DECARBONISING ROAD TRANSPORT

MASTERING THE CHALLENGE TOGETHER

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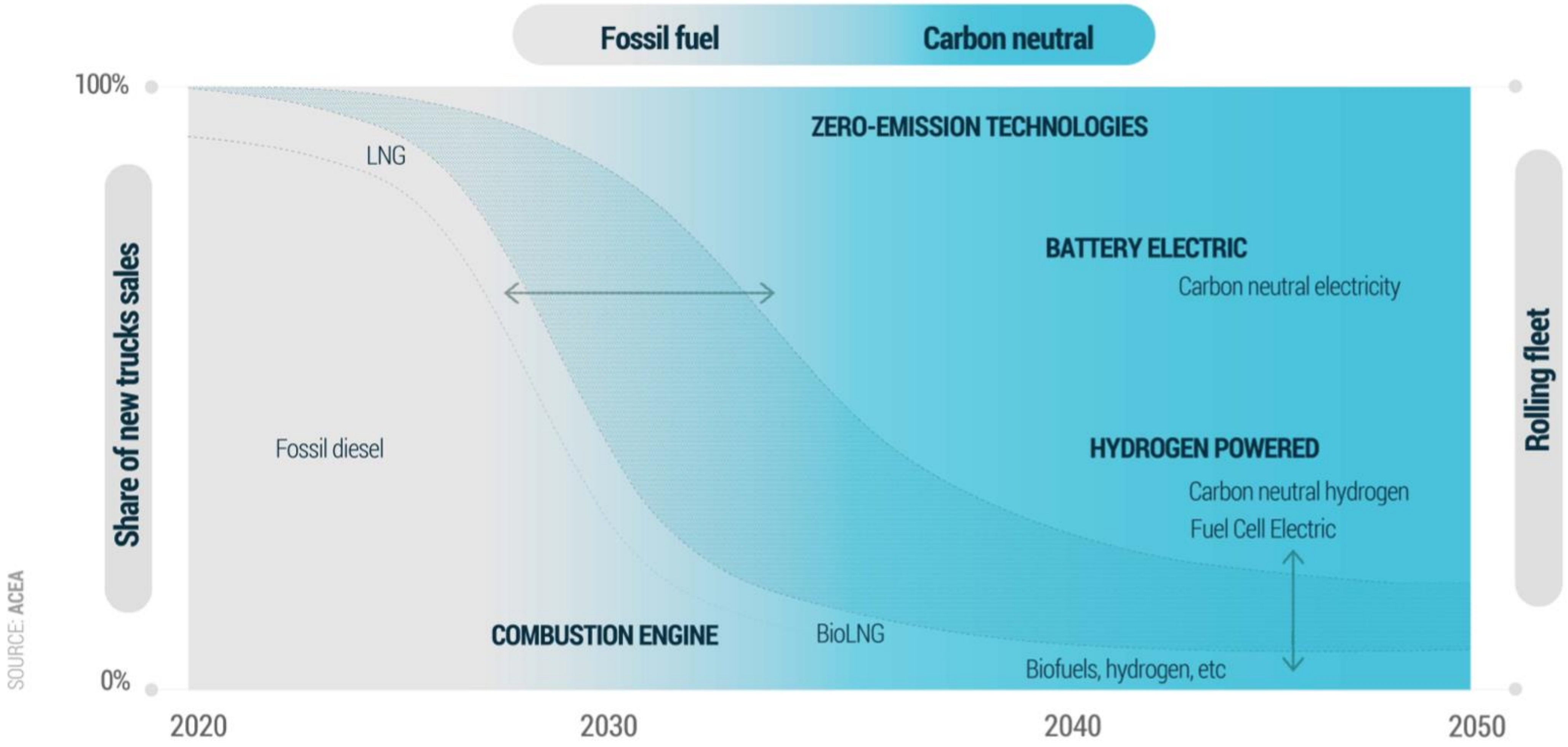
WHO WE REPRESENT

BMW GROUP MINI	DAF	DAIMLER TRUCK		Ford
HONDA The Power of Dreams	HYUNDAI	IVECO • GROUP	JLR	
NISSAN	Renault Group	TOYOTA	VOLKSWAGEN GROUP	VOLVO

