What drives us

Corporate Responsibility at MAN in 2015
Dear employees and colleagues,

The motto “What drives us” relates to the moving and fast-changing times that we live in. Times in which we ask ourselves important questions about how we tackle the challenges of the future and how we live up to our responsibilities every day. Our CR Strategy 2020+ helps show us the way. Corporate responsibility has been firmly anchored in our corporate processes since 2010. As employees of MAN, you are ambassadors for our CR activities, and you are called on to live this role each and every day.

MAN’s future performance depends on understanding global challenges such as climate change, and meeting them with flexibility and a spirit of innovation. Together, we can move mountains — as we have shown with our successful climate protection activities that target a 25% reduction in CO₂ emissions at MAN production sites by 2020.

“What drives us” also stands for our community initiatives, which are helping people build a brighter future. In 2015, many MAN employees took part in privately organized or MAN-sponsored initiatives to aid refugees, donating clothing or other useful items, participating in activities with asylum seekers, or contributing in many other ways toward their successful integration.

Our employees’ deep sense of responsibility and outstanding performance are essential to the lasting success of our company. This Journal is dedicated to you. It shows what we have achieved together so far and challenges us to press on along our chosen course — a course which empowers us to make a genuine contribution to sustainable development.

We look forward to hearing your ideas or answering your questions, either face-to-face or at corporateresponsibility@man.eu.

Munich, July 2016

Josef Schelchshorn
Chief Human Resources Officer and Executive Board member responsible for employee relations MAN SE and MAN Truck & Bus AG

Saki Stimoniaris
Chairman of the Group Works Council
Our CR Strategy 2020+: mastering global challenges

Our future performance depends on understanding global challenges and recognizing the risks and opportunities with regard not only to sustainable development, but also to our commercial success.

MAN’s CR Strategy 2020+
Our Corporate Responsibility (CR) Strategy 2020+ is MAN’s response to the global challenges which have material significance for the Company. This is how we live up to our responsibility — along the entire value chain.

Our materiality analysis led to the identification of six key challenges. Based on these challenges, we defined four CR cornerstones which are each associated with four fields of action.

Materiality analysis
A materiality analysis is used to identify the issues that are particularly important for a company to achieve corporate sustainability. The analysis not only examines the objectives and priorities which a company sets itself, but also asks stakeholders about their expectations.

In 2014 MAN conducted a multi-stage materiality analysis.

1 At MAN, these are defined by the MAN CR Steering Committee.
2 At MAN, this is done by means of an international online survey mainly involving employees, customers, and business partners.
"At MAN, we assign top priority to responsible and ethical business practices in compliance with legal provisions. This applies equally for all employees, at all times, at all locations."

Joachim Drees,
Chief Executive Officer, MAN SE

The MAN Code of Conduct provides clear and binding guidelines in situations where employees have to pay careful attention to responsible practices. There are special compliance guidelines for certain issues such as combating corruption, antitrust law, and preventing money-laundering.

Employees can turn to the compliance Helpdesk with any questions:
- Helpdesk: compliance.helpdesk@man.eu
- Telephone: +49 89 36098-555

We have created clear and transparent processes to make sure that compliance violations never just slip through the cracks. Employees and corporate customers can use Speak up!, our online whistleblower portal, to report any serious violations.
- Confidential and (if desired) anonymous
- Available in eleven languages
- Contactable around the clock

Compliance violations are not tolerated at MAN. If we discover a violation, an internal committee will decide on appropriate sanctions. And in the event of an official investigation or enquiry, MAN works closely with the responsible authorities.

Our goal is to be a good corporate citizen and promote sustainable development. To achieve this, we build on our responsible corporate governance and our community initiatives in line with local and regional needs.

The MAN Compliance Program

To live up to our social responsibility, at MAN we have developed a Group-wide ethics and compliance program which...

