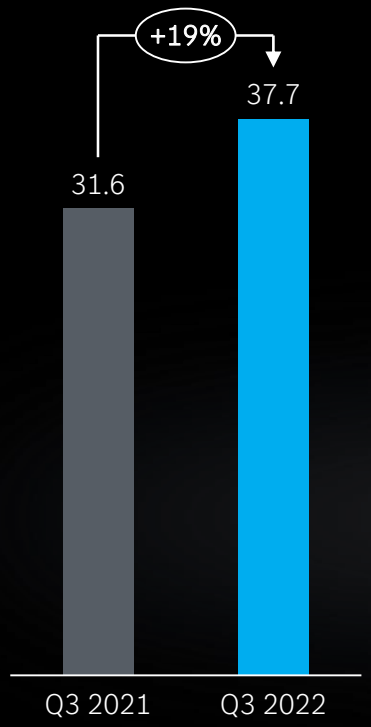
# Roadshow Presentation
# Q3 2022
# Mercedes-Benz Group AG

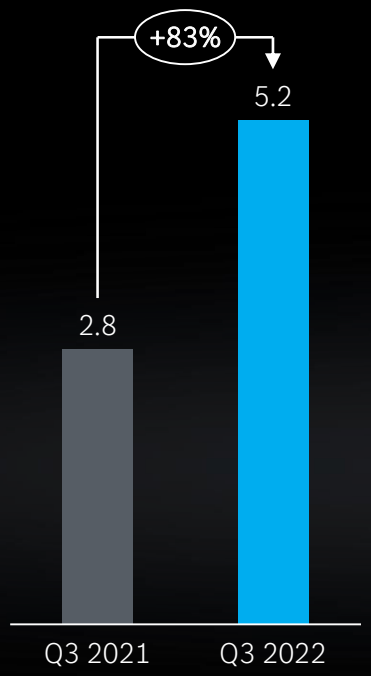
# AGENDA

# Mercedes-Benz Group: Key figures*

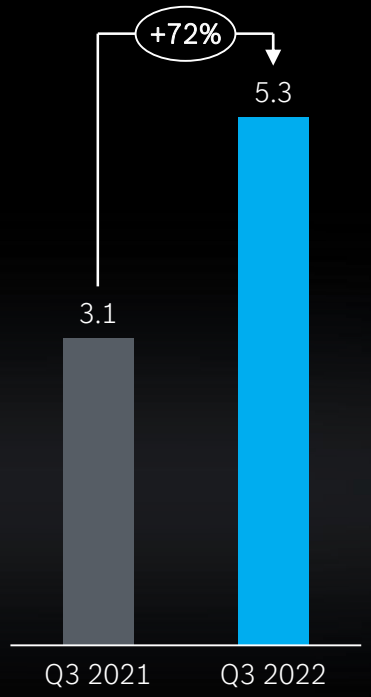
**Revenue**
in billion euros



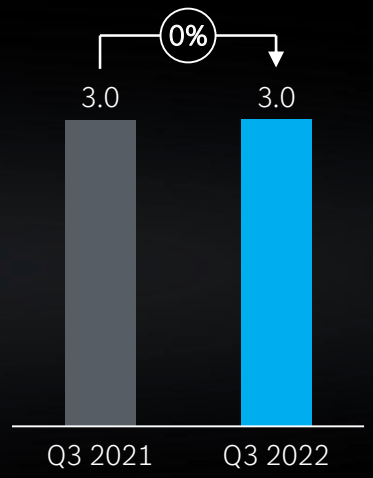

**EBIT**
in billion euros




**EBIT adj.**
in billion euros




**Free Cash Flow (IB)**
in billion euros




**Net Industrial Liquidity**
in billion euros


* 2021 figures continuing operations only

# Mercedes-Benz Cars: Key messages

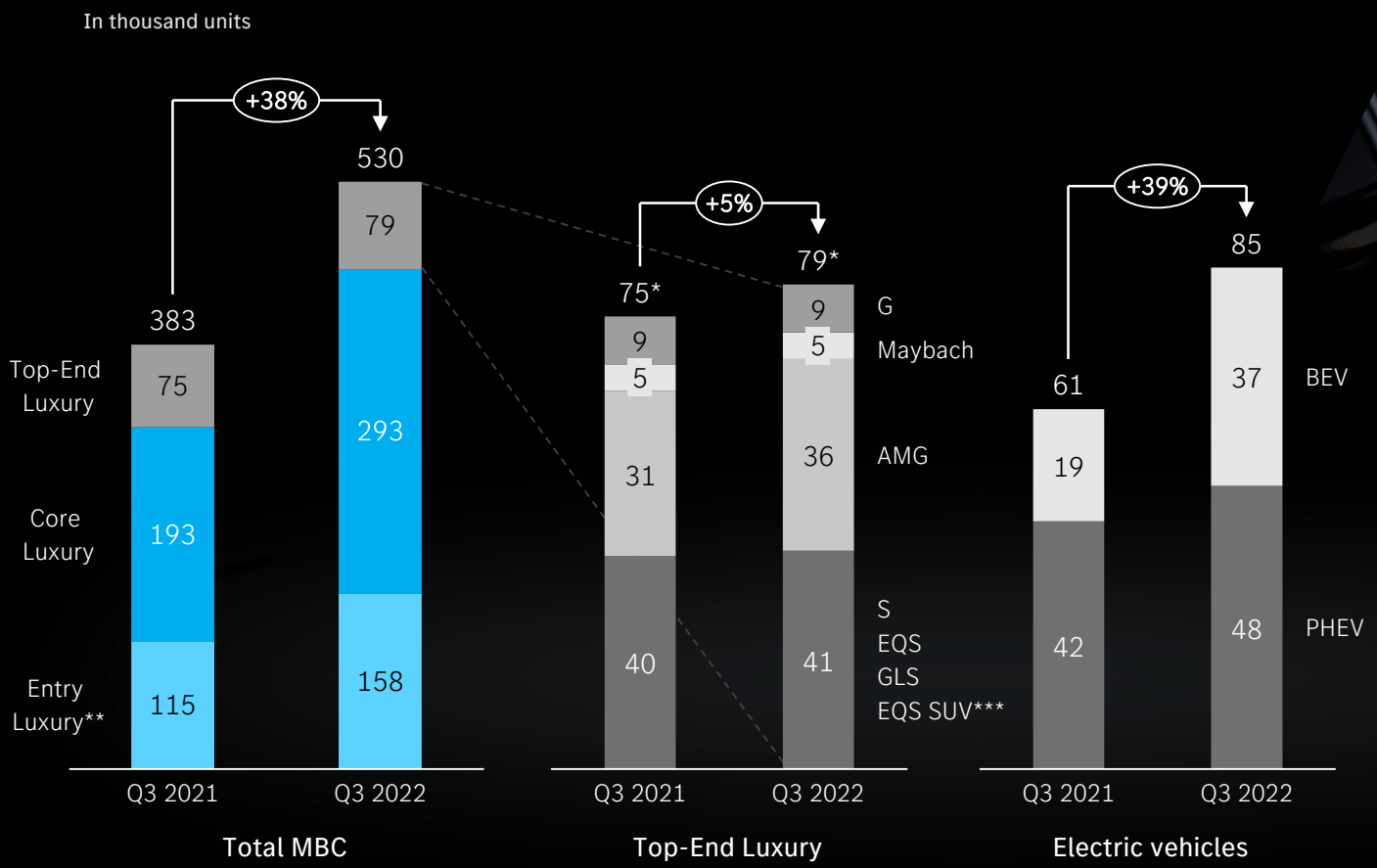

**Products**: Start of sales EQS SUV and GLC; World Premiere EQE SUV

**Profitability**: Sustaining high margins with healthy mix and pricing

**Performance:** Robust demand in volatile markets; demand exceeds constrained supply

**Partnerships**: Signed MoU with government of Canada; signed supply deal with Rock Tech Lithium

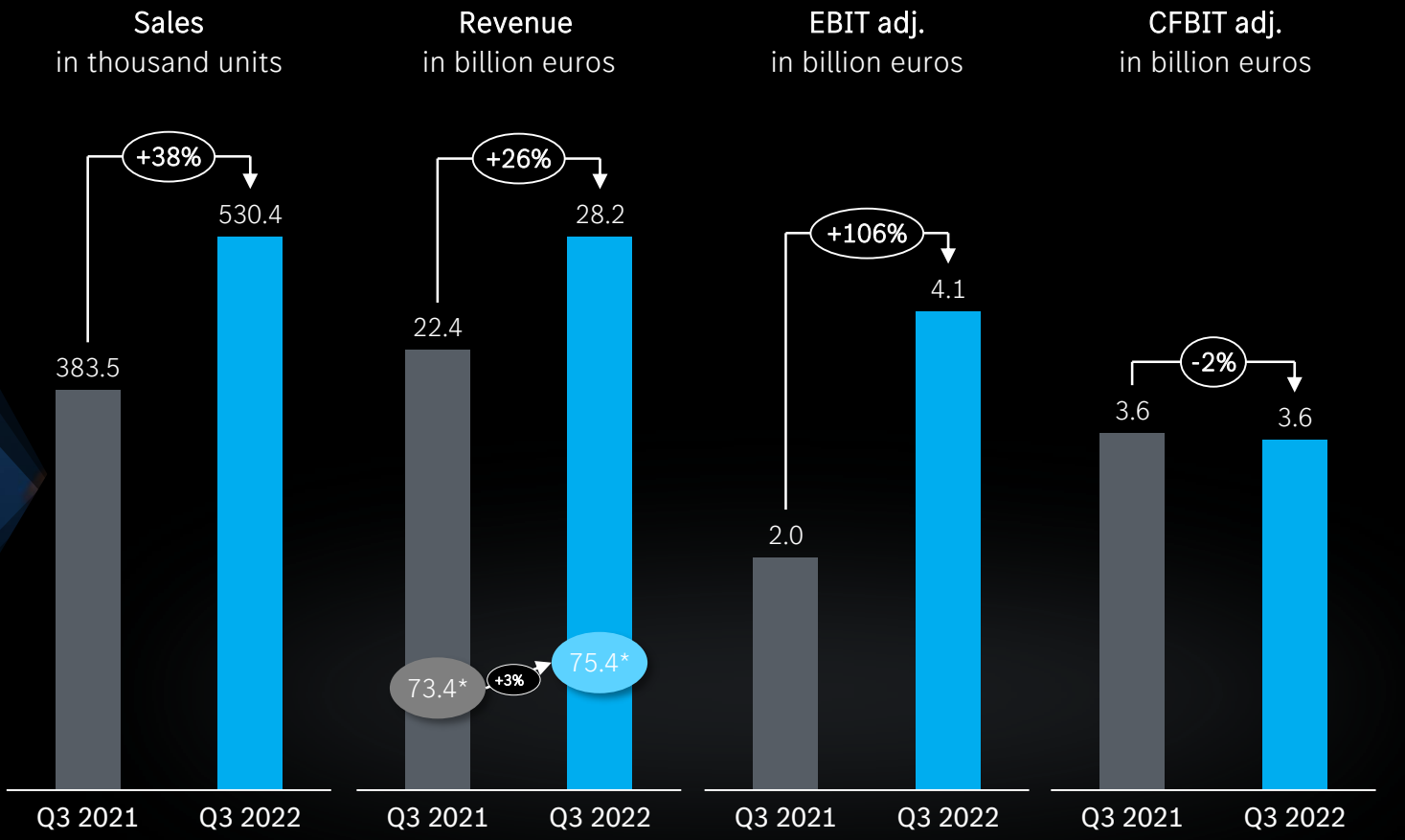
# Mercedes-Benz Cars:
# Top-End Luxury and electric vehicle unit sales




| Share in % of volume | 19% | 15% | 16% | 16% |
|---|---|---|---|---|

* w/o double counting (e.g. G63, S-Class, Maybach)
** incl. smart
*** in Q3 2022 only

