



Fixed Income Presentation Q2 2021

Daimler AG

AGENDA

- I. **DAIMLER AG REVIEW Q2 2021**
- II. DIVISIONAL REVIEW Q2 2021
- III. OUTLOOK 2021
- IV. PROJECT FOCUS
- V. FUNDING
- VI. SUSTAINABILITY

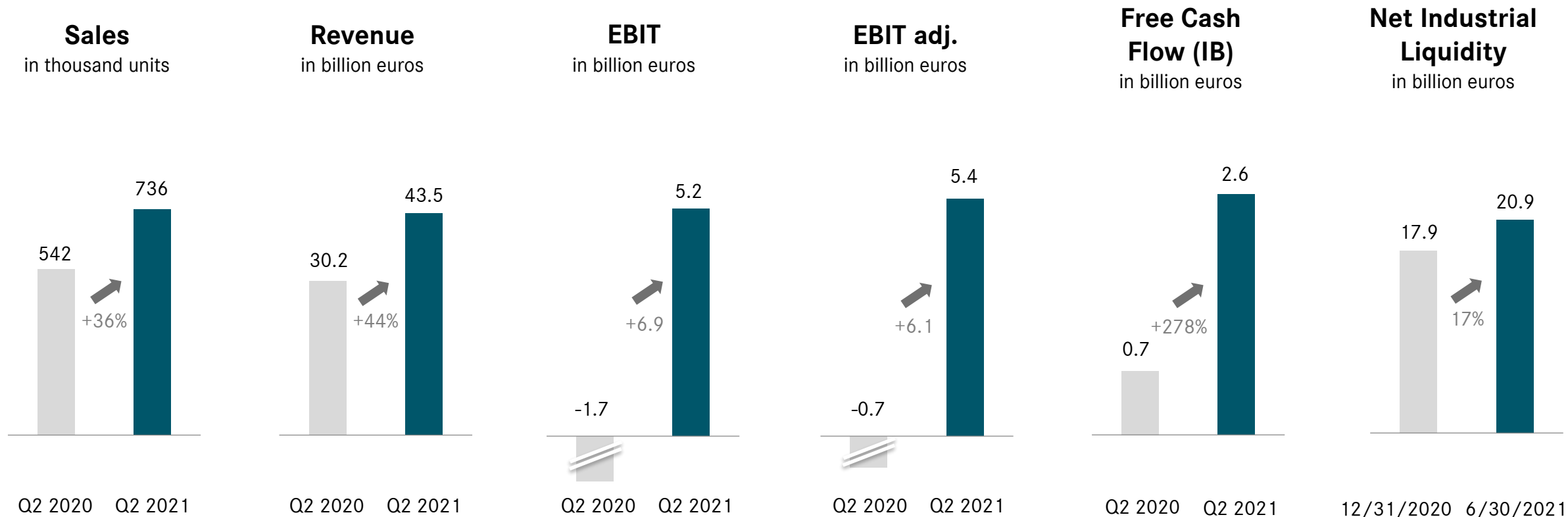


Daimler: Key messages

- ▶ Good earnings momentum in all businesses.
Strong results show improved resilience
- ▶ Comfortable level of Net Industrial Liquidity and Free Cash Flow supporting financial flexibility
- ▶ Continued strategy execution, ramp-up of EV portfolio in all divisions
- ▶ Project Focus: continued preparation of new corporate structure

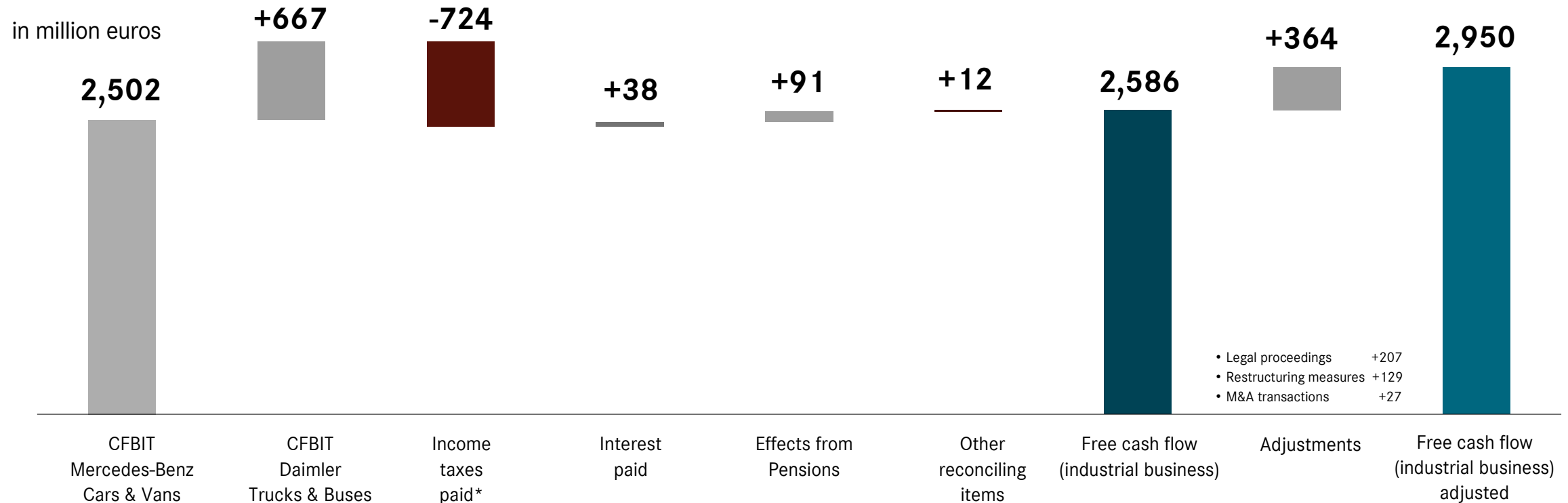


Daimler key figures: Good operating business performance, positive impact from implemented cost measures and strong cash conversion



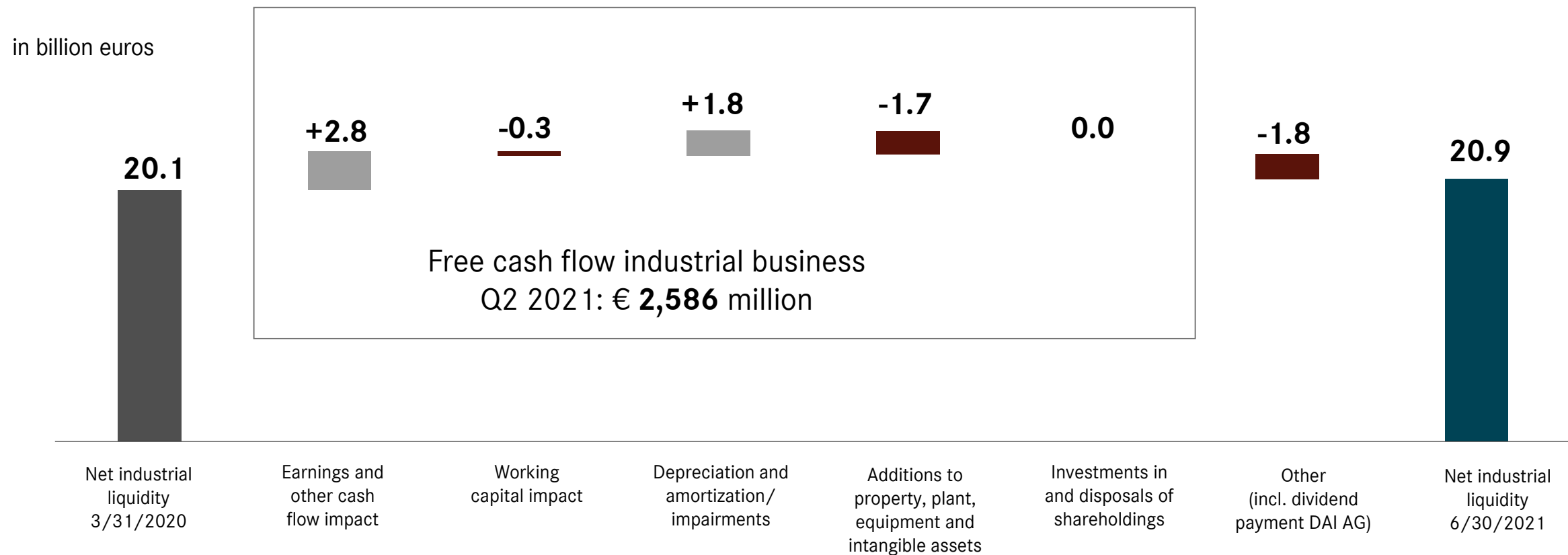
For more details on financials please see [Daimler Capital Market Presentation Q2 2021](#)

Daimler Q2 2021 reconciliation from CFBIT to Free Cash Flow: On our way towards a cash flow oriented culture

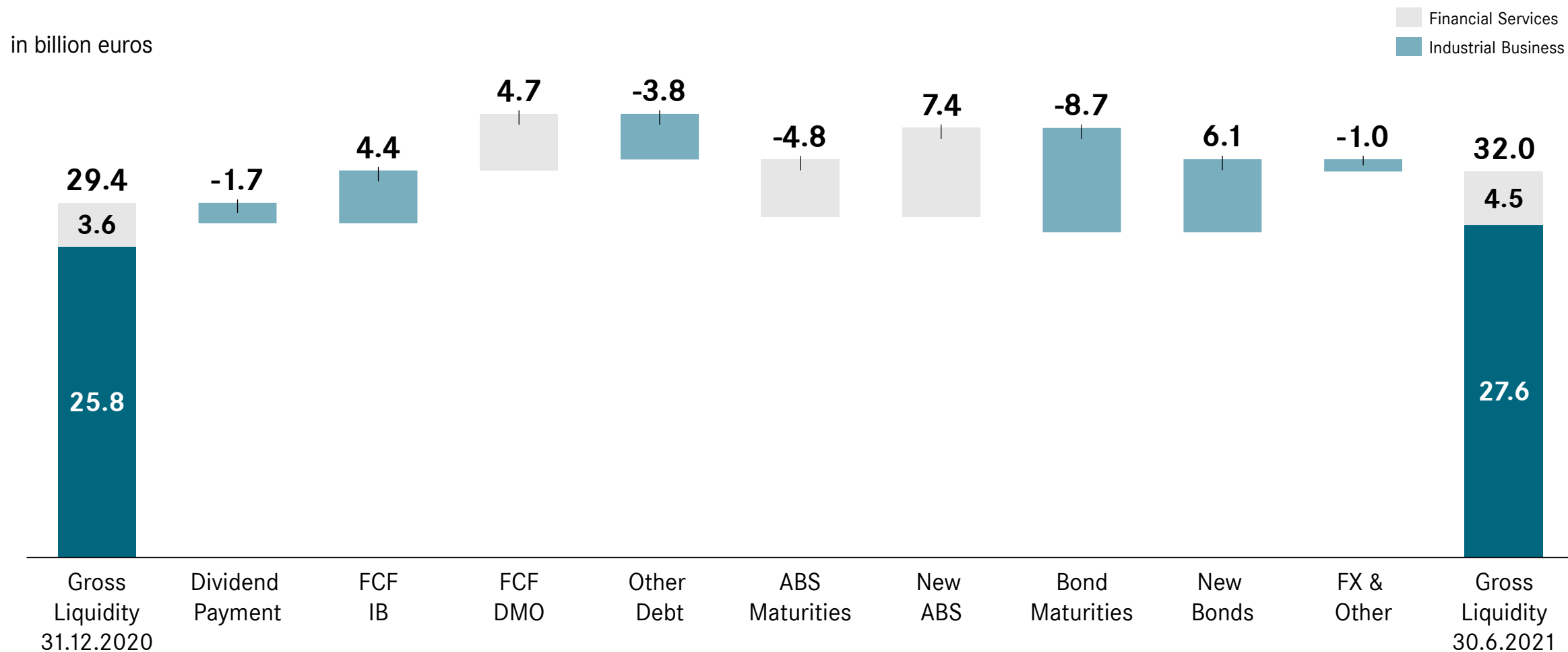


* includes internal tax prepayments from Daimler Mobility to the industrial business

Daimler Net Industrial Liquidity: Healthy Net Cash position leaves us with a significant financial flexibility



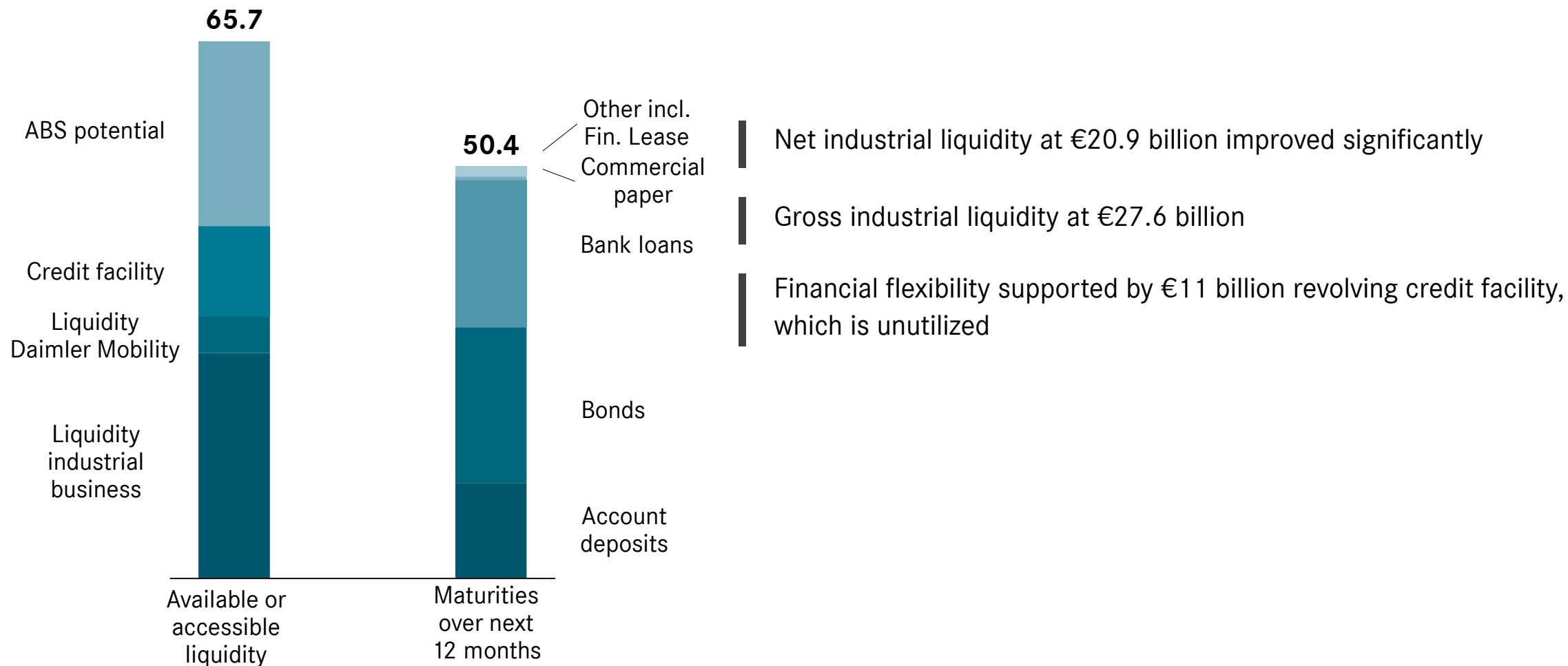
Daimler YTD Q2 2021 development of gross industrial liquidity



Note: Figures may not be additive due to rounding.

