

Roadshow Presentation
FY 2022
Mercedes-Benz Group AG

AGENDA

I. RESULTS FY 2022

II. OUTLOOK FY 2023

III. STRATEGY

1. MERCEDES-BENZ CARS

1.1 LUXURY STRATEGY

1.2 ELECTRIFICATION & AUTOMATED DRIVING

2. MERCEDES-BENZ VANS

3. MERCEDES-BENZ MOBILITY

Recap: Our strategic priorities for 2022



Scale
electric
vehicles

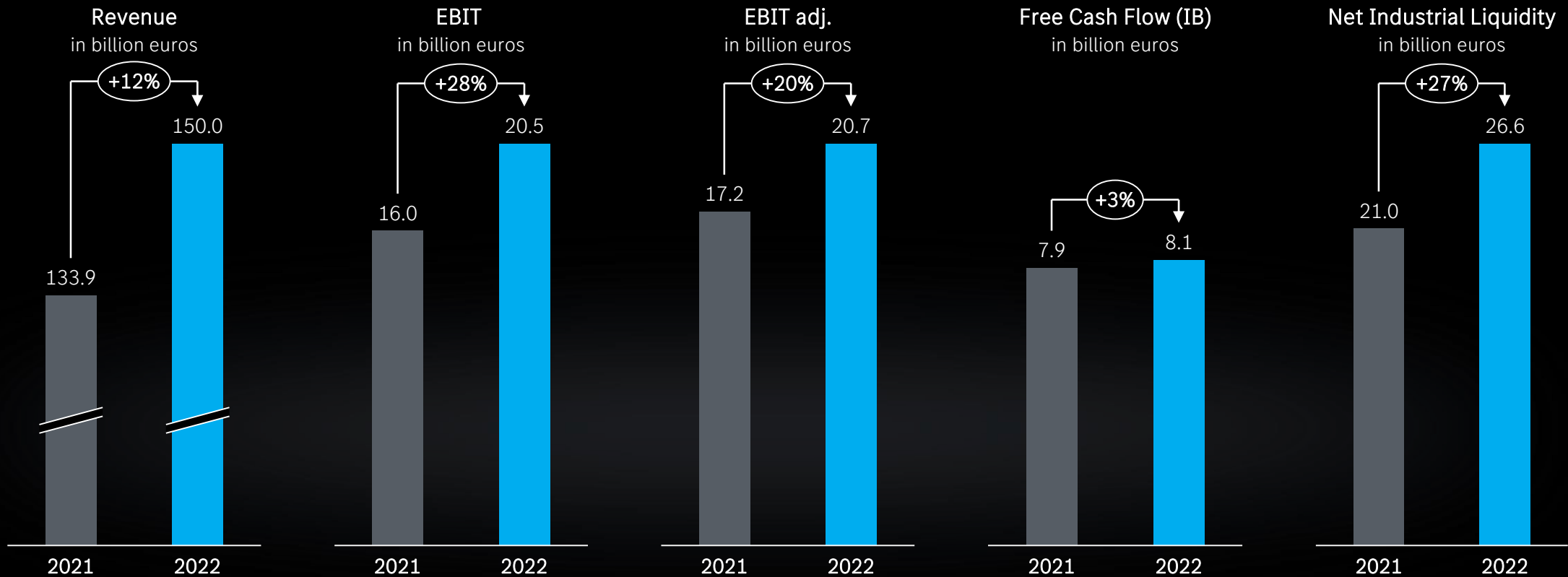
Accelerate
car
software

Grow
luxury
business

Alleviate
supply
constraints

Focus
relentlessly
on costs

Mercedes-Benz Group: Key figures*



* 2021 figures continuing operations only; all figures preliminary and unaudited

Mercedes-Benz Cars: Key messages



Performance: Resilience in challenging environment, vigilance towards macroeconomics & geopolitics

Profitability: Improvement of revenue quality, cost efficiency & pricing power compensating inflation

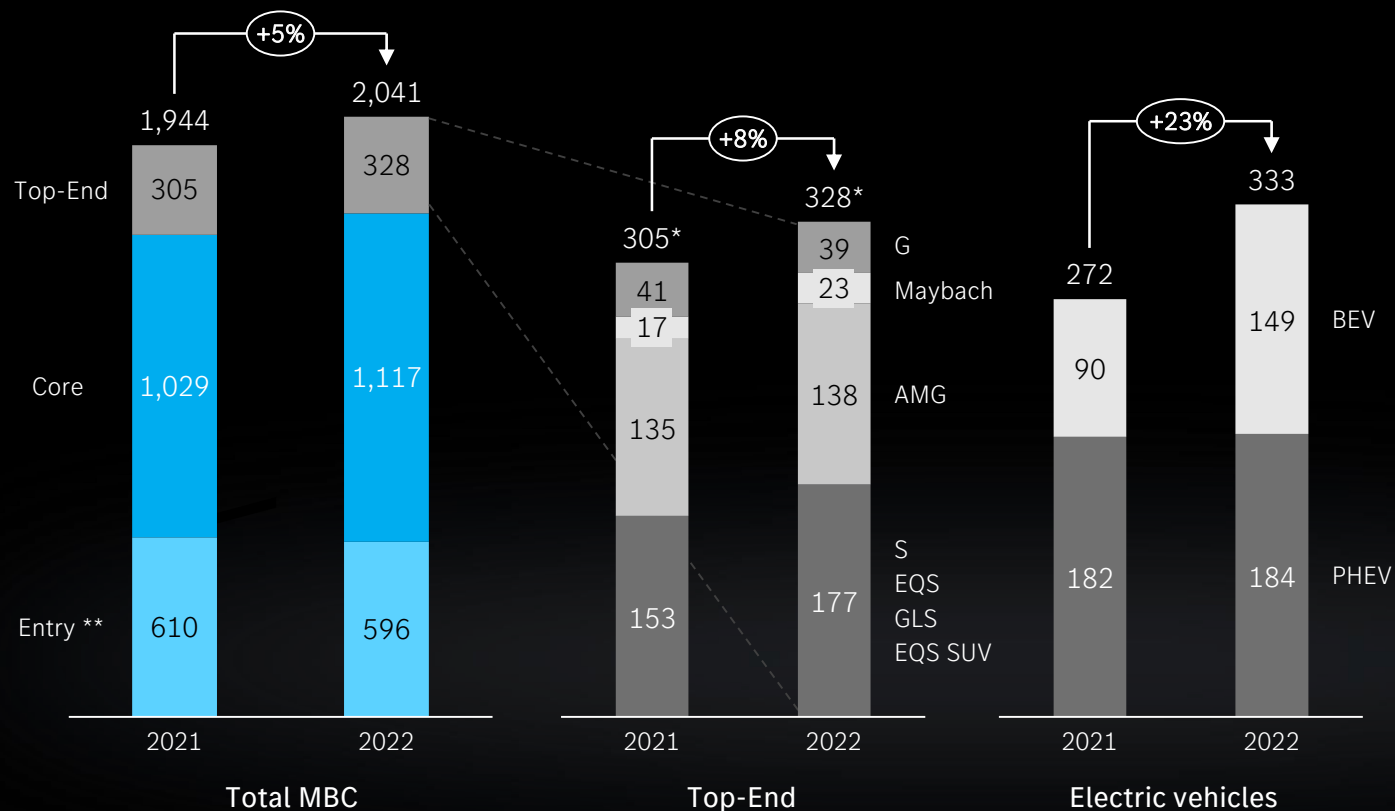
Products: world premiere of GLC, EQS SUV & EQE SUV

Technology: EQXX with new efficiency record, L3 system available in S-Class & EQS

Transformation: Global production and powertrain network realigned towards electric vehicles

Mercedes-Benz Cars: Top-End and electric vehicle unit sales

In thousand units



Share in % of volume

16%

16%

14%

16%

* w/o double counting (e.g. G63, S-Class, Maybach)

** incl. smart

Mercedes-Benz Vans: Key messages



Performance: Global sales significantly increased despite geopolitical challenges & supply constraints

Profitability: Solid margin reflects healthy mix & pricing

Products: Sales start of new T-Class & world premiere of all-electric EQT

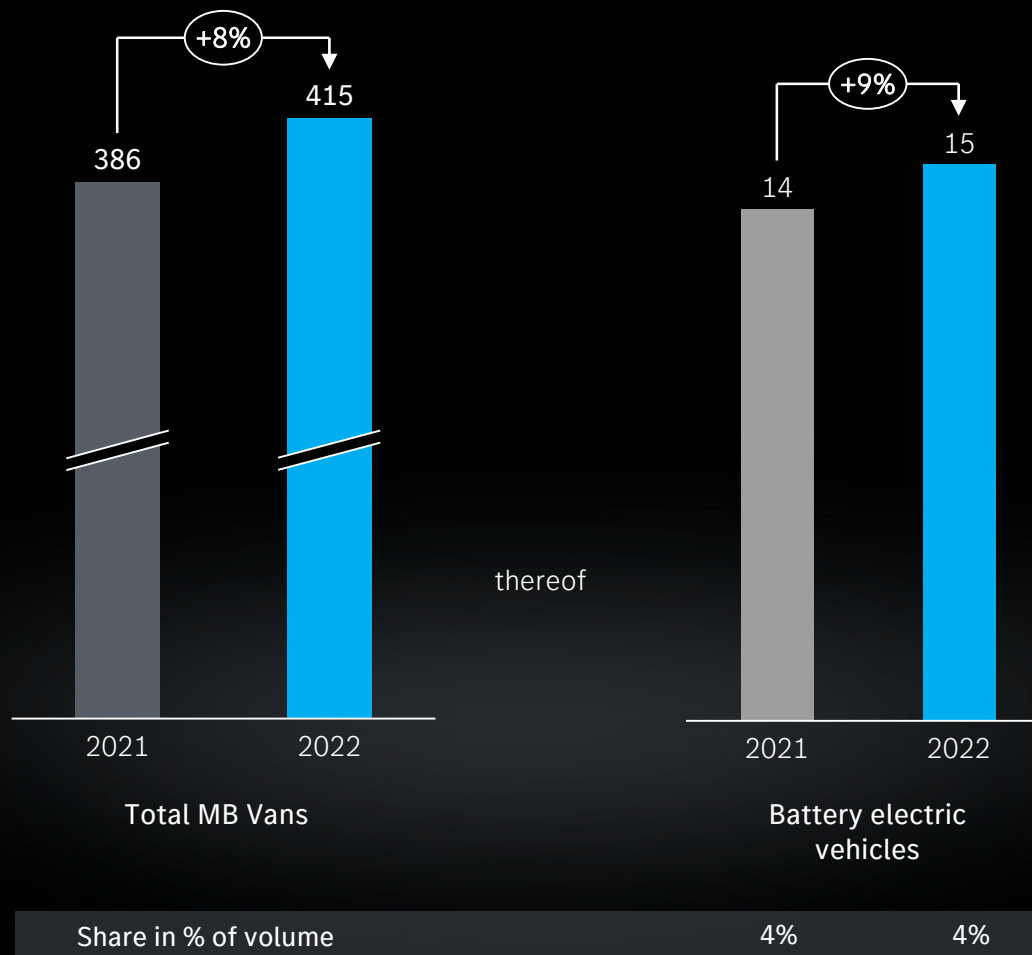
Transformation: Reorganization of global production network for electric vans decided

Strategy: Focus on lead in electrification sharpened

Mercedes-Benz Vans: Electric vehicle unit sales

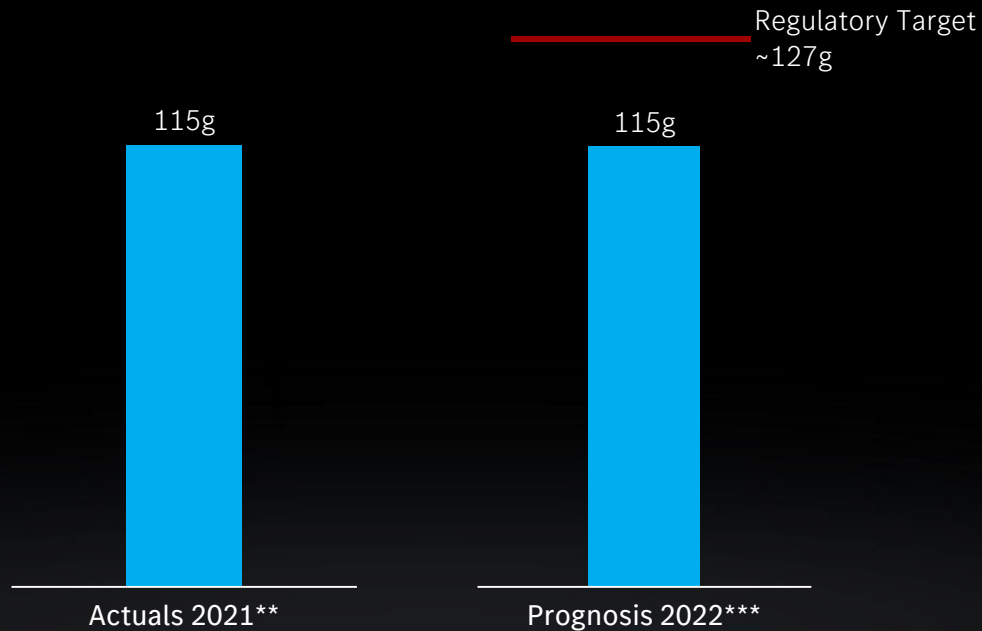


In thousand units



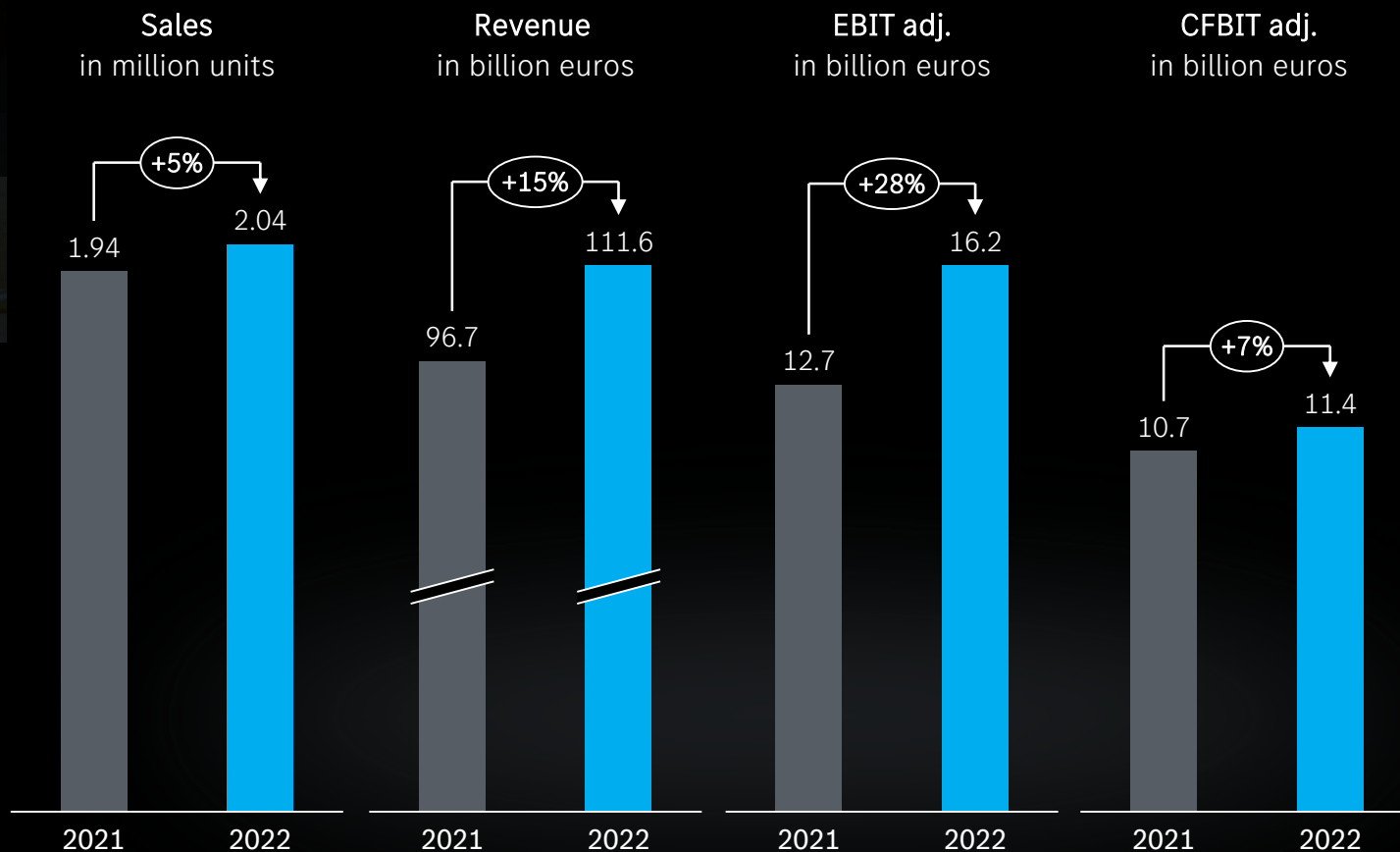
Mercedes-Benz Group: Cars and Private Vans