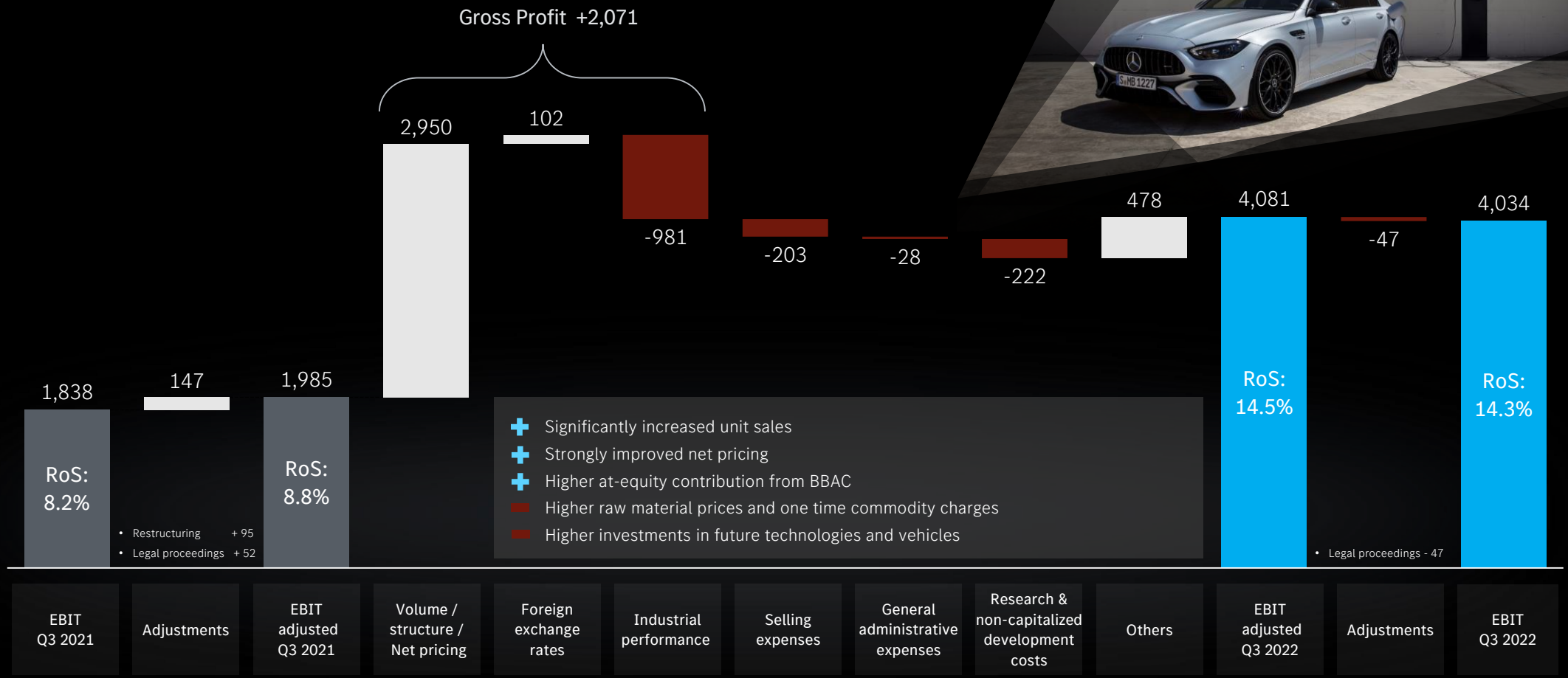
# Mercedes-Benz Cars: Financials




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

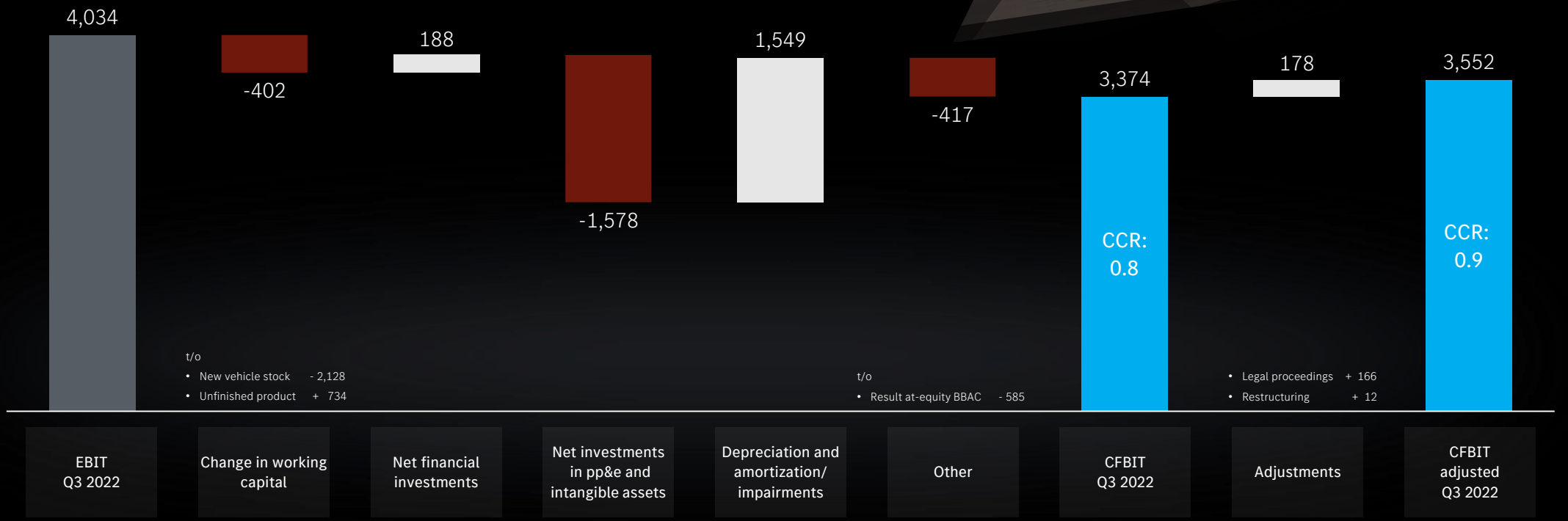
# Mercedes-Benz Cars: Q3 2022 EBIT & RoS

In million euros



# Mercedes-Benz Cars: EBIT to CFBIT

In million euros



# Mercedes-Benz Vans: Key messages

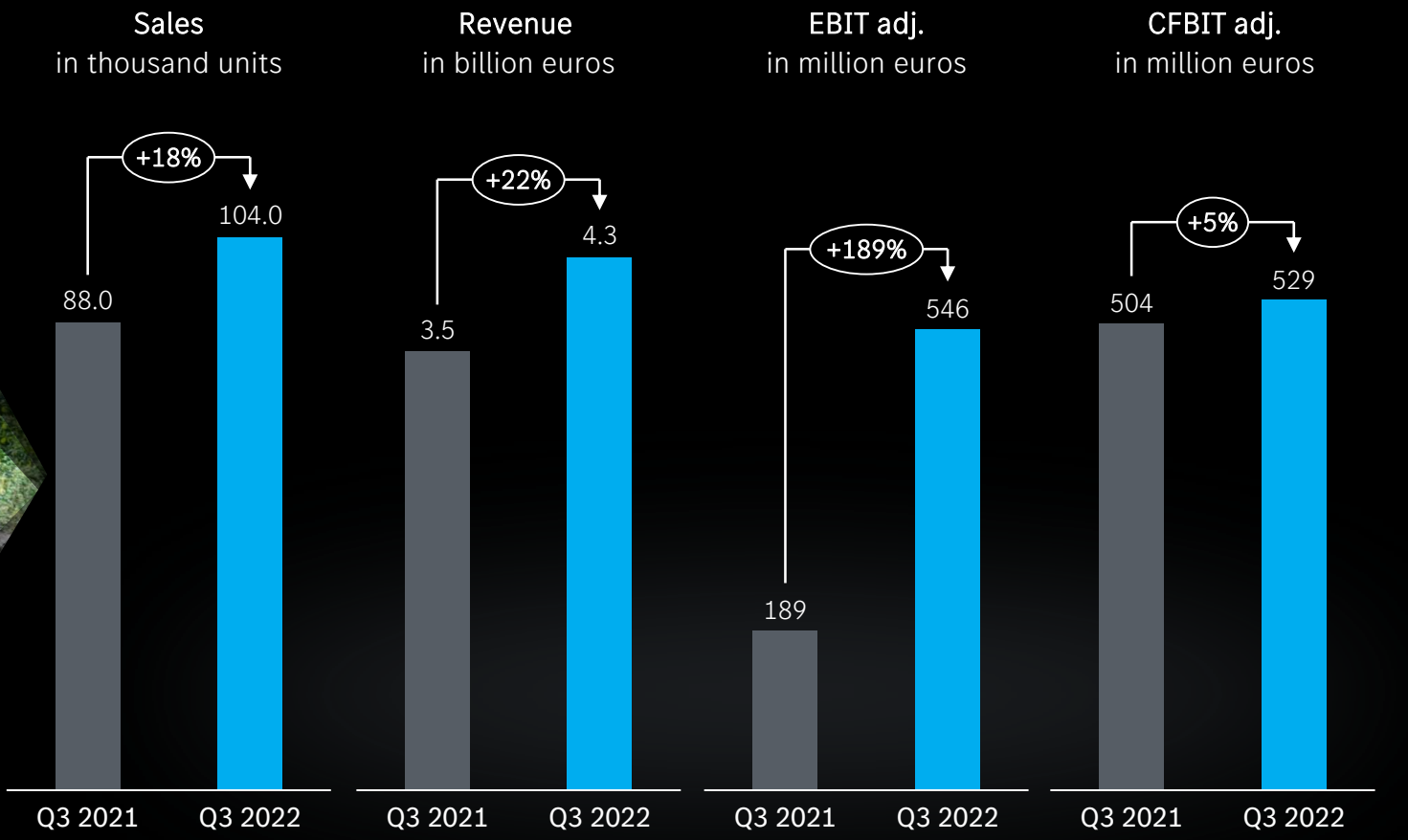
**Performance:** Significantly increased unit sales despite semi-conductor shortages

**Profitability:** Continuing strong margin with healthy mix and net pricing

**Market:** Robust demand in key markets

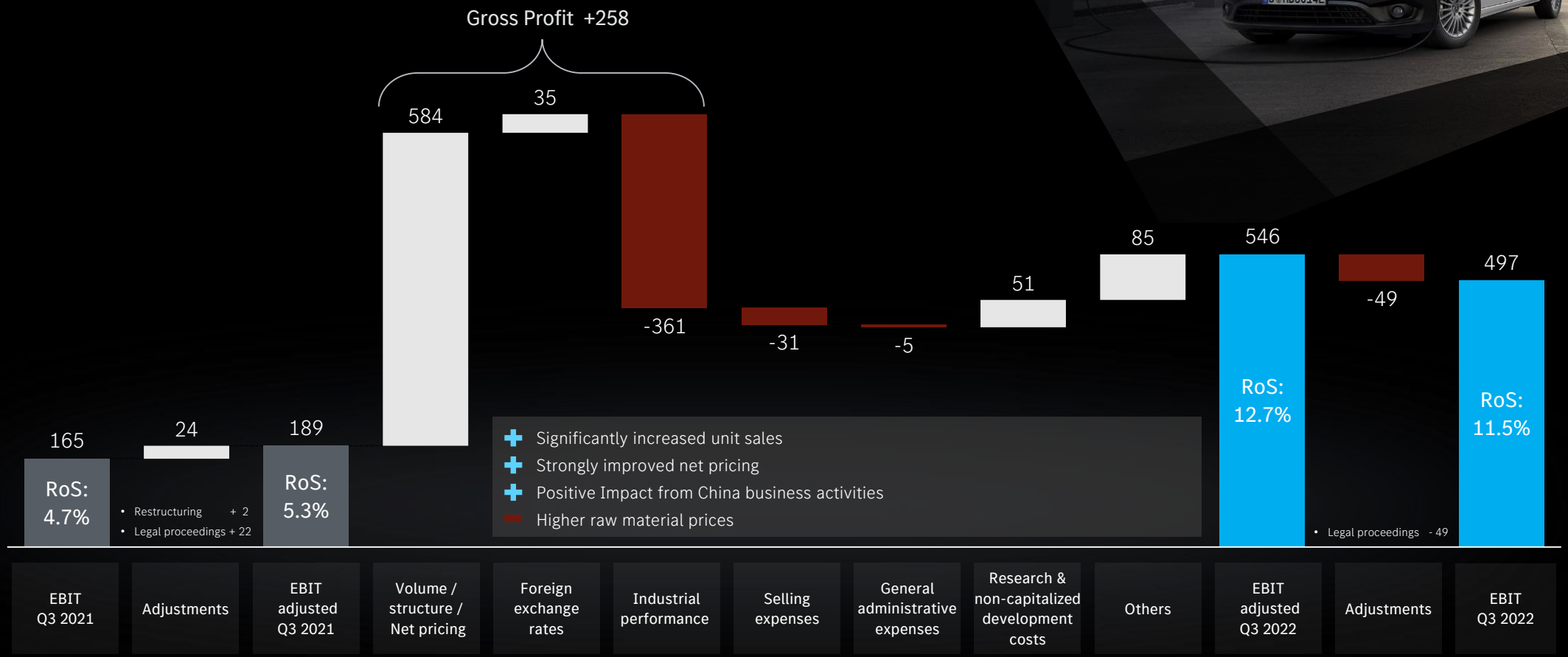
**Partnerships:** Signed MoU with Rivian for joint production and further acceleration of EV strategy