- ...prevents compliance violations,
- ...identifies potential compliance violations as quickly as possible, and
- ...immediately and effectively shuts down non-compliant behavior as soon as it is discovered.

Creating awareness

Identifying violations

Reacting appropriately
CORPORATE CITIZENSHIP AT MAN: OUR PARTNER SOS CHILDREN’S VILLAGES

In partnership with SOS Children’s Villages, we have been working to offer educational opportunities for children and young people for many years now.

We provide annual support totaling €150,000 to SOS Children’s Villages facilities in Germany and around the globe.

And our employees can volunteer at SOS Children’s Villages during working hours. Their personal dedication helps facilities that need extra pairs of helping hands.

Additional donations
In addition to helping SOS Children’s Villages we made cash and non-cash donations to educational, social, cultural, and scientific initiatives in the amount of approximately €838,000 in 2015.

Many of our employees are actively involved in providing assistance to refugees, either privately organized or working through a charity. A bicycle workshop for asylum seekers, donations of clothing and other useful items, and shared activities with refugees are only a few examples of the many ways our employees are helping the new arrivals feel at home in their host country.

REFUGEE ASSISTANCE THAT MOVES THE WORLD

We’ve joined hands with our employees, SOS Children’s Villages, and other aid organizations to help create a brighter future for people who have fled their homeland – offering both emergency relief and long-term programs for education and much more.

In 2015, the Executive Board and the Group Works Council joined forces with MAN and its employees to raise €200,000 in donations for use in a variety of refugee assistance projects.

In partnership with SOS Children’s Villages, we have been working to offer educational opportunities for children and young people for many years now.

Employees can find out more about where and when volunteers are needed in their area on our information platform, www.man-hilft.de.

We help make it easier for refugees to enter the workforce by creating educational and training opportunities for them. For example, two young refugees are participating in a one-year initial qualification program at our Augsburg vocational training center.

MANN aid for refugees – Fields of action

- Donations
- Mobility assistance
- Strong partnership
- Employee volunteering
- Training

You’ll find more detailed information on all fields of action in the 2015 MAN CR Online Journal

€100,000 for international and regional aid
€25,000 for United Nations refugee programs
€60,000 for regional aid projects at MAN sites
€15,000 for free tickets allowing refugees to use public transportation in Munich

€200,000 for long-term education initiatives
€25,000 for free tickets allowing refugees to use public transportation in Munich

€100,000 for long-term education initiatives
€200,000 donations
€150,000 for SOS Children’s Villages
€25,000 for United Nations refugee programs
€60,000 for regional aid projects at MAN sites
€15,000 for free tickets allowing refugees to use public transportation in Munich

A joint pilot project by MAN, the Chamber of Commerce and Industry, and the Federal Labor office

Donations
Mobility assistance
Strong partnership
Employee volunteering
Training

You’ll find more detailed information on all fields of action in the 2015 MAN CR Online Journal
New Horizon at MAN Latin America

Our “New Horizon” program aims to help young people with disabilities enter the workforce and offer them a secure professional future. It includes college scholarships as well as special professional training classes. Before the participants join their new teams, we make sure their future colleagues are ready for them — for instance, they might receive training in sign language.

We Believe in Diversity and Equal Opportunity

We know that it takes all kinds of people to make MAN a success, and we remain firmly committed to diversity in the workforce. We respect and value our employees regardless of age, religion, ethnicity, and sexual orientation.

We have launched a number of programs to promote diversity and equal opportunity, including measures that help women gain a foothold on the career ladder and enable our employees to balance work and family.