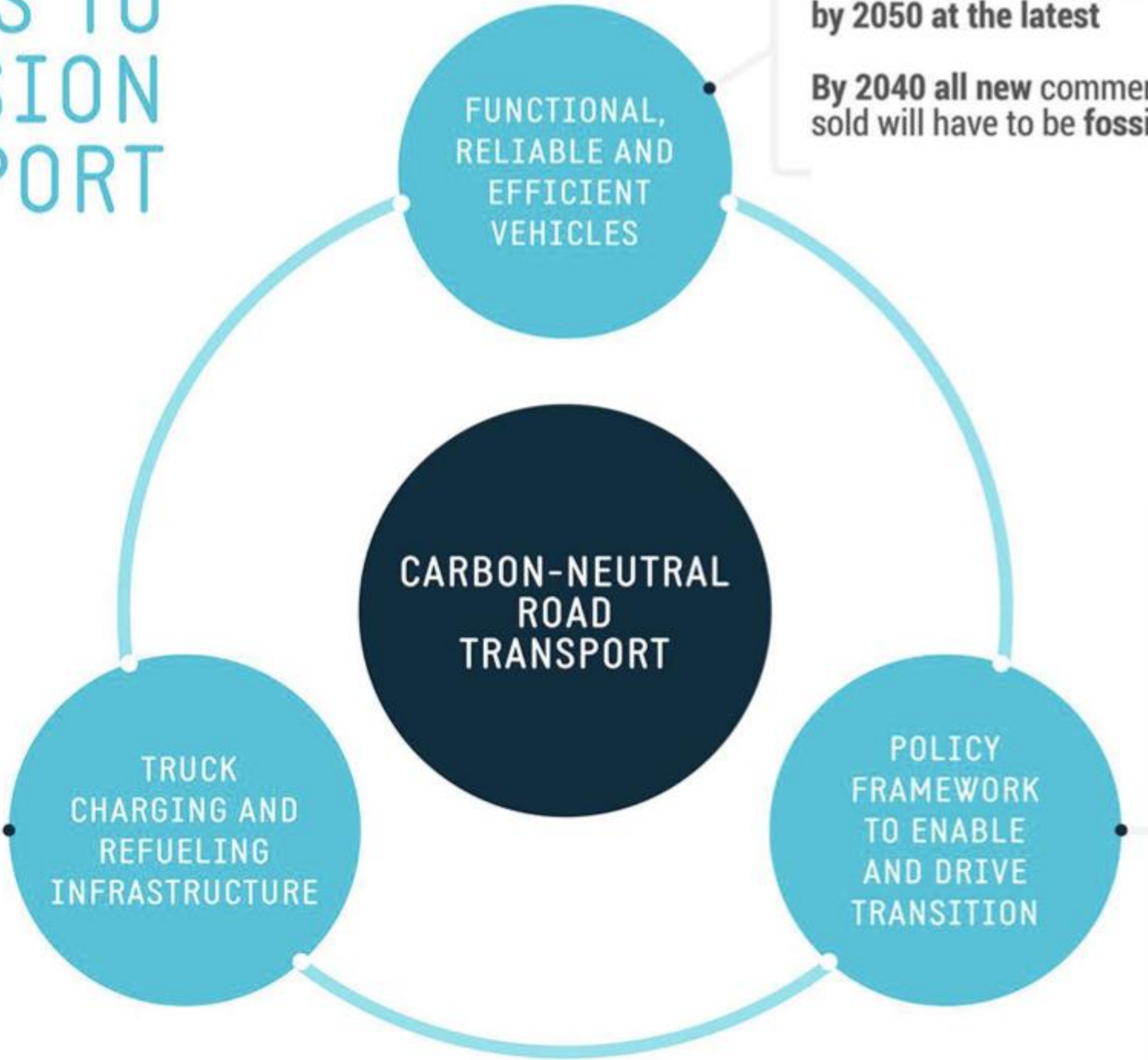
DECARBONISING HEAVY-DUTY ROAD TRANSPORT

HDV DECARBONISATION PATHWAYS

FOSSIL-FREE BY 2040



THREE KEYS TO ZERO-EMISSION ROAD TRANSPORT



Commitment to **climate-neutrality by 2050 at the latest**

By 2040 all new commercial vehicles sold will have to be **fossil-free**

Clean electricity, hydrogen and low-/zero-carbon fuels are crucial for the transition

Vehicle deployment will only be successful if **infrastructure** is rolled out rapidly

Commitment of **all stakeholders/ policy makers must match ambition** level set for vehicle industry

Manufacturers ready to support roll-out by collaborating with public and private stakeholders