# Mercedes-Benz Vans: Financials



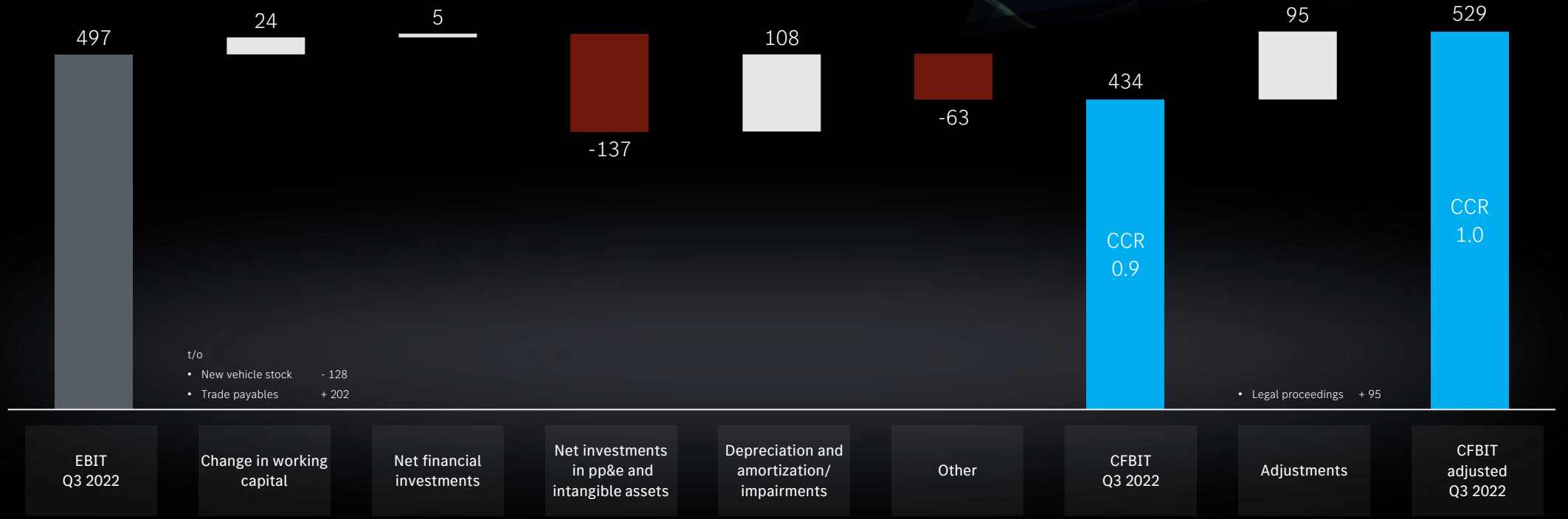
# Mercedes-Benz Vans: Q3 2022 EBIT & RoS

In million euros



# Mercedes-Benz Vans: EBIT to CFBIT

In million euros



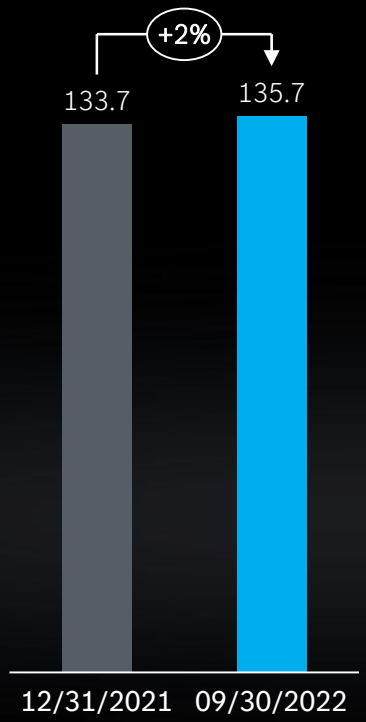
# Mercedes-Benz Mobility: Key messages

- New business impacted by lower penetration
- Interest margin with headwinds from increasing interest rates
- Increase in credit risk reserves driven by weaker macroeconomic outlook
- Net credit losses at low level similar to 2021
- Transfer of remaining Truck business almost completed, last transaction in Q4

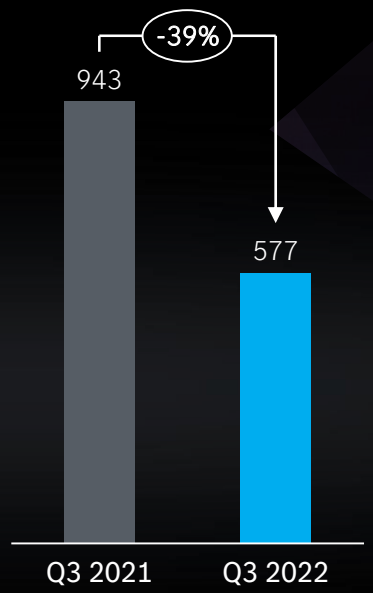
# Mercedes-Benz Mobility: Financials

**New Business**
in billion euros


**Contract Volume**
in billion euros

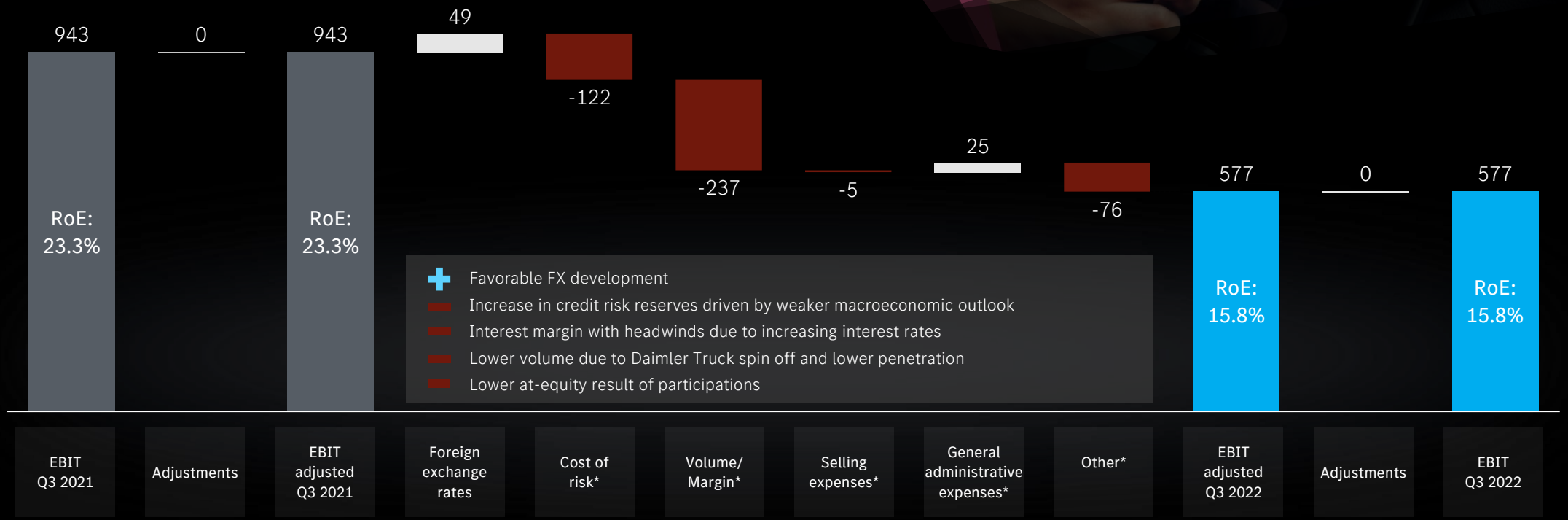



**EBIT adj.**
in million euros




# Mercedes-Benz Mobility: Q3 2022 EBIT & RoE

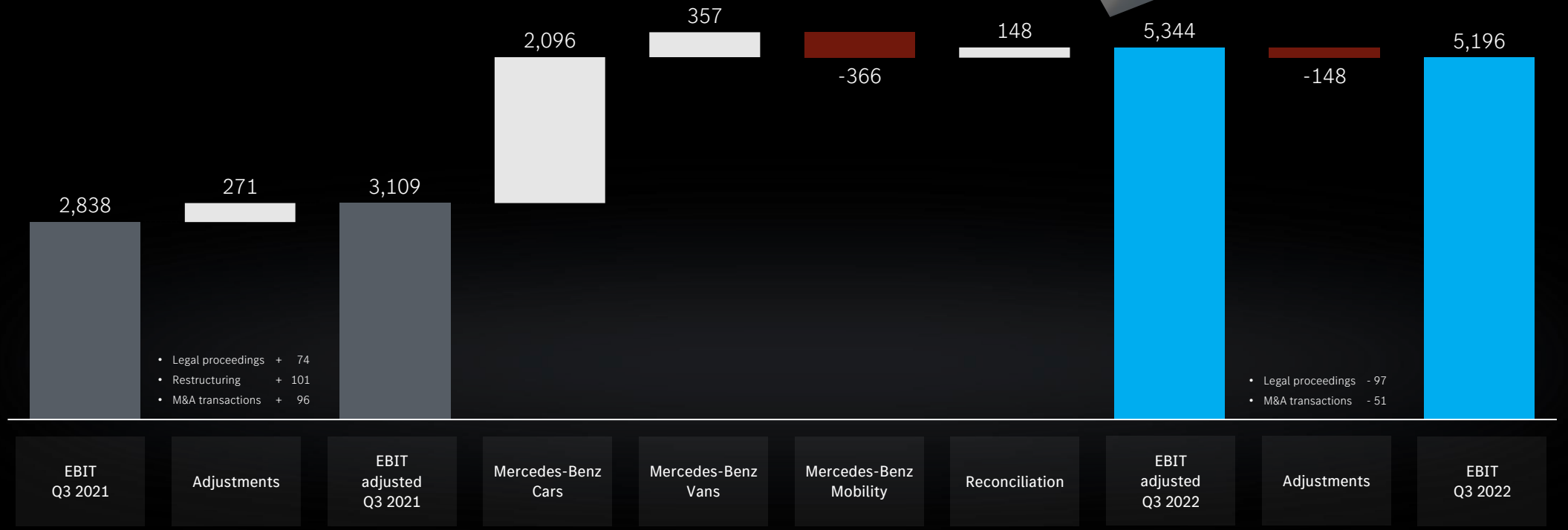

In million euros




* excluding FX effects

# Mercedes-Benz Group: Q3 2022 EBIT*

In million euros




* 2021 figures based on continuing operations only

# 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

# 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 2022

ASSUMPTION

The macroeconomic and geopolitical conditions continue to be characterized by an exceptional degree of uncertainty. A key factor contributing to this is the war in Ukraine, with its effects on supply chains and on the availability and the development of prices for energy and raw materials. Further effects due to the rapidly changing situation in Russia and Ukraine are not currently known and have not yet been taken into account in our key figures, but could possibly have substantial negative consequences for our business activities, should it escalate beyond its current state. In addition, the continued very high inflationary pressure for consumers and companies and the associated central-bank increases in interest rates as well as ongoing bottlenecks in global supply chains make the outlook more difficult. Not least the further course of the pandemic, in particular in China, holds uncertain-ties for the expected development of the market.

| | | |
|---|---|---|
| Unit Sales | Mercedes-Benz Cars | Slightly above |
| | Mercedes-Benz Vans | Slightly above |
| Return on Sales (adjusted*) | Mercedes-Benz Cars | 13 to 15 % |
| | Mercedes-Benz Vans | 9 to 11 % |
| | Mercedes-Benz Mobility (RoE) | 16 to 18 % |
| Cash Conversion Rate** (adjusted) | Mercedes-Benz Cars | 0.8 to 1.0 |
| | Mercedes-Benz Vans | 0.8 to 1.0 |
| Investment in pp&e | Mercedes-Benz Cars | Significantly below |
| | Mercedes-Benz Vans | Significantly above |
| R&D expenditure | Mercedes-Benz Cars | Significantly 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 (e.g. Spin-off).
** Adjusted Cash Flow before Interest and Taxes (CFBIT) divided by adjusted EBIT.