Daimler Q2 2021 financial flexibility over a 12-month period

in billion euros



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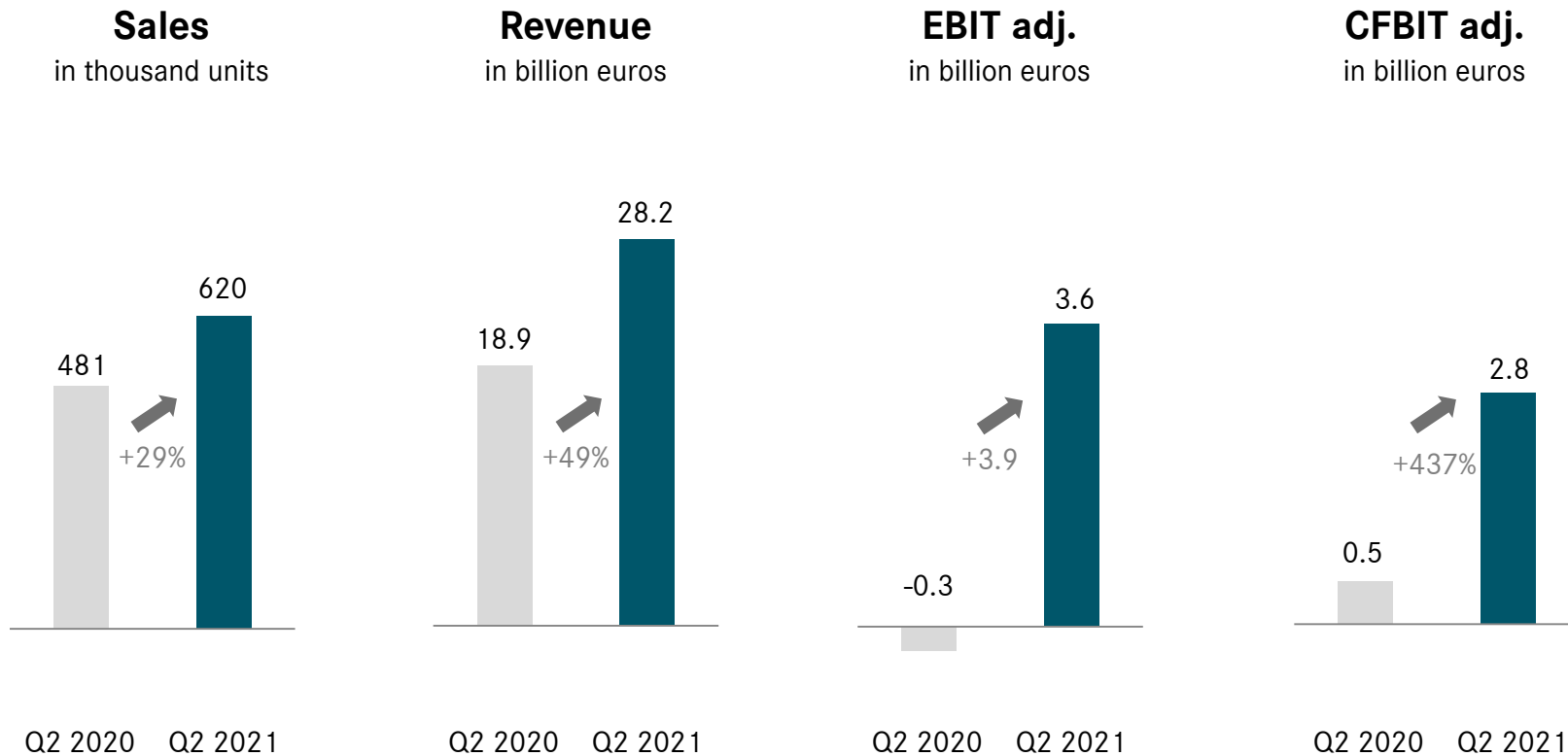


Mercedes-Benz Cars: Highlights

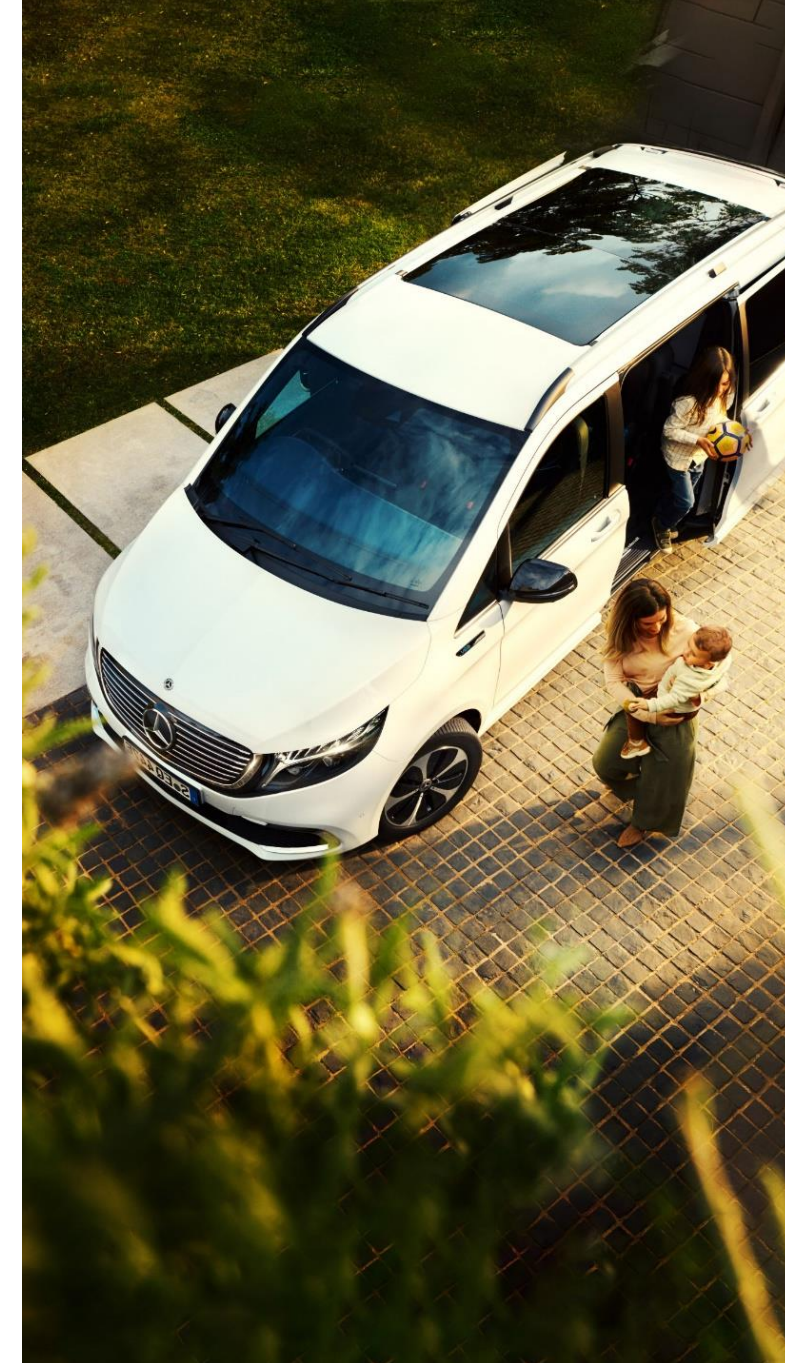
- ▶ Mercedes-Benz: 511,000 cars sold (wholesale), new sales record in China, order intake on high level driven by new S-Class
- ▶ Sales significantly influenced by ongoing semiconductor shortages
- ▶ Global xEV sales at Mercedes-Benz Cars more than quadrupled in H1 2021, EV share over 10%
- ▶ Strong financial performance driven by compelling products, favourable mix, pricing and ongoing cost discipline
- ▶ Continued EV product offensive with launch of EQS and EQB
- ▶ EQS offers luxury, safety and comfort features at the highest level. Consequently, pricing will be comparable to S-Class



Mercedes-Benz Cars & Vans financials: Strong performance in the top line



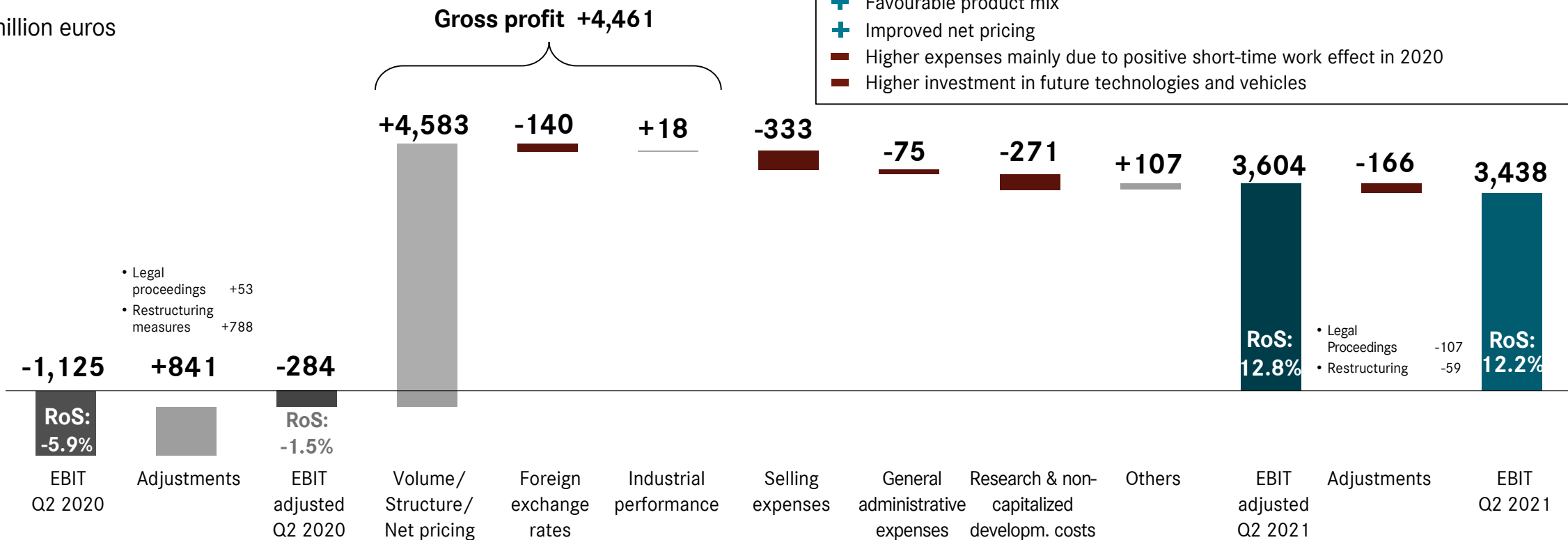
For more details on financials please see [Daimler Capital Market Presentation Q2 2021](#)



Mercedes-Benz Cars & Vans EBIT FY & RoS: Favourable sales momentum translated in a significant increase in volume, structure and pricing

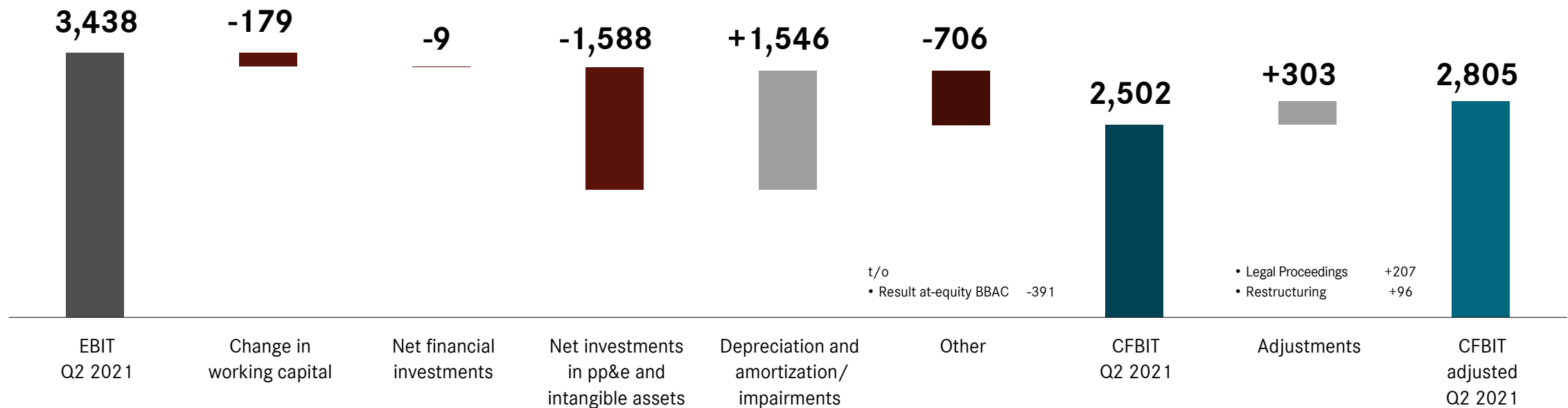
in million euros

- + Higher unit sales
- + Favourable product mix
- + Improved net pricing
- Higher expenses mainly due to positive short-time work effect in 2020
- Higher investment in future technologies and vehicles



Mercedes-Benz Cars & Vans Reconciliation from EBIT to CFBIT: reflecting rigorous approach in terms of capital allocation