Internal data confirms CO₂ compliance 2022 in Europe*



* Average CO₂ emissions of the total fleet of newly registered Mercedes-Benz cars in Europe (European Union, Norway and Iceland) in the reporting year as measured on the basis of the WLTP, i.e. including vans that are registered as passenger cars.
** Based on provisional European Environment Agency data (incl. Eco-Innovation)
*** Based on internal Data (incl. Eco-Innovation)

Mercedes-Benz Cars: Financials



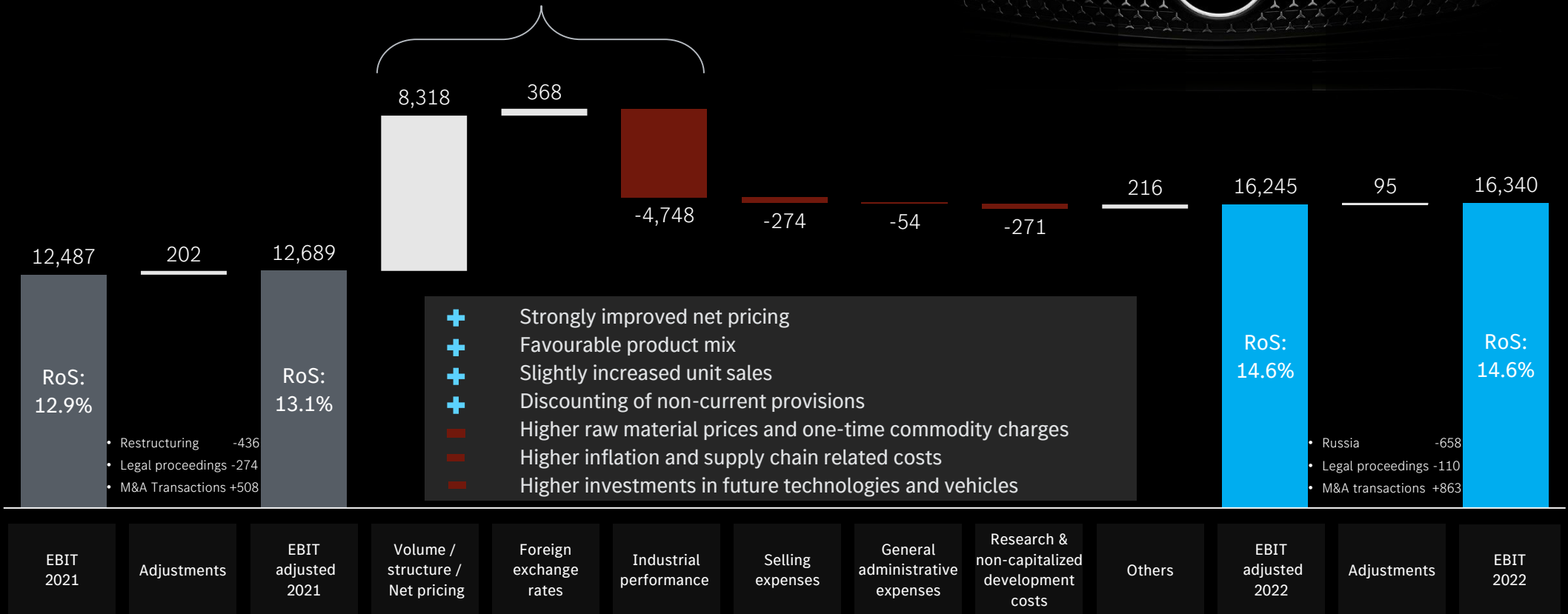
* ASP in thousand euros excl. Smart, BBAC sales and pbp revenues

Mercedes-Benz Cars: FY EBIT & RoS

In million euros



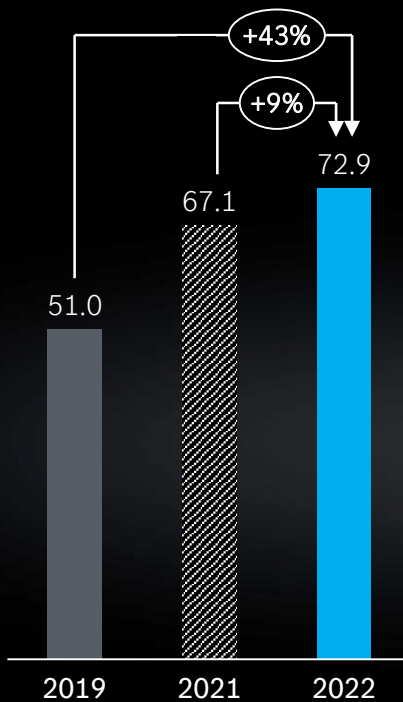
Gross Profit +3,938



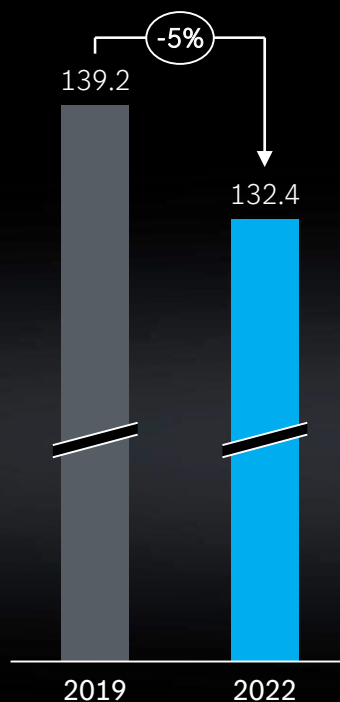
Mercedes-Benz Cars: Indicators of Change