# Mercedes-Benz Group Guidance 2022

ASSUMPTION

The macroeconomic and geopolitical conditions continue to be characterized by an exceptional degree of uncertainty. A key factor contributing to this is the war in Ukraine, with its effects on supply chains and on the availability and the development of prices for energy and raw materials. Further effects due to the rapidly changing situation in Russia and Ukraine are not currently known and have not yet been taken into account in our key figures, but could possibly have substantial negative consequences for our business activities, should it escalate beyond its current state. In addition, the continued very high inflationary pressure for consumers and companies and the associated central-bank increases in interest rates as well as ongoing bottlenecks in global supply chains make the outlook more difficult. Not least the further course of the pandemic, in particular in China, holds uncertain-ties for the expected development of the market.

The base for the comparative guidance are the respective continued operations KPIs of 2021.

| | |
|---|---|
| Revenue | Significantly above |
| EBIT | Significantly above |
| Free Cash Flow (Industrial Business) | At prior-year level |
| $CO_2$ emission (g/km)* | Slightly above |

* CO2 emissions of the new car fleet in Europe (European Union, Norway and Iceland)

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1. MERCEDES-BENZ CARS

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3. MERCEDES-BENZ MOBILITY

# Strategic priorities for this year - progressing


| Scale electric vehicles | Grow luxury business | Accelerate car software | Alleviate supply constraints | Focus relentlessly on costs |
|---|---|---|---|---|
| Fourth EVA2 vehicle in launch | Elevate portfolio | Advance in MB.OS and ADAS development | First direct sourcing contracts signed | Battling inflation |

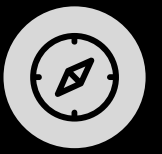
# Three levers to sustainably improve our cash flow

## "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"**

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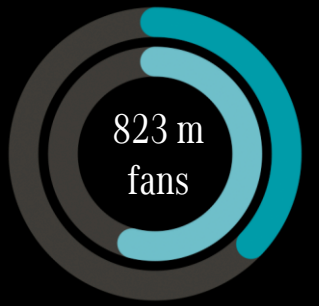
# Mercedes-Benz – The original and most valuable luxury car brand

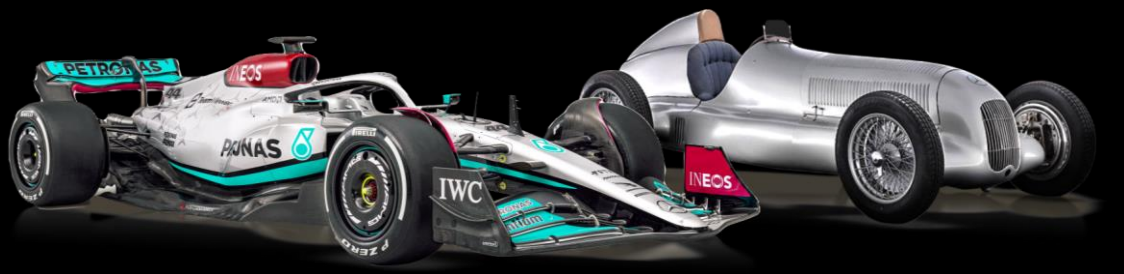
## Heritage:
## Mercedes-Benz is built on constant reinvention

## Formula 1:
## The power of F1 for our brand




37% female

54% under 35




Source: Interbrand Best Global Brands 2021

# Zeitgeist relevance: There’s no luxury without sustainability

Our sustainability goals:

**2022**
$CO_2$-neutral production

**2025**
Up to 50% xEVs

**2030**
ready to go all electric where market conditions allow

**2039**
Carbon neutrality

# Understanding our customers

## 50%

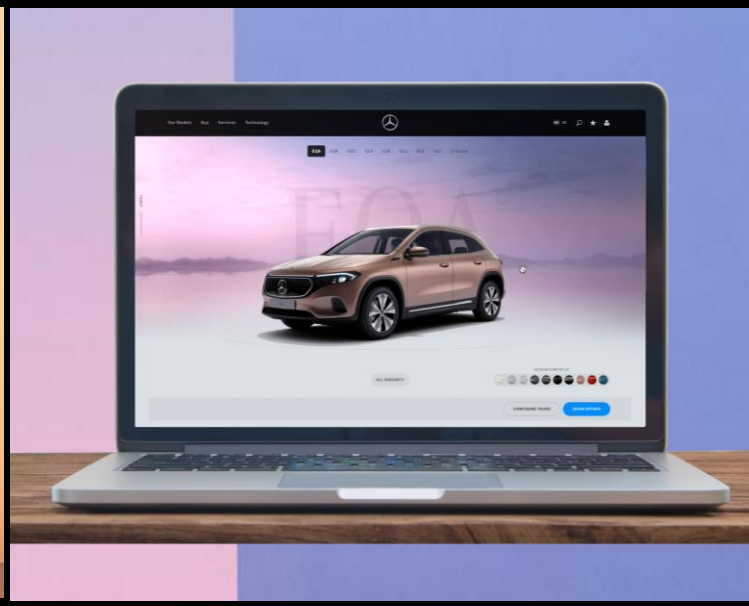
more adults with wealth
above 1 million USD
(2020-2025)

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

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

**+30%**

Top-end vehicle unit sales in 2021

**~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

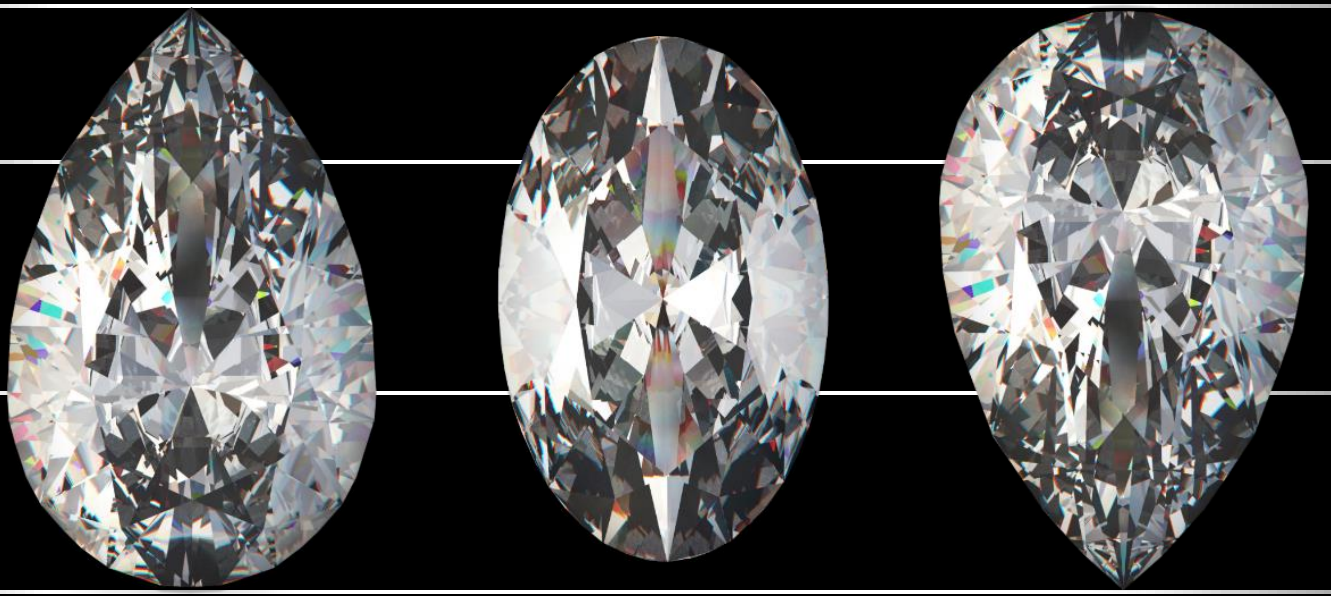
Key Levers

- 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

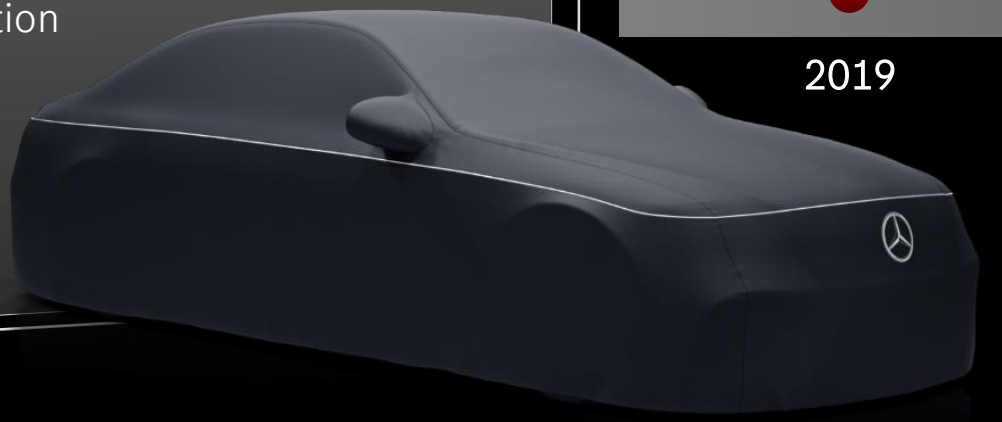
| Mercedes-Benz Car Sales | 2.3 m cars | 1.9 m cars | 2021-2026 CAGR approx. 5% p.a. | Change of segment share in 2026 vs. 2019 |
|---|---|---|---|---|
| Top-End Luxury | | | | Around +60% |
| Core Luxury | | | | 0 % |
| Entry Luxury | | | | -25% |



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



**Sales volume**

680k → 570k

**Change of segment share in 2026 vs. 2019**

-25%

**Change of ASP**

around +20% | significantly up

**Margin Quality**

| 2019 | 2021 | 2026 |
|---|---|---|

# 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** to launch end of 2022
  Brand new **E-Class** in 2023
- Protect **healthy margins on the way to BEV**


**Sales volume**

1.350k → 1.030k

**Change of segment share in 2026 vs. 2019**

flat

**Change of ASP**

around +25% | regular price adjustments

**Margin Quality**

2019 | 2021 | 2026

# 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**

**Sales volume**

250k → 305k

**Change of segment share in 2026 vs. 2019**

+60%

**Change of ASP**

around +15% | regular price adjustments

**Margin Quality**

2019 | 2021 | 2026

# 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*<br>Market level, competitive actions, commodity and raw material markets |  |  |  |
|---|---|---|---|
| Mix & Pricing | Higher mix and strong pricing power | | |
| Fixed costs | > -20% vs. 2019 | > -20% vs. 2019 | > -20% vs. 2019 |
| CAPEX and R&D (CF impact) | > -20% vs. 2019 | > -20% vs. 2019 | > -20% vs. 2019 |
| RoS adjusted | approx. 8%/10% | approx. 12% | approx. 14% |
| Cash conversion | | 0.7 – 0.9x | our ambition |

* Market Environment compromises 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.

