacturers, DAF has implemented new EU regulations on truck dimensions to increase the length of the cab in its New Generation DAF vehicles. This gives drivers more room to adjust the seat and sit comfortably. The steering wheel has an impressively large adjustment range and angle to make the driving position perfect for each individual driver.





Other Road Users

Safer Roads for All

DAF's care for people extends to other road users too. A leader in the field, with safety as its number one priority, the company is introducing safety features before they become mandatory, helping to reduce risks on roads in Europe immediately.

The trend is clear: nationally and internationally, efforts are being made to cut road casualties and injuries. From July 2024, all newly registered trucks in the EU must comply with the new General Safety Regulation (GSR), Package 1. The aim is to reduce the number of fatal accidents and serious injuries by 30% in 2030 and cut them to zero by 2050.

Far Ahead on Safety

DAF sets the standard in the industry and makes transport safer for everyone - from drivers, passengers, cyclists and

motorcyclists to pedestrians and other vulnerable road users.

It all starts with giving DAF truck drivers the best possible direct vision. With a panoramic windscreen, ultra-low dashboard and optional curb-view vision door, drivers are well-positioned to respond quickly, reducing the risk of accidents. Side mirrors have been optimized to reduce blind spots. The optional DAF Digital Vision System replaces mirrors by cameras, giving an even more accurate view and increasing direct vision due to absence of the mirrors.

Passive safety features built into the New Generation DAF trucks include energy-absorbing crash boxes, integrated crash zones and an impact-reducing cab suspension. These protect other road users as well as cab occupants.

Protecting Vulnerable Road Users

The New Generation DAF trucks are fitted with a range of functions to maximize active safety. The aim is to reduce the severity of accidents or completely prevent them by managing steering and braking effectively. Several of these Advanced Driver Assistance Systems (ADAS) are designed to cut risks for the most vulnerable road users like cyclists and pedestrians.

- Drive-off Assist helps spot vulnerable road users in front of the vehicle, alerting the driver if someone is in the way when the truck is driving off.
- The Forward Collision Warning and Advanced Emergency Braking System combine radar and camera signals to help drivers react to cyclists and crossing pedestrians.
- DAF Side & Turn Assist alerts drivers to vulnerable road users or other vehicles on the co-driver's side, while the Rear View Camera provides a clear view of people and objects behind the truck when it's reversing.

By integrating these and many other protective features into its New Generation DAF trucks, the company contributes to safer road transport in Europe.





Giving Back to Society

As part of valuing social responsibility, DAF is keen to give back to society in many different ways. This is illustrated by donations, sponsorships and the new DAF Helping Hands Foundation, which was established in 2023 with the aim of collecting funds amongst DAF employees for charities proposed by DAF employees themselves.

Ergon Cooperation

Giving back to society also means offering rewarding job opportunities for people at a distance from the labor market. Some 325 of these colleagues are employed at the PACCAR Parts Distribution Center through DAF's cooperation with Ergon. The collaboration started small in 2001, with just 15 employees, and has grown each year. This makes DAF the largest in social employment in the Eindhoven region in 2023.

Sponsoring

To strengthen relations with the local community, DAF sponsorships in 2023 included the annual Marathon Eindhoven, the Brabantsedag Heeze (theatre parade) and the Flower Parade in Valkenswaard. In the field of music and culture, DAF is a founding member of the open-

air stage 'Hub van Doorne Muziekkiosk' in Eindhoven, making performances accessible for all. DAF also sponsors the South Netherlands Philharmonic Orchestra of the Netherlands.

DAF supports the 'DAF Traffic Fund' (DAF Veilig Verkeer Fonds) for youth traffic education and is a founding member of the Ontdekfabriek, which allows young people to discover the wonderful world of technology. DAF is also a sponsor of 'De Jonge Onderzoekers Eindhoven' (The Young Researchers), solar and electric racing teams from the Delft and Eindhoven technical universities, and the e-racing team of the Hub van Doorne College in Deurne.

Volunteering Work

Thanks to DAF being a founding member of the foundation 'Samen voor Eindhoven' (Together for Eindhoven), DAF employees have the opportunity to do voluntary work at local and regional charity organizations during working hours. In 2023, one activity per month was organized on average.