in million euros

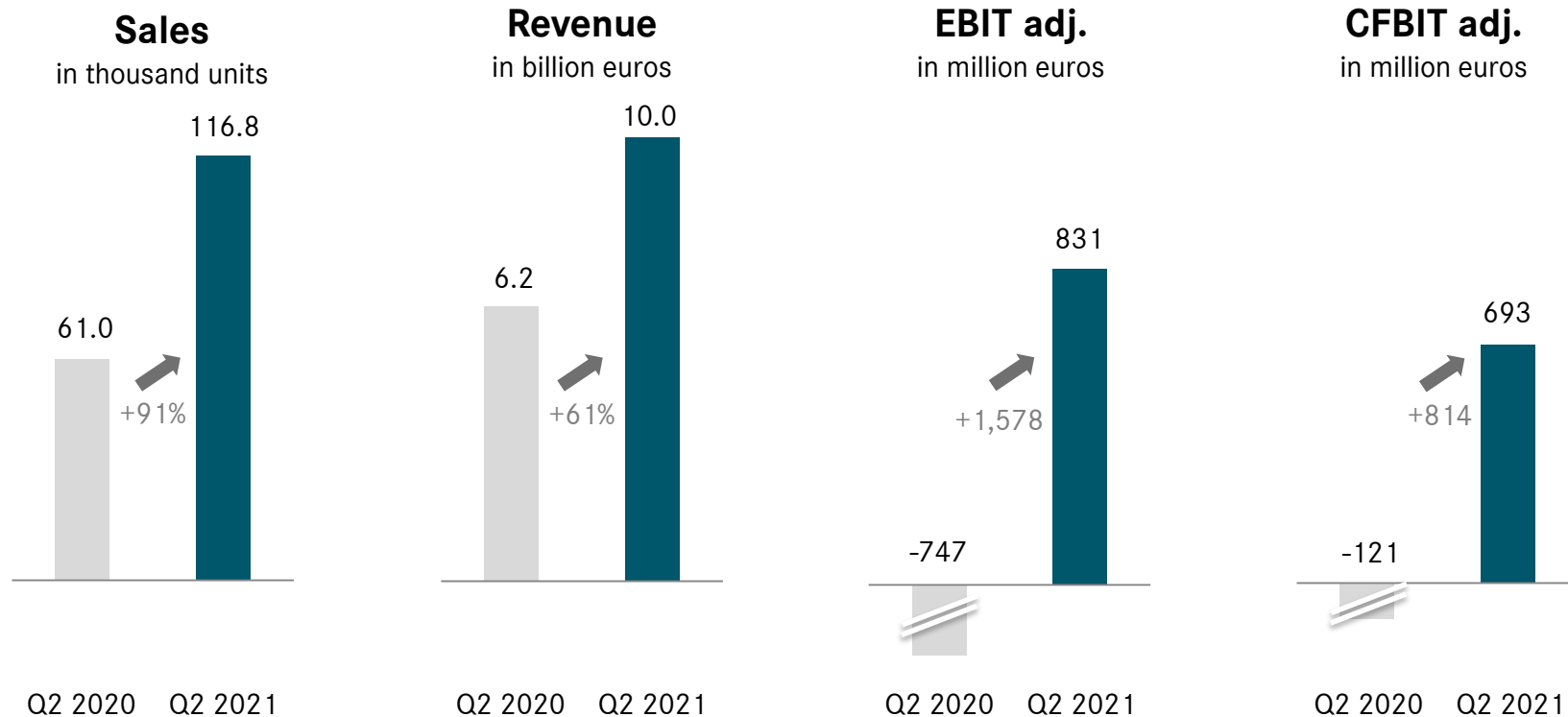


Daimler Trucks & Buses: Highlights

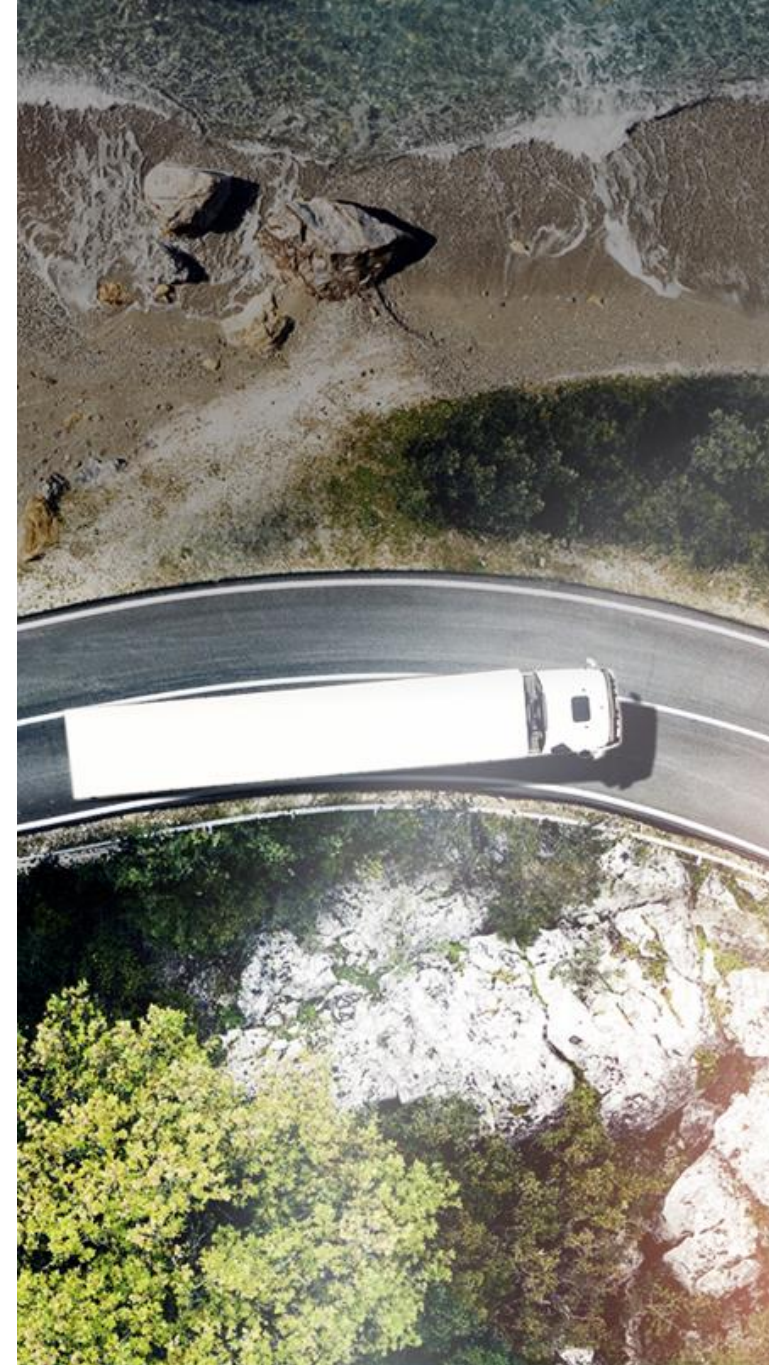
- ▶ Increase of truck and bus sales in almost all regions due to improved market conditions
- ▶ Incoming truck and bus orders in all regions significantly above prior year's quarter, but limited by available production capacity in 2021
- ▶ Limited impact from semiconductor in Q2, but uncertainty remains for the second half of the year
- ▶ Daimler Truck Group with first strategy day for investors and analysts
- ▶ Daimler Truck, the Traton Group and Volvo Group announce plan to pioneer a European high-performance charging network for heavy-duty trucks
- ▶ World premiere of the new eActros: The eActros sets benchmarks in CO2-neutral goods transport



Daimler Trucks & Buses Financials: Strong sales despite semiconductor shortages



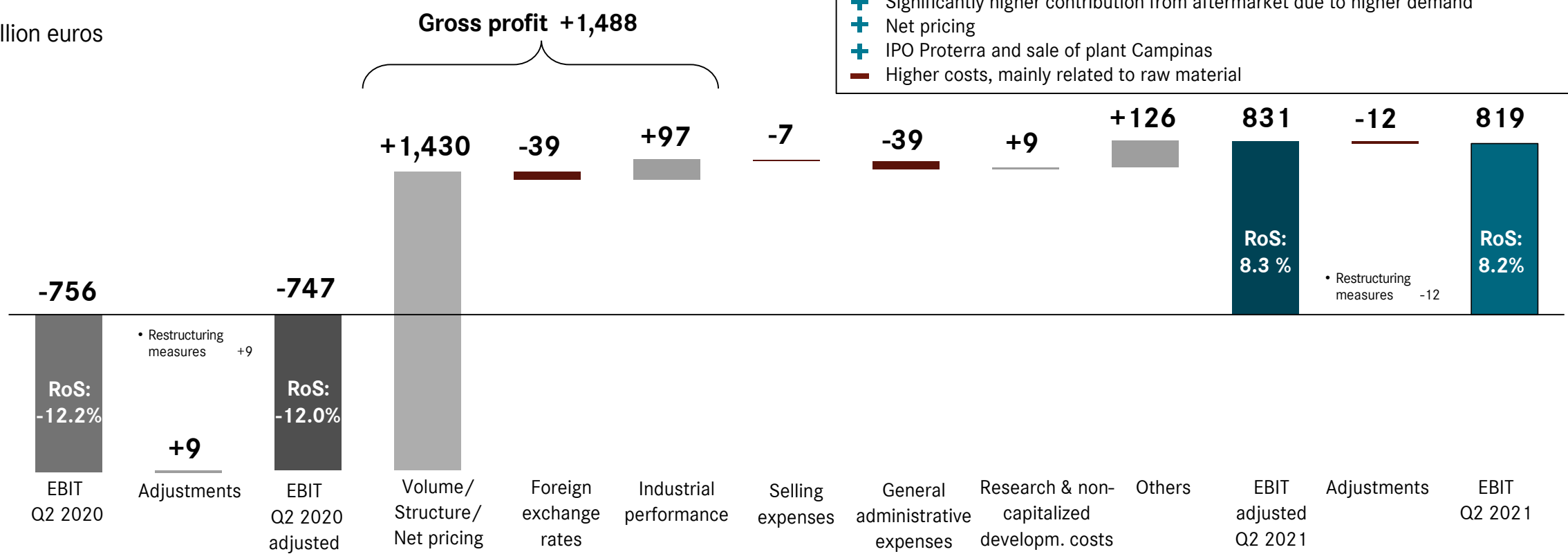
For more details on financials please see [Daimler Capital Market Presentation Q2 2021](#)



Daimler Trucks & Buses EBIT & RoS: Positive volume, structure and net pricing

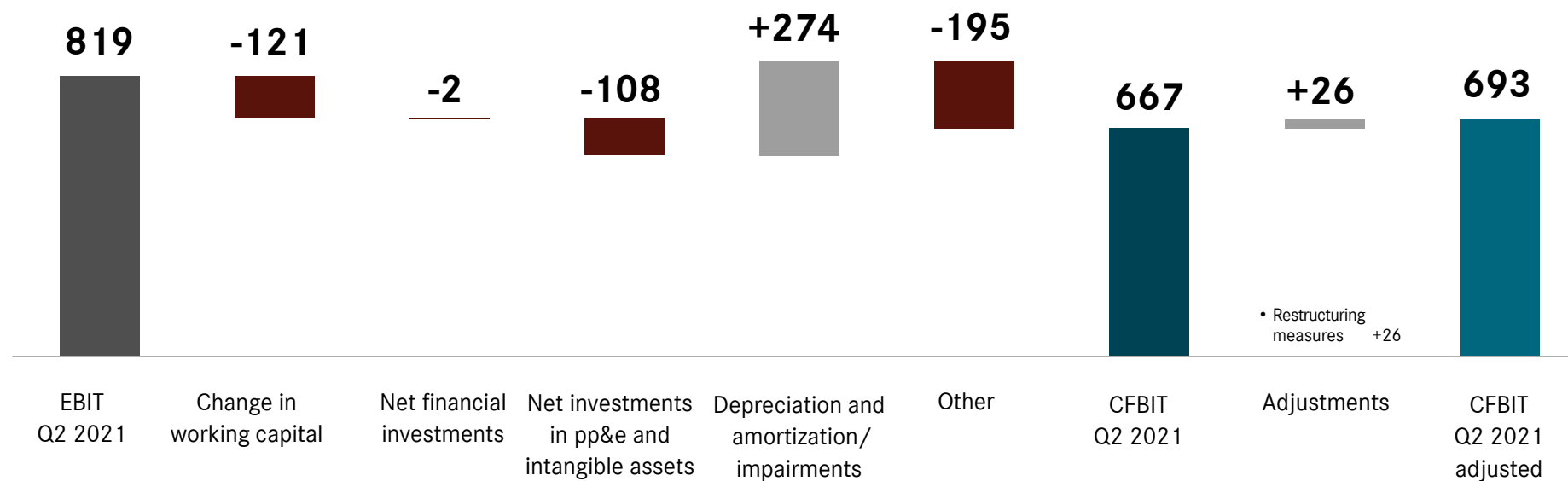
in million euros

- + Increase of truck and bus sales in almost all regions due to improved market conditions
- + Lower expenses for customer service
- + Significantly higher contribution from aftermarket due to higher demand
- + Net pricing
- + IPO Proterra and sale of plant Campinas
- Higher costs, mainly related to raw material



Daimler Trucks & Buses reconciliation from EBIT to CFBIT: Underlining our focused investment approach

in million euros

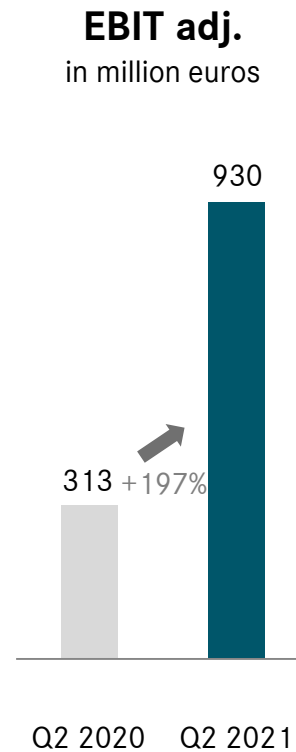
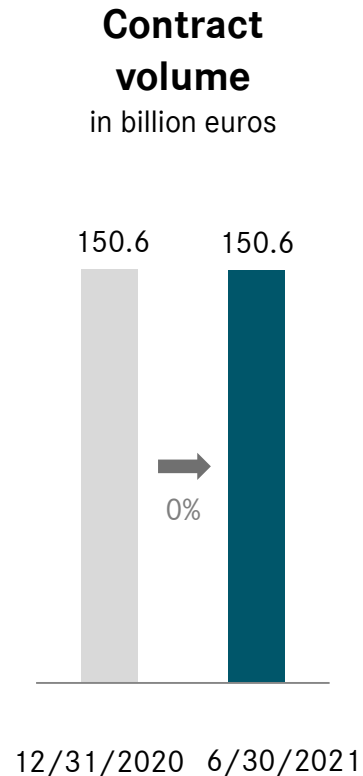
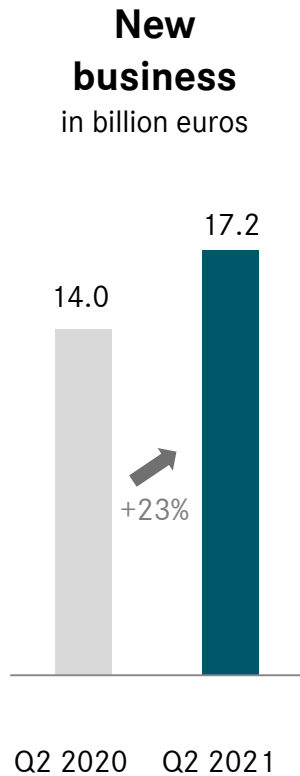


Daimler Mobility: Highlights

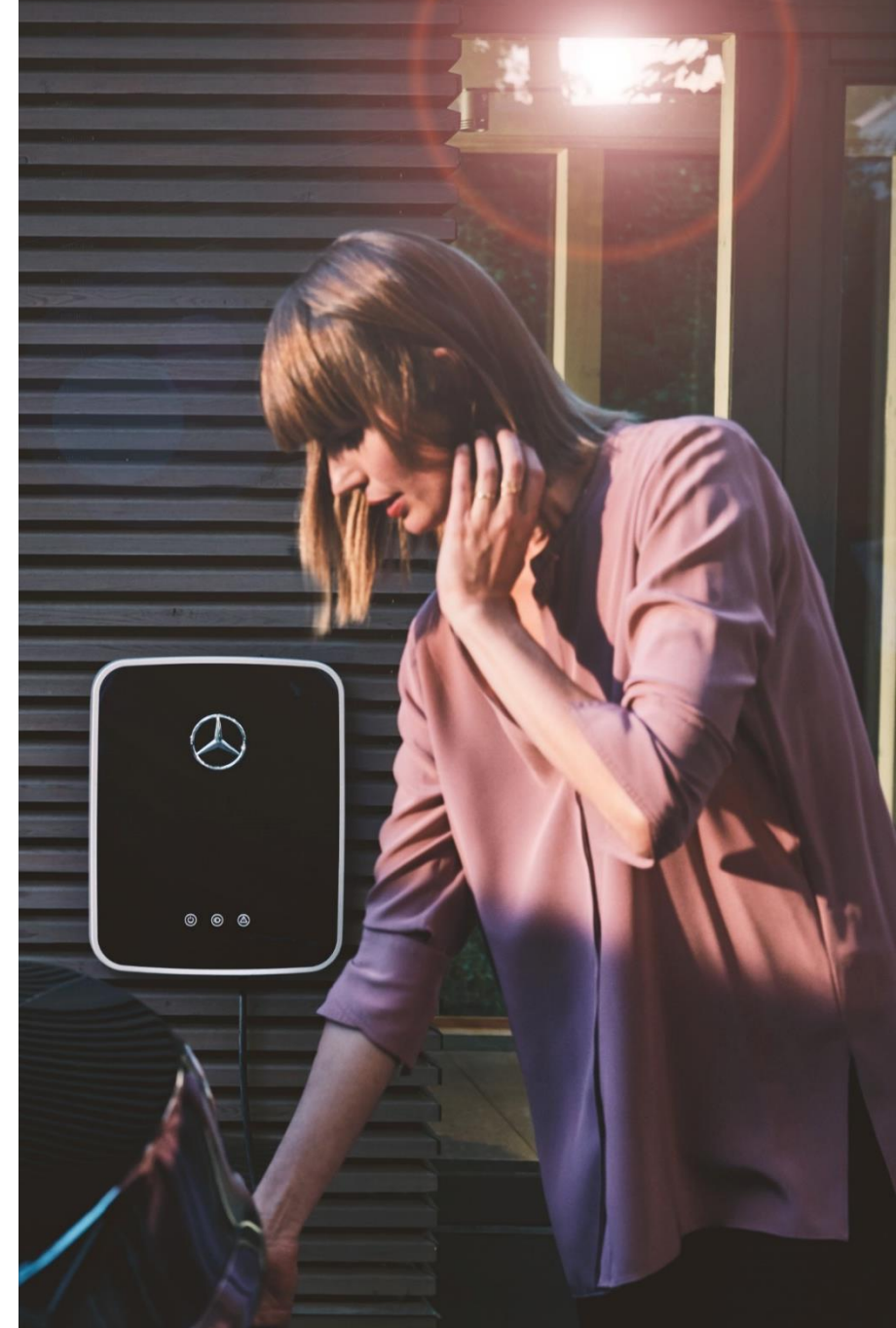
- ▶ Higher new business driven by strong customer loyalty, especially in Europe, and Covid-impact in previous year
- ▶ Strong growth of acquisitions for electric vehicles supporting EV sales
- ▶ Lower credit risk reserves and still low net credit losses reflecting high portfolio quality
- ▶ Interest result benefitting from lower refinancing cost
- ▶ Improved operative business performance at mobility services and fleet management
- ▶ Project Focus: building two separate financial services power houses for cars and trucks