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# Ambition 2039 – our commitment to $CO_2$ neutrality over lifecycle

| Supply chain | Production & Logistics | Well-to-tank | Tank-to-wheel | End-of-life |
|---|---|---|---|---|
|  |  |  |  |  |
| $CO_2$-neutral supply chain | $CO_2$-neutral production & logistics | $CO_2$-neutral energy generation | $CO_2$-neutral vehicle operation | $CO_2$-neutral recycling |

SBTi

# 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 kilometres[1]

With its $C_d$ figure[2] 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 minutes[3]

[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 kilometres[1]

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 kilometres[2] can be recharged on the basis of the WLTP range

The 6-phase design makes the permanently excited synchronous motor (PSM) on the rear axe 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 kilometres[1]

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 kilometres[2] 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

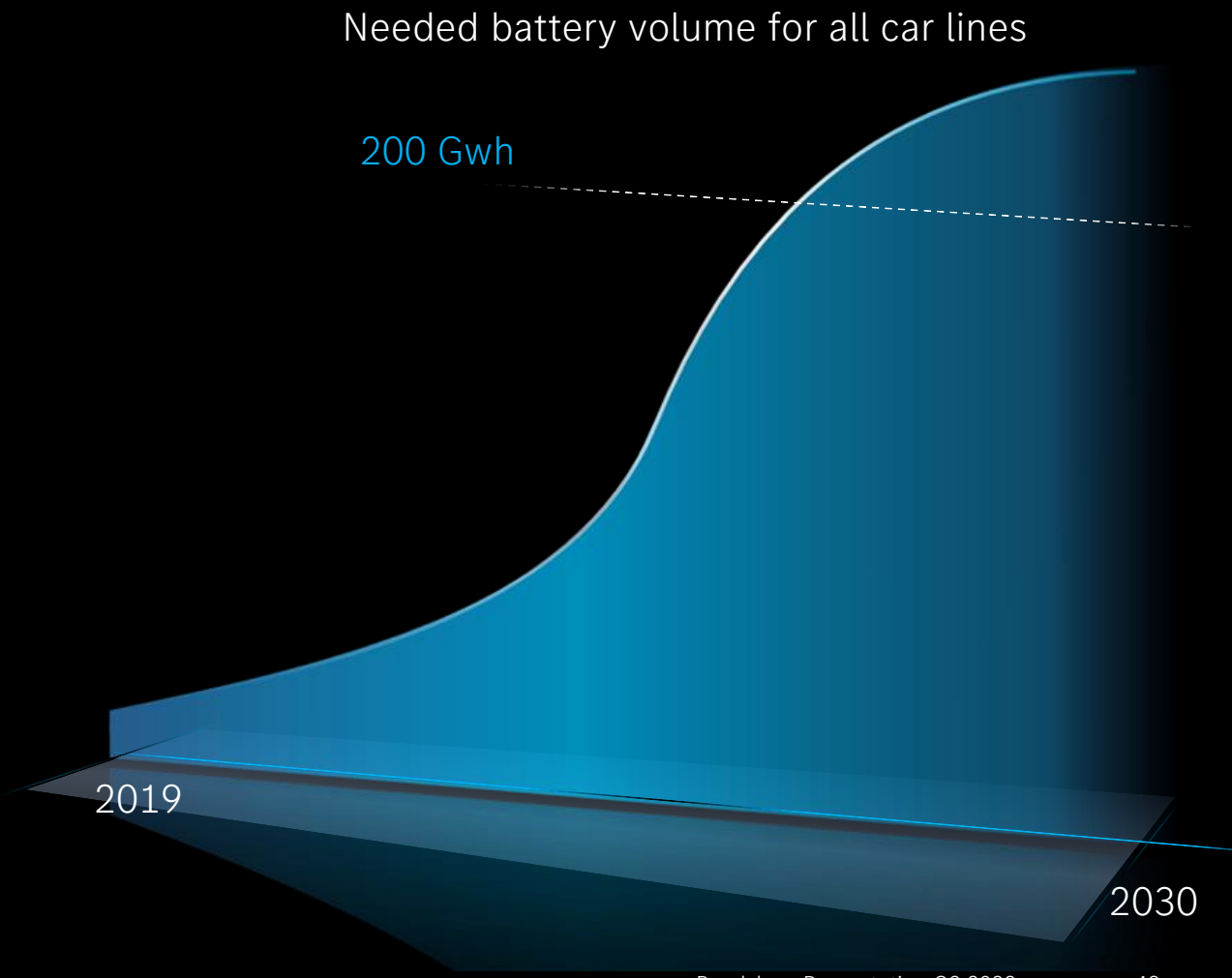
* where market conditions allow

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

Our targets:
Capacity of more than 200 Gigawatt hours

8 new cell factories around the world:
one in the U.S., four in Europe with our partners

Our partners are:
CATL, FARASIS, ACC, AESC



# 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.

# Our batteries will be highly standardized

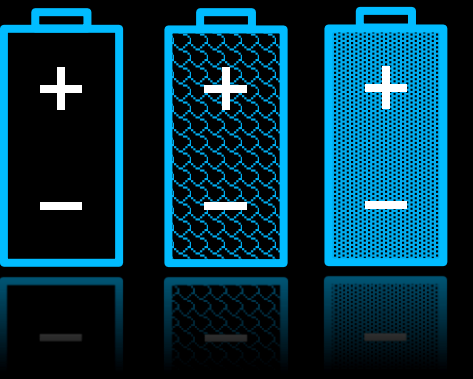
More than 90% of all future Mercedes-Benz vehicles will be based on a common battery platform

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

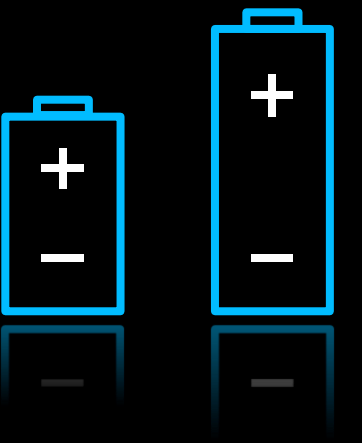
Only two differentiating characteristics will create the necessary variance in terms of range, charging and life performance: cell chemistry and size

Differentiating factors

Chemistry



Size



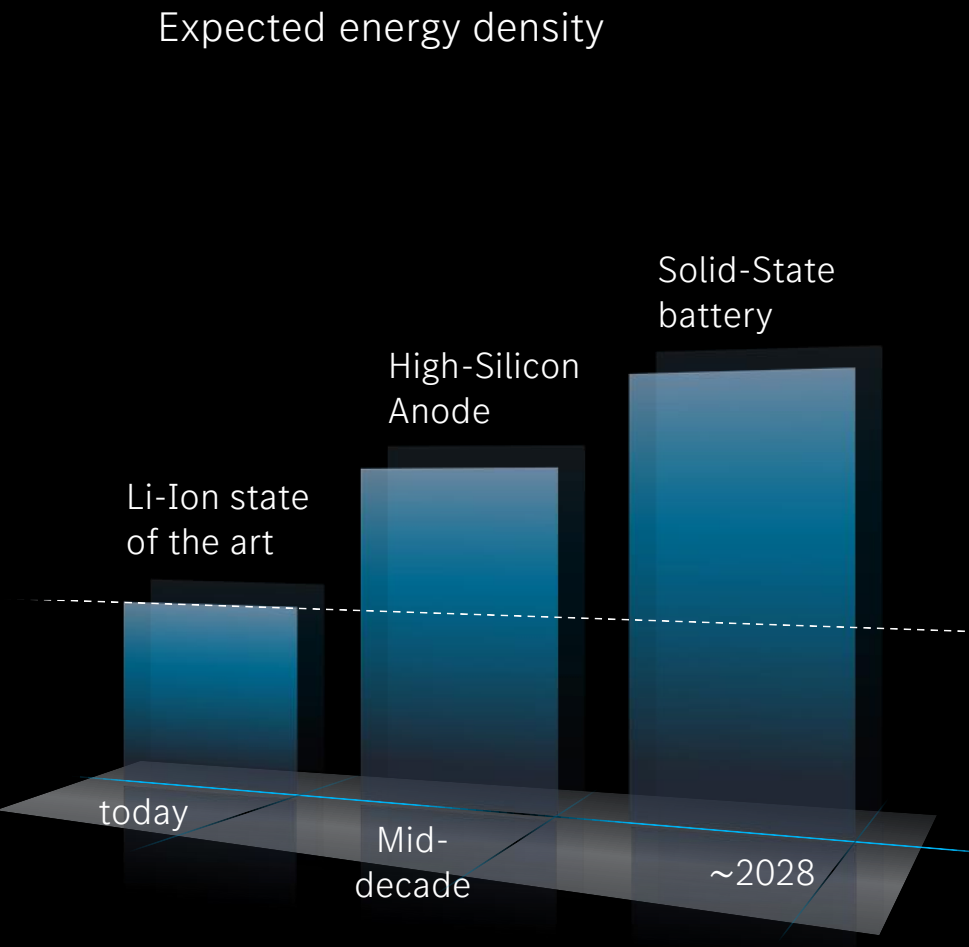
# Developing the next generation battery cell technology

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

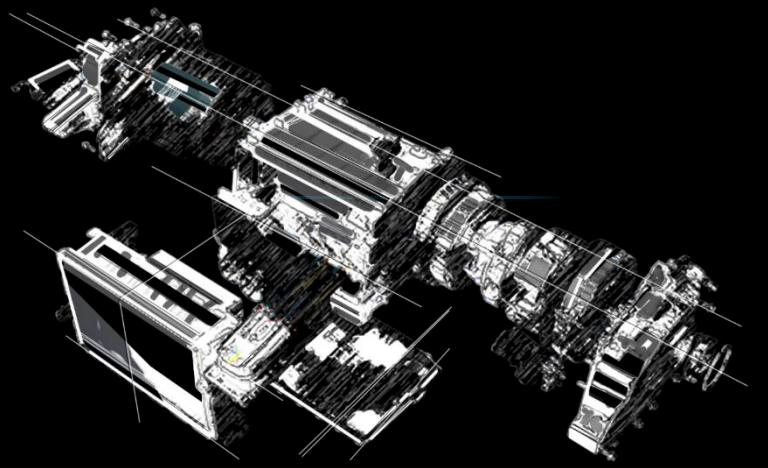
Solid-State: pushing energy density beyond limits of conventional lithium-ion cell, doubling energy capacity and reducing weight in same packaging space, enduring more charging cycles over lifetime

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



# In-house electric motors 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 motors for our forthcoming AMGs. Axial flux technology allows for unmatched power density, performance, acceleration

Electric motor and power electronics company YASA Ltd. will be a fully owned subsidiary of Mercedes-Benz. Acquisition will take 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, 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 |

# BEV cost reduction focus

Key levers

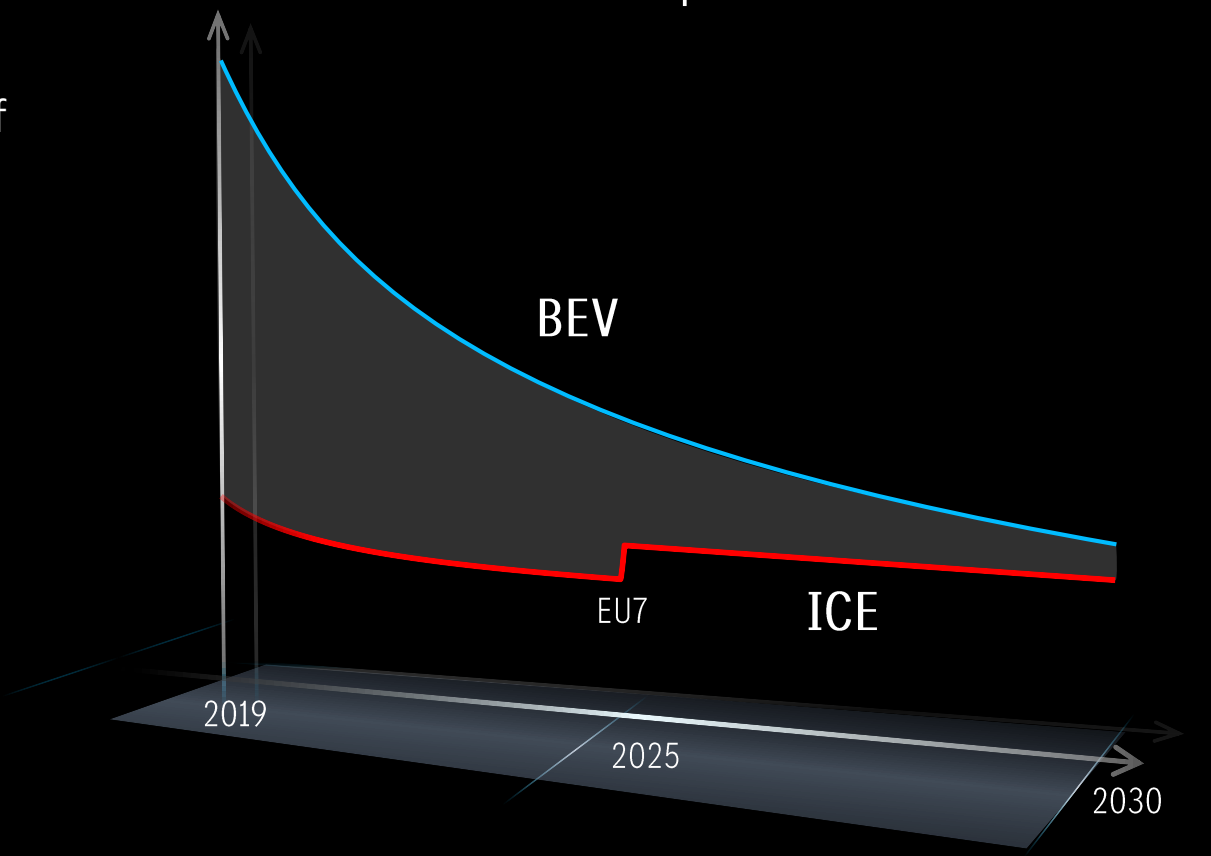
Material and manufacturing cost reduction of 1% until 2025