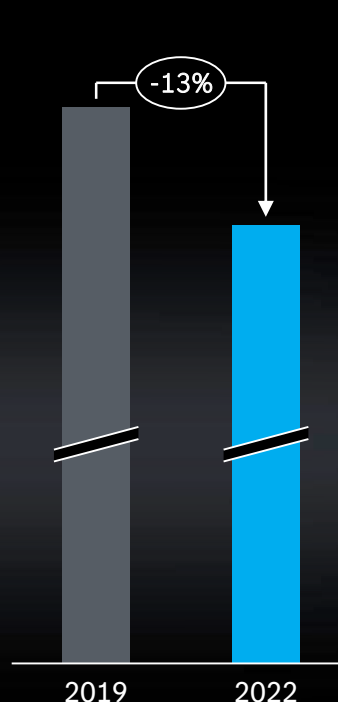
Average Sales Price*
in thousand euros



Active Workforce
in thousand FTE**



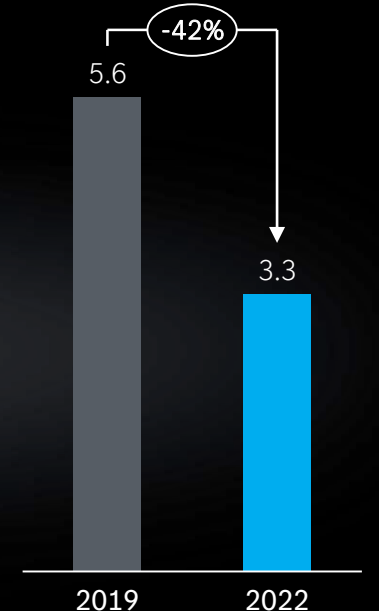
Fixed Costs
in billion euros



R&D
in billion euros

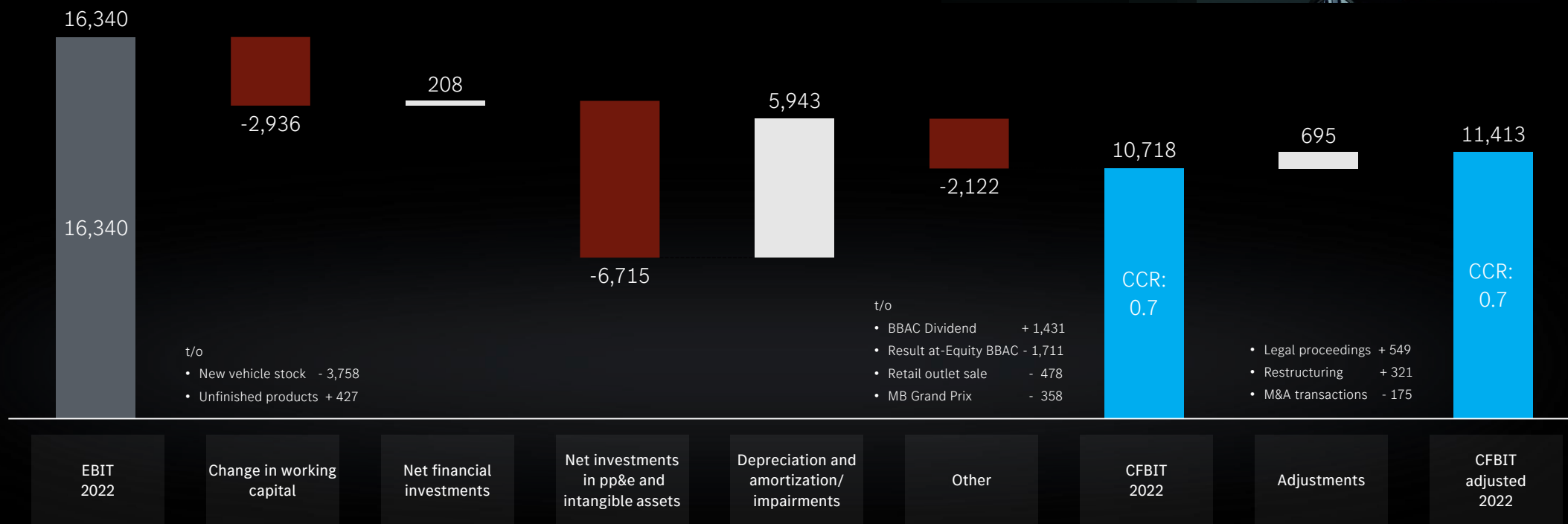


Investment in pp&e
in billion euros

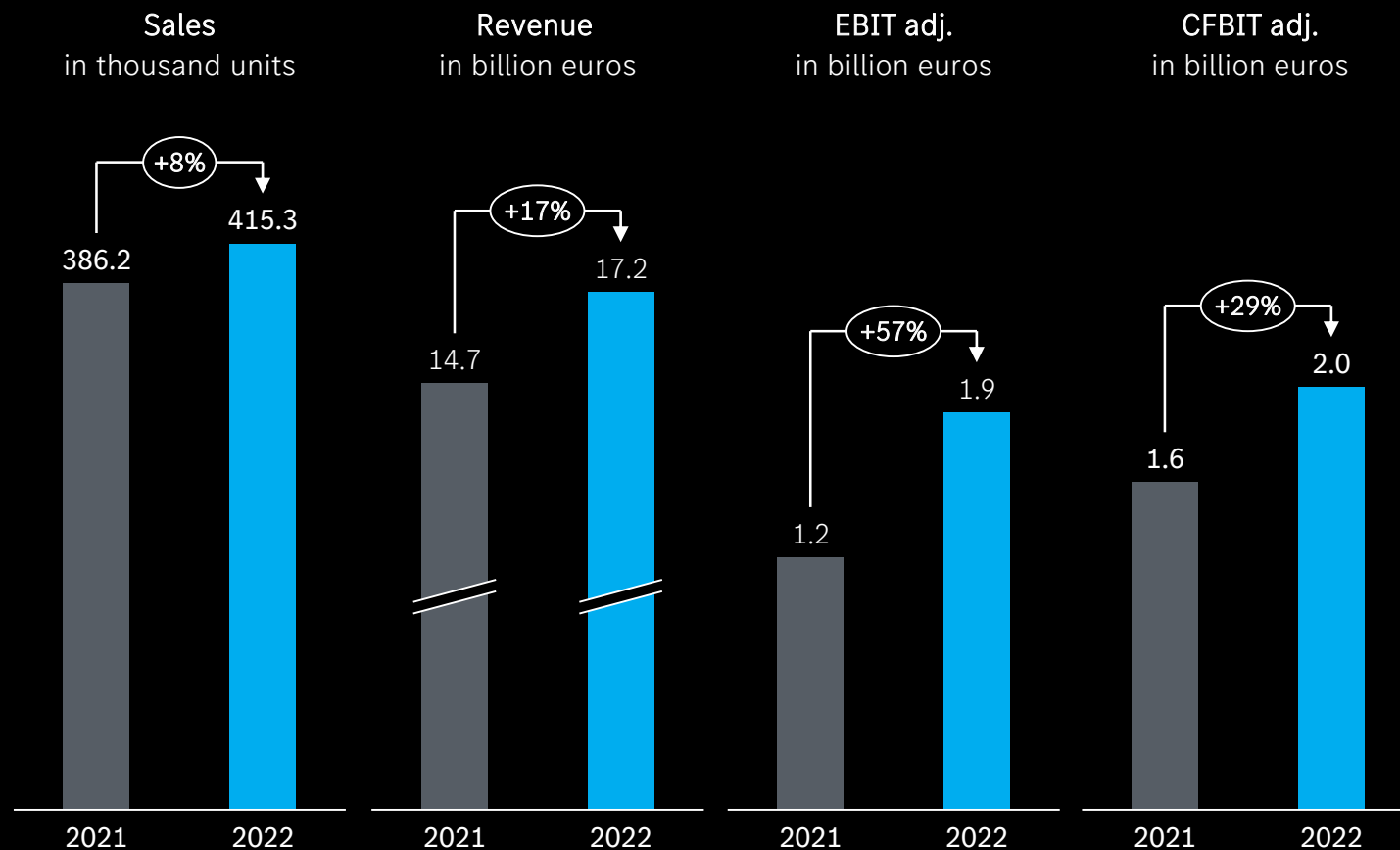


Mercedes-Benz Cars: EBIT to CFBIT

In million euros



Mercedes-Benz Vans: Financials

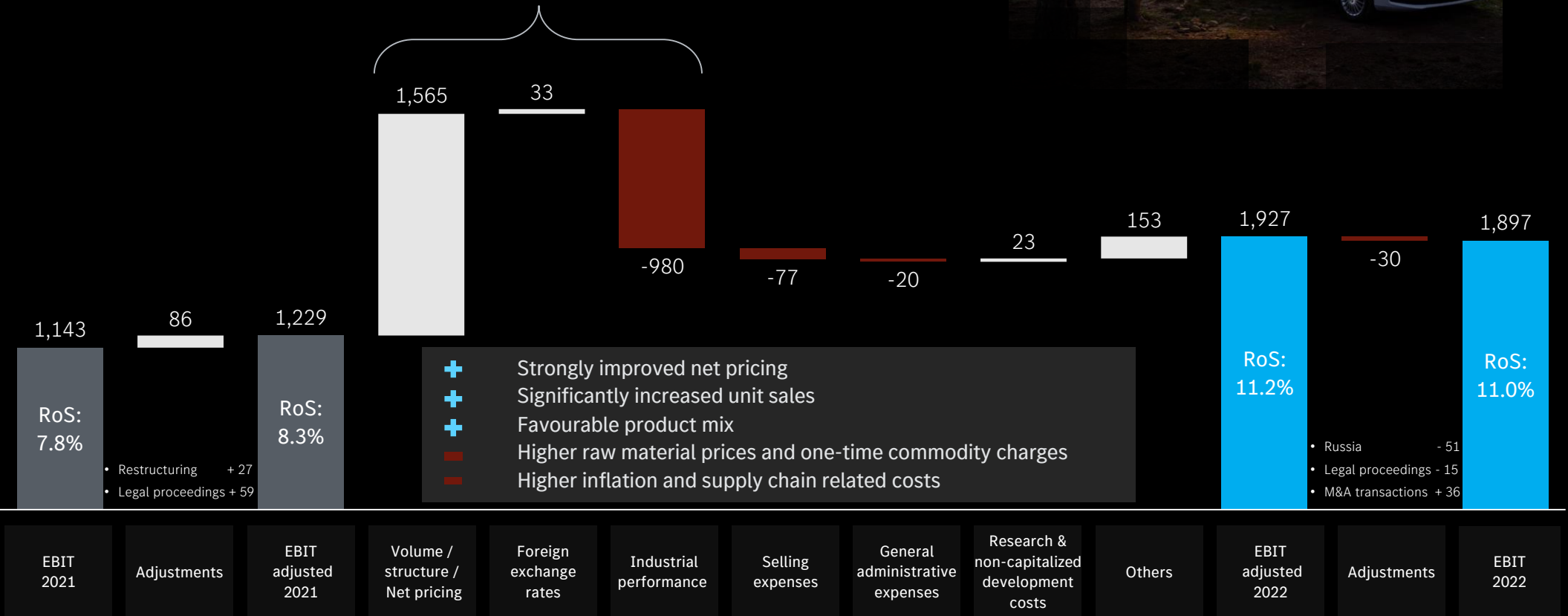


Mercedes-Benz Vans: FY EBIT & RoS

In million euros



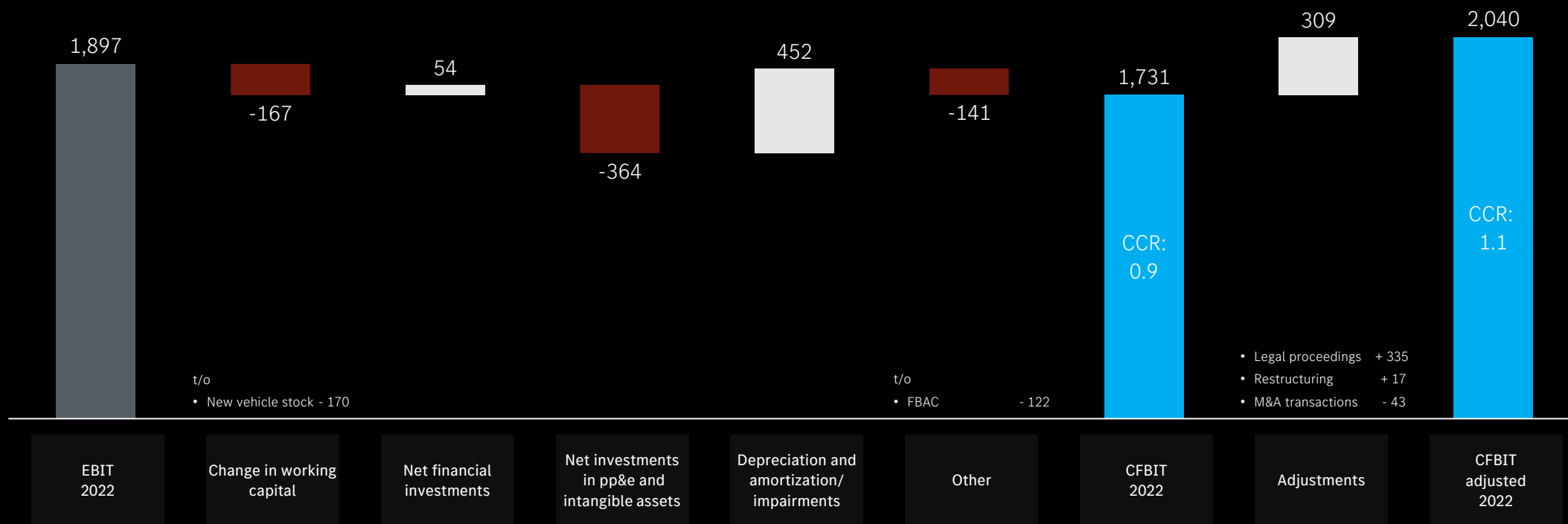
Gross Profit +618



Mercedes-Benz Vans: EBIT to CFBIT



In million euros



Mercedes-Benz Mobility: Key messages

Performance: High portfolio quality results in low credit losses despite challenging environment

Profitability: Solid margins despite headwinds from higher interest rates and increase in cost of credit risk

Fleet Management: Improved business performance

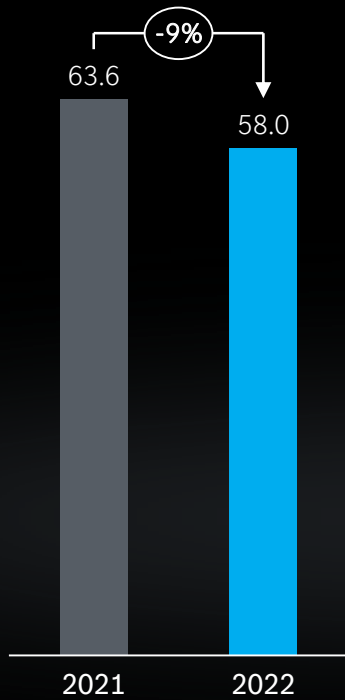
Strategy: Strong partner to Mercedes-Benz Cars and Vans supporting electrification strategy

Transformation: Truck Spin-off project successfully completed



Mercedes-Benz Mobility: Financials

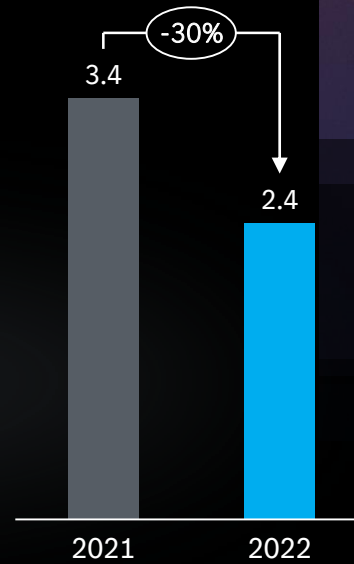
New Business
in billion euros



Contract Volume
in billion euros

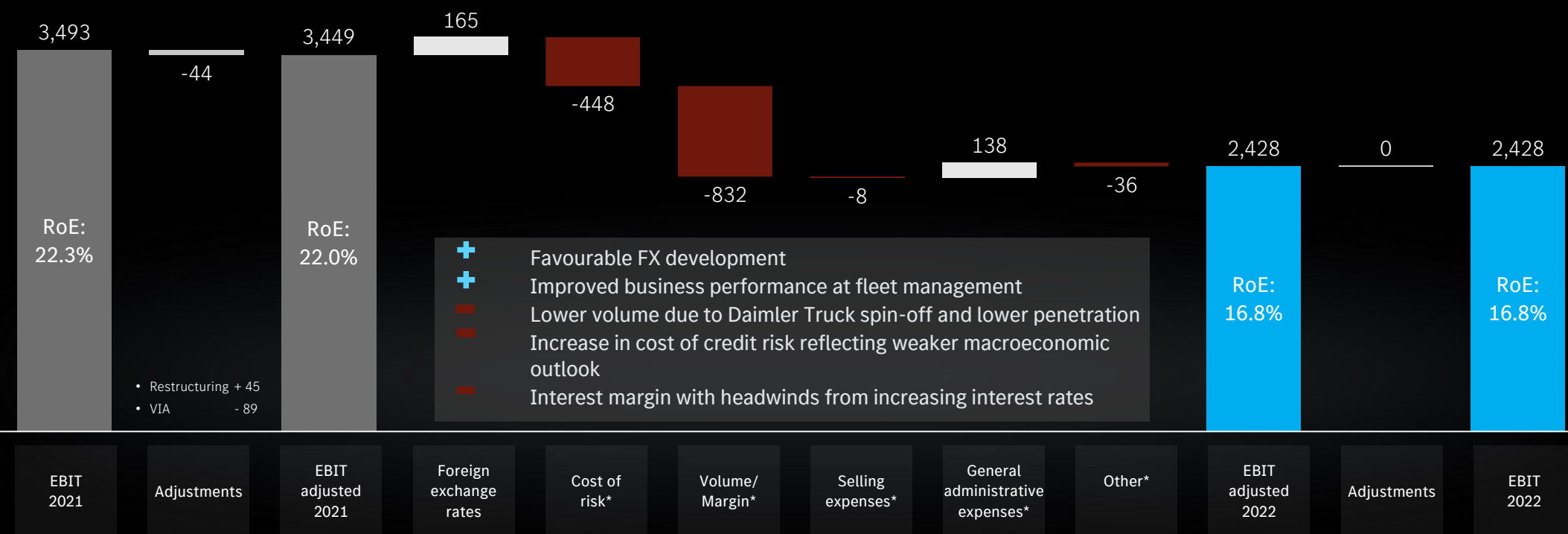


EBIT adj.
in billion euros



Mercedes-Benz Mobility: FY EBIT & RoE

In million euros



* excluding FX effects

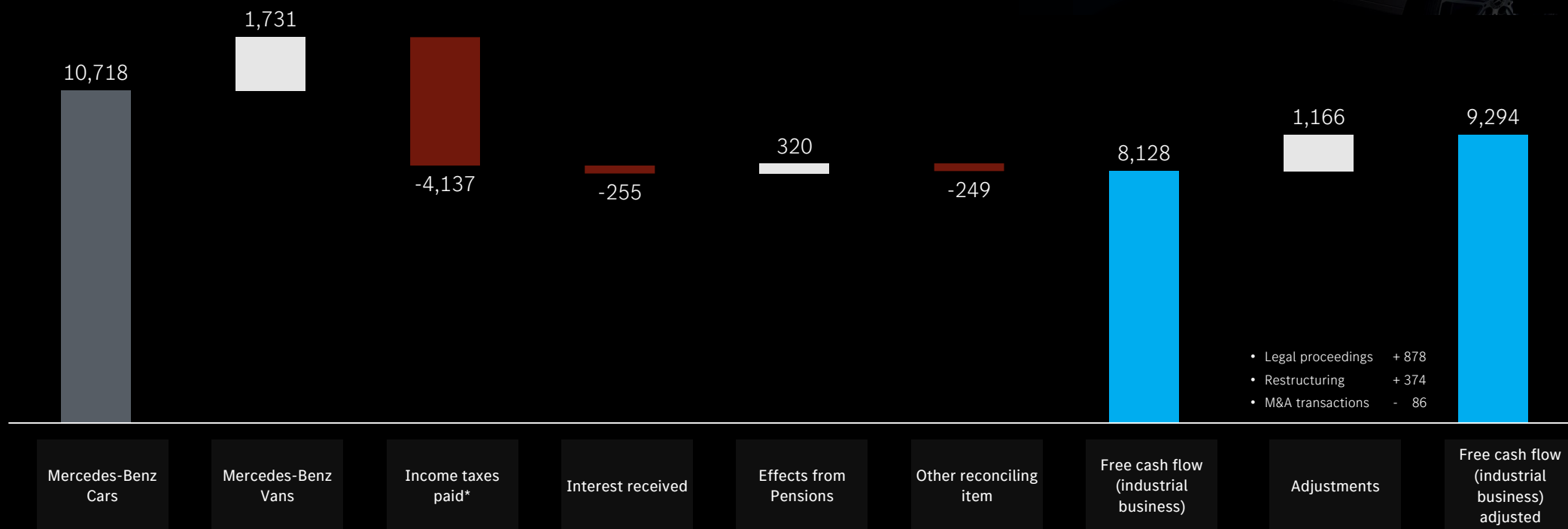
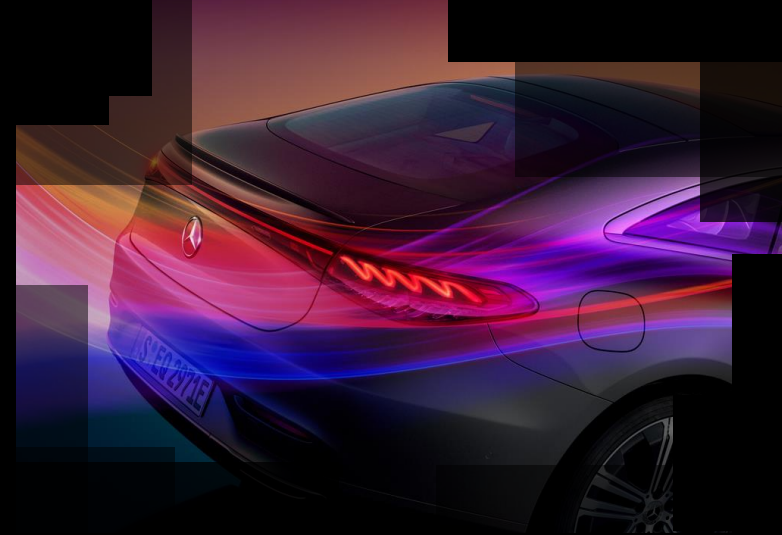
Mercedes-Benz Group: Group EBIT

In million euros



Mercedes-Benz Group: Reconciliation from CFBIT to Free Cash Flow*

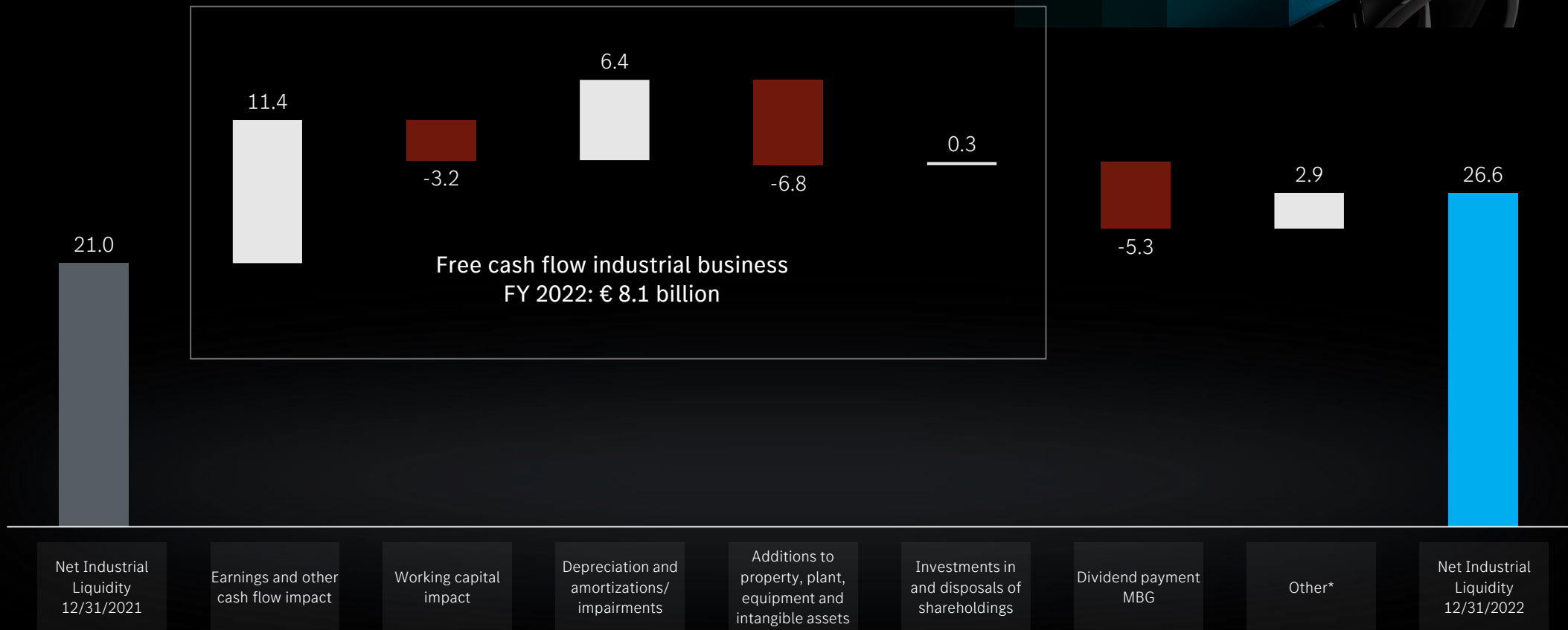
In million euros



* includes internal tax prepayments from Mercedes-Benz Mobility to the industrial business