Daimler Mobility Financials: Significant increase in EBIT adj., driven also by non-recurring items



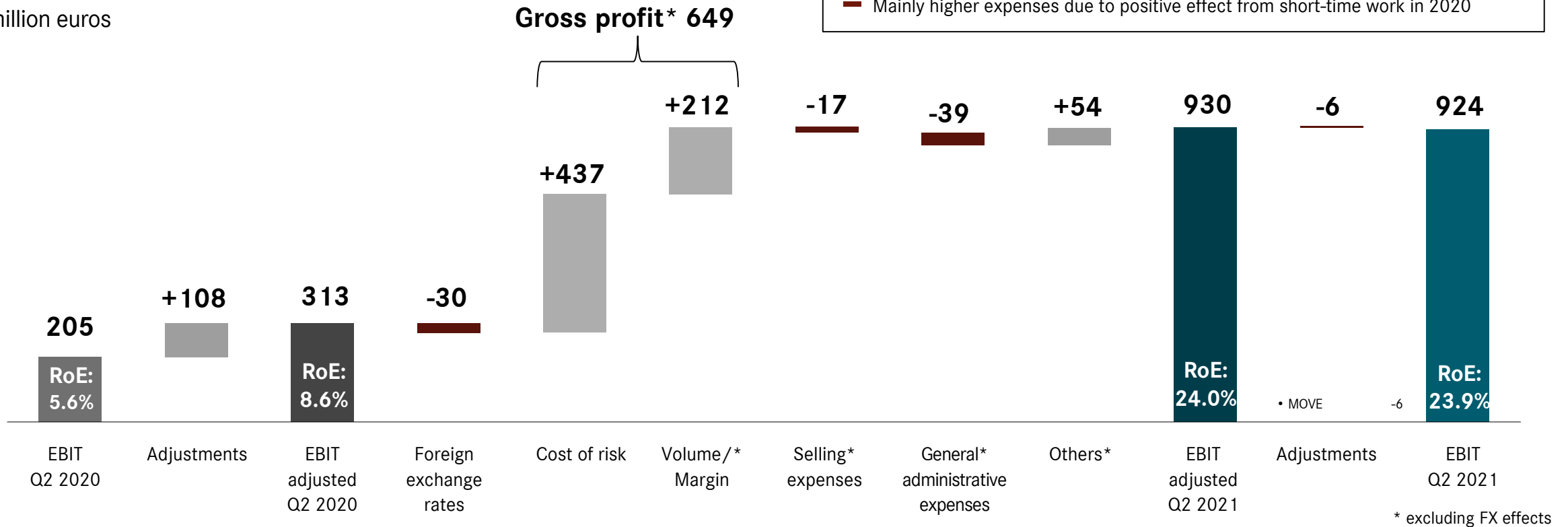
For more details on financials please see [Daimler Capital Market Presentation Q2 2021](#)



Daimler Mobility EBIT & RoE: Main impact from lower credit risk provisions and higher interest margins

in million euros

- + Lower credit risk reserve due to quick response to Covid-19 pandemic in 2020
- + Margin benefiting from lower refinancing costs
- + Improved operative business performance at Mobility Services and Fleet Management
- Mainly higher expenses due to positive effect from short-time work in 2020



* excluding FX effects

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Market Guidance 2021

ASSUMPTION

Our expectations for the development of business in 2021 are based on the assumption of a gradual normalization of economic conditions in the markets that are important to us. In particular, we assume that the world economy will be able to recover from the pandemic-related weakness of the year 2020, aided by, among other things, the increasing availability of effective vaccines.

Furthermore, we assume that the worldwide shortage of supply of semiconductor components will affect our business also in the second half of the year. We also recognize that the visibility how the supply situation will actually develop further is currently low.

Car Markets	Global	significant increase
	Europe	significant increase
	USA	significant increase
	China	significant increase
Van Markets	EU30	significant increase
	USA	significant increase
Heavy-Duty Truck Markets	North America	significant increase
	EU30	significant increase
	Japan	at prior-year level
	Brazil	significant increase



Daimler Group Guidance 2021

ASSUMPTION

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Daimler Group Revenue	significantly above
Daimler Group EBIT	significantly above
Free Cash Flow (industrial business)	slightly below
Investment in PP&E	at prior-year level
R&D expenditure	significantly above
CO₂ emission (g/km)*	significantly below

* vs. the comparable figures for the previous year calculated according to WLTP (probably between 130 to 140 g/km, based on preliminary figures for fuel consumption in 2020 taking into account the statutory regulations of 2021)

The Daimler Group Guidance covers the full year 2021 and is based on the existing Group structure, including Daimler Trucks & Buses. The anticipated spin-off of Daimler Trucks & Buses, including significant parts of the related financial services business, will be examined before the end of 2021. Before the spin-off, we will reclassify Daimler Trucks & Buses as discontinued operations. We expect this to have considerable positive effects on group EBIT in the fourth quarter, which cannot be reliably determined at present.



Divisional Guidance 2021

ASSUMPTION

Our expectations for the development of business in 2021 are based on the assumption of a gradual normalization of economic conditions in the markets that are important to us. In particular, we assume that the world economy will be able to recover from the pandemic-related weakness of the year 2020, aided by, among other things, the increasing availability of effective vaccines.

Furthermore, we assume that the worldwide shortage of supply of semiconductor components will affect our business also in the second half of the year. We also recognize that the visibility how the supply situation will actually develop further is currently low.

Unit Sales	Cars	at prior-year level
	Vans	significantly above
	Trucks & Buses	significantly above
Return on Sales (adjusted*)	Mercedes-Benz Cars & Vans	10 to 12%
	Daimler Trucks & Buses	6 to 8%
	Daimler Mobility (RoE)	17 to 19%
Cash Conversion Rate** (adjusted)	Cars & Vans	0.7 to 0.9x
	Trucks & Buses	0.8 to 1.0x

* The adjustments include material adjustments if they lead to significant effects in a reporting period. These material adjustments relate in particular to legal proceedings and related measures, restructuring measures and M&A matters.

** Adjusted Cash Flow before Interest and Taxes (CFBIT) divided by adjusted EBIT.



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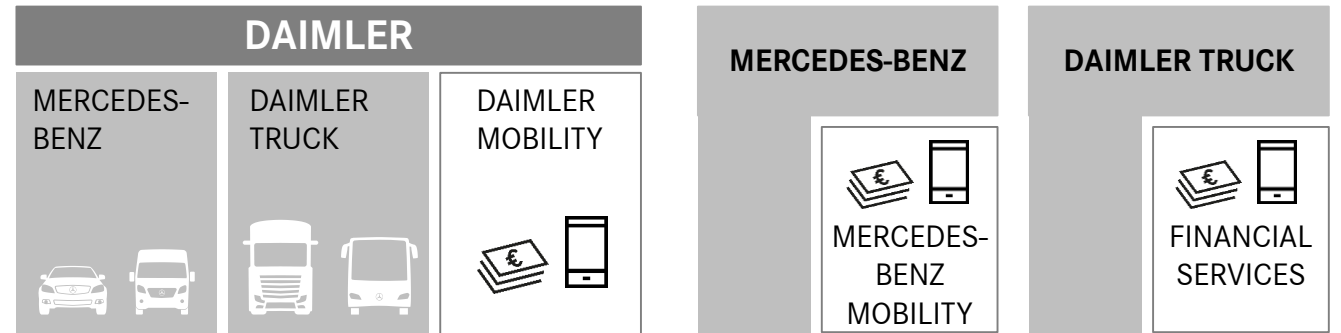


Separation of Daimler into two pure-play companies: Driving value creation, greater focus and financial discipline



TODAY

TOMORROW



Schematic representation

Separate

- ▶ Capital Structure and Rating
- ▶ Capital Market Access
- ▶ Group Funding and Liquidity Management for both groups after spin-off

Project Focus: Fixed Income key messages

Strong balance sheet: 20 bn Euro Net Industrial liquidity end of Q1 2021

Solid financial position for both entities at Day 1: net industrial liquidity exceeding pensions deficit

Daimler Truck with own credit ratings and own funding in the capital markets after spinoff

We expect that the Daimler Trucks capital structure will support a solid investment grade rating, target BBB+

Target rating category for Mercedes Benz remains single A

Existing bonds issued by Daimler AG or guaranteed by Daimler AG will not be transferred but remain with Daimler AG and its majority controlled subsidiaries *

Our prudent funding strategy and refinancing principles remain in place

Mercedes-Benz and Daimler Truck will be supported by their own dedicated captive financial and mobility services entities

* with the exception of local issuances in Argentina, Brazil and Mexico

Project Focus: Mercedes-Benz, the pre-eminent luxury car business



Mercedes-Benz

Leading
automotive
luxury brand

Global **“pure play”** OEM with **unique brand** recognition
“Ambition 2039” amplifying **clear commitment to Sustainability** as strategic priority
Attractive **captive financial services** business supporting sales

Win in a
transforming
environment

Leading player in **electric drive, car software** (MBUX, MBOS)
Automated driving: Dedicated **partnership with NVIDIA**
Leaner and faster to pursue **dedicated car strategy**
More agile to embrace change and partners

Focus on
profitable
growth

Focus on **luxury experience** and key regions
Focus on efficiency measures to **improve industrial footprint** and **fixed costs**
Strong balance sheet, **robust liquidity**



Project Focus: Daimler Truck unlocking the full potential



Daimler Truck

Global
#1
CV player

Global market presence with **market-leading brands** in triad markets
Ready to seize opportunities in emerging markets
Leverage **existing global platforms** to turn scale into profit

Lead in
industry
transformation

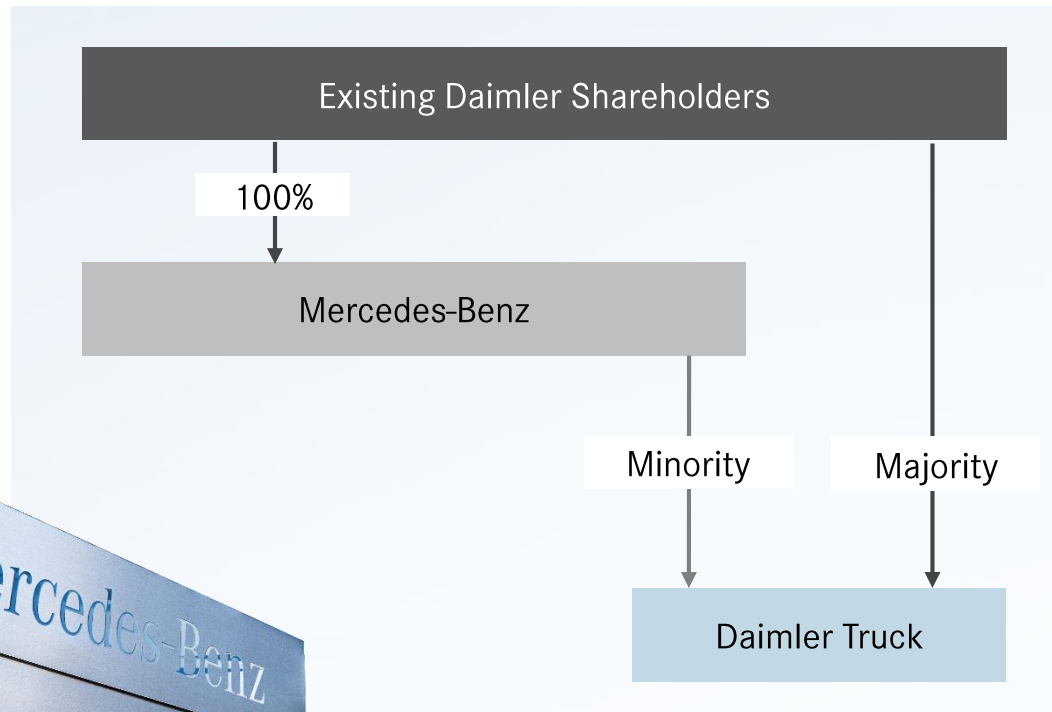
Powertrain: **technological lead** (TCO) and **strong partnerships** (Fuel Cell)
Automated driving: **Dual track strategy** with Torc Robotics & Waymo
Optimize product and **service portfolio**, streamline industrial footprint

Realize
profit
potential

Europe: Execution of the **initiated restructuring**
DTNA: Expansion of the **leading market position and profitability**
Benefit from **scale and strong partners to amortize tech investment**



Structure of the planned transaction



Separate listing of Daimler Truck

Distribution of Daimler Truck shares held by Daimler to existing Daimler shareholders

Majority in free-float, Daimler ceases control over DT but intends to retain a minority shareholding

No additional investment needed from shareholders, no proceeds for Daimler

Transaction relatively independent of capital market conditions

Daimler Truck AG majority spin-off: Intended transaction structure and details

Transfer of the **majority of Daimler Truck to Daimler shareholders**

True independent governance of Daimler Truck

Spin-off of Significant Majority Stake

Daimler with **minority stake** and **de-consolidating** Daimler Truck

Independent Governance

Independent chairman
Daimler supervisory board representation **in line with intended deconsolidation**

Attractive financial profiles for both companies

Strong Capital Structures

Both Daimler Truck and Mercedes-Benz with **strong net liquidity position**

Ambitious financial targets

Separation **will enable** realization of **full profit potential**

Prime listing for Daimler Truck

DAX Company

Daimler Truck AG to be **listed in Frankfurt**

Company expected to **qualify for the DAX**

Listing Timing

Listing targeted **before year-end 2021**

The listing of Daimler Truck is planned to be complete by year-end 2021



Daimler Truck: Our mission as an independent company is clear

RESET PROFITABILITY

- ▶ Intense focus on fixing Europe
- ▶ Target profit benchmarks in each region
- ▶ No excuses: every region must deliver
- ▶ Grow services rapidly
- ▶ Commitment to strong shareholder returns

LEAD THE WAY TO ZERO EMISSIONS

- ▶ Seek cost and performance leadership
- ▶ Dual-track BEV and FCEV strategy
- ▶ Refocusing of R&D activities
- ▶ Kick-start infrastructure
- ▶ Sundown ICE with partners

IN PURSUIT OF PROFIT AND TECHNOLOGY LEADERSHIP



Reset profitability at Daimler Truck: Willing to take the hard decisions to create value for shareholders



OUR STRATEGIC FINANCIAL GOALS

TARGET REGIONAL
PROFIT
BENCHMARKS

FOCUS ON
HIGHEST RETURN
SEGMENTS

LOWER
BREAKEVEN TO
MANAGE
CYCLICALITY

SYSTEMATIC
LOWERING OF
FIXED AND
VARIABLE COST

GROW
SERVICES AND
RECURRING
REVENUES

NO EXCUSES:
EVERY REGION
MUST DELIVER

Lead the way to zero emissions: We are going 'all in' on zero-emission trucks to achieve technology leadership