Further cost reduction on electric drive train from 2025 to 2030

Decreasing cell costs and common battery platforms

Scalable modular electric only architectures

Variable costs per unit*




* schematic and before mix change

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

## Key levers

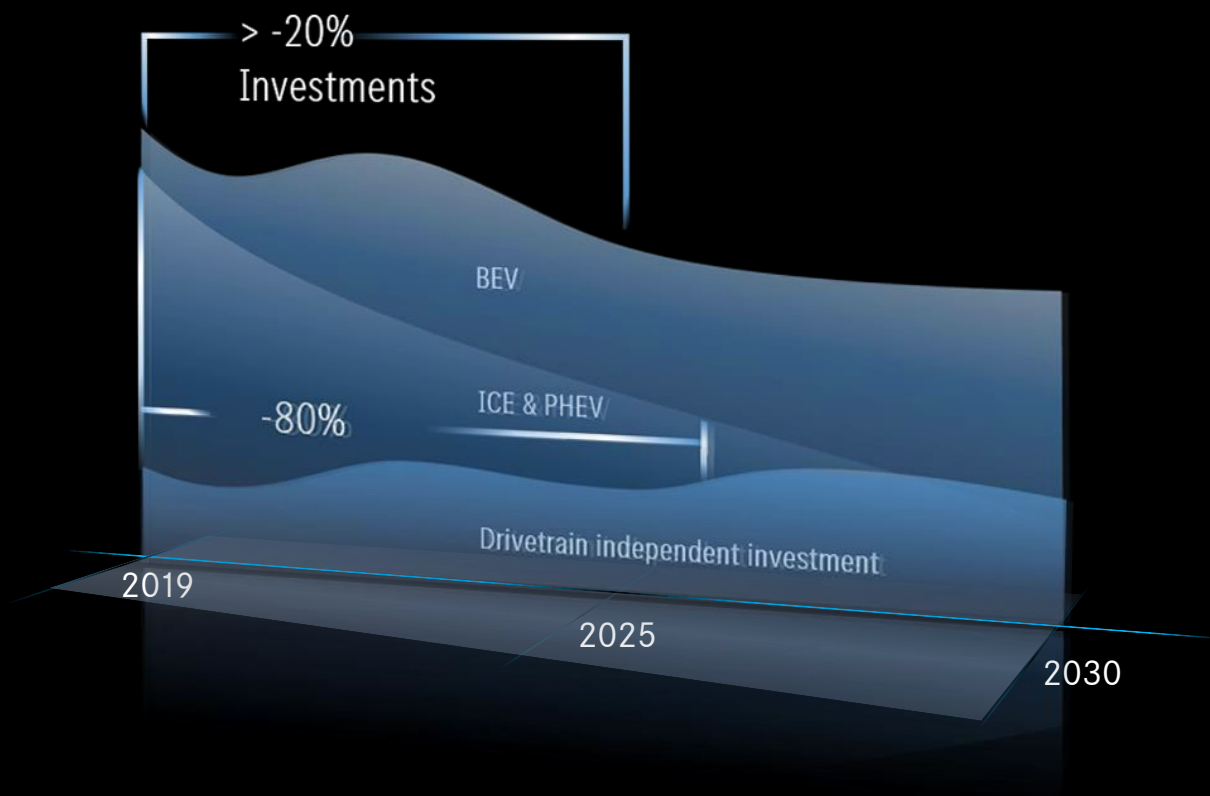
Additional investments for new BEV architecture MB.EA, AMG.EA, VAN.EA and intensified battery footprint

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

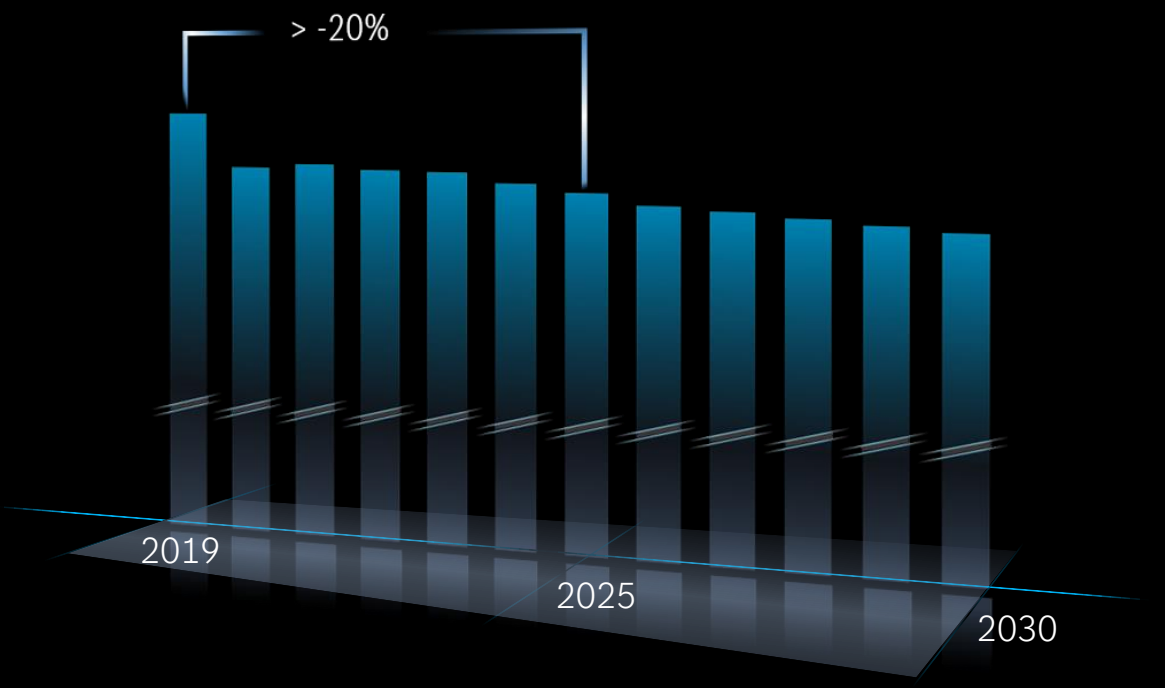
2021: temporary effects replaced by permanent measures

>20% fixed cost reduction until 2025 vs. 2019

2025ff: digitization of all business areas

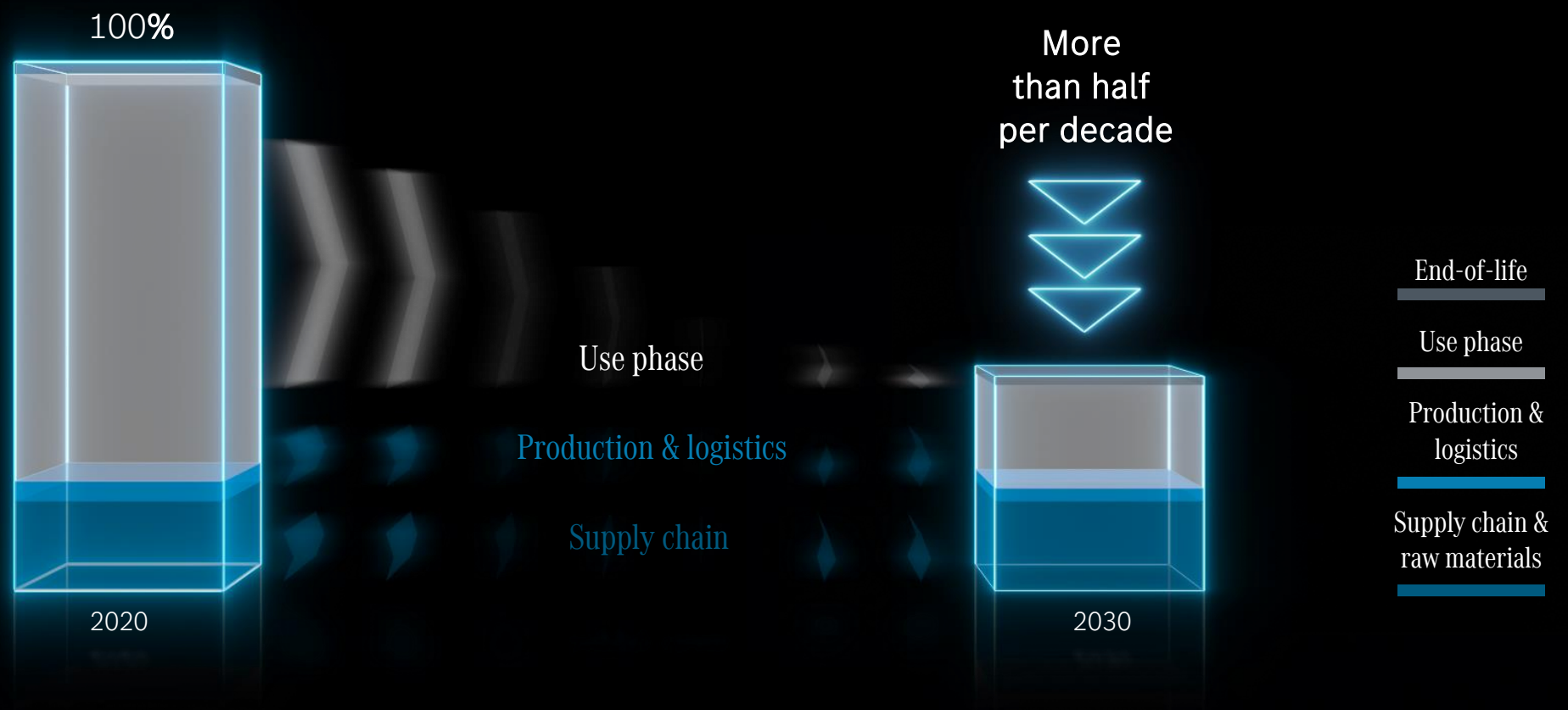
After 2025 further net reductions

## Fixed cost development*



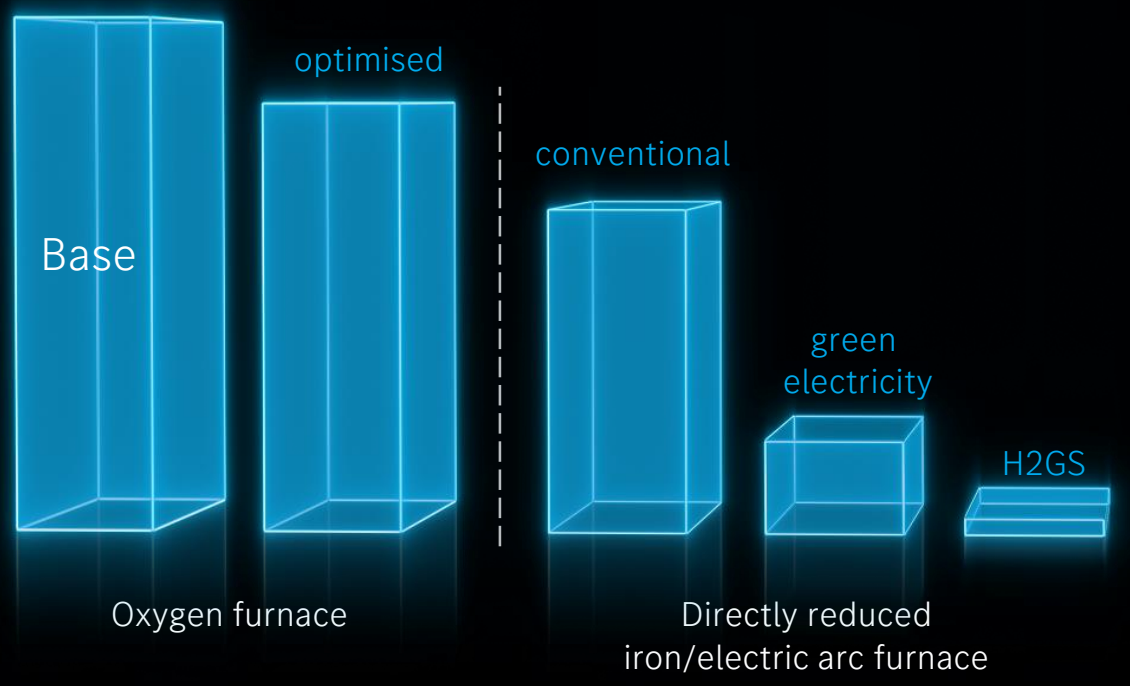
# We will at least halve lifecycle CO2 emissions per vehicle in this decade