Zero-emission vehicles will have to become **best option and preferred choice of transport operators**

Enabling **policy framework** is indispensable **to shift key cost factors**

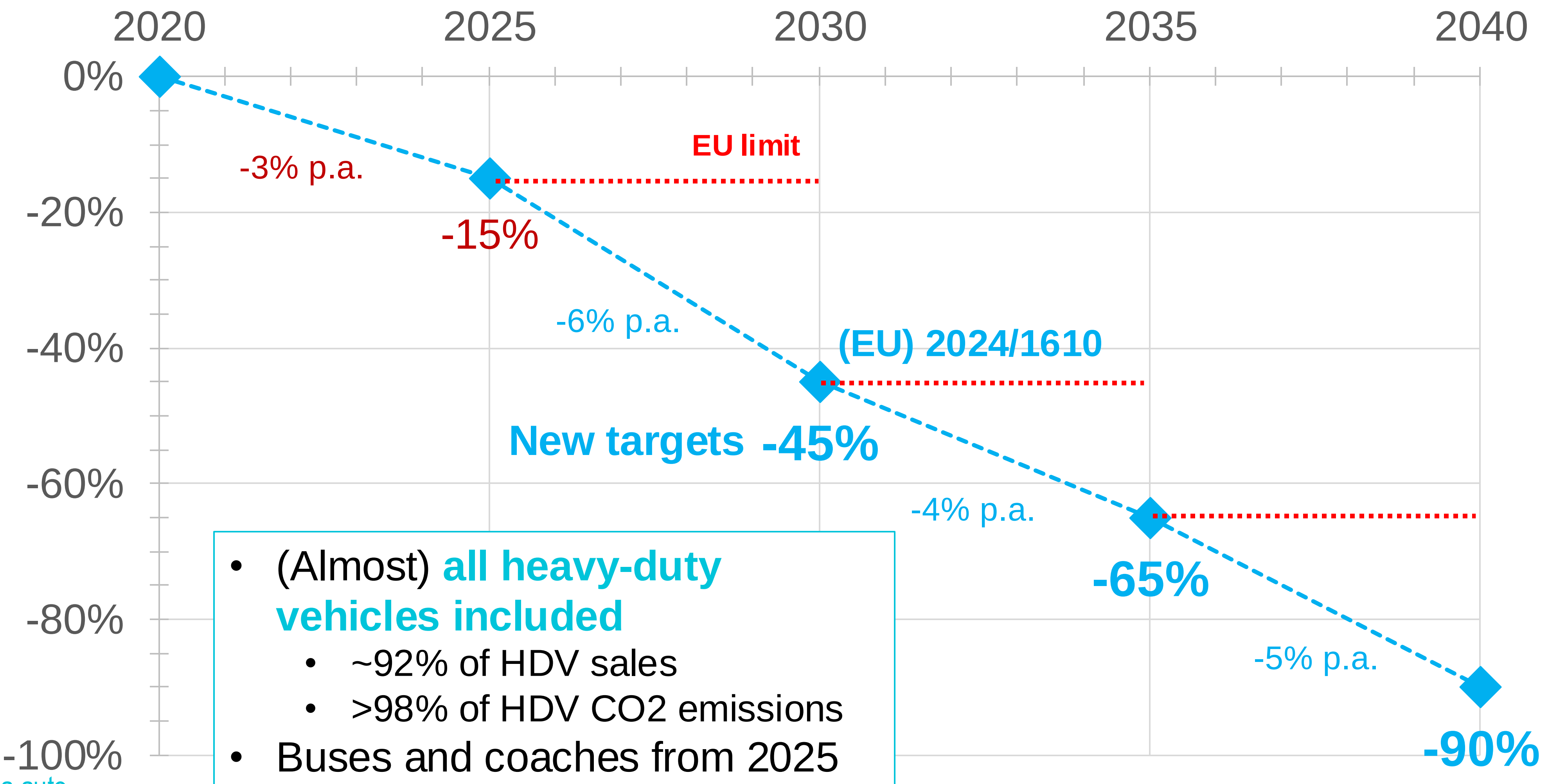
In line with science, an **ambitious carbon price**, which gradually increases to significantly higher levels than today is crucial to drive the deployment of zero-emission technologies

Decarbonisation requires **clear focus** and **all resources to be devoted exclusively** to reaching target as soon as possible