Mercedes-Benz Group: Net Industrial Liquidity*

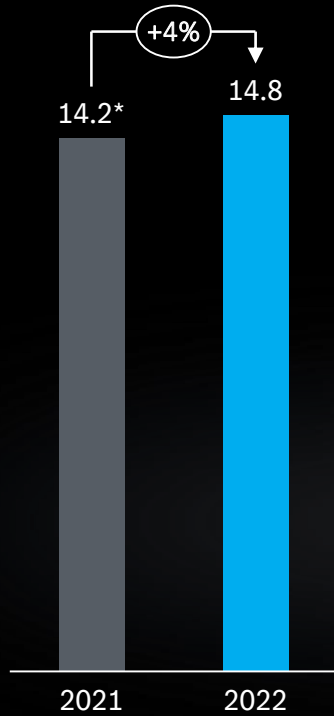
In billion euros



* Mainly exchange rate effects, dividends from MBM and capital decreases at MBM

Mercedes-Benz Group: Dividend

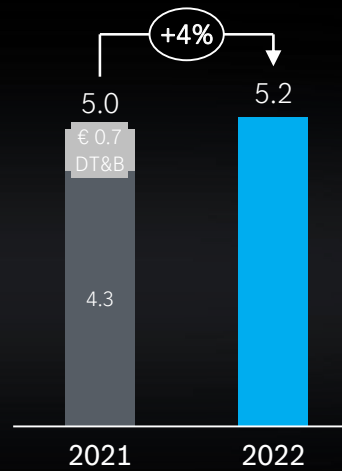
Net profit
in billion euros



Earnings per share
in euros



Dividend
proposed in euros



* 2021 figures excl. deconsolidation result

Mercedes-Benz Group: Share buyback

Strategic course set

Excess cash generation after addressing strategic priorities

Honouring dividend policy

Optimizing capital structure post spin-off

Buybacks funded by MBG's prevailing strong free cash flows
and compatible with our strategic investment priorities

up to € 4 Billion

max. 2 years

starting March 2023

AGENDA

I. RESULTS Q3 2022

II. OUTLOOK FY 2022

III. STRATEGY

1. MERCEDES-BENZ CARS

1.1 LUXURY STRATEGY

1.2 ELECTRIFICATION & AUTOMATED DRIVING

2. MERCEDES-BENZ VANS

3. MERCEDES-BENZ MOBILITY

Mercedes-Benz Divisional Guidance 2023

ASSUMPTION

The global economic conditions continue to be characterized by an exceptional degree of uncertainty. In addition to unexpected macroeconomic developments, uncertainties for the global economy and the business development of the Mercedes-Benz Group may arise in particular from geopolitical events and trade policy. Besides Russia's war in Ukraine, examples of this include a further exacerbation of tensions between the United States and China and a further deterioration of political relations between the European Union and China. In addition, as in the previous year, the further course of the Covid-19 pandemic, particularly in China, may lead to disruptions in global supply chains. Other availability bottlenecks, in particular those affecting semiconductors, remain a large source of uncertainty. Volatile energy and commodity prices, persistently high or repeatedly rising inflation rates, sharply rising interest rates and an even more pronounced slowdown in economic growth may also have an impact on the risks and opportunities described in the individual categories.

| | | |
|-----------------------------------|------------------------------|---------------------|
| Unit Sales | Mercedes-Benz Cars | At prior-year level |
| | Mercedes-Benz Vans | At prior-year level |
| Return on Sales (adjusted*) | Mercedes-Benz Cars | 12 to 14 % |
| | Mercedes-Benz Vans | 9 to 11 % |
| | Mercedes-Benz Mobility (RoE) | 12 to 14 % |
| Cash Conversion Rate** (adjusted) | Mercedes-Benz Cars | 0.8 to 1.0 |
| | Mercedes-Benz Vans | 0.5 to 0.7 |
| Investment in pp&e | Mercedes-Benz Cars | Significantly above |
| | Mercedes-Benz Vans | Significantly above |
| R&D expenditure | Mercedes-Benz Cars | Slightly above |
| | Mercedes-Benz Vans | Significantly above |



* 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 transactions.

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

Mercedes-Benz Group Guidance 2023

ASSUMPTION

The global economic conditions continue to be characterized by an exceptional degree of uncertainty. In addition to unexpected macroeconomic developments, uncertainties for the global economy and the business development of the Mercedes-Benz Group may arise in particular from geopolitical events and trade policy. Besides Russia's war in Ukraine, examples of this include a further exacerbation of tensions between the United States and China and a further deterioration of political relations between the European Union and China. In addition, as in the previous year, the further course of the Covid-19 pandemic, particularly in China, may lead to disruptions in global supply chains. Other availability bottlenecks, in particular those affecting semiconductors, remain a large source of uncertainty. Volatile energy and commodity prices, persistently high or repeatedly rising inflation rates, sharply rising interest rates and an even more pronounced slowdown in economic growth may also have an impact on the risks and opportunities described in the individual categories.

| | |
|--------------------------------------|---------------------|
| Revenue | At prior-year level |
| EBIT | Slightly below |
| Free Cash Flow (Industrial Business) | At prior-year level |
| CO ₂ emission (g/km)* | Significantly below |



* Average CO₂ emissions of the total fleet of newly registered Mercedes-Benz cars in Europe (European Union, Norway and Iceland) in the reporting year as measured on the basis of the WLTP, i.e. including vans that are registered as passenger cars.

AGENDA

I. RESULTS FY 2022

II. OUTLOOK FY 2023

III. STRATEGY

1. MERCEDES-BENZ CARS

1.1 LUXURY STRATEGY

1.2 ELECTRIFICATION & AUTOMATED DRIVING

2. MERCEDES-BENZ VANS

3. MERCEDES-BENZ MOBILITY

Strategic priorities for 2023



Safeguard our
operating
optimum

Continue
scaling BEVs

Future-proof
supply chains

Further upgrade
customer
experience

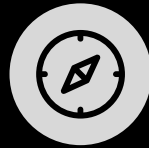
Maintain
cost
discipline

Three levers to sustainably improve our cash flow



“Free up cash”

- Reduction of working capital: from purchase to production to sales
- Joint optimization of inventories along the value chain
- Target: generate as much cash inflow as possible as early as possible and as little cash out as possible as late as possible



“Improve cash flow steering”

- Creating more transparency and visibility
- Integration of cash flow as an established part of our management and decision-making processes



“Establish cash flow culture”

- Cash flow as part of the Mercedes-Benz DNA: from management to employees
- Demonstrating how everyone can positively influence the cash flow in their day-to-day work
- Establishing cash flow orientation as the basis for responsible management of the scarce resource “money”

AGENDA

I. RESULTS FY 2022

II. OUTLOOK FY 2023

III. STRATEGY

1. MERCEDES-BENZ CARS

1.1 LUXURY STRATEGY

1.2 ELECTRIFICATION & AUTOMATED DRIVING

2. MERCEDES-BENZ VANS

3. MERCEDES-BENZ MOBILITY

Mercedes-Benz - The original and most valuable luxury car brand

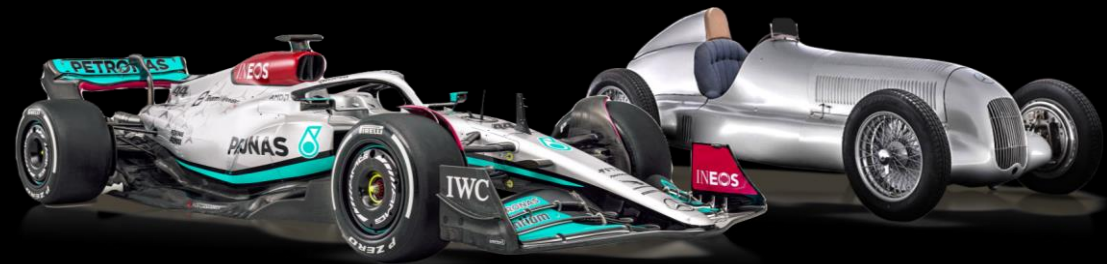
Heritage:

Mercedes-Benz is built on constant reinvention



Formula 1:

The power of F1 for our brand



Source: Interbrand Best Global Brands 2021

Zeitgeist relevance: There's no luxury without sustainability

Our sustainability goals:

2022

CO₂-neutral
Production*

2025

Up to
50% xEVs

2030

ready to go all electric
where market
conditions allow

2039

Carbon
neutrality*



* Partly including offsets

Understanding our customers



50%

more adults with wealth
above 1 million USD
(2020-2025)

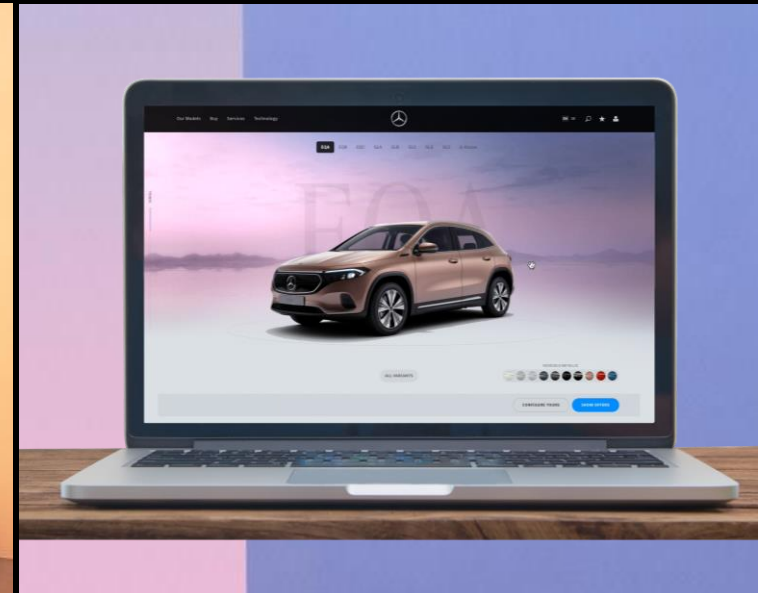
Source: Credit Suisse, "Global Wealth Report: 2021"



~180%

expected contribution from GenY & GenZ
to total growth in personal luxury goods
market from 2019 to 2025

Source: Bain, "2021 Luxury Goods Worldwide Market Study"



60%

of car buyers under the
age of 45 are likely to purchase
their next car online

Source: McKinsey & Company, "Digitization in automotive retail in 2021 and beyond"

Approaching our customers

Specific Mercedes-AMG touchpoints
continue to grow worldwide



Digitalisation drives the importance of the
physical brand experience



Direct sales:
one giant leap for our customers and for us

Our ambition for 2025

20 markets
globally

over 80%
direct sales in Europe

25% online
sales



Exclusivity: Significant progress with our top-end vehicles and increasingly electric with even more conquest potential

+27%

Top-end vehicle unit sales 2022 vs. 2019



~60%

Expected growth of top-end vehicle share of total Mercedes-Benz sales 2019-2026



Desire for... TECH

Digital innovations for China



Our game plan: generate returns consistent with our luxury status

What we are going to do

- Focus on pricing power
- Optimise product portfolio
- Tap full potential of top-end segment
- Exit lower margin products and channels
- Control investment and capacity while driving up contribution margins



The financial Impact

- Drive ASP higher
- Find a superior operating equilibrium
- Structurally higher profitability and improved margin resilience
- Higher return on invested capital

The power of pricing is part of our strategy

Key Levers

- Superior **brand** drives pricing power
 - Strong **products** enable ambitious **initial price setting** versus competition
 - Sustainable **price escalation**
 - Tight **discounts**: from sales push to lifecycle management
 - **Direct sales** model allows grip on pricing
-
- » Clear objective to continually raise our net pricing yoy
 - » Ambition to compensate raw material cost increases via pricing
 - » We will continue to control pricing and supply even if competitors pursue a volume strategy



Reshaped model portfolio will drive profitable sales growth

Mercedes-Benz
Car Sales

2.3 m cars

1.9 m cars

2021-2026
CAGR approx. 5% p.a.

Change of
segment share in
2026 vs. 2019

Top-End Luxury

Around
+60%

Core Luxury

0 %

Entry Luxury

-25%



2019



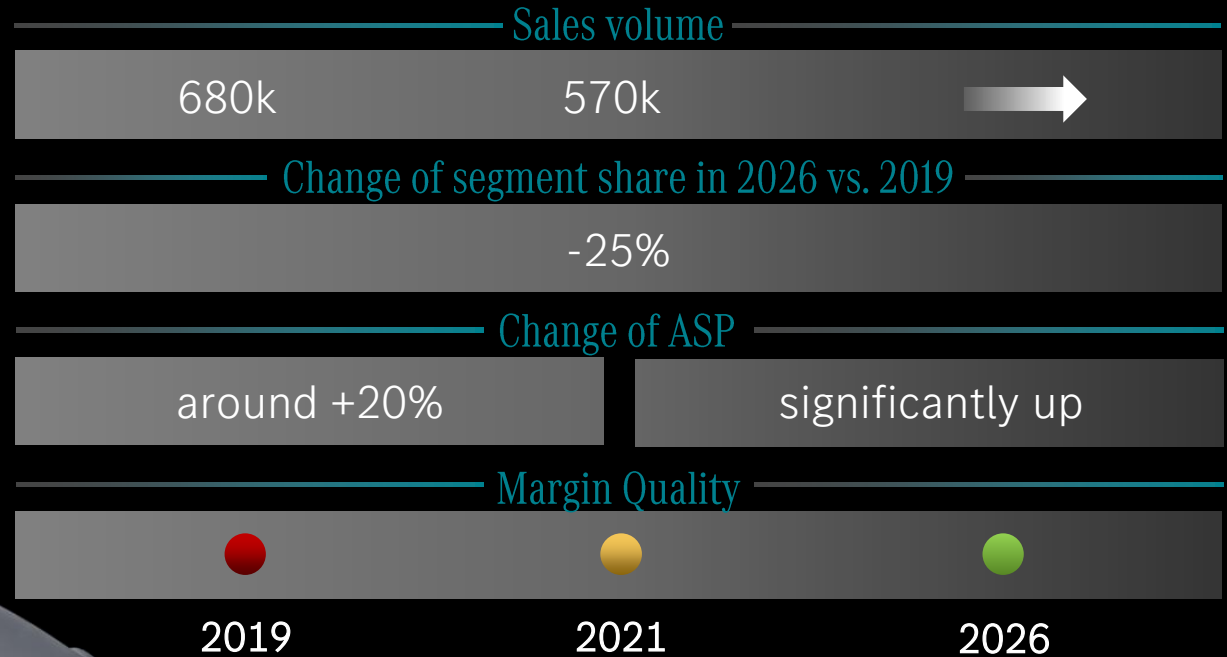
2021



2026

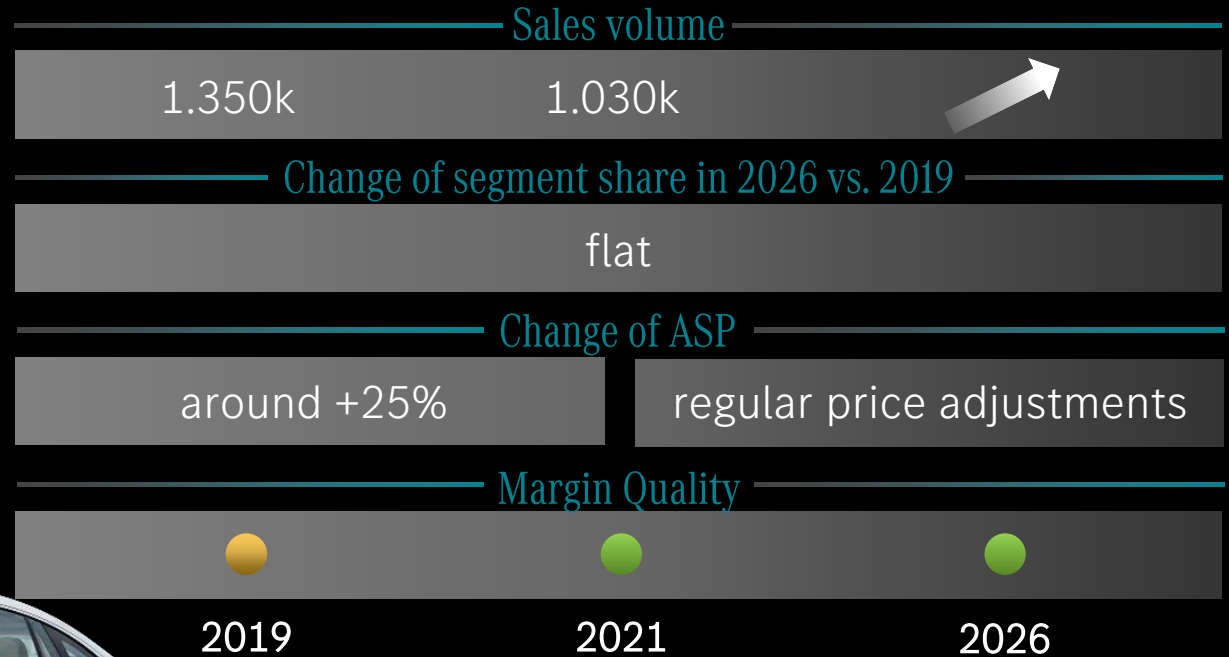
Entry Luxury - Focus & Elevate

- Elevate to Entry Luxury
- Product range refocused on **fewer and more upscale portfolio positions**: 4 bodystyles instead of 7
- The new entrance point of the portfolio is being **redefined** with the next generation of vehicles
- **Margin threshold** supports Group margin ambition