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 – $CO_2$ 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

# Mercedes-Benz has pledged to make vehicle production $CO_2$ neutral this year

Together with our EV strategy, $CO_2$ neutral production is a key driver of Ambition 2039

All Mercedes-Benz plants worldwide are producing 100% $CO_2$ neutrally in 2022

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

*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

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

Greening of 40% of the roof area

Innovative DC grid

Paperless production

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%

25% reduction in energy demand

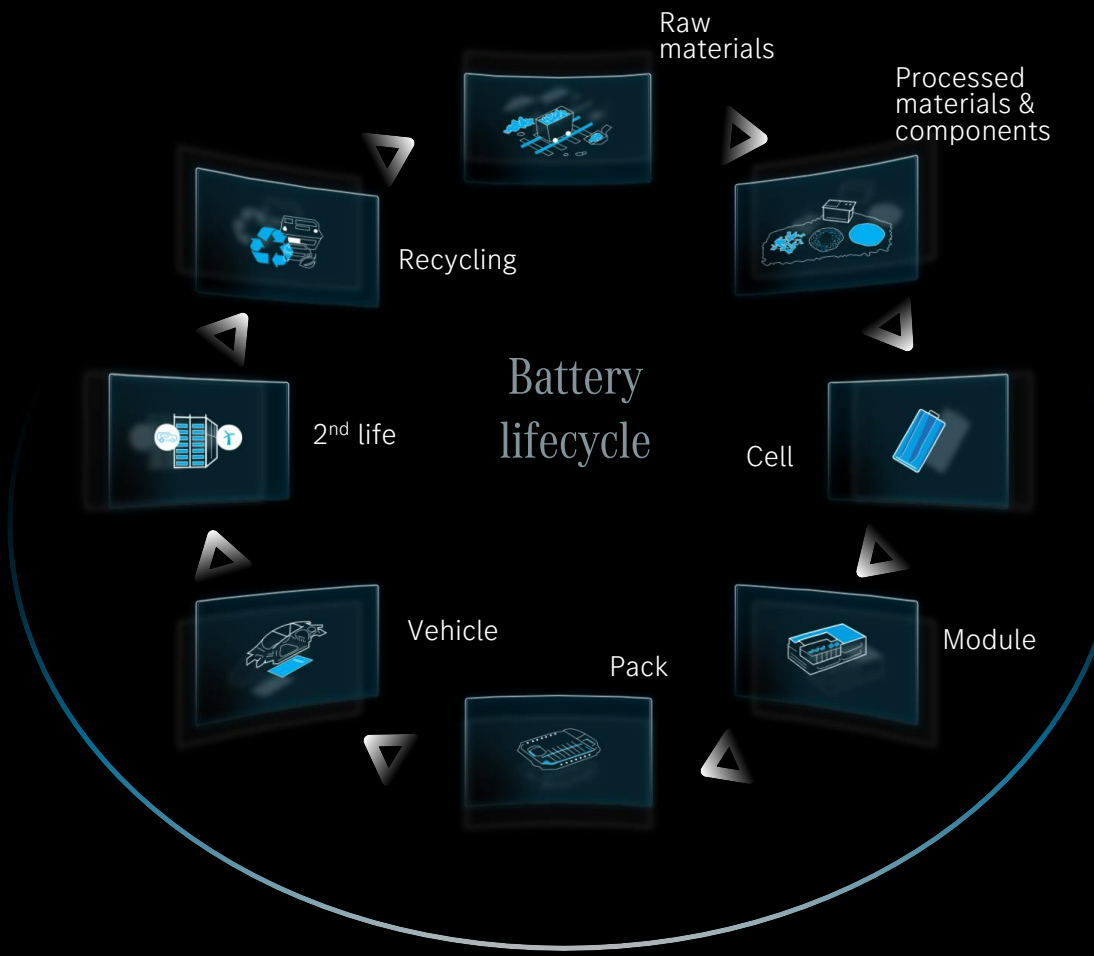
# We are establishing a green and CO2 neutral supply chain

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 $CO_2$ in lithium production

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

2020: Big River Steel reduced $CO_2$ emissions by >70% 2021: Salzgitter AG reduces $CO_2$ emissions by >60%
2025: $CO_2$ free steel from H2 Green Steel
2026: $CO_2$ free steel from SSAB



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

Own $CO_2$-neutral recycling plant in Kuppenheim, southern Germany, is scheduled to open 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


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

Focus on staff fluctuation and fair solutions together with employee representatives

A dedicated qualification offensive enables and supports the transformation of our company

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

Turn2Learn: New and hybrid qualification push for continuing education at Mercedes-Benz worldwide

Lifelong learning: Global rollout of e-learning platforms

Customized learning paths for the entire professional life: Use in production and administration

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 livelong learning

Turn 2 Learn

**>1,300,000,000 €** for qualification 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: Gain time through relaxed driving

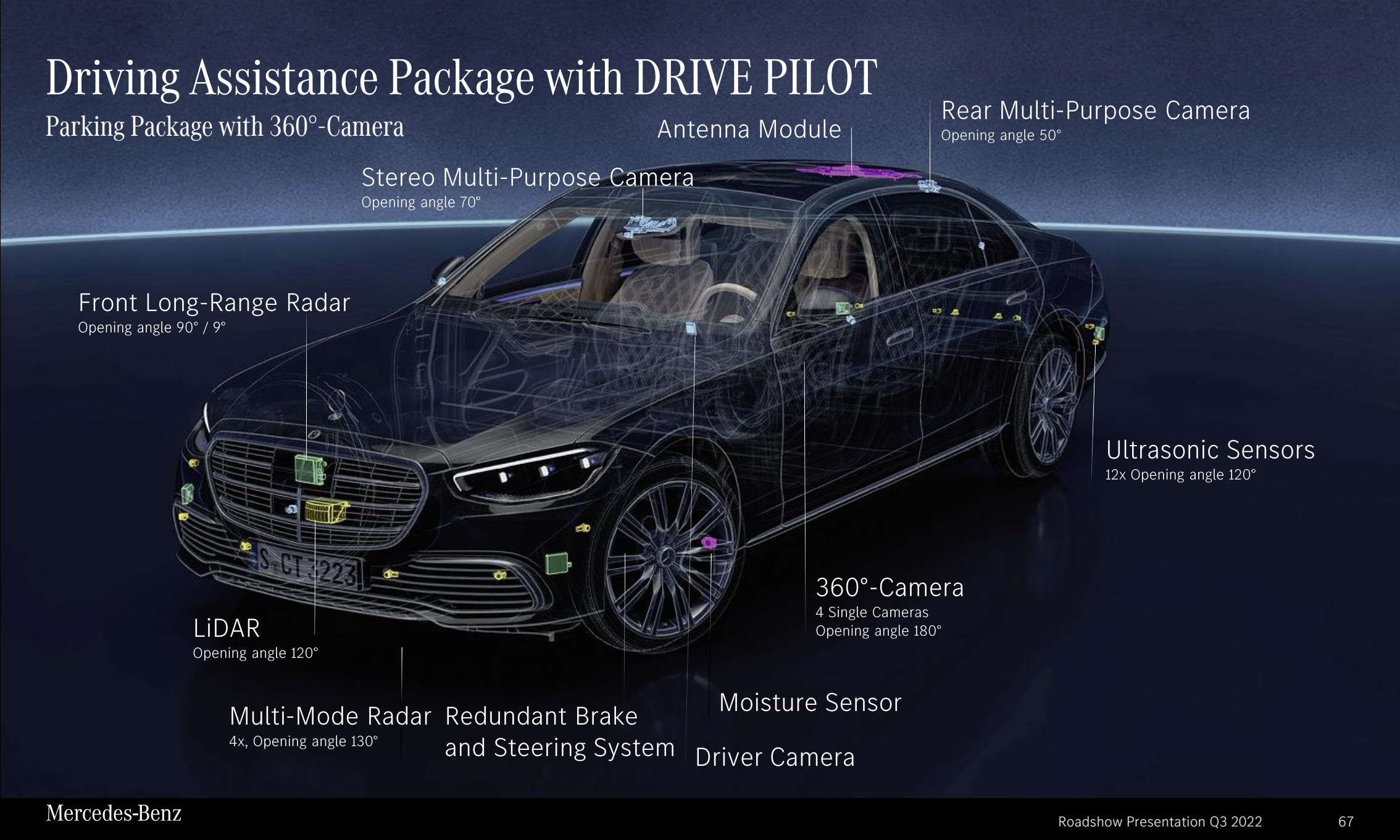
Mercedes-Benz is the first car manufacturer in the world with an international valid certification for conditional automated driving, to offer such a system.

The system for conditionally automated driving (SAE Level 3) can be ordered since May 2022 as an optional extra for the S-Class for around 6,000 Euros and for the EQS for around 8,800 Euros.

Mercedes-Benz aims to apply for regulatory series certification for the two US states of California and Nevada by the end of the year, provided the legal situation permits the system operation.

