Investor Relations Release
May 29, 2019

Daimler Trucks establishes global organization for highly automated driving

- Daimler Trucks brings together global expertise and activities for trucks with automated driving in the Autonomous Technology Group, effective June 1, 2019
- Dr. Peter Vaughan Schmidt to head the Autonomous Technology Group
- New unit to implement Daimler Trucks’ effort to put highly automated trucks (SAE level 4) onto the roads within a decade, investing more than EUR 500 million (around USD 570 million)
- Martin Daum, Member of the Board of Management of Daimler AG responsible for Trucks & Buses: “We are the pioneer for automated trucks. With the formation of our global Autonomous Technology Group, we are taking the next step, underscoring the importance of highly automated driving for Daimler Trucks, the industry and society as well.”

Blacksburg / Portland / Stuttgart – Daimler Trucks is establishing the Autonomous Technology Group as a global organization for automated driving, bringing together its worldwide expertise and activities, as of June 1. The main tasks of the new unit comprise overall strategy and implementation of the automated driving roadmap, including research and development as well as setting up the required operations infrastructure and network, heading towards the series production of highly automated trucks (SAE level 4).

The newly established Autonomous Technology Group is part of Daimler Trucks’ global effort to put highly automated trucks onto the roads within a decade. To achieve this, Daimler Trucks announced an investment of more than EUR 500 million (more than USD 570 million) at the 2019 Consumer Electronics Show (CES) in Las Vegas. In commercial trucking, level 4 is the logical next step after level 2 to increase safety as well as efficiency and productivity.
Maximizing the effectiveness of automated driving efforts

Martin Daum, Member of the Board of Management of Daimler AG responsible for Trucks & Buses stated: “We are the pioneer for automated trucks. With the formation of our global Autonomous Technology Group, we are taking the next step, underscoring the importance of highly automated driving for Daimler Trucks, the industry and society as well. With the new unit, we will maximize the effectiveness of our automated driving efforts and the impact of our investments in this key strategic technology. We will therefore be in the perfect position to put highly automated driving onto the roads, making transportation safer, saving lives and helping trucking companies boost their productivity.”

New dedicated executive position – U.S.A. first market for highly automated driving

Effective June 1, Dr. Peter Vaughan Schmidt, who is currently Head of Strategy Daimler Trucks, will lead this new, global and cross-divisional organization. In this position, he will continue to report directly to Martin Daum. Schmidt has 15 years of experience in the industry and in his previous position, he has been responsible for the development of Daimler Trucks’ strategy on automated vehicles. Peter Vaughan Schmidt: “With the Autonomous Technology Group, we are bringing together our global experts and their vast knowledge in automated trucking. In the first stage, we will focus on use cases of highly automated driving in defined areas and between defined hubs in the U.S.A. In doing so, we will work closely together with customers whose business matches this automated driving application. We will not only develop the respective technology but also set up the required operations infrastructure and network.”

Roger Nielsen, CEO of Daimler Trucks North America LLC (DTNA), which includes the market-leading Freightliner brand: “We at DTNA are excited to have our automated driving efforts backed by the Autonomous Technology Group. This new global organization will enable us to even stronger evolve the technology for highly automated driving and vehicle integration for heavy-duty trucks at our Automated Truck Research & Development Center in Portland. We’re fully committed to demonstrating the enormous advantages of highly automated driving first here in the U.S.A.”

Main activities of the new unit: software development, chassis redundancy, sensor kit integration and operations infrastructure

Software development for highly automated driving will be one of the key activities of the Autonomous Technology Group. Another one will be the so-called vehicle project: On the one hand, the vehicle project will be
responsible for the redundancy in the chassis enabling the vehicle’s systems to take over roles of a professional driver while on the road, providing the highest safety. On the other hand, the vehicle project will take care of the automated driving sensor kit integration (camera, lidar, radar), which – together with a very accurate map – is responsible for ensuring that the highly automated truck finds its own way on the road. The operations infrastructure and network to be set up by the Autonomous Technology Group – another key activity – will consist of one main vehicle control center as well as additional stations at logistics hubs.

**New unit with global reach to include Torc Robotics**

The Autonomous Technology Group has a global reach with experts working in various locations throughout the company’s worldwide development network, i.e. in Portland and Blacksburg (U.S.A.) and Stuttgart (Germany). More locations will follow as the test fleet is built up and deployed. The Blacksburg-based company Torc Robotics will be part of the newly established Autonomous Technology Group, pending the authorities’ approval of the acquisition recently announced by Daimler Trucks. Both companies complement each other perfectly, with Torc’s expertise in agile software development and Daimler Trucks’ experience in delivering reliable and safe truck hardware. Torc Robotics will remain a separate entity and retain its name, team, existing customers and facilities in Blacksburg. In addition, the founders of Torc Robotics will continue to be part of the company’s management team.

**Synergies across Daimler including passenger cars**

Daimler Trucks will continue to work very closely on automated vehicle technology across Daimler, including joint activities with passenger cars, for leveraging synergies. At the same time, truck specifications require own development activities due to the entirely different nature of the system (one-box vs. articulated) and focus on highway goods transportation vs. inner-city passenger transportation.

**Daimler Trucks, the pioneer of automated trucks**

Daimler Trucks is the pioneer of truck automation. In 2014, the world’s leading truck manufacturer presented the Mercedes-Benz Future Truck 2025, the world’s first automated truck, and was the first to demonstrate the technological opportunities and great potential that automated trucks offer the economy and society. In 2015, Daimler’s Freightliner Inspiration Truck obtained the first-ever road license for a partially automated commercial vehicle, and in the same year, the world premiere of the Mercedes-Benz Actros with Highway Pilot took place on public roads.
Level 2 automated driving is already a reality at Daimler Trucks

With Active Drive Assist (Mercedes-Benz Actros, FUSO Super Great) and Detroit Assurance 5.0 with Active Lane Assist (Freightliner Cascadia), Daimler Trucks is the first manufacturer to put partially automated driving features (SAE level 2) into series production. The new system can independently brake, accelerate and steer. Unlike systems that only work above a certain speed, Active Drive Assist / Detroit Assurance 5.0 make partially automated driving possible for the driver in all speed ranges, also another first in a series-production truck. This revolutionary active lateral and longitudinal assistance package features a new state-of-the-art radar and camera fusion system.

This document contains forward-looking statements that reflect our current views about future events. The words "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, 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 and tariff regulations; a shift in consumer preferences towards smaller, lower-margin vehicles; a possible lack of acceptance of our products or services which limits our ability to achieve prices and adequately utilize 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 we describe 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.

If you have any questions, please contact our Investor Relations Team:
https://www.daimler.com/investors/services/contacts.html

E-mail: ir.dai@daimler.com
Fax: +49 (0) 711 17 94075

For an overview of major roadshows and conferences please see:
https://www.daimler.com/investors/events/roadshows