THE REGULATORY FRAMEWORK

CO2 REDUCTION TARGETS

MOST COMPREHENSIVE AND AMBITIOUS TARGETS GLOBALLY



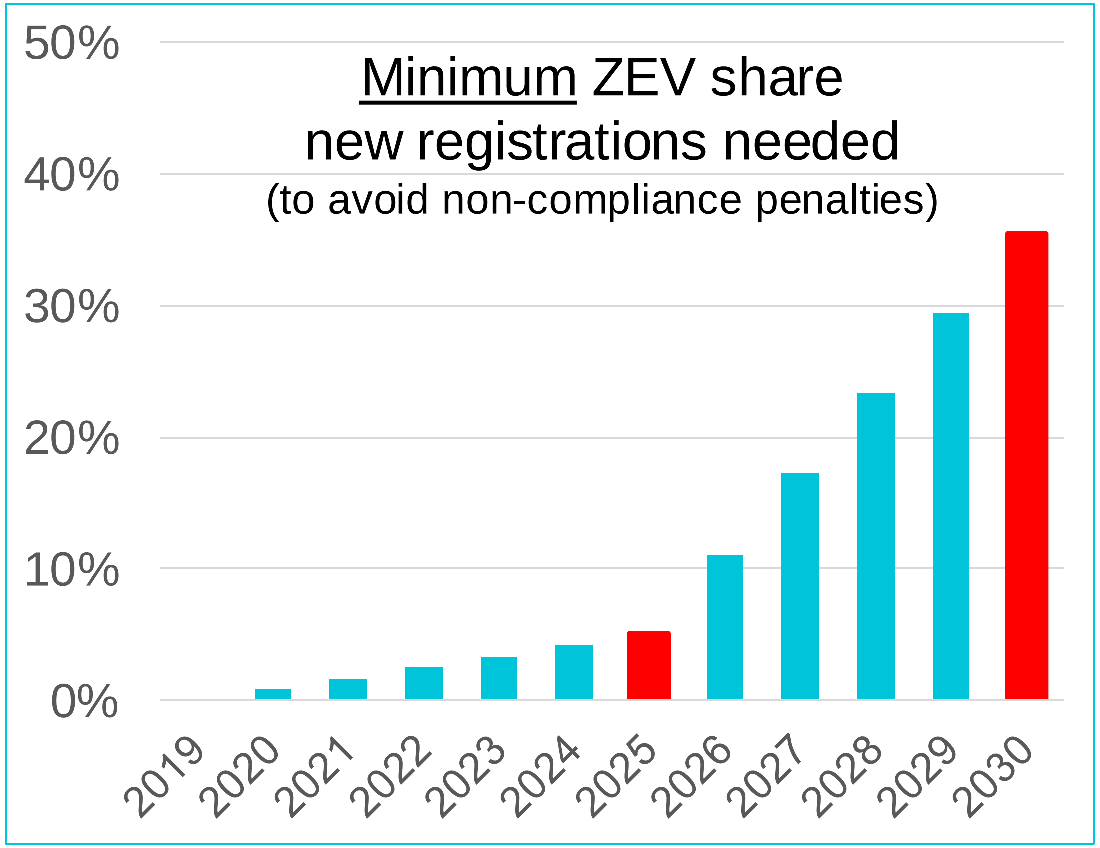
- (Almost) **all heavy-duty vehicles included**
  - ~92% of HDV sales
  - >98% of HDV CO2 emissions
- Buses and coaches from 2025

CO2 TARGETS - ZEV TRAJECTORY

2030 target requires rapid ZEV uptake

- **~400,000 ZEV** in operation by 2030
  - Total fleet ~6.2 mln (HDV >3.5t)

- **~100,000 ZEV** registered annually
  - → **>1/3 of annual registrations**



High non-compliance fines

- 4.250 EUR per g CO_2/ tkm x number of registered vehicles

ZEV MARKET EVOLUTION

TRUCKS >3.5T

New registrations

	H1 2024	2023	2022
BEV	1,792	5,275	2,335
FCEV	11	78	38
ZEVs total	1,803	5,353	2,373
% share	**1.0%**	**1.5%**	**0.8%**
Total fleet	183,295	346,986	298,407

Rolling fleet (>3.5t)

	2022
BEV	5,115
FCEV	33
ZEVs total	5,148
% share	**0.1%**
Total fleet	5,979,193

ZEV MARKET EVOLUTION

TRUCKS >16T

New registrations

	H1 2024	2023	2022
BEV	1,681	2,483	1,487
FCEV	8	53	36
ZEVs total	1,689	2,536	1,523
% share	**1.1%**	**0.9%**	**0.6%**
Total fleet	151,358	293,784	255,765