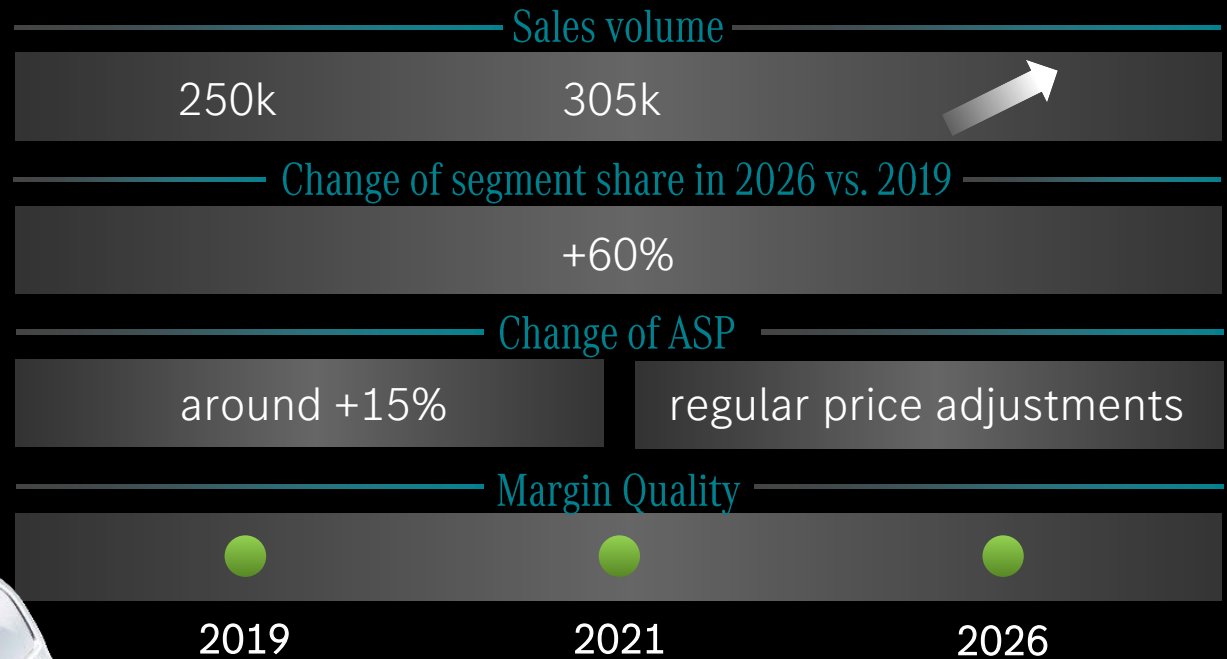
Core Luxury - Grow & Refine

- Core Luxury going electric on an accelerated timescale, leveraging EVA (EQE, EQE-SUV) and then MB.EA architectures
- Very attractive C-Class in the market
GLC launched end of 2022
Brand new E-Class in 2023
- Protect healthy margins on the way to BEV



Top-End Luxury - Expand & Enhance

- Starting point: Over 300k top-end luxury units with ASP of > € 100k and top-end profitability
- Sustainable segment growth
- Desirable products fueling growth: EQS, EQS-SUV, EQS-SUV Maybach, SL, GT, AMG-EA
- Ultra exclusive collectibles and luxury customer experience

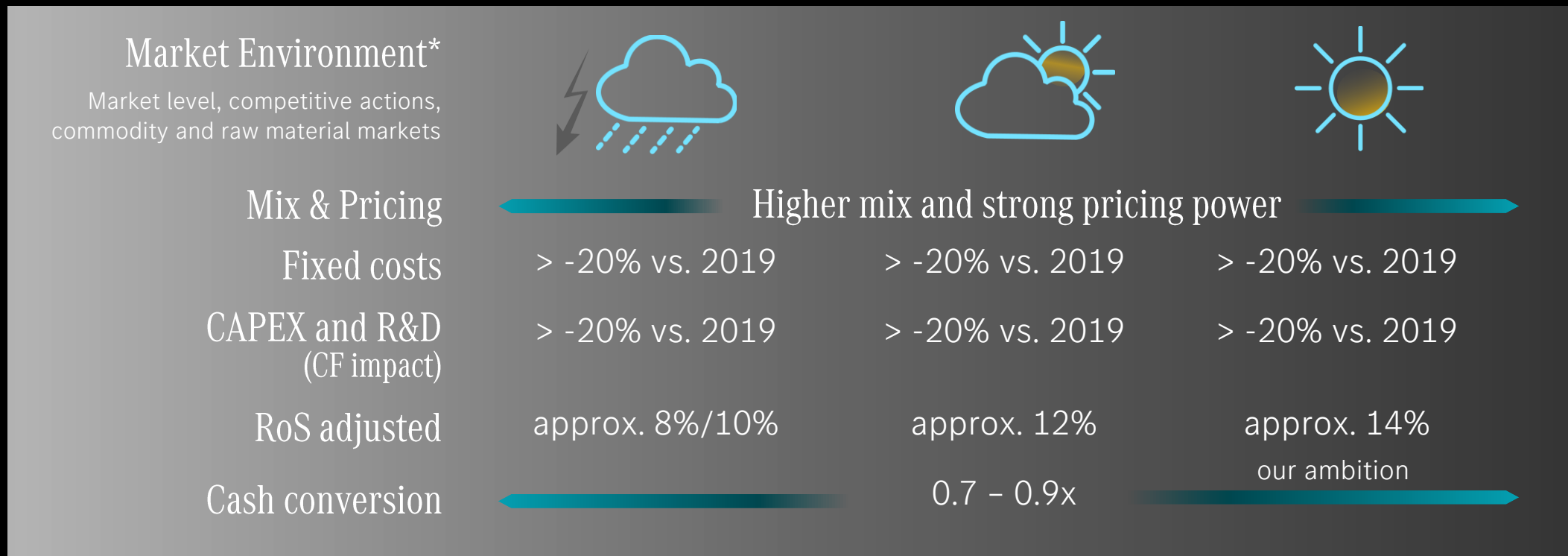


Changing our economic equation

- Enhance ROIC: control the denominator while raising the numerator (operating and cash margins)
- Drive growth through high utilisation, 'reverse auction' of available capacity to build the most profitable models
- 75% of capital allocation focused on top-end and core segment where the returns are most promising
- Intelligent and careful capital allocation to build EV capabilities and supply chain



Our financial ambitions for Mercedes-Benz Cars in 2025: structurally higher profitability and lower margin volatility



* Market Environment comprises of the above listed external factors. There might also be situations, which are impossible for us to forecast and not covered within the weather chart e.g. „black swans“ like Covid-19 in 2020. Major tectonic shifts on raw material side or on the geo-political side might be further potential examples. By the nature of these events providing a margin forecast for such extreme scenarios is not possible.

Bottom line

We cannot control macro- or world events. But we are redesigning & repositioning Mercedes-Benz to ensure a structurally more profitable company.



AGENDA

I. RESULTS FY 2022

II. OUTLOOK FY 2023

III. STRATEGY

1. MERCEDES-BENZ CARS

1.1 LUXURY STRATEGY

1.2 ELECTRIFICATION & AUTOMATED DRIVING

2. MERCEDES-BENZ VANS

3. MERCEDES-BENZ MOBILITY

Ambition 2039 – our commitment to become CO₂-neutral in the net effect across all stages of the value chain

Supply chain

Production & Logistics

Well-to-tank

Tank-to-wheel

End-of-life



SBTi

SBTi

SBTi

CO₂-neutral
supply chain

CO₂-neutral
production & logistics

CO₂-neutral
energy generation

CO₂-neutral
vehicle operation

CO₂-neutral
recycling

Mercedes-Benz will be ready to go

all-electric
within this decade

At the end of the decade, our focus 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** where market conditions allow

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**



The EQS: The first electric vehicle in the luxury class



Launched in 2021

WLTP ranges of up to 780 kilometres¹

With its C_d figure² from as low as 0.20 the EQS is the world's most aerodynamic production car.

Drive powers from 245 to 385 kW. A performance version with up to 560 kW is being planned

Power for up to another 300 kilometres (WLTP) is recharged in just 15 minutes³

¹ The electrical consumption (and information based thereon) has been determined on the basis of Commission Regulation (EC) 692/2008 according to NEDC and Commission Regulation (EU) 2017/1151 according to WLTP.

² C_d figure 0.20: EQS 450+ with 19-inch AMG wheel/tyre combination and AMG Line exterior (available in the EU from the end of 2021) in the SPORT drive program

³ Charging speed at DC fast charging stations with 500 amps

The EQE: The new business avant-garde



Global launch: mid-2022

Depending on the on-board equipment and configuration, WLTP operating ranges of up to 654 kilometres*

A lithium-ion battery with 10 cell modules is installed

In 15 minutes it is possible to charge the EQE with up to 35.55 kWh – this corresponds to a range of up to 250 kilometres based on the WLTP range*

The battery certificate stands for the long service life of the high-voltage batteries. It is valid up to a term of ten years or up to 250,000 kilometres

* Range and electrical consumption have been determined on the basis of Commission Regulation (EC) No. 2017/1151/EU

The EQS SUV: Redefined SUV luxury



Launch: Second half of 2022

WLTP ranges of up to 671 kilometres¹

Lithium-ion battery with up to 12 cell modules

DC fast charging system with a charging capacity of up to 200 kW

In 15 minutes, power corresponding to a range of up to 250 kilometres² can be recharged on the basis of the WLTP range

The 6-phase design makes the permanently excited synchronous motor (PSM) on the rear axle particularly powerful. Its peak power is 265 kW.

¹ 540-671 km are the provisional range figures of the EQS 450+ (WLTP: combined electric energy consumption: 22.9-18.2 kWh/100 km; combined CO2 emissions: 0 g/km). Range and electric energy consumption have been determined on the basis of Commission Regulation (EC) No. 692/2008.

² figures for the EQS 450+ (WLTP: combined electric energy consumption: 22.9-18.2 kWh/100 km; combined CO2 emissions: 0 g/km). Range and electric energy consumption have been determined on the basis of Commission Regulation (EC) No. 692/2008.

EQE SUV: High-tech and luxury meet versatility



Launch: First half of 2023

The multi-purpose variant of the EQE business saloon

WLTP ranges of up to 590 kilometres¹

Lithium-ion battery of 10 cell modules

DC charging system with a charging capacity of up to 170 kW

In 15 minutes, power corresponding to a range of up to 220 kilometres² can be recharged on the basis of the WLTP range

The modular drive concept enables the EQE SUV to offer a wide range of maximum total drive outputs from 215 to 300 kW

¹ Data on electrical consumption and range are provisional and were determined internally in accordance with the "WLTP test procedure" certification method. So far there are no confirmed figures from an officially approved testing organisation, nor any EC type approval or certificate of conformity with official figures. There may be differences between the stated figures and the official figures.

² At DC fast charging stations with 500 amps based on WLTP range

Mercedes-AMG EQE 53 4MATIC+ SUV (Provisional data WLTP | combined electrical consumption: 27.8-22.6 kWh/100 km; combined CO2 emissions: 0 g/km; Electrical range: 375-470 km)

Three Mercedes-Benz EV-only architectures to be launched in 2025

Ready to go all-electric by the end of the decade*



MB.EA

medium- and large-size cars
modular system as electric
backbone for our EV portfolio



AMG.EA

dedicated performance
electric-vehicle architecture



VAN.EA

for electric vans
and light commercial
vehicles

* where market conditions allow

Together with our partners, we will expand our activities in battery cells and systems

Our targets:

Capacity of more than 200 Gigawatt hours

Local for local strategy for battery cell production

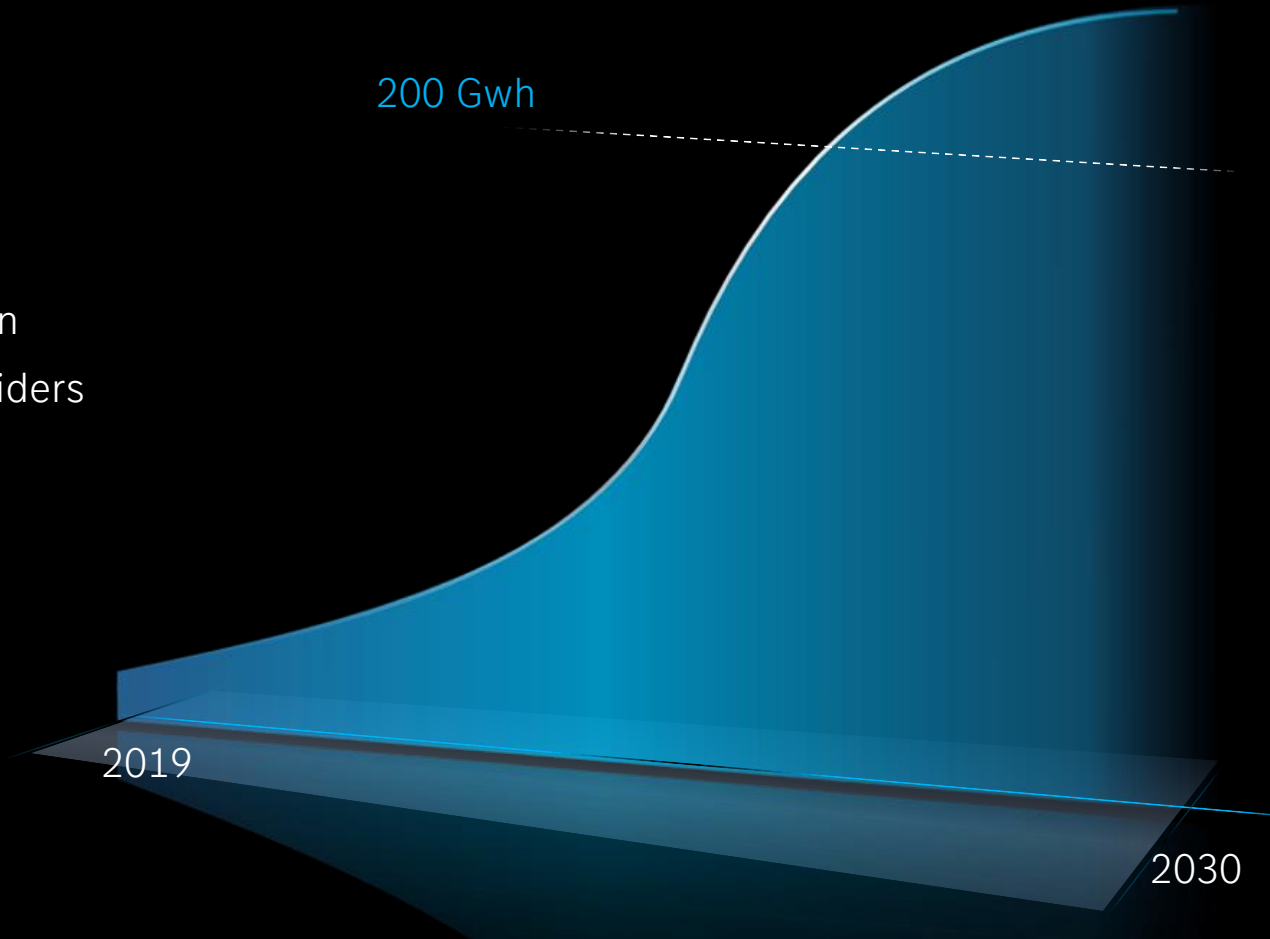
- several battery partnerships with multiple providers

Our partners are:

CATL, FARASIS, ACC, AESC

Needed battery volume for all car lines

200 Gwh



By joining ACC, we build a European battery champion

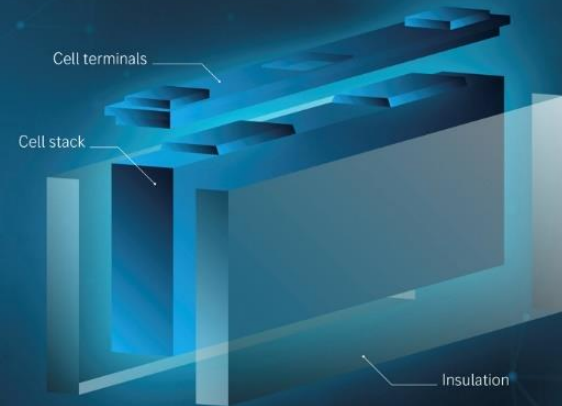
We take a one third stake in [Automotive Cells Company \(ACC\)](#).