DAF created the DAF Helpende Handen (DAF Helping Hands) foundation, stimulating DAF employees to contribute to the Eindhoven region by supporting local charities. Employees can nominate charities and support them through voluntary work, project funding or goods. Over the past year, DAF Helpende Handen has inspired many wonderful initiatives: making a donation to the Maxima Medical Centre for the purchase of translation machines; donating to the Ronald McDonald House; starting to collect empty bottles and cans on the DAF site, collecting winter coats for several local charities, and making Christmas decorations together with a group of elderly people.

Donations

To support education, DAF makes donations to the Universities of Eindhoven and Delft. DAF national sales organizations are encouraged to send proposals for local donations in their countries; over 30 of these were granted in 2023, varying from a contribution to a children's hospice in Austria to support for victims of the earthquakes in Morocco and Turkey. Over 1,250 end-of-life laptop and desktop computers were delivered to 'Close the Gap', an initiative that bridges the digital divide by providing high-quality, pre-owned IT devices donated by European companies to educational, medical and social projects in developing and emerging countries.

PACCAR Foundation

DAF is a PACCAR company. The PACCAR Foundation is a private foundation formed in 1951. The Foundation generally directs its grants to organizations in communities where PACCAR has a significant presence. Grant recipients include universities, hospitals and programs for the arts and economic education.











INTRODUCTION

Environment

Social & Governance











Build a resilient infrastructure, promote inclusive and sustainable industrialization

and foster innovation.

We are increasing resource-use efficiency and adopting clean and environmentally sound technologies in our production processes.

For a company to positively contribute to a better world, good governance is essential. Compliance with laws and regulations is a fundamental requirement for the company to operate legally and ethically. DAF's corporate governance policies and practices ensure that the Company is governed in accordance with the highest standards of integrity and in the best interests of its stakeholders.



Good Governance The Foundation for Sustainability

Governance Structure

DAF has a two-tier board structure with a Supervisory Board whose main role relates to oversight, strategy and planning, and a Board of Management that is responsible for operational leadership, strategy execution and financial management.

Representatives of the Board of Management, including the President, sit on the Environmental, Social and Governance (ESG) Steering Committee and hold responsibility for DAF's ESG strategy. Reporting to the ESG Steering Committee is the ESG working group, comprising representatives of the various divisions and responsible for executing tasks including risk and opportunity assessments, scenario analysis and planning.

Code of Conduct

Employees and business partners including, suppliers and dealers, are expected to comply with the law and the highest standards of honest and ethical conduct. DAF expects its dealers to have there own compliance program, with audits in place.

Employees receive ongoing training on conducting business with integrity. This focuses on aspects like human rights, ethical business practice, financial integrity, global trade compliance, interaction with stakeholders, health and safety, and commitment to reduce our impact on the environment. The PACCAR Code of Conduct also details how employees can anonymously report code violations through a hotline and clarifies DAF's non-retaliation policy.

Attention for and by our Supply Chain

Suppliers are selected based on many factors, including quality, innovation, cost, financial viability, and regulatory compliance. All suppliers must exhibit the highest ethical principles of the Code of Conduct, including those related to anti-bribery, antitrust and fair competition, trade compliance, and business ethics. DAF's long term supply management vision is focused on value sourcing and the strategic management of five key areas:

- Quality: suppliers' production processes must conform to PACCAR's quality requirements, drawn up in accordance with ISO and IATF standards.
- Logistics: to deliver new trucks (and aftermarket parts) on time to our customers, reliable shipments from suppliers are essential.
- Know How: to stay up to date with developments, we expect suppliers to share their technology and knowhow of new products and future systems.
- Competitive Position & Total Cost: our suppliers are expected to submit ideas to improve products & processes that help optimize costs, quality and functionality.
- Continuous Improvement & Sustainability: working with suppliers on continuous improvement helps us produce the best quality trucks in the most efficient, costeffective way. This leads to optimal use of resources, contributing to sustainability.

In 2024, the Supplier Code of Conduct will be updated in alignment with the DAF framework.



You can access the PACCAR Code of Conduct by scanning this QR code.



APPENDIX

Production Figures DAF Trucks N.V.