OUR STRATEGIC TECHNOLOGY GOALS

TECHNOLOGY
PATH SET
TO GET TO
ZERO EMISSIONS

BUSINESS
ROADMAP FOR
ZEV IN PLACE

AMBITIOUS COST
TARGETS FOR
ZEV & TCO PARITY

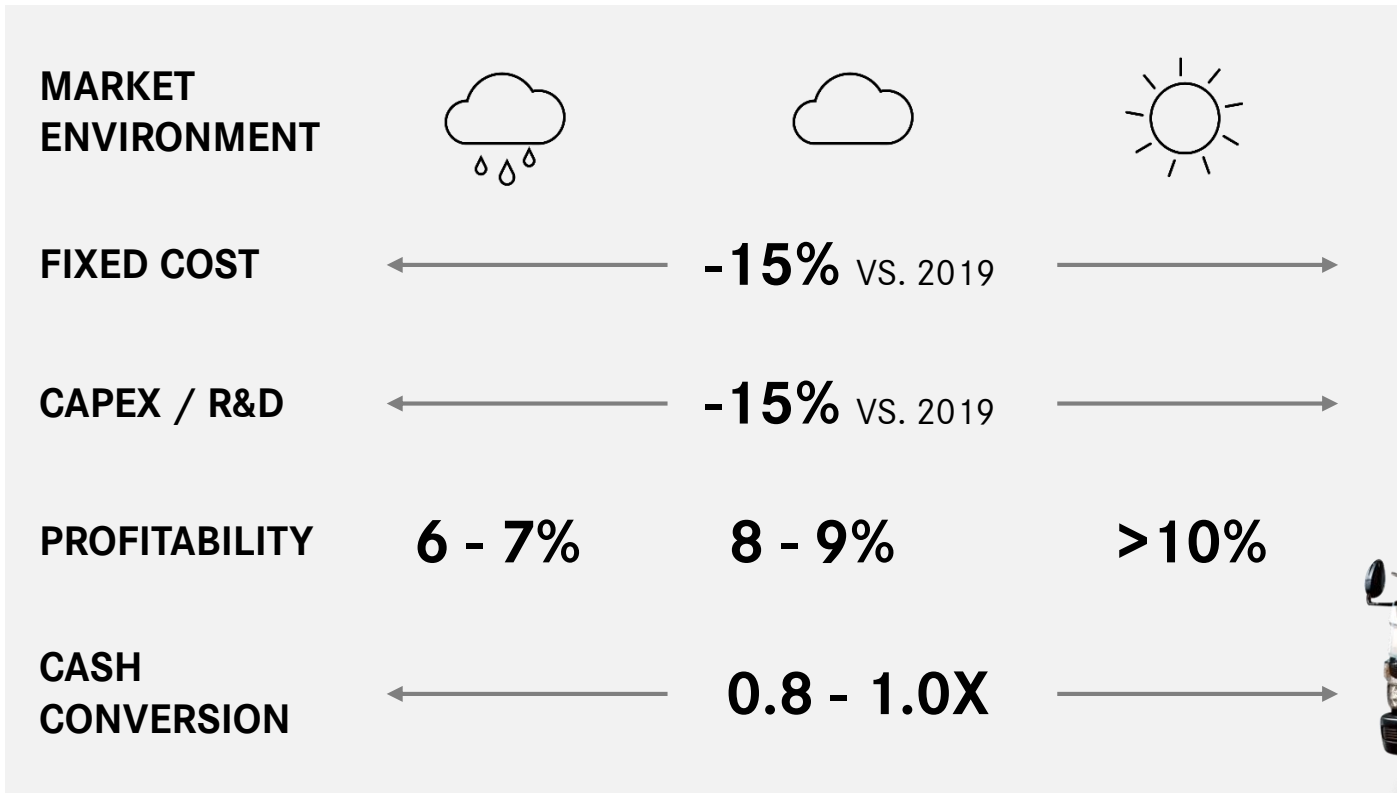
IN-HOUSE TECH
DEVELOPMENT
AND RESOURCES
PUSH

DEDICATED BEV
TRUCK -
MULTIPLE USE
CASES

FCEV FOR RAPID
FUELING AND
LONG HAUL



Our 2025 financial ambitions for Daimler Truck: Unlock potential; manage cyclical; fully reward shareholders



FULL FINANCIAL TARGETS AND GUIDANCE TO BE PROVIDED AHEAD OF LISTING

Industrial only, excludes Daimler Financial Services

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Our funding strategy is built on strict principles

Targeting Financial Independence

No dependence from single markets, instruments, banks or investors

Diversification of funding sources and instruments:
Bank Loans, Bonds, ABS, CP, Deposits

No Covenants, no MAC, no asset pledges, no CSAs

Maximizing Financial Flexibility

Keeping prudent amount of Cash and Committed Credit Facility

New markets funded via global and local banks first

Early capital market funding to save credit capacity in growth regions

Stringent Global Funding Policy

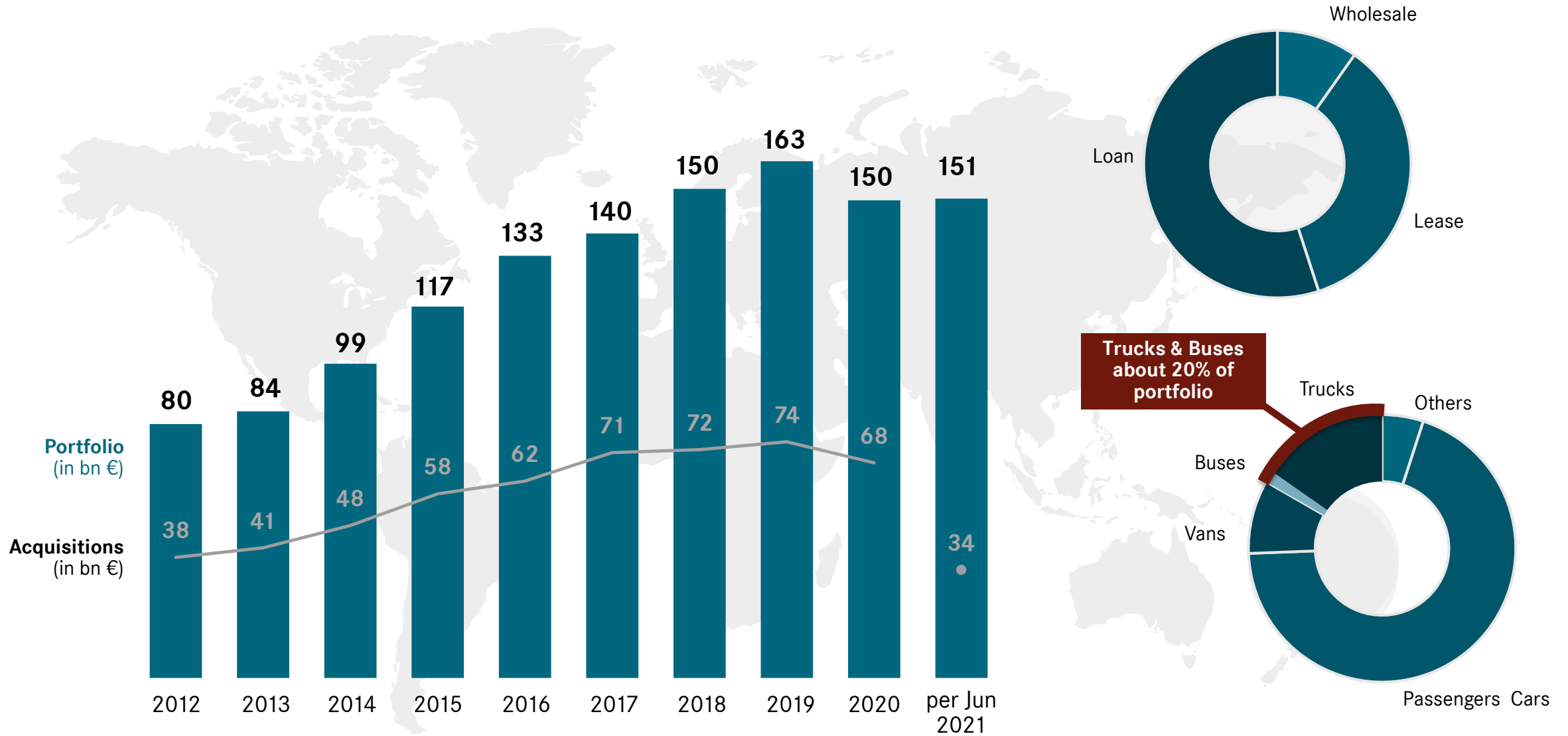
Liquidity matched funding

Interest rate matched funding

Currency matched funding

Country matched funding

Portfolio development of Daimler Mobility stabilized in 2021



Daimler Mobility business model based on stringent credit management and solid refinancing

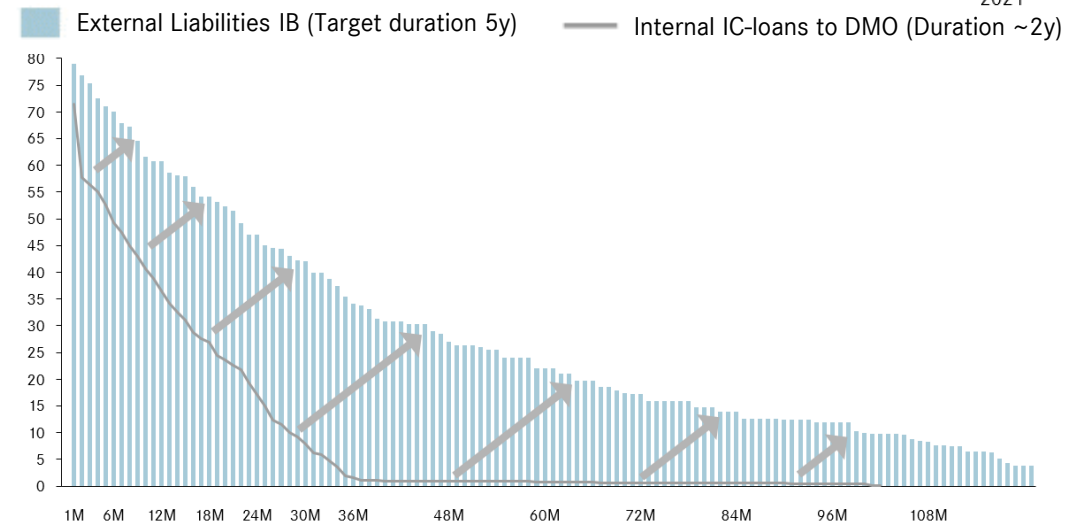
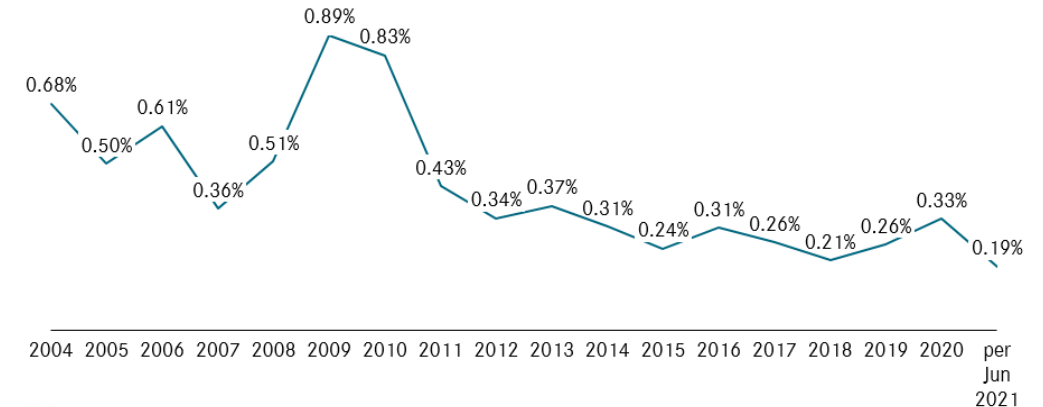
Net credit losses still on a low level reflecting high portfolio quality, not showing any severe CoViD-19 impact

Despite expected macroeconomic recovery, net credit losses might rise in 2021 as a result of expiring governmental liquidity support programs

The matched-funded approach ensures that liquidity risks are managed properly

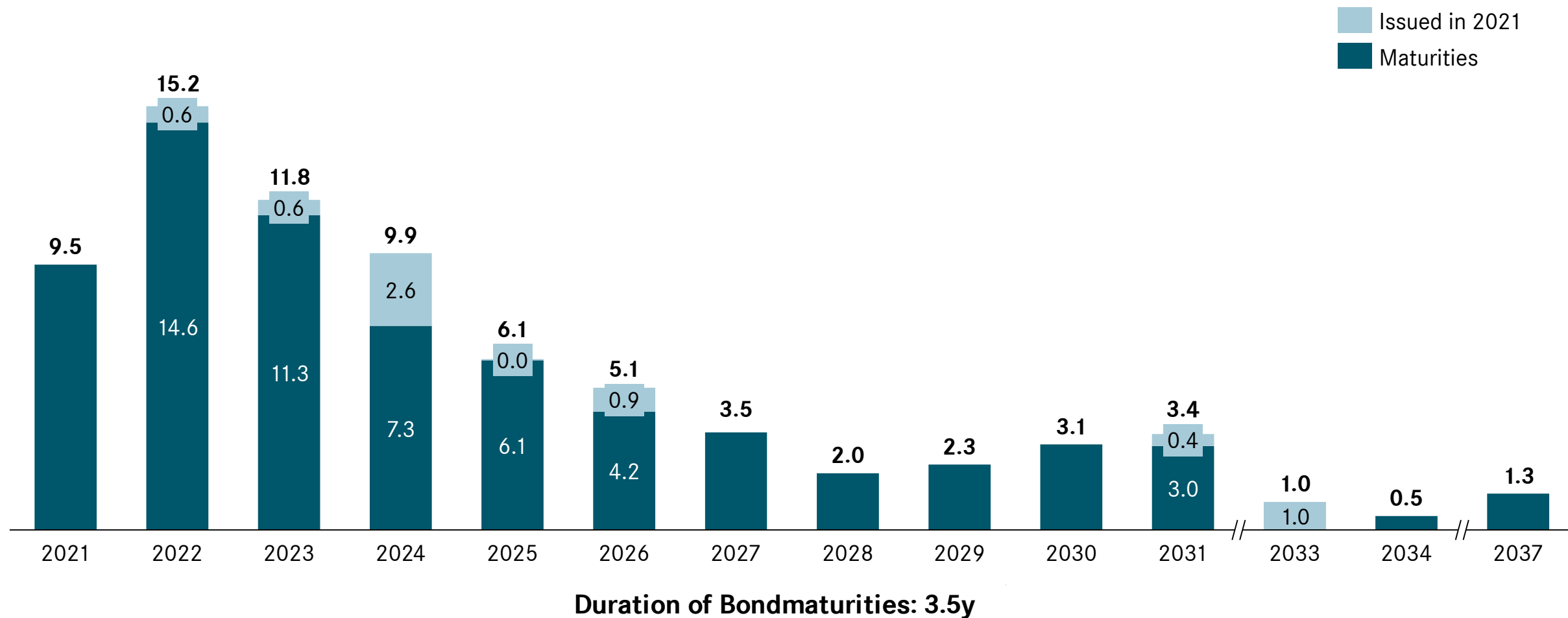
External liabilities of Daimler Group have a longer duration than internal allocation to DMO via IC-loans

