

Dear Supplier,

We are soon to leave behind yet another turbulent year with Covid and supply chain challenges. And yet, it has been a yet another year of great collaboration with you, our Suppliers, together solving challenges and keeping our production going.

In this letter I would like to bring to your attention an important development that has taken place during the year 2021. As you know, Scania's purpose is to drive the shift towards a sustainable transport system that is better for business, society and the environment. While we have set Science Based Targets and focused on decreasing our emissions from our own operations and the use phase where majority of our emissions still come from, we have now also switched the gear on decreasing greenhouse gas emissions from our supply chain and are firmly committed to lead in supply chain decarbonisation.

We have during 2021 conducted a life cycle analysis on our supply chain emissions from our European production related supply chain and identified our emission hotspots. Based on this information we have created a 2030 supply chain decarbonisation strategy and targets. Each hotspot – batteries, steel, cast iron, aluminium (and soon also plastic) – have received their own decarbonisation roadmap and targets, which we will be rolling out during the spring.

This is, however, just the beginning of our supply chain decarbonisation journey. Scania has during the year joined the Climate Pledge committing to net zero emissions by 2040. We will continuously increase the scope of our supply chain decarbonisation efforts so that our supply chain decarbonisation strategy finally will cover our complete supply chain. The next step will be to develop similar decarbonisation roadmaps for our regions.

Nothing will change overnight though. What this will mean for you as a supplier delivering components or parts that belong to our hotspot categories to our European production is that you will receive a presentation and more information on the roadmap and targets relevant to you during the spring, and we will together look into how we can align our decarbonisation plans and targets, and work together to drive the shift towards a sustainable transport system. The only way for us to lead in supply chain decarbonisation is through you.

We look very much forward to working together with you to decarbonise our supply chain! But first, let us enjoy the holidays with our near and dear, and stay safe.

Holiday greetings to you and your team,

## John van Rossum

Purchasing | CPO & Head of Powertrain & Chassis | Scania CV AB

Mobile: +46 70 082 7210 SE-151 87 Södertälje, Sweden

john.van.rossum@scania.com