- Working from home
- Professional development for employees on parental leave
- Flexible working hours
- Vacation programs for employees’ children
- Daycare options
- FlexWork
- Part-time management positions
- Sabbaticals

Girls for Engineering” Camp
WOMAN’s Career Day
STEM 4 you
Girls’ Day
Mentoring programs

Fostering the careers of people with disabilities

30 employees with disabilities are taking part in “New Horizon”

8.5% Women in management positions
86.1% men
17.4% women
21.2% <30
30.1% 31-40
23.1% 51-60
3.0% >61
19.4% 41-50
28.3% as of December 31, 2015
Munich, March 4, 2016

Award for workplace safety at MAN

Employees at MAN Truck & Bus AG are awarded the Wood- and Metalworking Employers’ Liability Insurance Association (BGHM) prize for safety.

OCCUPATIONAL HEALTH & SAFETY

Keeping our employees productive and strong means going the extra mile for occupational health and safety. Our health promotion activities help our employees stay healthy and physically fit.

MAN Checkup
One way we help our employees maintain their health and fitness is the MAN Checkup — which looks at their current state of health and uncovers potential health risks. Employees can choose whether or not to take advantage of the free checkup, which counts as part of their work time.

To further reduce the number of workplace accidents, we hold workshops to educate our employees in behavior-based safety.

Munich, March 4, 2016

Award for workplace safety at MAN
Employees at MAN Truck & Bus AG are awarded the Wood- and Metalworking Employers’ Liability Insurance Association (BGHM) prize for safety.

10% fewer workplace accidents compared to the previous year
2 million working hours without any accident-related missed workdays at our site in Resende, Brazil as of 2015

What drives us

People
**Our production operations: cutting emissions and conserving resources**

**MAN’s Climate Strategy**

Aiming to reduce the negative environmental impacts of our operations, in 2011 we drew up a Group-wide climate strategy. We set ourselves the target of reducing CO₂ emissions at our production sites by 25% by 2020, compared to a 2008 baseline.

Environmental indicators for our production operations:

- **CO₂ emissions**:
  - 2008: 544,600 t
  - 2015: 438,600 t
  - 2020: 407,900 t

- **Energy consumption**:
  - 1.4 million MWh

- **Water consumption**:
  - 8.03 million m³

- **Wastewater**:
  - 1.1 million m³

- **Waste**:
  - 112,759 tonnes, recycling ratio 91%

- **Atmospheric pollutants**:
  - Sulfur dioxide, nitrogen oxides, particulates, volatile organic compounds: 1,155 tonnes

As of 2015, with percentage change vs. 2014:

- CO₂ emissions: -19.5%
- Energy consumption: +1.6%
- Water consumption: -9.0%
- Wastewater: -6.3%

MAN’s Climate Strategy was implemented in 2011 to address the negative environmental impacts of production operations. By setting a target to reduce CO₂ emissions at production sites by 25% by 2020, compared to a 2008 baseline, the company has taken a proactive approach to environmental sustainability. This commitment reflects a broader strategy aimed at reducing the carbon footprint and protecting the environment through responsible resource use. The image highlights key indicators of production operations, including CO₂ emissions, energy consumption, and waste management, showcasing progress and areas for improvement.
Our carbon-neutral plant in Pinetown, South Africa, represents a major step in the implementation of MAN’s Climate Strategy.

3,900 square meters of solar collectors on a roof area of 6,300 square meters

around 300 days of sunshine

- stand-alone source of renewable power for the plant
- surplus power fed to the local electricity grid
- reduction in CO₂ emissions of 860 tonnes per year

The Pinetown plant also captures rainwater to supply its vehicle wash bay — and the wastewater is recycled after use.

Large-bore engine testing at the Frederikshavn site is a highly energy-intensive activity. An energy recycling system allows the waste thermal energy generated during testing to be recovered and fed into the district heating network, which supplies heat to homes in the town of Frederikshavn.

This system reduces energy wastage and CO₂ emissions, while the closed-loop water cooling system also cuts our water consumption.

Diagrammatic view
Our products: integrated efficiency

To help meet our aim of developing transportation and energy solutions that are efficient throughout their life cycle, we calculate Product Carbon Footprints for almost all MAN Truck & Bus product groups and selected MAN Diesel & Turbo product groups.

