January 12, 2024

Martin Daum Chairman, Daimler Truck AG Fasanenweg 10 70771 Leinfelden-echterdingen Germany <u>Martin.daum@daimler.com</u>

Dear Mr. Daum,

We are writing with deep concern regarding recent actions taken by Daimler North America to delay the U.S. Environmental Protection Agency's Heavy-Duty Greenhouse Gas – Phase 3 standards.

As our nations met in Dubai last month for COP28, 2023 was the hottest year in recorded history. Now more than ever there is an international imperative for leadership from companies like Daimler who have the ability to be part of the climate solution. Right now, the U.S. Environmental Protection Agency is considering vital clean air standards that will substantially reduce climate and health harming pollution from new heavy-duty trucks and buses and help to support the development of clean, zero-emitting vehicles.

When finalized, EPA's standards are projected to save Americans an estimated \$320 billion in climate, health, and fuel costs while avoiding approximately 1.8 billion metric tons of greenhouse gas emissions from 2027 through 2055. Global markets are moving forward in tandem as the European Union is poised to finalize strengthened CO2 emission standards for new heavy-duty vehicles.

However, Daimler has sought to delay and weaken these vital EPA safeguards, both through its own comments to EPA, which state that "[a]ny new Phase 3 GHG standards should not take effect until Model Year (MY) 2030 at the earliest,"¹ and those of the Engine Manufacturers Association, to which Daimler belongs.² Urging a multiple year delay in EPA standards is simply inconsistent with the zero-emitting solutions that are available and rapidly growing in the marketplace with the help of historic investments in the Inflation Reduction Act.

These positions are all the more concerning given Daimler's often-stated commitments to rapidly develop and deploy clean, zero-emitting solutions and to take action to reduce climate pollution. For instance, Daimler has committed to making all trucks in the U.S., Europe, and Japan zero-

¹ Daimler Trucks North America, comments to EPA, page 2. <u>https://www.regulations.gov/comment/EPA-HQ-OAR-2022-0985-1555</u>

² "EPA's Phase 3 NPRM has missed the mark by a wide margin. The net result is an NPRM that is fundamentally flawed and unworkable." Truck and Engine Manufacturers Association, comments to EPA, page 5. <u>https://www.regulations.gov/comment/EPA-HQ-OAR-2022-0985-2668</u>

emission by 2039. And in its most recent presentation to investors, Daimler noted that its nearterm ZEV orders had increased significantly.³ As Greg Treinen, Vice President, Daimler Truck North America, has underscored, "[w]e're fully committed to building a zero-emission ... future," and Daimler is already producing and delivering electric trucks in the U.S. and installing public charging infrastructure.⁴

As CEO, you have encapsulated these actions and commitments, emphasizing "[t]he greatest responsibility for us as a company is dealing with climate change."⁵ There is an urgent opportunity to demonstrate leadership now by supporting protective EPA pollution standards that rely on the very zero-emitting solutions that Daimler is developing and deploying in real time. Doing so is vital to securing our shared vision of a zero-emission future, will help unlock additional infrastructure investments, and aligns with the solutions-oriented approach other leading manufacturers have taken in this rulemaking.

We urge you to call upon Daimler Trucks North America to stop seeking a weakening and delay of these vital safeguards and provide constructive solutions that are consistent with your corporate commitments and meet this crucial moment to act.

Sincerely,

Alliance of Nurses for Healthy Environments Alpine Initiative Asthma & Allergy Foundation of America – Michigan Chapter Center for Biological Diversity Clean Air Action Group Earthjustice Ecology Center EcoWorks Environmental Action Germany (DUH) Environmental Defense Fund Environmental Law & Policy Center Evergreen Action

³ Daimler, 2023 Q3 Interim Results Call Presentation, Nov. 7, 2023. <u>https://www.daimlertruck.com/fileadmin/user_upload/documents/investors/reports/interim-reports/q3/daimler-truck-ir-capitalmarketpresentation-q3-2023.pdf</u>

⁴ Connor D. Wolff, "Trucking Stakeholders Tackle EV Challenges," Transport Trucking News (October 15, 2023). <u>https://www.ttnews.com/articles/trucking-ev-challenges</u> See also Daimler website quote: "At Daimler Truck North America, we are poised to transform the movement of freight and people by leading the charge to electric commercial vehicles while delivering the world's best customer experience for fleets and drivers alike." <u>https://northamerica.daimlertruck.com/emobility/</u>

⁵ Daimler Truck Business News, "Daimler Truck publishes Sustainability Report 2021: Clear focus on holistic understanding of sustainability with commitment to CO2-neutrality by 2039," (Aug. 6, 2022). https://www.daimlertruck.com/en/newsroom/pressrelease/daimler-truck-publishes-sustainability-report-2021-clear-focus-on-holistic-understanding-of-sustainability-with-commitment-to-co2-neutrality-by-2039-51958312

Focus Association for Sustainable Development Green Transition Denmark Hubbard Farms Historic District Hubbard Richard Resident Association Interfaith Power & Light League of Conservation Voters Livernois 2 Clark Block Club MI Air MI Health Michigan Environmental Council Natural Resources Defense Council Nature and Biodiversity Conservation Union (NABU) Polish Ecological Club Mazovian Branch Public Citizen Respiratory Health Association Sierra Club Southwest Detroit Environmental Vision The Sunrise Project Union of Concerned Scientists

Cc:

John O'Leary, President and CEO, Daimler Trucks North America Sean Waters, Vice President of Product Compliance and Regulatory Affairs, Daimler Trucks North America