	2021	2022	2023
Production LF/XB Trucks	10,950	11,481	11,900
Production CF/XF/XG/XG+ Trucks (inclu. Leyland)	49,189	56,130	57,905
Production CF/XF/XG/XG+ Trucks (Eindhoven)	43,075	47,955	48,451
Production Cabs	49,844	57,319	58,464

APPENDIX EMISSION REDUCTION

	2021	2022	2023	Target 2023	Target 2024
VOC Emission					
Eindhoven: Total VOC-emission in tonnes	130.7	128.2	110.3		
Eindhoven: in gram/m2	38	33	28	≤ 32,3 gr/m2	≤ 28,4 gr/m2
Westerlo: Total VOC-emission in tonnes	75.0	92.6	91.6		
Westerlo: Emission Cab Painting Line in grams/ m2	13	13	14	≤ 15 gr/m2	≤ 14 gr/m2
Water Consumption					
Eindhoven: Tap water consumption in m ³	186,535	268,640	254,635		
Eindhoven: Consumption of surface water for cooling processes in m ³	930,530	910,594	917,616		
Westerlo: Tap water consumption in m ³	190,032	177,693	198,293		
Discharge Waste Water					
Eindhoven: discharge waste water in m³*	1,360,900	1,412,900	1,563,100		
- of which discharged cooling water (as clean water)	1,160,500	1,207,700	1,337,300		
- of which discharged waste water	200,400	205,200	225,800		
- contamination units (calculated according to Dutch legislation)	3,905	4,572	4,245		
- discharge heavy metals in kg	109.1	169.4	108.6	≤ 250 kg	≤ 250 kg
- discharge heavy metals in grams per truck	2.53	3.53	2.24	≤ 4,0 gr/truck	≤ 4,0 gr/truck
- COD (chemical oxygen demand)	149,099	177,465	163,807		
Westerlo Discharge waste water in m ^{3*}	292,067	222,421	418,881		
- contaminant load units (calculated according to Belgium legislation)	542.1	427	499		
- discharge heavy metals in kg	35.4	31.5	54.2		
- discharge heavy metals in Westerlo in grams per truck (per cab)	0.7	0.6	0.9	≤ 2,3 gr/cab	≤ 2,3 gr/cab
- COD (chemical oxygen demand)	8,167	7,003	8,361		
* Domestic and industrial waste water, including cooling water & rainwater.					

	2021	2022	2023	Target 2023	Target 202
CO ₂ Emission					
CO_2 Emission Scope 1 and 2 Total DAF EHV in tonnes		74,448	73,941	71,433	68,421
${\rm CO_2EmissionScope}$ 1 and 2 Total DAF WLO in tonnes		20,346	19,439	21,720	20,804
CO ₂ per truck (scope1) EHV		543	538		
CO ₂ per truck (scope1) WLO		225	223		
CO ₂ per truck (scope2) EHV		999	988		
CO ₂ per truck (scope2) WLO		180	179		
Electricity Consumption					
Eindhoven: electricity consumption in MWh	80,885	83,797	83,724		
Eindhoven: electricity consumption in MWh per truck	1.88	1.75	1.73		
Westerlo: electricity consumption in MWh	52,085	52,897	50,898		
Westerlo: electricity consumption in MWh per cab	1.04	0.92	0.87		
Emission NO _x					
Eindhoven: NO _x emission in kg	38,059	38,608	39,337		
Emissions of Cooling Gases					
[Eindhoven emissions HFCs in kg due to filling aircoditioning	244	248	213		
Eindhoven: other emissions HCFC's & HFC's in kg in production & buildings	209	127	136		
Westerlo: emissions HCFC's & HFC's in kg in production & buildings	6.5	5	110*		
Gas Consumption					
Eindhoven: gas consumption in millions m³	9.5	8.5	8.1		
Westerlo: gas consumption in millions m³	5.9	5.4	5.2		
Westerlo: gas consumption in MWh #	67,922	62,254	59,144		
Eindhoven: gas consumption in MWh #	83,821	74,491	71,084		
* Due to 1 incident of leakage 105 kg of HFC is emitted. Installation has been replaced					