Net credit losses as a percentage of portfolio, subject to credit risk



Well balanced Bond Maturity Profile

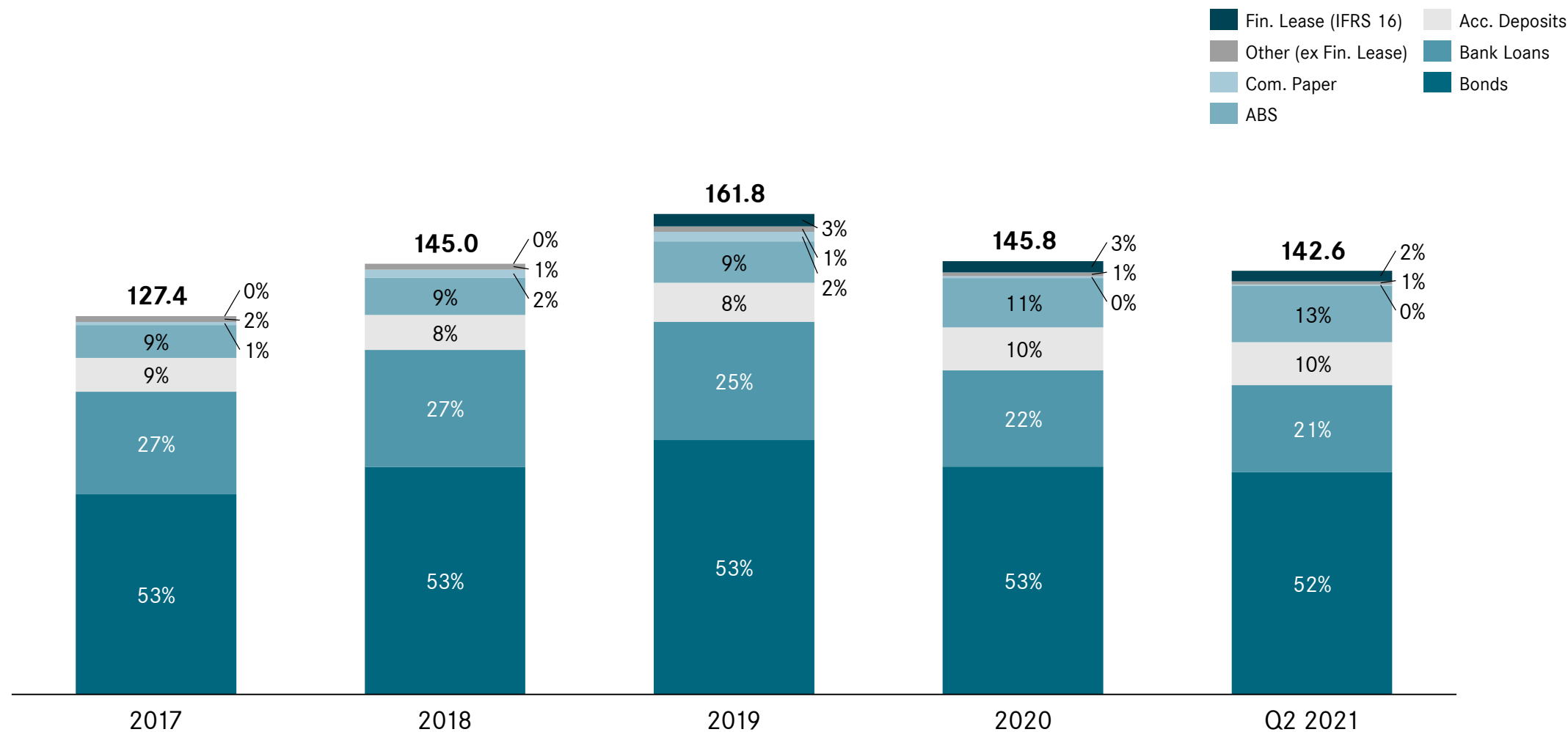
in billions of € as of 30 June 2021



Note: Figures may not be additive due to rounding.

Financing liabilities show a diversified funding mix

in billions of €

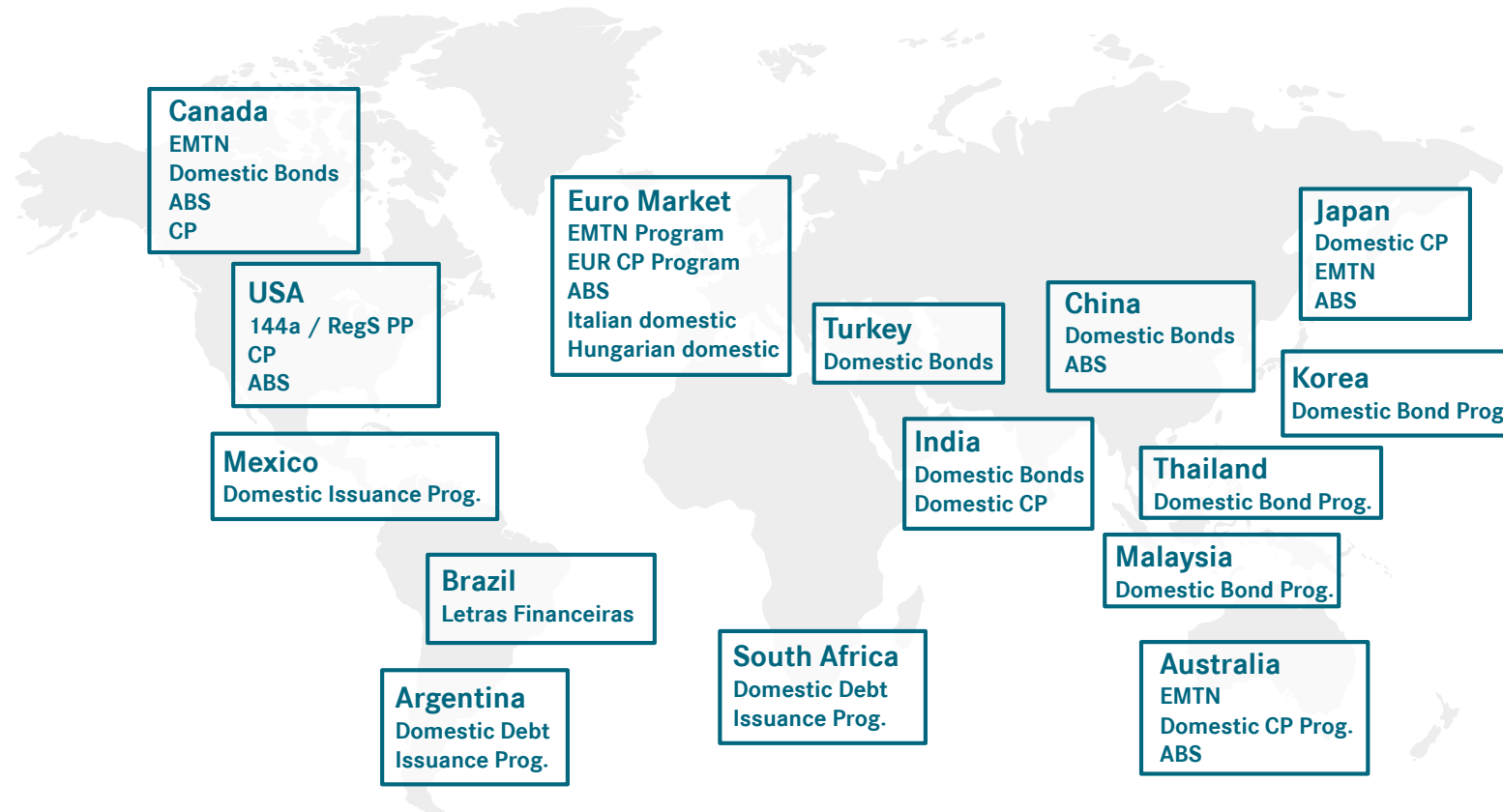


Note: Figures may not be additive due to rounding.

To ensure sustainable portfolio growth, we mitigate risk and volatility through a balanced mix of funding instruments



Diversified global funding base: continuously matched with DMO requirements



Debt Capital Market					
Currency	Volume	%	Currency	Volume	%
EUR	38,5	52%	AUD	0,6	1%
USD	20,7	28%	NOK	0,5	1%
CNY	4,2	6%	JPY	0,5	1%
GBP	2,9	4%	KRW	0,5	1%
CAD	2,2	3%	MXN	0,4	1%
ZAR	1,4	2%	Other	1,7	2%
Total (EUR bn)	75		Currencies	20	

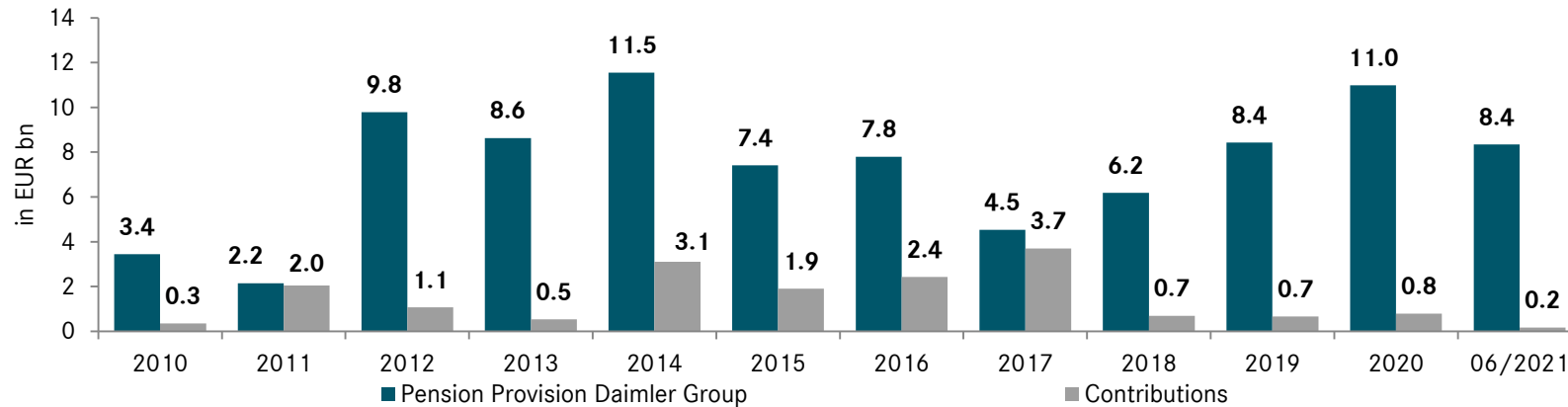
ABS					
Currency	Volume	%	Currency	Volume	%
USD	9,2	50%	CAD	1,2	6%
CNY	2,6	14%	AUD	0,8	4%
EUR	2,6	14%	JPY	0,6	3%
GBP	1,5	8%	KRW	0,1	0%
Total (EUR bn)	19		Currencies	8	

Bank Loans	
180 banks providing funding of EUR 29 bn in 35 countries	

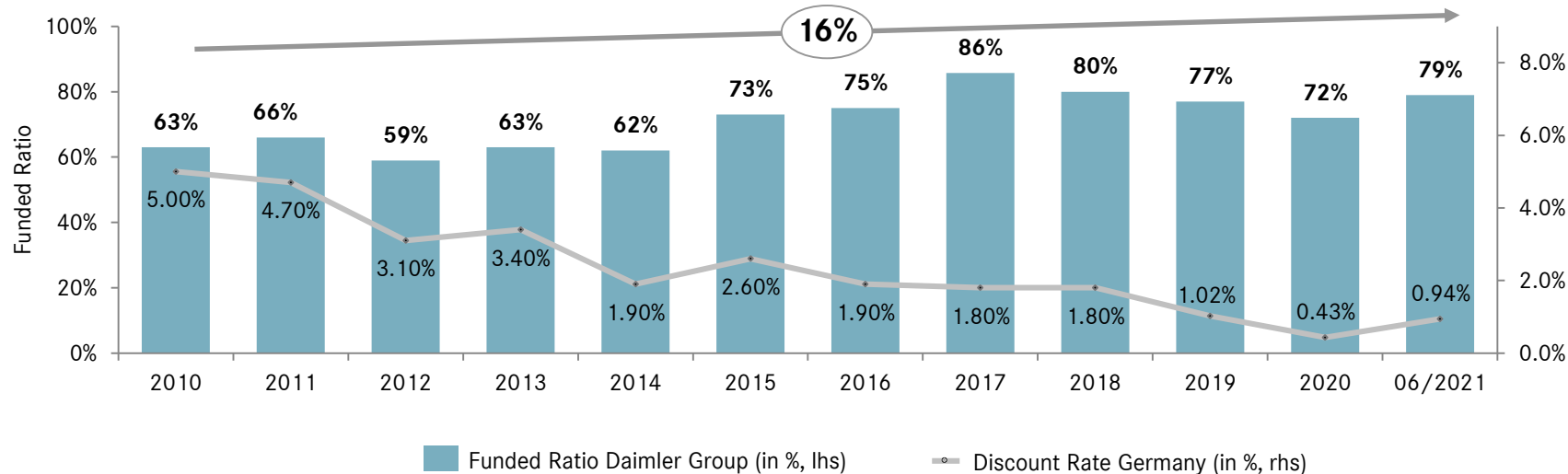
Daimler's financial KPIs set to support a strong rating

	Agency	Long-term	Outlook	Short-term
Current Ratings:	Standard & Poor's:	A-	Stable	A-2
	Moody's:	A3	Stable	P-2
	Fitch:	BBB+	Positive	F1
	DBRS:	BBB (high)	Stable	R-2 (high)
	Scope:	A	Stable	S-1

In low interest rate environment high contributions stabilized funded ratio



Significant contributions of EUR 17.4bn since 2010 support the solid capital structure



Even though German Discount Rate decreased significantly since 2010, Funded Ratio is at a solid level of 79%

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Sustainability is an integral part of our divisional business strategies

SUSTAINABILITY

Mercedes-Benz AG
Strategy



Daimler AG

Daimler Truck AG
Strategy



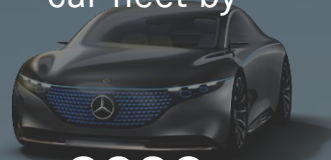
Daimler Mobility AG
Strategy



AMBITION 2039

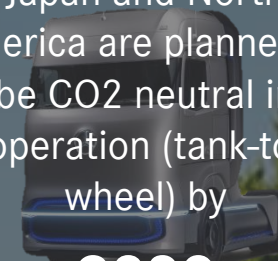
- We are fully committed to the goals of the Paris Climate Agreement and defined a roadmap to get there at an early stage with our Ambition 2039.
- We are involved in inter-company initiatives aiming for CO₂ neutrality ten years earlier than Paris actually plans.
- We are ready to play our part, but politics has to play its part too by ensuring that these goals can be achieved – infrastructure, green electricity, charging stations and distribution networks.

We aim to achieve
CO₂ neutrality
for our new passenger
car fleet by



2039

New vehicles in Europe,
Japan and North
America are planned to
be CO₂ neutral in
operation (tank-to-
wheel) by



2039

We intend to have
globally CO₂-neutral
locations and
administration by

2022

We are striving for a CO₂-neutral production in all our
plants and business divisions by 2039