Our goal: [Joint development and production of cells and modules in Europe](#).

[ACC](#) will reach a capacity of [at least 120 Gigawatt hours](#) in Europe by the end of the decade.

[ACC](#) will [supply Mercedes-Benz with high-performance battery technologies](#) from its production locations from mid of the decade.

Mercedes-Benz to join ACC and build a European battery champion with global ambitions



Our batteries will be highly standardized

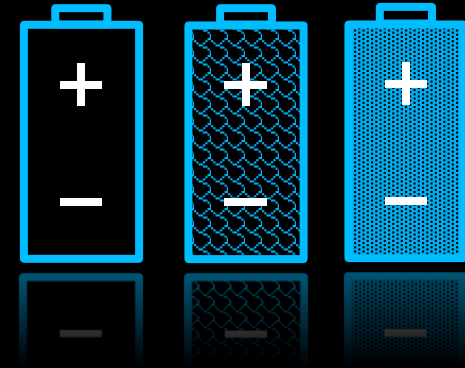
More than 90% of all future Mercedes-Benz vehicles will be based on a common battery platform

We are aiming for a modular battery system that consists of uniformly designed components and standard interfaces to the entire vehicle

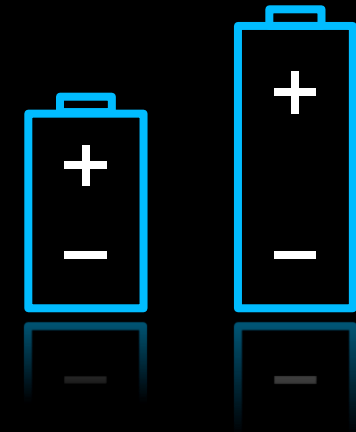
Only two differentiating characteristics will create the necessary variance in terms of range, charging and life performance: cell chemistry and size

Differentiating factors

Chemistry



Size



Developing the next generation battery cell technology

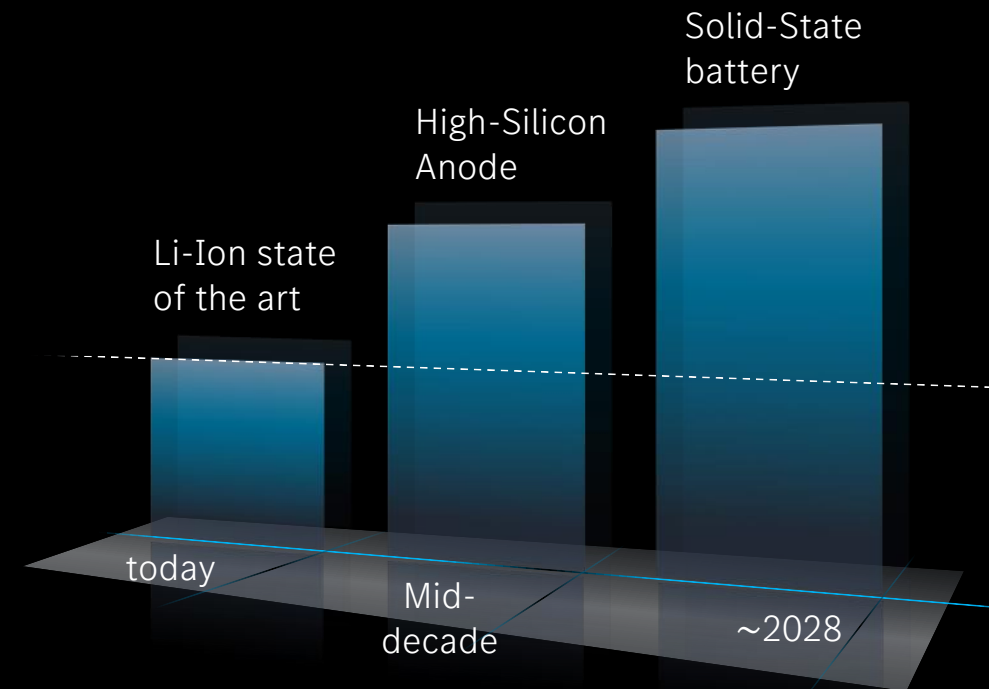
High-Silicon Anode: increasing energy density by using silicon-carbon composite in the anode

Solid-State: pushing energy density beyond limits of conventional lithium-ion cell, doubling energy capacity and reducing weight in same packaging space, enduring more charging cycles over lifetime

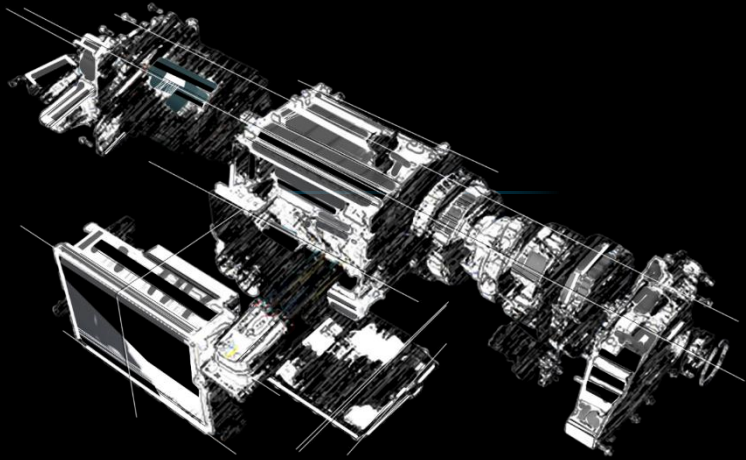
Several cooperations with existing and new partners like Sila, Prologium and Factorial to accelerate development of both technologies

Continuously integrating most advanced cell technology in our production cars, **increasing range during lifecycle**

Expected energy density



In-house electric drive units are a key part of our strategy



eATS 2.0: In-house developed and built electric drive unit with radial motor: Outstanding performance for majority of key products.

Ultra-high performance axial flux motors for our forthcoming AMG. Axial flux technology allows for unmatched power density, performance, acceleration.

Electric motor and power electronics company **YASA Ltd.** is a **fully owned subsidiary of Mercedes-Benz.**

The acquisition takes our electric drive tech to a new level.



VISION EQXX – taking electric range and efficiency to an entirely new level

Efficiency means achieving more from less. The VISION EQXX is packed with [efficiency improvements](#) that push the envelope with a mixture of advanced technology and talented teamwork.

Following its record-breaking maiden drive from Stuttgart to Cassis (France) in April 2022, the research vehicle set the bar even higher, with a [1,202-kilometre road trip](#) from Stuttgart to Silverstone in the UK. Throughout the road trip, the VISION EQXX took advantage of its [innovative thermal management system](#) to achieve an average consumption of [8.3 kWh/100 km](#) in the face of heavy traffic and summer temperatures.

VISION EQXX: key technical data at a glance

| | | |
|--------------------------------|---------------------------|-------------------|
| Battery energy content, usable | kWh | <100 |
| Max. system voltage | Volts | >900 |
| Energy consumption | kWh/100 km (miles/kWh) | 8.3 (7.5) |
| c _d value | | 0.17 |
| Front face | m ² | 2.12 |
| Power | kW | 180 |
| Wheelbase | mm | 2,800 |
| Length/width/height | mm | 4,975/1,870/1,348 |
| Unladen vehicle weight | kg | 1,755 |



Mercedes-Benz to launch global branded high-power charging network, starting in North America

More than **10,000 high-power chargers worldwide** by the end of the decade

Convenient locations with amenities nearby

Accessible for drivers of **all car brands**

Green charging with Mercedes me Charge

Pre-booking and other benefits for Mercedes-Benz customers

With up to **350 kw** charging power

Intelligent **charge-load management** keeps charging times to a minimum

Investment cost in North America just over **1 billion Euros**, deployed over the next 6-7 years. The capital for this will be provided by **Mercedes and MN8 in a roughly 50:50 split**.



BEV cost reduction focus

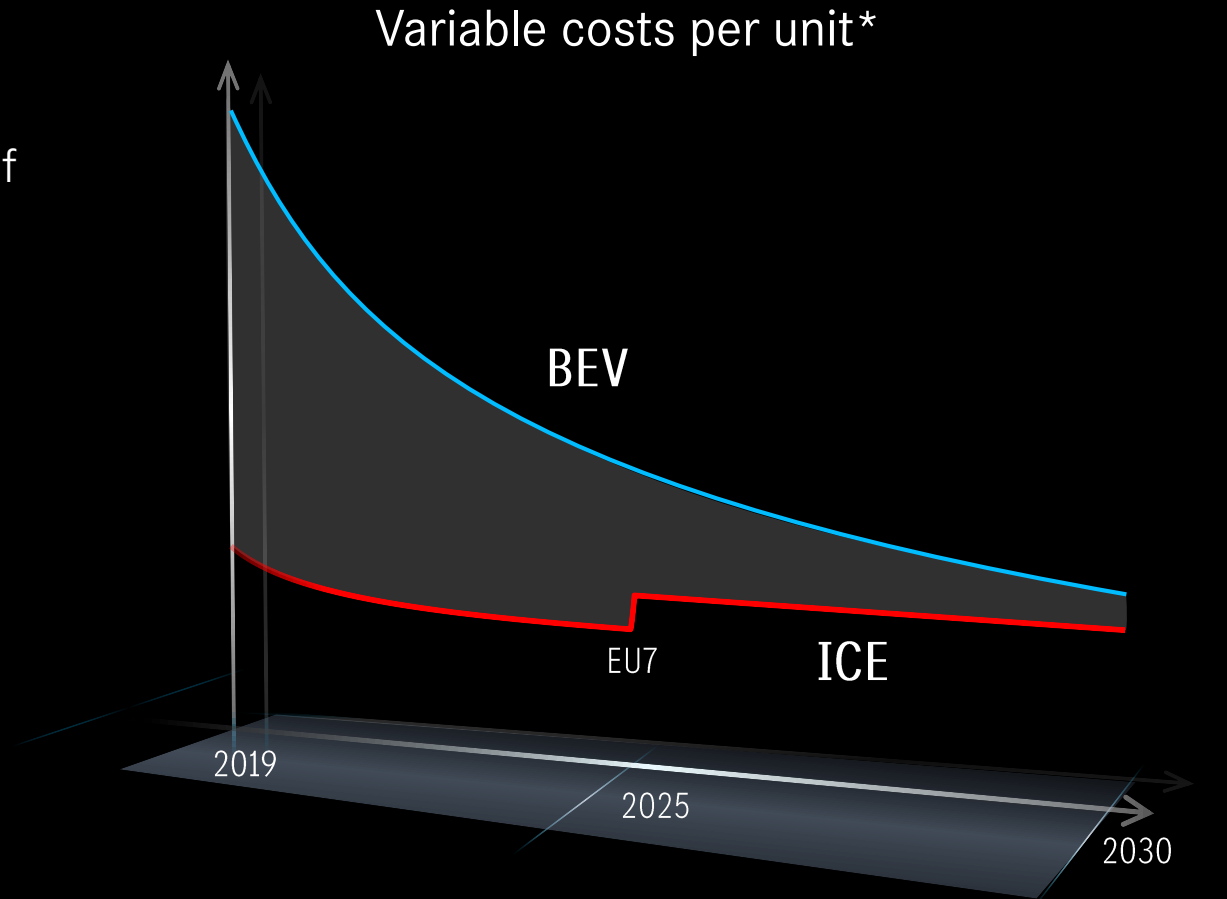
Key levers

Material and manufacturing cost reduction of 1% until 2025

Further cost reduction on electric drive train from 2025 to 2030

Decreasing cell costs and common battery platforms

Scalable modular electric only architectures



* schematic and before mix change

Radical shift in capital allocation - from EV-first to EV-only

Key levers

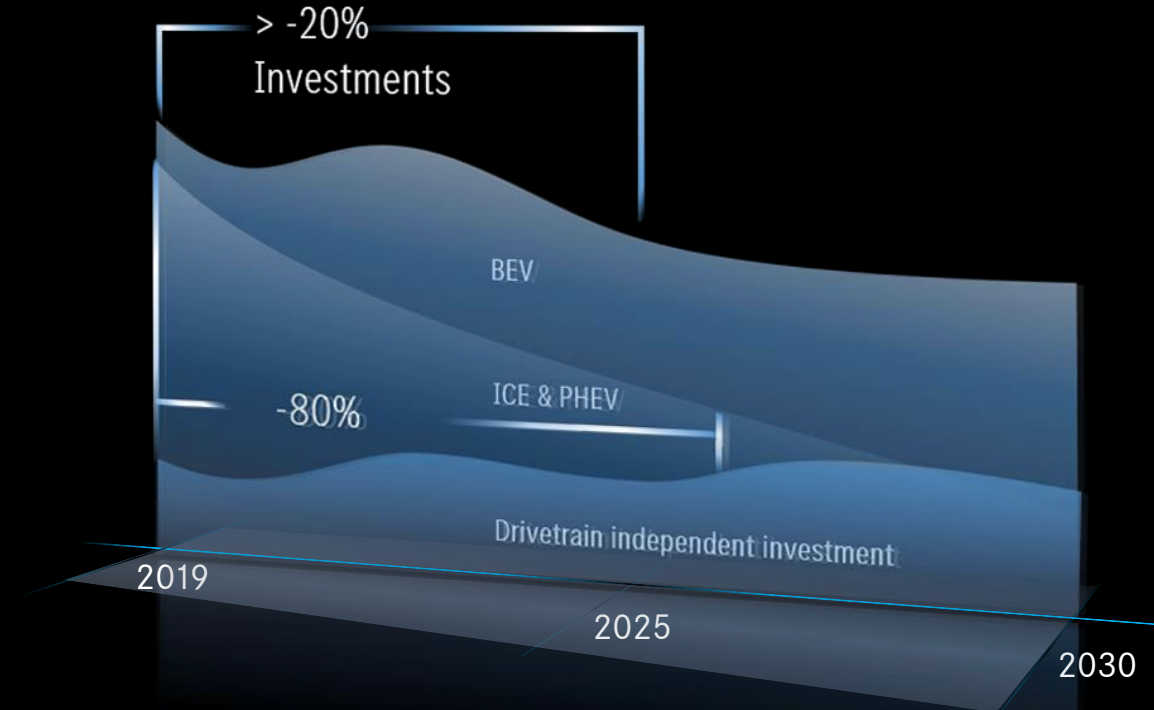
Additional investments for new BEV architecture MB.EA, AMG.EA, VAN.EA and intensified battery footprint