Product Carbon Footprint

The Product Carbon Footprint (PCF) is a measure of the total CO2 and other substantial greenhouse gas emissions associated with all stages in the product life cycle — extending from raw materials extraction to production, use, and end-of-life recycling and waste processing.

Carbon footprints can be calculated not just for products but also for services, companies, and human beings. Individuals can also calculate their own personal carbon footprint — numerous CO2 calculators can be found online, for example on the WWF website.

OUR PRODUCT CARBON FOOTPRINT

In line with standard automotive industry practice, the MAN Truck & Bus PCF is based on the following life cycle stages: production, use phase, and end-of-life phase.

Use phase
incl. maintenance

Production
incl. upstream production, vehicle assembly, and transportation

End of life
incl. recycling

Research and development focus

OBJECTIVE

To continuously improve the efficiency of our products

- Reducing fuel consumption and emissions
- Alternative drives
- Alternative fuels

more than 90% of our products’ CO2 emissions are generated during the use phase
Reducing fuel consumption and emissions

TGX EfficientLine 2 from MAN Truck & Bus
- Low-rpm, fuel-efficient operation
- Energy-saving daytime running lights
- Energy tires reduce rolling resistance
- Idle Shut Down: the engine automatically shuts down after 4 minutes’ idling
- Up to 6% more fuel-efficient than the previous model

Named “2015 Truck of the Year” in Spain

Alternative drives

MAN Lion’s City Hybrid Bus from MAN Truck & Bus
- Braking energy stored in ultra-capacitors under the roof allows the bus to operate in all-electric mode
- Low-emission diesel engine is assisted by two electric drive motors
- Fuel consumption reduced by up to 30%; CO₂ emissions cut by up to 26 tonnes per year
- Reduced noise and exhaust emissions

MGT6000 from MAN Diesel & Turbo
- Optimized for resource-efficient combined heat and power generation and for operation as a highly efficient mechanical drive system
- Makes optimal, efficient use of the (natural gas) fuel energy
- Achieves overall efficiencies of well over 80%
- Low pollutant emissions

TURNING OLD PARTS INTO NEW: MAN GENUINE PARTS ECOLINE

The MAN Genuine Parts ecoline program is one of the ways we are working to reduce our Product Carbon Footprint at MAN Truck & Bus.

At Nuremberg, Salzgitter, and other sites, used MAN Genuine Parts are remanufactured to strict quality standards in an eco-friendly solution which also cuts costs.

The remanufacturing process

The remanufactured parts come with the same warranty as a new part, but with an almost 40% lower price tag. Compared with a brand new part, remanufactured parts consume fewer resources and less energy, while also reducing CO₂ emissions.

Alternative fuels

Winner of the 2016 European Transport Award for Sustainability
1. One of the global challenges which MAN has identified as material for the Company.
2. Program at MAN Latin America which fosters the careers of people with disabilities.
4. Our strategic partner for community initiatives.
5. One field of action in MAN's aid program for refugees.
6. One area in which research & development is looking at alternatives.
7. A program aimed at keeping our employees healthy and fit.
8. A key factor in MAN's success, related to our workforce.
9. Calculated by MAN in our efforts to develop integrated, efficient transportation and energy solutions.
10. One of the sites where MAN Genuine Parts ecoline are produced.
11. Life cycle stage in which the largest share of our products' lifetime CO₂ emissions are generated.
12. One of the programs we offer young talents.
13. Location of our first carbon-neutral plant.
14. A program which helps employees balance work and family.
15. Our compliance whistleblower portal.
16. What we are aiming to reduce by 25% at all sites by 2020.
17. Number of working hours — in millions — without any missed workdays due to accidents at our site in Resende, Brazil.
18. One problem the energy recovery system at the Frederikshavn site is aiming to solve.
Corporate Responsibility at MAN in 2015 online
www.cr-report2015.man