Sustainable value for all stakeholder groups



Climate protection
& air quality



Resource
conservation



Livable
cities



Traffic safety



Data responsibility



Human rights



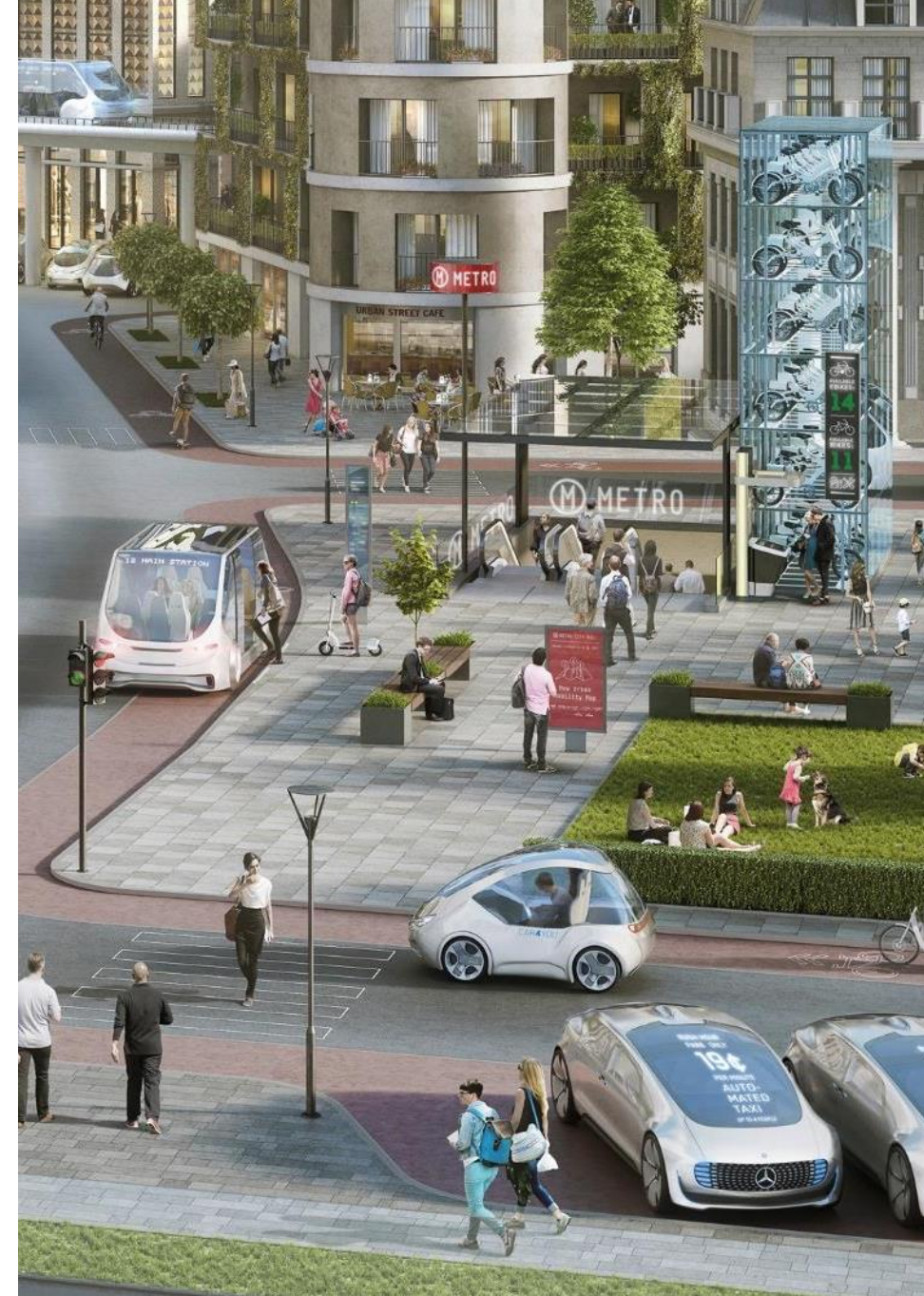
Integrity



People



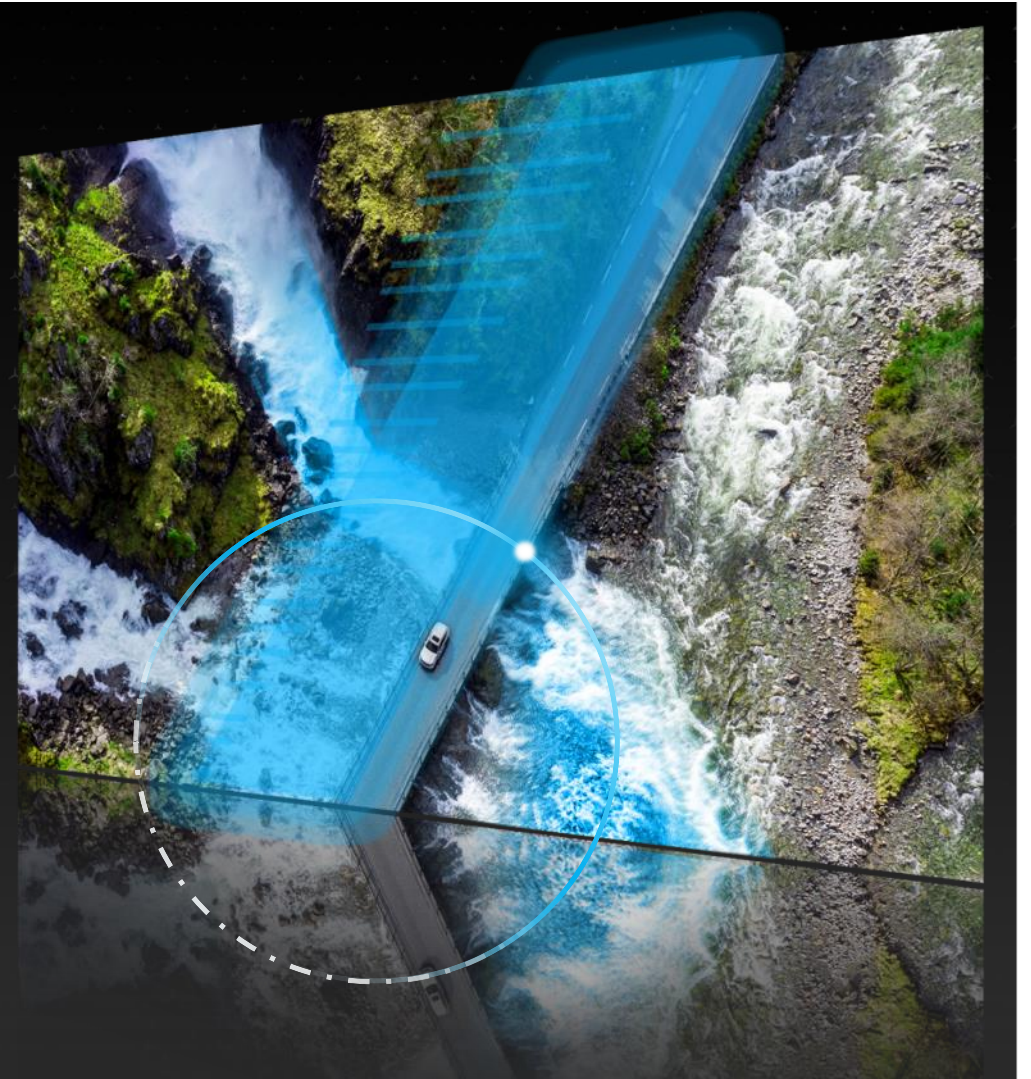
Partnerships



Mercedes-Benz Cars: With our Ambition 2039 we put a stake into the ground

Our ambition:
carbon-neutrality by 2039

Now it's time to **accelerate with the full and rapid electrification** of our products



The electric product rollout of Mercedes-Benz Cars is running at full speed

Deliveries of PHEV and BEVs **up 300% in H1**, accounting for over **10%** of overall sales

In 2021 alone, we are introducing **four new** battery electric vehicles

Next year we will present **SUV versions** of our **EQS** and **EQE**

By 2022, we will have battery **electric options in all segments** we serve

2021



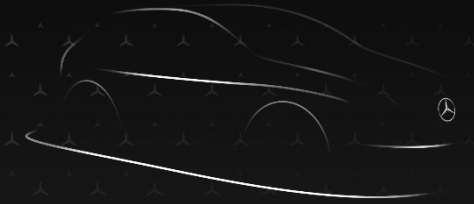
EQA



EQB

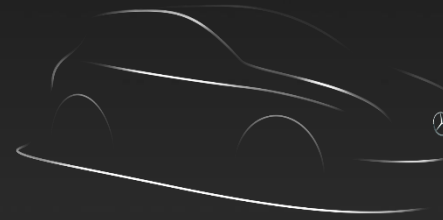


EQS

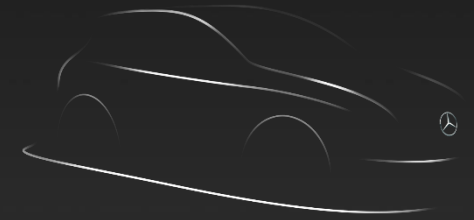


EQE

2022



EQS SUV



EQE SUV

At the end of the decade, the focus of Mercedes-Benz Cars will be on BEV only

By 2025 our customers will be able to choose an **all-electric alternative for every model** we make

It's our ambition to drive the **plug-in hybrid & BEV share up to 50% in 2025**. By the **end of the decade**, we will be ready to go **all-electric**

We will use our unique brand position to **grow economic value**

- enhance **product mix** and **pricing**
- focus on **most profitable** models and regions
- drive **loyalty** and grow **recurring revenues**
- increase **revenue per unit**



Mercedes-Benz Cars will expand its activities in battery cells and systems

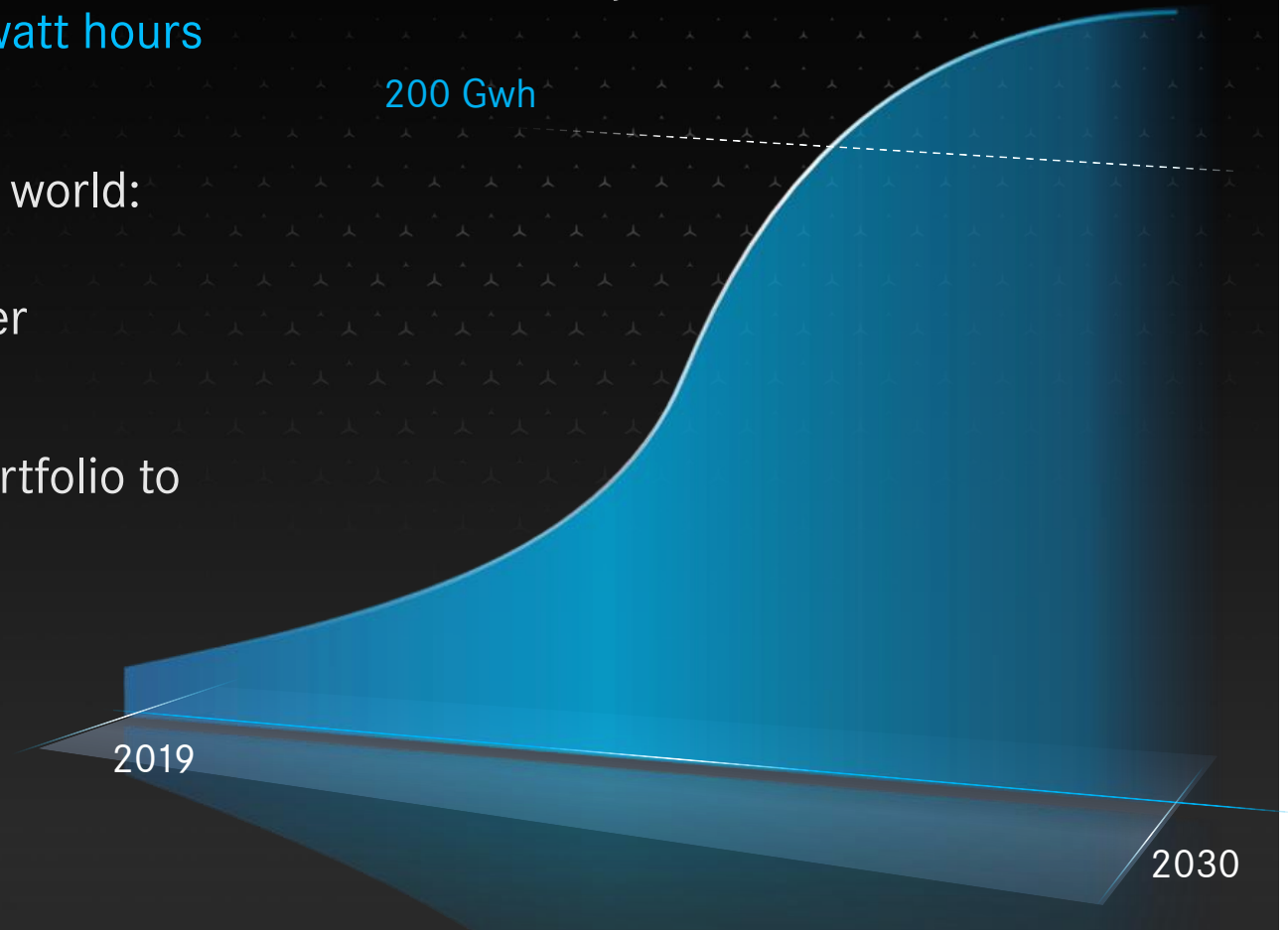
We will install a capacity of more than **200 Gigawatt hours**

We will set up **8 battery cell factories** around the world: one in the U.S., four in Europe – with our existing strategic partners and with a new partner

We are looking at broadening our partnership portfolio to **produce future cells and modules in Europe**

We will engage in the **raw material** supply chain

Needed battery volume for all car lines



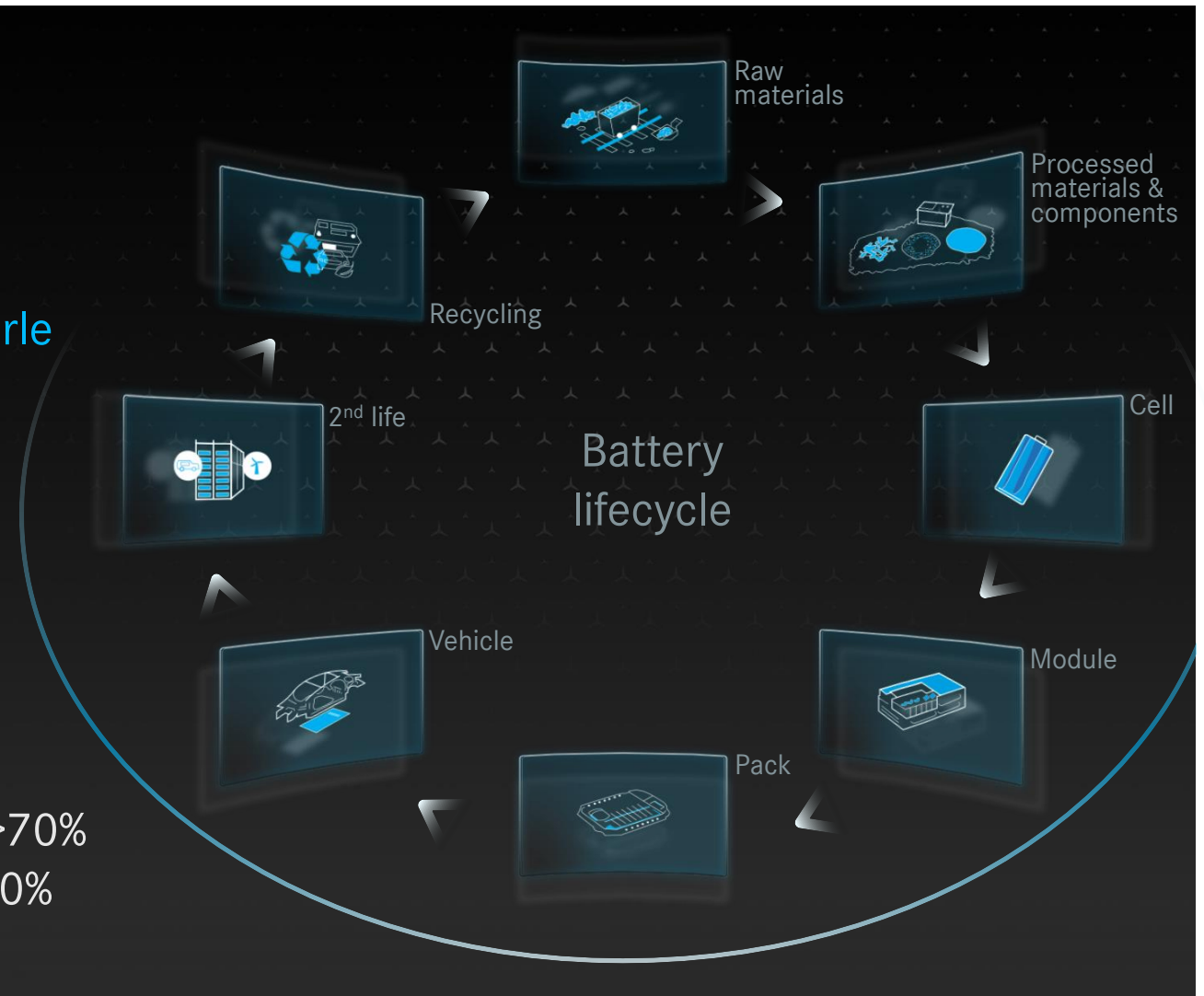
Mercedes-Benz Cars is establishing a green and CO2 neutral supply chain

In the future, raw materials for battery components only from **IRMA-certified mines**

Intention to **partner with lithium producer Albemarle** for future lithium supply, lithium recycling and reduction of CO₂ in lithium production

Direct sourcing of battery raw materials like nickel and cobalt under consideration

2020: **Big River Steel** reduced CO₂ emissions by >70%
2021: **Salzgitter AG** reduces CO₂ emissions by >60%
2025: CO₂ free steel from **H2 Green Steel**