Rolling fleet (>3.5t)

	2022
BEV	5,115
FCEV	33
ZEVs total	5,148
% share	**0.1%**
Total fleet	5,979,193

KEY CHALLENGES

CO2 TARGETS AND (PUBLIC) INFRASTRUCTURE

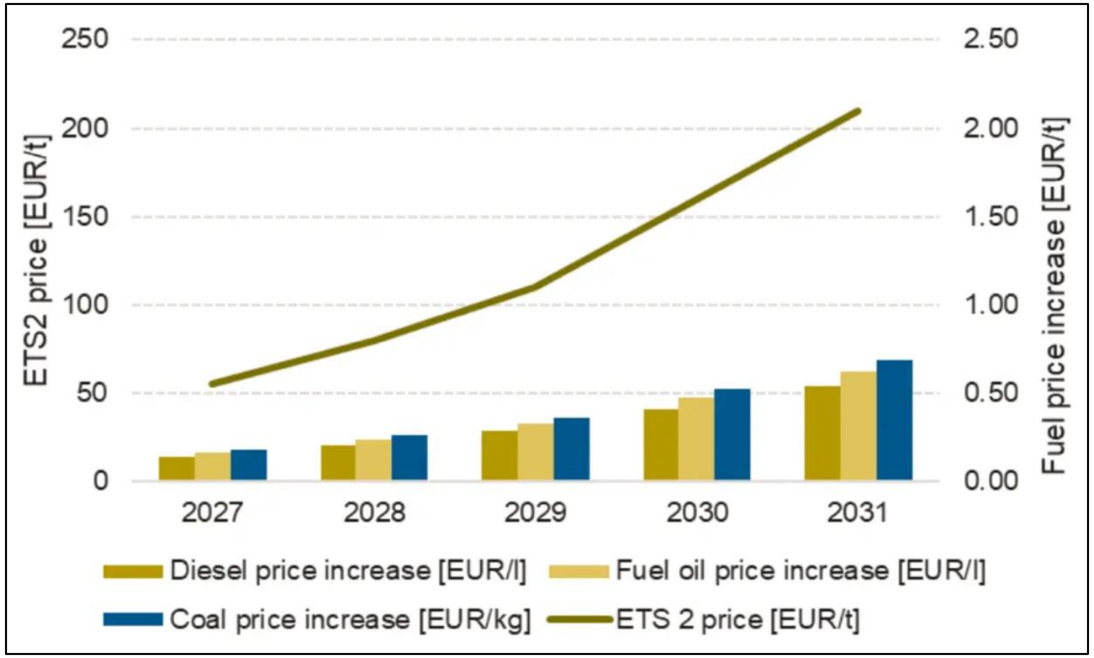
TRUCK-SUITABLE CHARGING/ REFILLING INFRASTRUCTURE

CO2 target 2030			-45%
Zero-emission vehicles needed on EU roads (minimum)			~400,000
	Battery-electric vehicles		~330,000
	Hydrogen-powered vehicles		~70,000
Infrastructure			
	Publicly accessible charging points	Total	at least 50,000
		of which are MCS	~35,000
	Hydrogen refilling stations	6 tons/ day	at least 700
		2 tons/ day	~2,000

COST PARITY

- **Commercial road transport is a B2B market**
  - Driven by total cost of ownership (TCO)
  - Fleet renewal determines the ZEV market uptake

- Policy framework must **support transport operators' transition**
  - Predictable electricity prices for recharging
  - Predictable carbon pricing (e.g. ETS-2)
  - Eurovignette (CO2-based road charging)
  - Fleet renewal incentives (e.g. Social Climate Fund)
  - Transport buyers commitments
  - Public procurement



Source: Veyt, 2024

CONCLUSIONS

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- Decarbonising road transport requires **collaborative, decisive action**
  - Vehicle manufacturers, transport operators, hauliers, shippers, logistics providers
  - Road and charging/ refuelling infrastructure providers and operators
  - Policymakers on local, regional, national and European levels
  - …

- **A coherent and supportive policy framework** is essential to drive the transition

- **Timelines are extremely challenging** – yet the transition will take time
  - “Hard choices” have to be made, including significantly increased infrastructure investments

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