Radically reduced non-BEV investments

Capex share of investments decreasing

>20% investment reduction until 2025 and further decreases afterwards

CAPEX and R&D investments*



Fixed cost reduction targets stepped up

Key levers

Covid 2020: significant fixed cost reduction

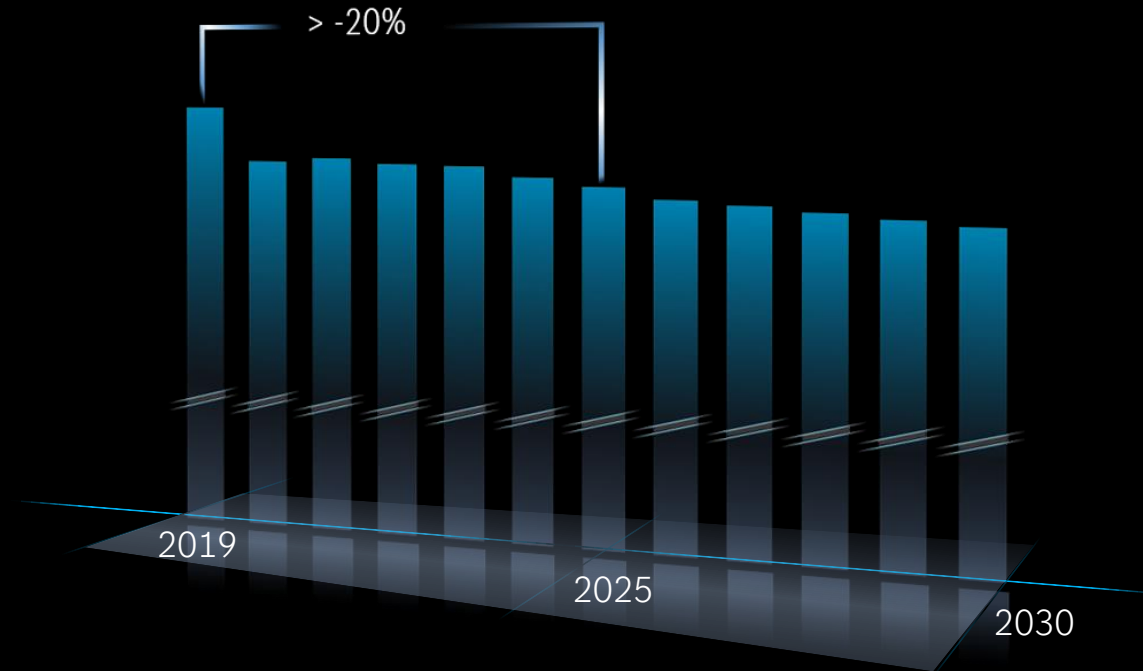
2021: temporary effects replaced by permanent measures

>20% fixed cost reduction until 2025 vs. 2019

2025ff: digitization of all business areas

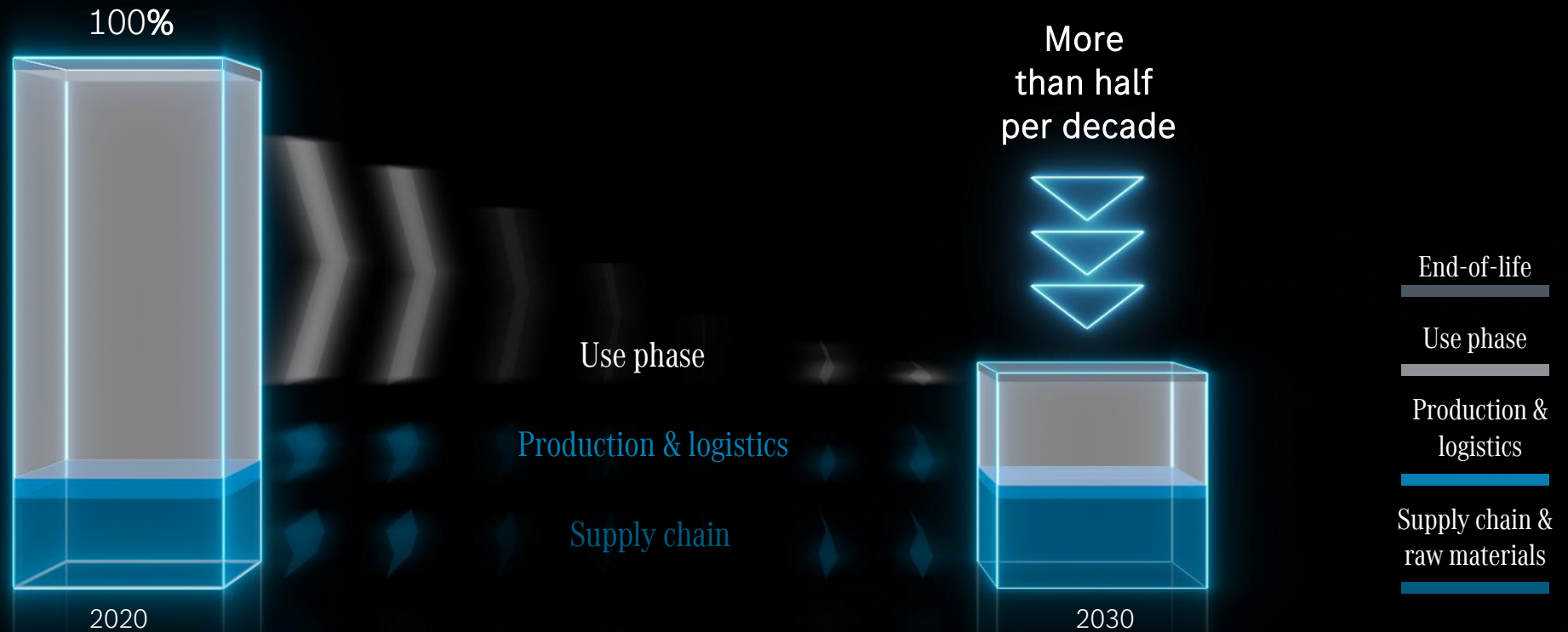
After 2025 further net reductions

Fixed cost development*



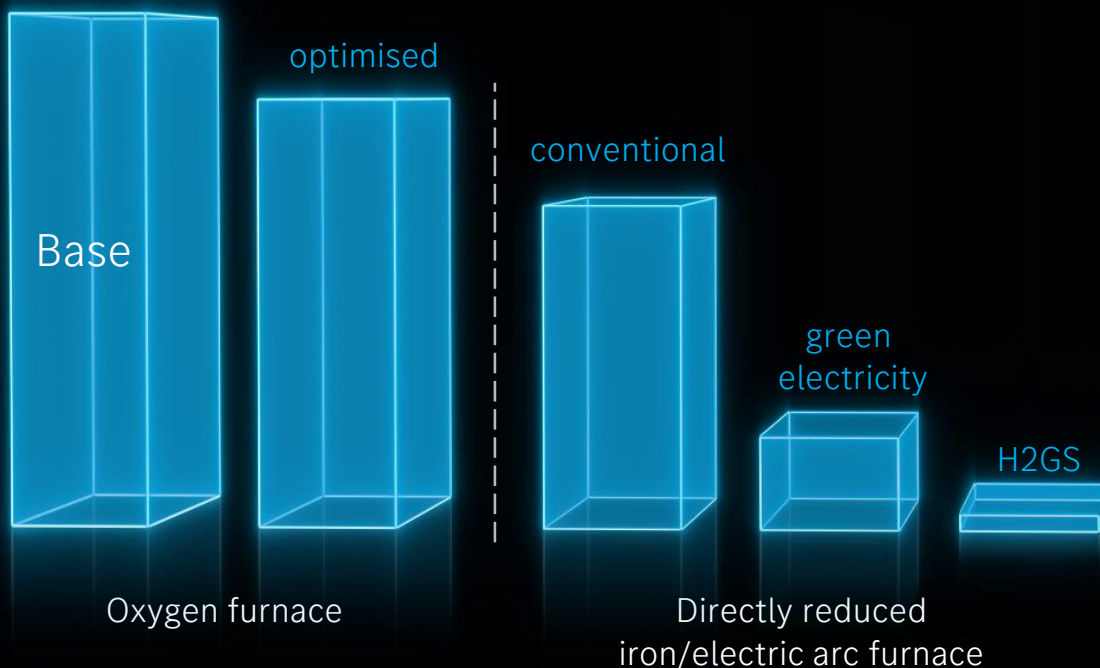
We will at least halve lifecycle CO₂ emissions per vehicle in this decade

Mercedes-Benz Cars – on our way towards Ambition 2039 – we target the full lifecycle of the car



We create sustainable supply chains for focus materials via technology changes

Steel – CO₂ reduction:



~90%

of our annual purchasing volume is supplied by companies that follow our ambition to become CO₂ neutral*

Further materials in focus:

Aluminium sheet/cast

Thermoplastics

Battery materials

* Partly including offsets

Mercedes-Benz has pledged to make vehicle production CO₂ neutral this year¹

Together with our EV strategy, CO₂ neutral production¹ is a key driver of [Ambition 2039](#)

All Mercedes-Benz own plants worldwide are producing 100% CO₂ neutrally¹ in 2022

We plan to cover 70% of our energy needs through renewable sources² and will also produce energy on site

¹ Partly including offsets

² by 2030

Mercedes-Benz global production network



Our Factory 56 is a zero-carbon factory and serves as a blueprint for our global Mercedes-Benz production network

At our Factory 56 in Sindelfingen
“producing sustainability” is
already reality

The innovative energy concept
includes a photovoltaic system,
a DC power grid and energy storage
based on reused vehicle batteries

Self-generated, green electric power
is sufficient to cover about 30% of
the factory’s annual power
requirements

A new dimension in
sustainable production



Paperless
production



Greening of 40% of
the roof area



Photovoltaic system with 12,000 modules
generating around 5,000 kWp and thus
30% of the factory’s electricity requirement



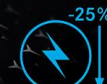
Innovative
DC grid



Energy storage from car
batteries with a total capacity
of 1,400 kWh



Use of recycled
concrete in the frontal
building of Factory 56



25% reduction in
energy demand



We are 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

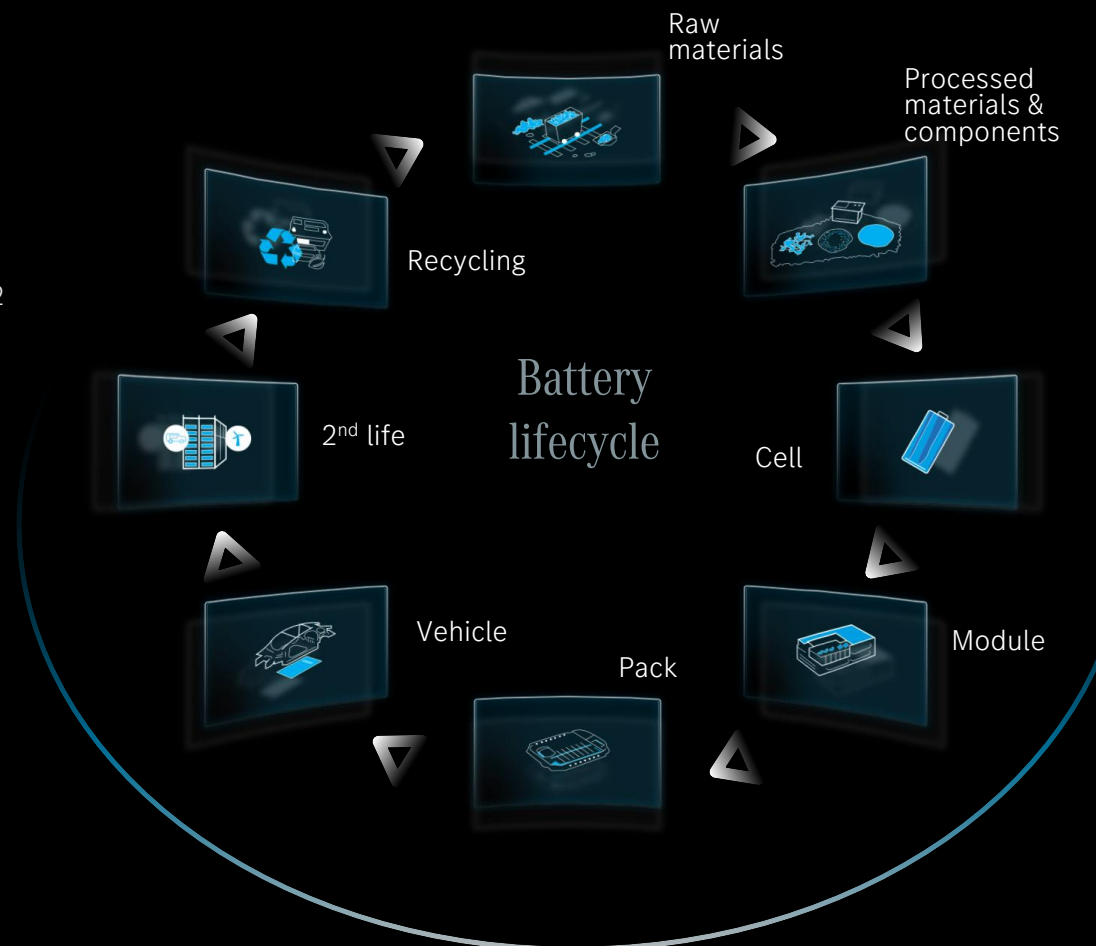
2020: [Big River Steel](#) reduced CO₂ emissions by >70%

2021: [Salzgitter AG](#) reduces CO₂ emissions by >60%

2025: CO₂ free steel from [H2 Green Steel](#)

2026: CO₂ free steel from [SSAB](#)

* * Partly including offsets



Circular economy: Closing the loop with our battery recycling factory in Kuppenheim

Own CO₂-neutral recycling plant in Kuppenheim, southern Germany, is scheduled to **ram up in 2023**

Hydrometallurgy: Innovative technology increases **recovery rate to more than 96%**

Cooperation with high-tech partners in China and the U.S. ensures the **closure of the recyclable materials loop worldwide**



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

New technologies require a new area of expertise - 3,000 new jobs for software engineers

Just transition – Focus on fair solutions together with employee representatives

Shift of personnel among different plants

Job profiles of the future: The digital and electric transformation is changing all job profiles

Turn2Learn: Qualification push for continuing education at Mercedes-Benz worldwide to foster lifelong learning

Specific IT trainings for strategically important data and use cases: 450 positions for data workers

Attractive contractual framework offering innovative employment conditions

30% women in leadership positions until 2030

Hybrid working up to 100% where job conditions allow it

Turn2Learn: unlimited possibilities for lifelong learning



>1,300,000,000 € for qualification from 2022 until 2030

~1,300,000 hours of professional and personal training in 2021

Ø 1,000 € per employee/ year

in Germany



Existing Learning Opportunities



Customized Learning Paths



eLearning Platforms

Conditionally automated driving SAE-Level 3: DRIVE PILOT gives back time to customers

Mercedes-Benz is the first car company in the world to meet the UN-R157 regulation for conditionally automated driving.

Since May 2021, DRIVE PILOT can be ordered in Germany for the S-Class for around 6,000 EUR and for the EQS for around 8,800 EUR.

In the U.S., Nevada became the first state to confirm the compliance of DRIVE PILOT with state regulations. California to follow soon.

First cars will be delivered to U.S. customers in the second half of 2023.