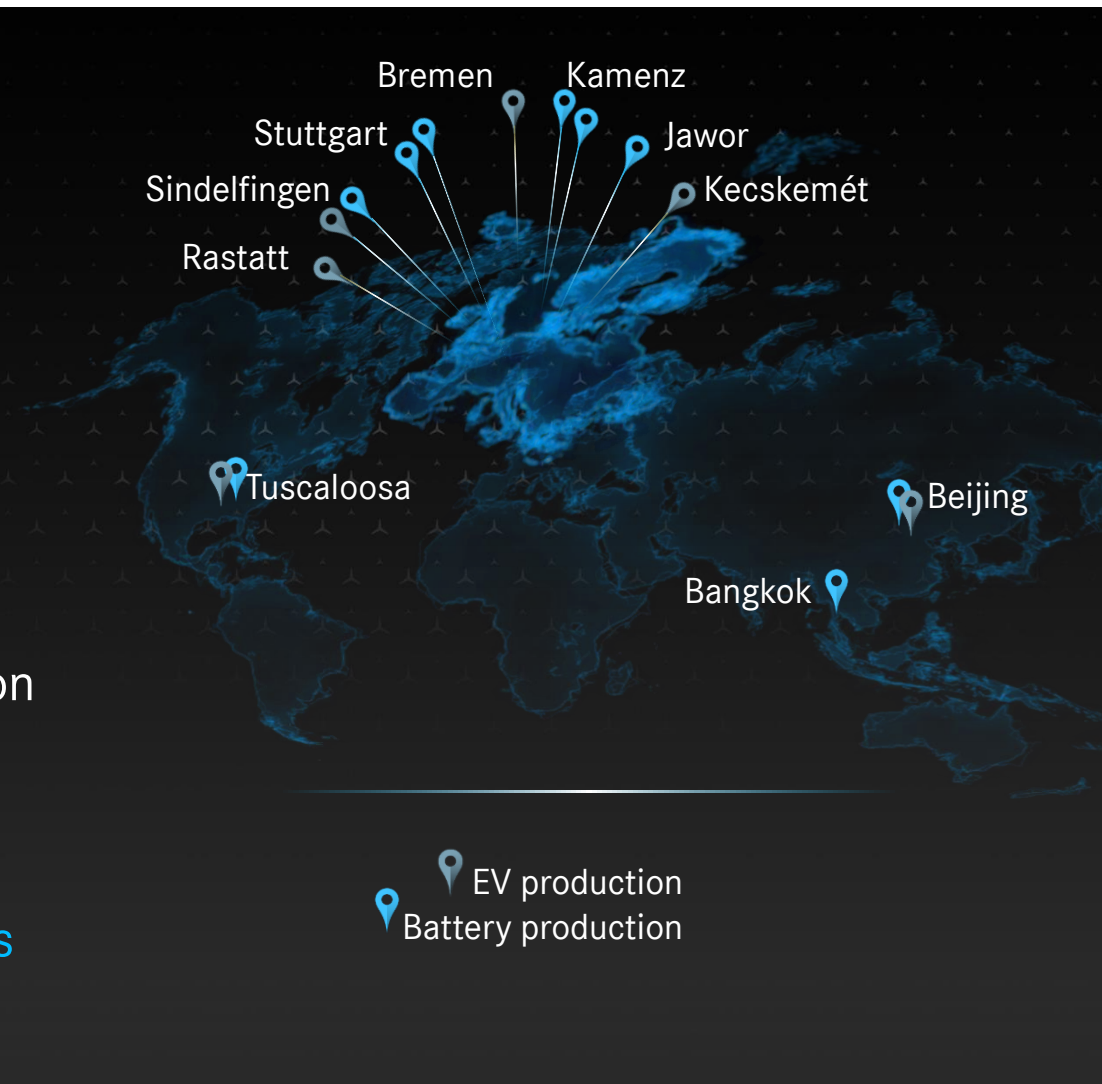
Mercedes-Benz Cars is ready to accelerate EV production

Ready to scale up: our largest plants in Beijing, Bremen, Kecskemét, Rastatt, Sindelfingen, and Tuscaloosa are **all capable of building EVs** and are currently assembling **5 different BEVs**

2022: **8 EVs** will be produced on 3 continents with batteries from our worldwide network

Factory 56: blueprint for our worldwide network in terms of flexibility, efficiency, digitalization, and green production

Stuttgart-Untertürkheim & Berlin-Marienfelde: two of our major powertrain plants are already accelerating their **transformation toward a zero-emissions future**

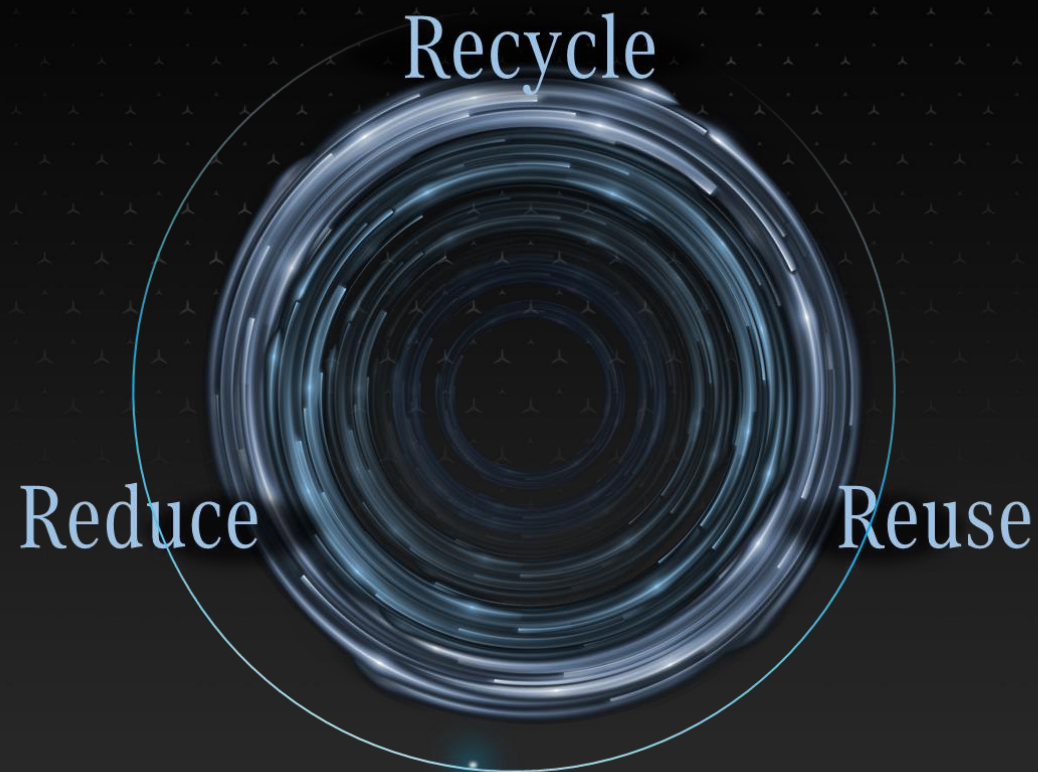


Mercedes-Benz Cars is closing the loop: from value chain to value cycle

2022: **Carbon-neutral production** at all Mercedes-Benz AG passenger car and battery assembly sites

Establishing **remanufacturing processes** and **repurpose of key components**, e.g. batteries can be reused to help balance electricity grid

Planned **battery recycling factory** in Kuppenheim, Germany. Start of operations in 2023, depending on promising discussions with public authorities



Mercedes-Benz Cars: The transformation of our workforce



Re-shape

Streamlining our organization in a responsible way

Re-skill

Developing future-oriented qualifications

Re-charge

Meeting the Mercedes-Benz standard as an employer

Continue effective process of cost reduction working together with employee representatives

Focus on staff fluctuation and fair solutions

Mercedes-Benz Drive Systems unit enables and supports the transformation of our plants

Ensure that motivated and qualified people remain at the heart of this fundamental shift

Internal tech-academies and other trainings

Employees are gradually being shifted from conventional drives to electric drives

New technologies require a new area of expertise

Create 3,000 new jobs for software engineers

Attractive contractual framework offering innovative employment conditions

Convictions driving Daimler Truck's propulsion system strategy



WE WILL RAMP DOWN CURRENT ICE POWERTRAIN

Manage the ICE ramp-down while staying technology competitive

WE ARE COMMITTED TO BOTH BEV & HYDROGEN SOLUTIONS

BEV and FCEV are complementary and both will be needed

WE WILL MOVE RAPIDLY TO WIN THE PROPULSION TECHNOLOGY RACE

We have the right levers to accelerate ZEV

Daimler Trucks: infrastructure requires a dual zero-emission strategy

Battery electric and fuel-cell electric – both technologies needed



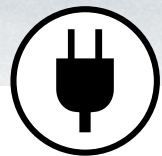
REVERSED SCALING EFFECTS

ZEV
PENETRATION

LOW



HIGH



**LEVERAGING
EXISTING ENERGY CAPACITIES**
PLANNED HUB CHARGING

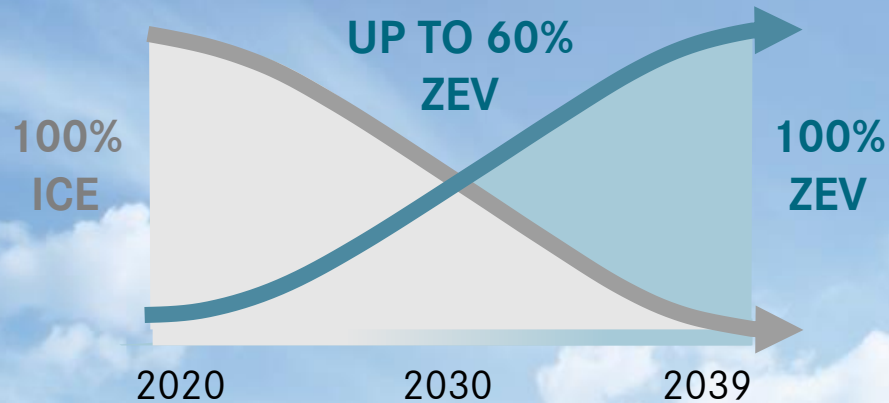
BEV: Easier to scale initially



**REFUELING EFFICIENCY AND
H2 PRODUCTION**
FLEXIBLE ON-DEMAND

FCEV: Works at scale with infrastructure

The transition to ZEV at Daimler Trucks: High potential variability in timing – but we are ready for any outcome



DT KEY 2030 ASSUMPTIONS

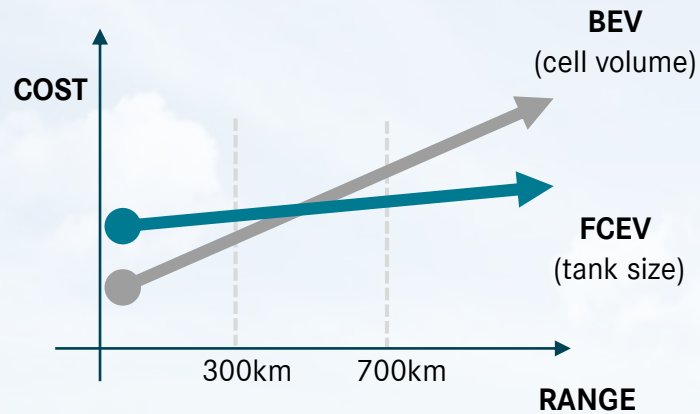
- ▶ Governmental support incl. carbon pricing & infrastructure
- ▶ Zero emission PT cost driven down further
- ▶ H2 cost €4/kg, with infrastructure buildout
- ▶ Electricity cost: €0.15/kwh

TCO OUTCOMES

- ▶ Parity for BEV possible after 2025
- ▶ Parity for FCEV possible after 2027
- ▶ Significant variations likely by region

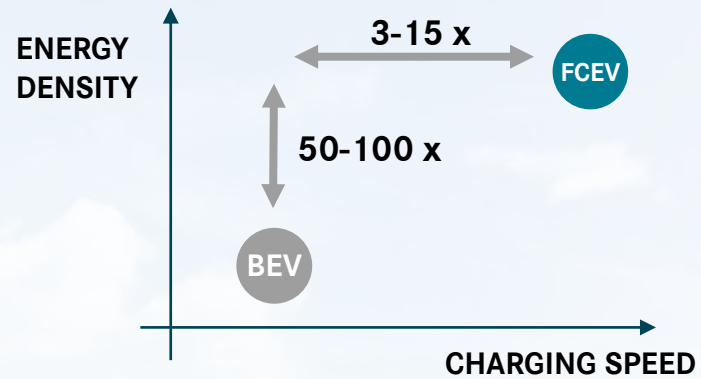
ZEV technology : Both BEV and Hydrogen will be needed – three key factors drive the dual strategy of Daimler Truck

COST PER RANGE: “THESE LINES MUST CROSS”



FCEV AND BEV
BOTH WIN
DEPENDENT ON RANGE

ENERGY DENSITY/CHARGING: “THESE LINES NEVER CROSS”



FCEV BEATS BEV
IN CHARGING, RANGE
AND PAYLOAD AT HIGH RANGE

GLOBAL ENERGY ECOSYSTEM: “WILL BE ESTABLISHED ANYWAY”



BOTH E-GRID AND H₂ ARE REQUIRED
IN A CO₂-NEUTRAL SOCIETY –
INDEPENDENT OF TRUCKING

On the road to CO₂-neutral production

By **2022**: CO₂-neutral production at our Mercedes-Benz Car and Van plants worldwide*

By **2022**: CO₂-neutral production at our European plants of Daimler Trucks & Buses*

By **2030**: Fifty percent CO₂ emissions reductions from production operations



By **2039**: CO₂-neutral production at all of our plants and in all of our business units worldwide

“Factory 56” in Sindelfingen

* In Germany, the green power supply is ensured not only for the production sites: starting in 2022, all German locations of Daimler AG, Mercedes-Benz AG, Daimler Trucks AG and Daimler Mobility AG will obtain green power generated entirely from renewable energy sources, making it free of CO₂.

Our strategy is guided by international framework agreements,...



The ten principles of the **UN Global Compact** provide a fundamental guide for our business operations.

Our **internal principles and policies** are founded on this international frame of reference and other international principles.

Our goal in this process is to support the **UN Sustainable Development Goals** with our work processes and to cooperatively develop approaches to solutions.



... our corporate principles and integrity. Doing the right thing by living our values

We adhere to **internal and external rules**, we act according to our **corporate principles** and we listen to our **inner compass**.

We have incorporated integrity-related issues in our **culture** and our **compliance management system**. Our performance is measured by the **integrity indicator** which is part of the non-financial management compensation.

Our five corporate principles:

the foundation of all our actions



We are profitable and are committed to people and the environment



We act responsibly and respect the rules



We address issues openly and stand for transparency



Fairness and respect are the foundation of our collaboration



We practice diversity

Our web-based training modules on integrity & compliance are mandatory and have to be performed successfully on a regular basis.



Daimler's green finance framework is part of our sustainable business strategy



Use of proceeds

Project evaluation and selection

Management of proceeds

Reporting*

External review

Daimler's green finance framework is developed to be in line with both the ICMA Green Bond Principles, as well as LMA and APLMA Green Loan Principles. It is Daimler's intention to follow best practises as market standards develop and as the EU Taxonomy and the EU Green Bond Standard enter into force.

*Investor Allocation and Impact Report to be published in September 2021.



Green Loan Principles
Supporting environmentally sustainable economic activity



Second Opinion by leading provider of independent reviews of green bonds



°CICERO
Shades of
Green

SHADES OF GREEN

Daimler's green finance framework was rated by **CICERO** as **Dark Green**. Dark Green is allocated to projects and solutions that correspond to the long-term vision of a low carbon and climate resilient future.

GOVERNANCE PROCEDURES

CICERO Shades of Green finds the governance procedures in Daimler's framework to be **Excellent**.

GREEN BOND and GREEN LOAN PRINCIPLES

CICERO confirms that Daimler's green finance framework is found **in alignment** with the green bond and green loans principles.



The
Green Bond
Principles

Daimler Q2 2021

Disclaimer

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, pandemics, 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, customs and foreign trade provisions; 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 governmental investigations or of investigations requested by governments and the outcome of pending or threatened future legal proceedings; and other risks and uncertainties, some of which are described under the heading “Risk and Opportunity Report” in the current Annual Report or in the Interim 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.