APPENDIX CIRCULARITY

	2021	2022	2023	Target 2023	Target 2024
Residues Eindhoven and Westerlo					
Eindhoven: % of waste that is recycled	87.3%	89.5%	89.5%		
Eindhoven: incineration	4.6%	4.7%	5.4%		
Eindhoven: waste treatment (physical-chemical, composting, distillation, extraction)	8.1%	5.8%	5.1%		
Eindhoven: landfill	0.0%	0.0%	0.0%	0%	0%
Westerlo: % of waste that is recycled	70.0%	80.0%	76.7%		
Westerlo: incineration	14.0%	13.0%	11.7%		
Westerlo: waste treatment (physical-chemical treatment, distillation, extraction)	16.0%	70.0%	11.5%		
Westerlo: landfill	0.0%	0.0%	0.0%	0%	0%
Eindhoven: Total waste in tonnes	37,077	39,340	42,618		
Eindhoven: residues in kg per truck	861	820	880		
Eindhoven: in kg chemical waste per truck	54.0	39.1	35.1	≤ 45.1 kg/truck	≤ 38.0 kg/truck
Eindhoven: in kg scrap per truck	477	448	469		
Eindhoven: in kg unsorted waste per truck	17.3	18.9	21.8	≤ 18.2 kg/truck	≤ 18.2 kg/truck
Westerlo: Total waste in tonnes	8.531	8.313	9.221		
Residues Westerlo in kg per cab	171	145	158		
Westerlo in kg chemical waste per cab	45.1	32.2	33.8	≤ 41.0 kg/cab	≤ 28.5 kg/cab
Westerlo: in kg scrap per cab	93	85	94		
Westerlo: in kg unsorted waste per cab	10.9	7.1	5.6	≤ 8.4 kg/cab	≤ 5.5 kg/cab
Eindhoven and Westerlo: Packaging waste					
Eindhoven: Packaging waste Operations Eindhoven in kg per truck	58.7	61.9	64.6	≤ 63.1 kg/truck	≤59.8 kg/truck
Westerlo: Packaging waste Operations Westerlo in kg per truck	17.3	18.8	16.5	≤ 15.4 kg/truck	≤ 16.0 kg/truck
Sales and Service					
Number revised parts at DAF Remanufactoring Shop for re-use on market	31,166	30,961	29,247		
# Parts sold in Remanufactoring program (R + RN) - incl suppliers	450,889	504,620	508,184		

APPENDIX CARE FOR PEOPLE

	2021	2022	2023	Target 2023	Target 2024
Headcount					
Eindhoven: Total number of employees	7,172	7,308	7,393		
-of which flexworkers	2,004	2,106	1,859		
-of which internships	74	141	142		
-of which male employees	6,573	6,429	6,654		
-of which female employees	599	879	739		
Westerlo: Total number of employees	2,448	2,870	2,587		
-of which male employees	2,213	2,561	2,318		
-of which female employees	235	309	269		
Subsidiaries employees with fixed or temporary contract (FTE)	494	484	495		
Turnover					
Eindhoven:					
-of which hired	310	593	534		
-of which outflow	249	303	293		
Westerlo:					
-of which hired	137	410	147		
-of which outflow	131	154	247		
All Employee Survey					
Average Score (1-5 score; max is 5)	3.58	No survey	3.58		
OSHA Score					
DAF (EHV+WLO) (all departments): OSHA score	1.9	2.0	1.6	≤1.7	≤1.3
Eindhoven (Operations): OSHA score	2.6	2.7	2.3	≤1.6	≤1.6
Westerlo (Operation): OSHA score	2.5	2.6	1.8	≤2.6	≤1.6
Absenteeism					
Eindhoven	8.8%	8.4%	7.4%	<8.0%	<6.5%
Westerlo	8.2%	7.4%	8.0%	<8.0%	<6.5%

APPENDIX GOVERNANCE

Purchasing Eindhoven	2021	2022	2023	Target 2023	Target 2024
% suppliers of Production Goods with valid ISO 14001 certificate	73%	93%	97%	>90%	>90%
% suppliers of Services with valid ISO 14001 certificate	100%*	100%*	100%*	100%	95%
* Includes only suppliers with Long Term Agreement					