Driving Assistance Package with DRIVE PILOT

Parking Package with 360°-Camera

Antenna Module

Rear Multi-Purpose Camera
Opening angle 50°

Stereo Multi-Purpose Camera
Opening angle 70°

Front Long-Range Radar
Opening angle 90° / 9°

Ultrasonic Sensors
12x Opening angle 120°

LiDAR
Opening angle 120°

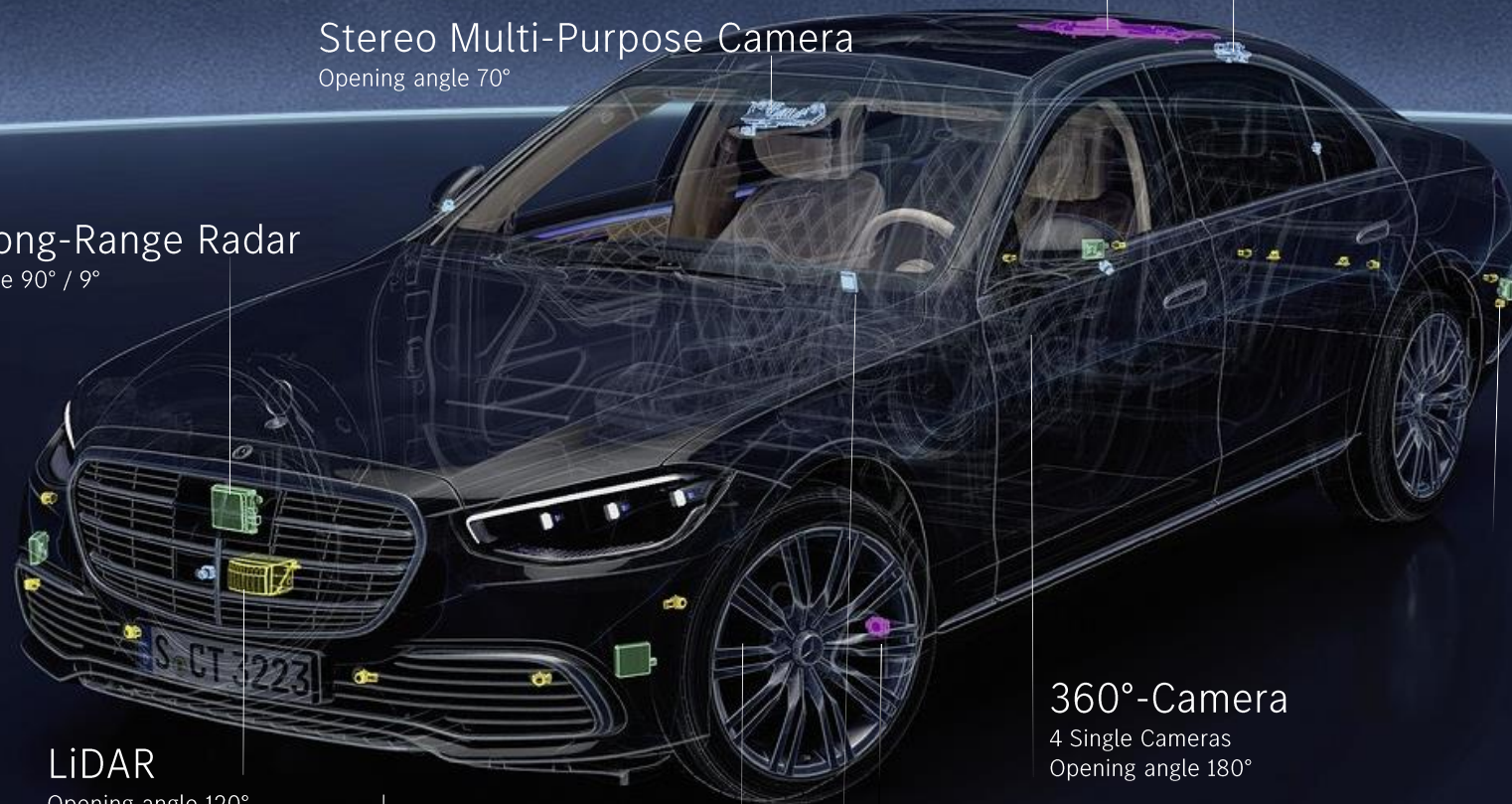
360°-Camera
4 Single Cameras
Opening angle 180°

Multi-Mode Radar
4x, Opening angle 130°

Redundant Brake
and Steering System

Moisture Sensor

Driver Camera



General Design Rules of DRIVE PILOT

The “Operational Design Domain” (ODD) comprises the geographical area and conditions under which an automated driving system feature, such as DRIVE PILOT, is designed to operate.

- Road type
- Specific speed
- Machine-detectable lane markings
- The absence of tunnels, toll booths and traffic control devices (stop signs, traffic lights, etc.)
- Applicable legal requirements

Mercedes-Benz aims to continually expand the ODD of DRIVE PILOT.

Appropriate Weather

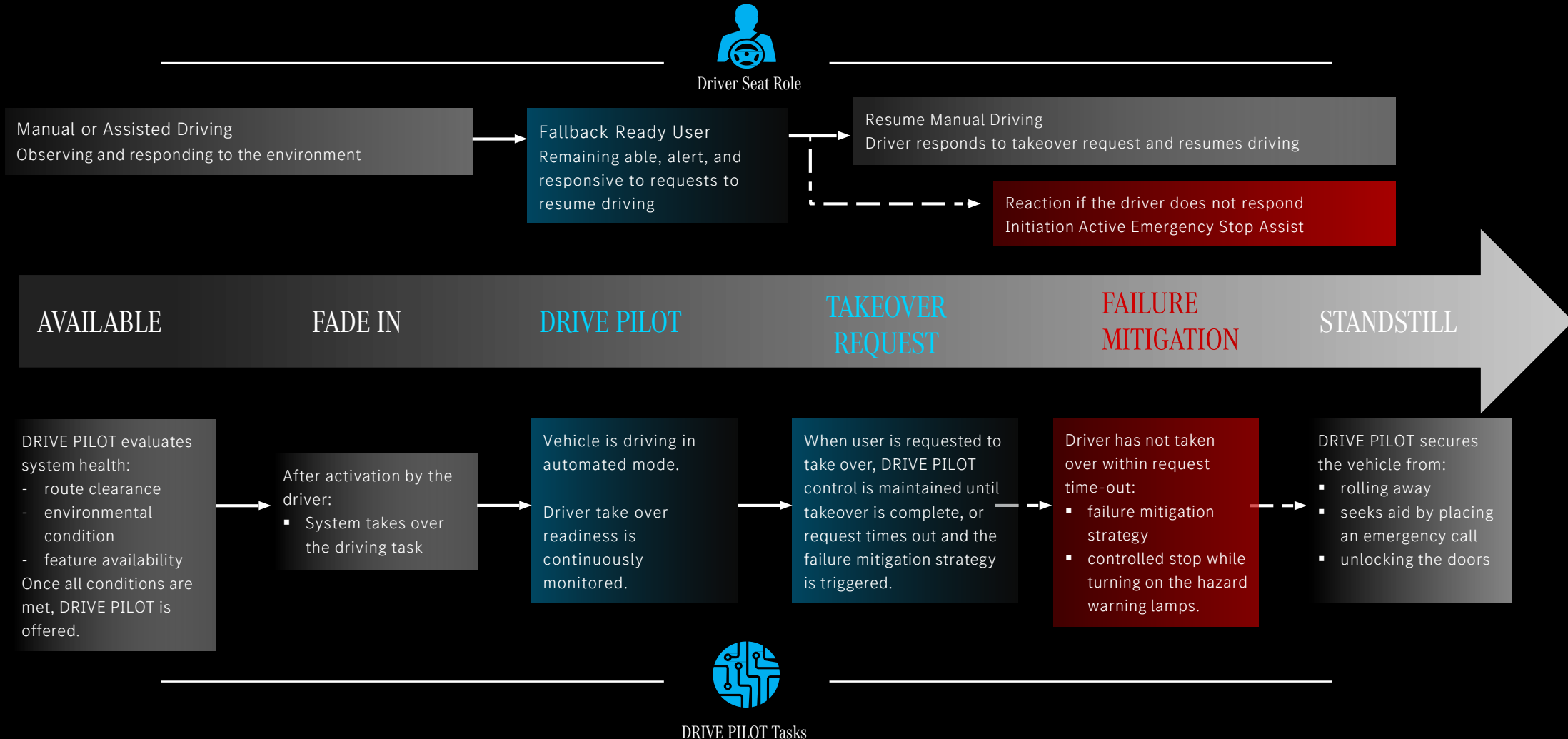
Physical Separation of Traffic Directions

Moderate to Heavy Traffic Conditions

Route Clearance on HD Map

Machine Detectable Lane Markings

Functional description of DRIVE PILOT



MB.OS

Mercedes-Benz Operating System

The four domains of MB.OS

Infotainment



MBUX Hyperscreen



Automated Driving



L3 DRIVE PILOT



Body & Comfort



Energizing Comfort



Driving & Charging



Powertrain & Charging SW

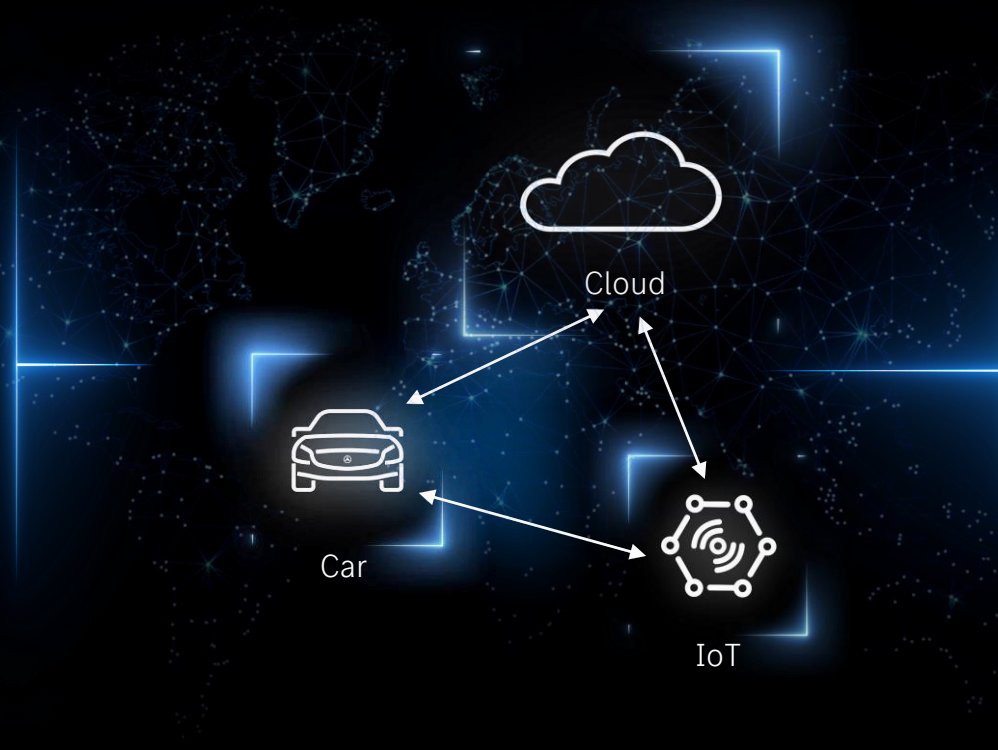


Example Features

To sum it up what MB.OS is all about

MB.OS

as the **central brain** and nervous system of our future vehicles separating hardware and software



4 service-oriented domains:

- Infotainment
- Automated Driving
- Body & Comfort
- Driving & Charging

Our **chip-to-cloud** stack enables real-time communication with our customers

BBAC (Beijing Benz Automotive Cooperation) Joint Venture

Key Facts

- BBAC is based on a **trustful partnership** with our long-term partner BAIC
- BBAC is the **largest Mercedes-Benz production** facility in the world with local R&D for passenger cars.
- Product ranges from Compact, Midsize, and Large-mid Segment (E-Class) as well as **PHEVs** and **fully electric vehicles** such as **EQA**, **EQB** and **EQC**.
Local production of **EQE** started in 2022.
- **Engines** as well as **batteries** are also produced locally
- The **production** is **strongly integrated** in the worldwide Mercedes-Benz network with a **highly flexible production** set up and shift models throughout the locations BBAC-Yishuang (BDA) and BBAC-Shunyi.
- **BBAC-Shunyi** is the **new local production facility** as of 2018 and part of the jointly invested expansion program of above 11.9 Bn RMB.
- **Both partner** (BAIC and Mercedes-Benz) **sharing the investments** for new products.
- **CEO** and **CFO** are appointed by **Mercedes-Benz**.
- **MB contribution** by locally produced cars are **generated** via (i) supplies, (ii) royalties, and (iii) at equity results (see right chart).

BBAC Figures disclosed by MBG

In EUR millions

| | 2019 | 2020 | 2021 |
|--|--------|--------|--------|
| Sales Volume (in thousand units) | 567 | 611 | 561 |
| Revenue | 20,177 | 21,774 | 21,288 |
| Profit from continuing operations after taxes | 2,702 | 2,900 | 3,205 |
| BBAC Equity Result MB | 1,295 | 1,335 | 1,553 |
| BBAC Dividend MB | 1,137 | 1,718 | 1,523 |

AGENDA

I. RESULTS FY 2022

II. OUTLOOK FY 2023

III. STRATEGY

1. MERCEDES-BENZ CARS

1.1 LUXURY STRATEGY

1.2 ELECTRIFICATION & AUTOMATED DRIVING

2. MERCEDES-BENZ VANS

3. MERCEDES-BENZ MOBILITY

Mercedes-Benz Vans Strategy

Our Goal

We offer the world's most desirable vans and services

Our Strategic Pillars

Target

premium segments
and focus on
profitable growth

Embrace

customers and
grow lifetime
revenues

Lead

in electric
drive and digital
experience

Lower

total cost base and
improve industrial
footprint

Guided by economic, environmental and social **sustainability**

Our Guiding Principles

Accelerated by **digitalization** and data-driven business

Driven by a highly qualified and motivated **team**

We are a highly profitable part of the Mercedes-Benz Group.
DESIRE is our common goal. We follow the Mercedes-Benz Luxury Strategy for private vans and pursue a Premium Strategy for commercial vans

Luxury Strategy

DESIRE

Premium Strategy

Mercedes-Benz Cars

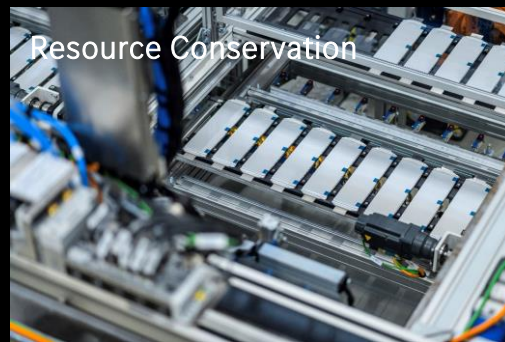


Mercedes-Benz Vans



For us, sustainability means permanently creating value for all stakeholder groups. Economic, environmental, and social responsibility go hand in hand - along the entire value chain.

Our focus topics



A common basis
Integrity, People,
Partnerships



Strategy Priority: Electrifying Mercedes-Benz Vans

Mercedes-Benz Vans is fully committed and dedicated to **electrification**

Holistic Approach: From small over mid-size to large, we electrify every van segment

2022



Current eVan portfolio

2023



The new eSprinter

2025ff



New „electric only“ architecture

* Power consumption combined (WLTP): 18.99 kWh/100 km; combined CO₂ emissions (WLTP): 0 g/km; The values given are the calculated "WLTP CO₂ values" in accordance with Art. 2, No. 3 of Implementing Regulation (EU) 2017/1153. Fuel consumption figures have been calculated on this basis. Electrical consumption and range were determined on the basis of Directive 2017/1151/EU.

The new Mercedes-Benz eSprinter

With the new eSprinter, Mercedes-Benz Vans is consistently implementing its new strategy and underlining its claim to leadership 'Lead in Electric Drive'



- The requirements were defined in close cooperation with our customers: With three battery and several body variants from panel vans to chassis for box bodies, for example, the new eSprinter will be much more flexible and open up **both new customer segments and markets** (including the USA and Canada).
- The **range will more than double** compared to the current eSprinter, depending on the configuration.

AGENDA

I. RESULTS FY 2022

II. OUTLOOK FY 2023

III. STRATEGY

1. MERCEDES-BENZ CARS

1.1 LUXURY STRATEGY

1.2 ELECTRIFICATION & AUTOMATED DRIVING

2. MERCEDES-BENZ VANS

3. MERCEDES-BENZ MOBILITY

Mercedes-Benz Mobility Strategy

WE MOVE YOU INTO A NEW ERA!

Electrify Our
Future

Sustainability
Electrification
Service Income

Excite Our
Customers

Seamlessly
integrated customer
experience

Power Up Our
Business

End-to-end automation
& digitization

Go For Data

Data-driven company

Imagine It, Do It, Live It!

Transformation & High-performance culture

Mercedes-Benz Mobility Role & Contribution



As an integral part of Mercedes-Benz, we secure the company's position as a global leader by leveraging customer data and insights generated through our numerous touchpoints with our clients. We retain them in the Mercedes-Benz ecosystem and offer services that are in great demand to create additional income and to drive recurring revenues.

Mercedes-Benz Mobility Product Range

CREDIT

LEASING

FLEET

SUBSCRIPTION

RENT

INSURANCE

SERVICES
CHARGING, PAYMENT, ETC.

WE MO>E YOU



As integral part of the Mercedes-Benz customer journey

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 utilise our production capacities; price increases for fuel, raw materials or energy; disruption of production due to shortages of materials or energy, labour strikes or supplier insolvencies; a decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimisation 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 this Annual Report. If any of these risks and uncertainties materialises, 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.