# Driving Assistance Package with DRIVE PILOT

## Parking Package with 360°-Camera

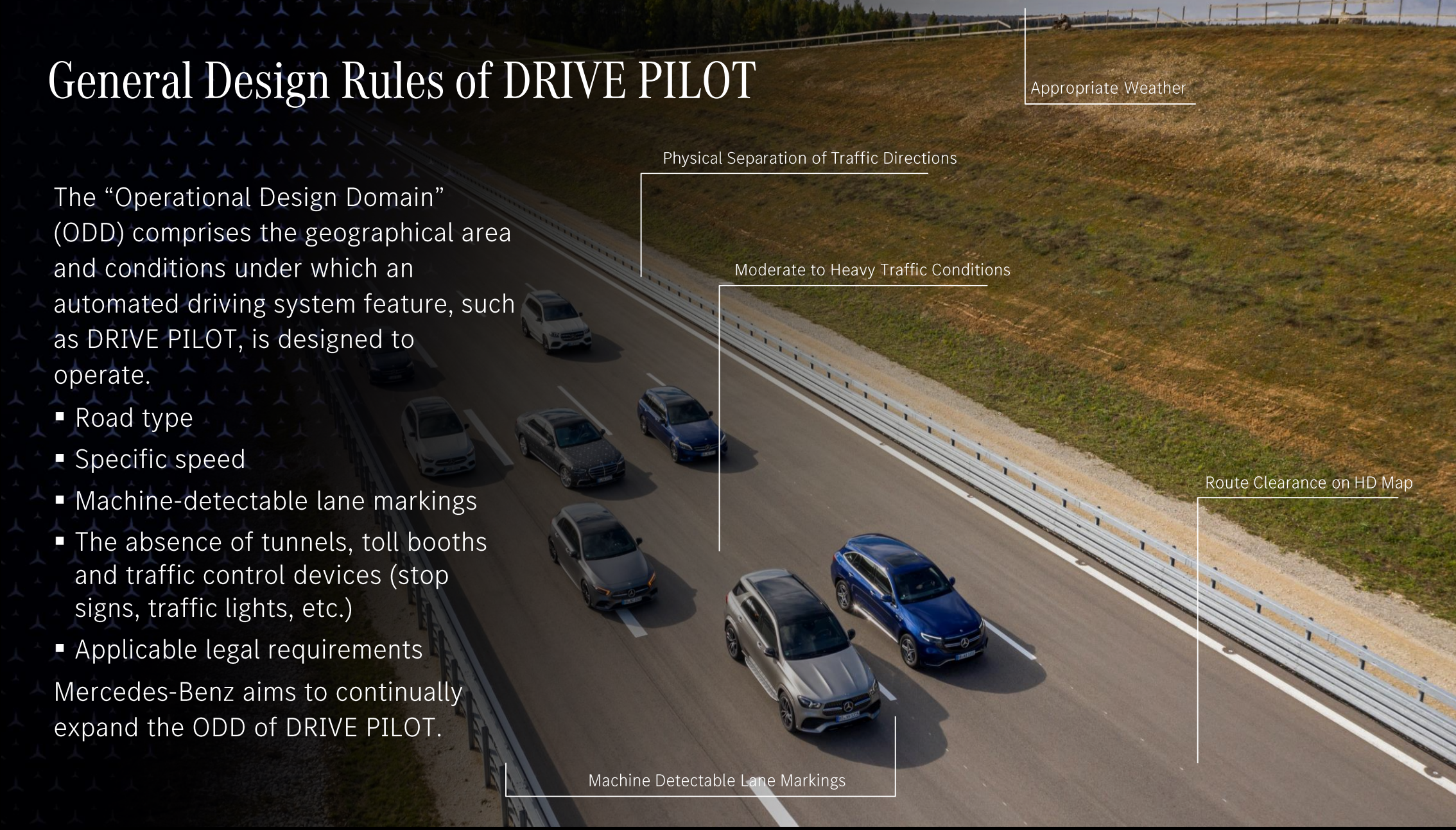


# General Design Rules of DRIVE PILOT

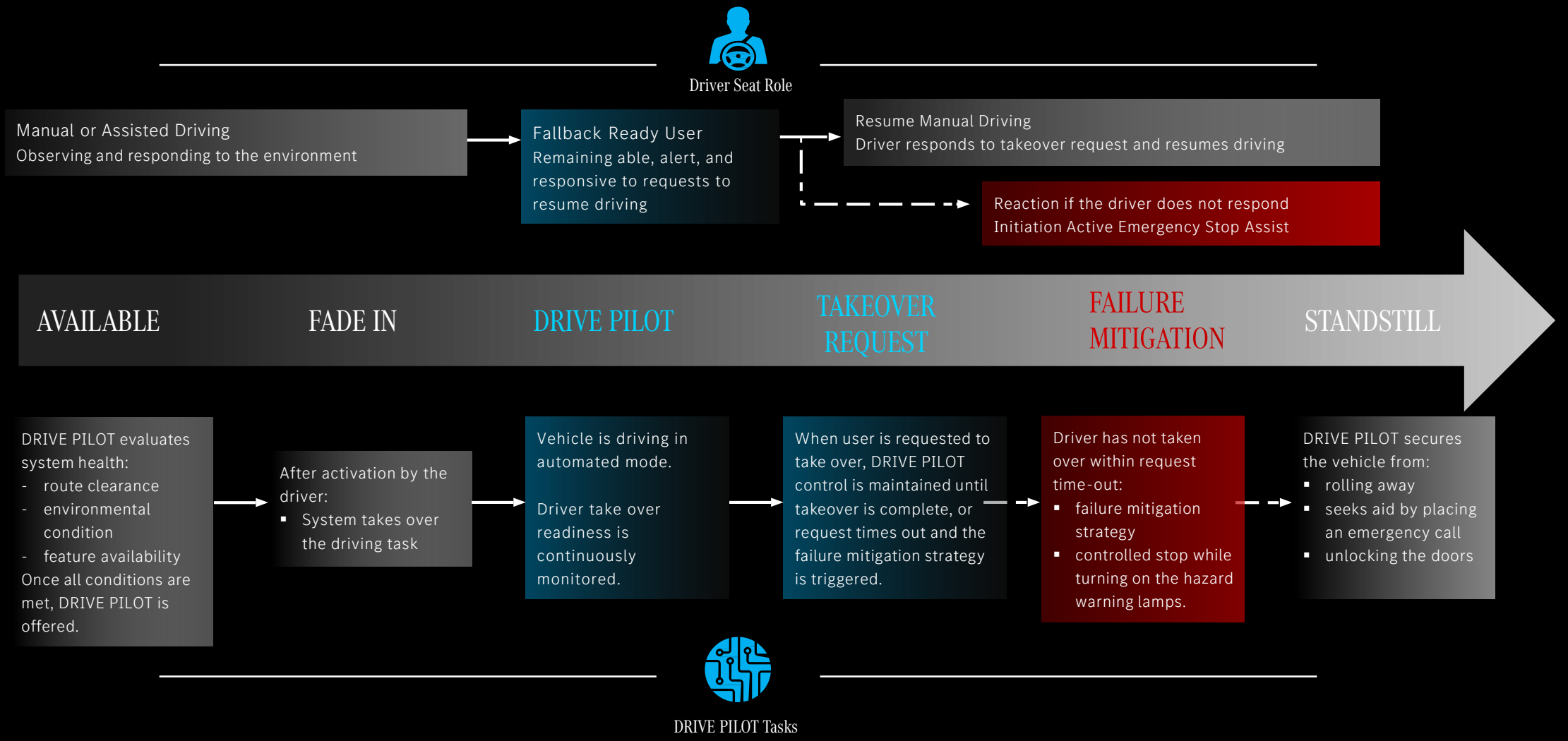
The “Operational Design Domain” (ODD) comprises the geographical area and conditions under which an automated driving system feature, such as DRIVE PILOT, is designed to operate.

- 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.



# Functional description of DRIVE PILOT




MB.OS
Mercedes-Benz Operating System

# The four domains of MB.OS

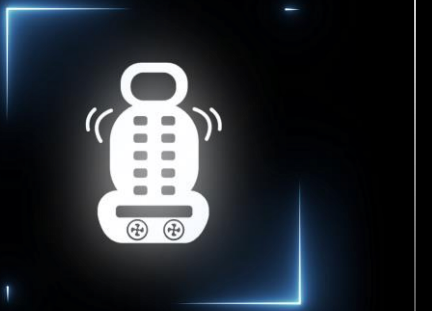
## Infotainment

MBUX Hyperscreen

## Automated Driving

L3 Drive Pilot

## Body & Comfort



Energizing Comfort


## Driving & Charging

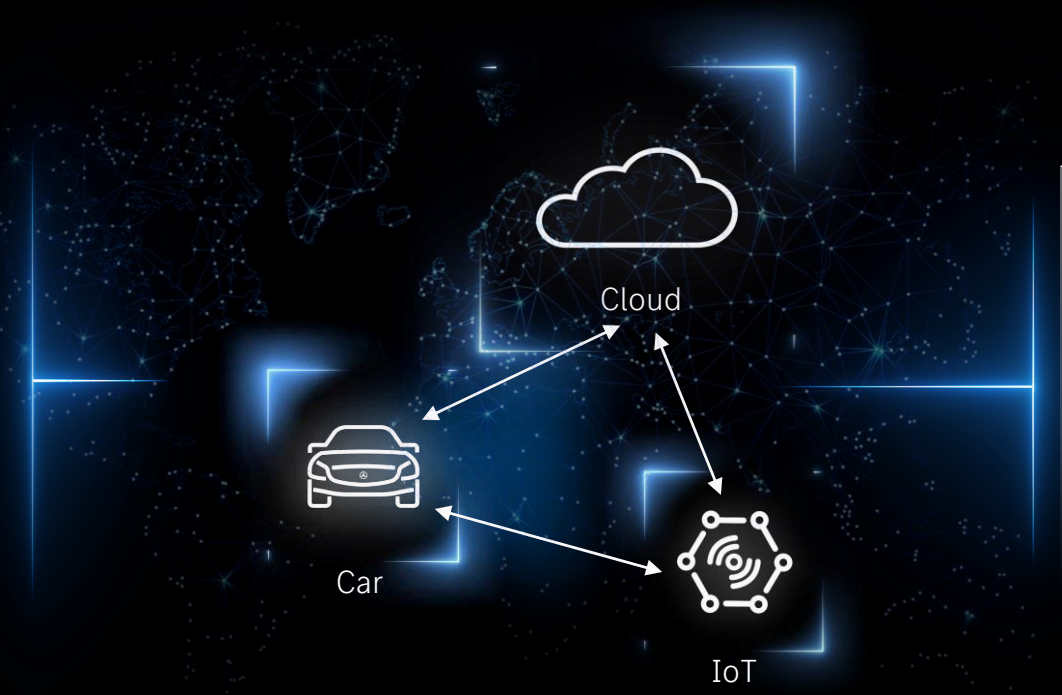
Powertrain & Charging SW

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 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 Vans Strategy

**Our Goal**

We offer the world's most desirable vans and services

**Our Strategic Pillars**

| Target | Embrace | Lead | Lower |
|---|---|---|---|
| premium segments and focus on profitable growth | customers and grow recurrent revenues | in electric drive and car software | total cost base and improve industrial footprint |

**Our Guiding Principles**

Guided by economic, environmental and social sustainability

Accelerated by digitalization and data-driven business

Driven by a highly qualified and motivated team

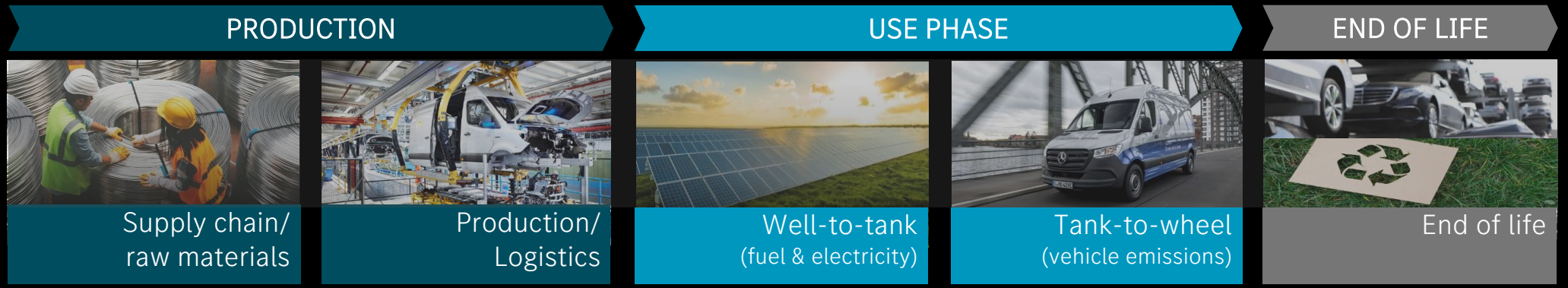
# As the leading premium light commercial vehicle manufacturer Mercedes-Benz Vans is a highly profitable part of the Mercedes-Benz AG

Luxury Strategy — DESIRE — Premium Strategy

Mercedes-Benz Cars

Mercedes-Benz Vans

# Our ambition is to make our fleet of new private and commercial Vans $CO_2$-neutral over the entire lifecycle[1] by 2039




[1] This includes vehicles that are sold by Mercedes-Benz AG or that are sold by Mercedes-Benz AG as general contractor, including upfitter solutions.

# From small over mid-size to large, we electrify every van segment

2022 2023 2025ff


Current eVan portfolio

Next generation eSprinter


All-new “electric-only” architecture

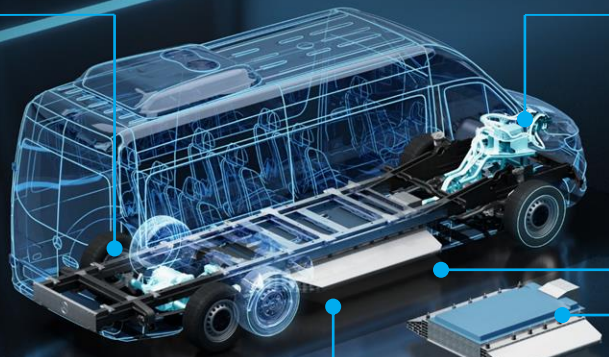
* as of 2nd half 2022

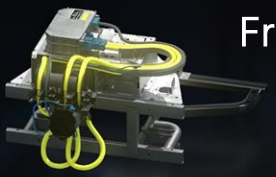
** vehicle still in development, not available for sale yet

# The eSprinter

An intelligent, modular solution with three core elements

**Rear module** with
electrically driven rear axle

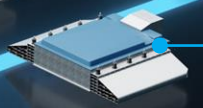




**Front module** for
high-voltage
components

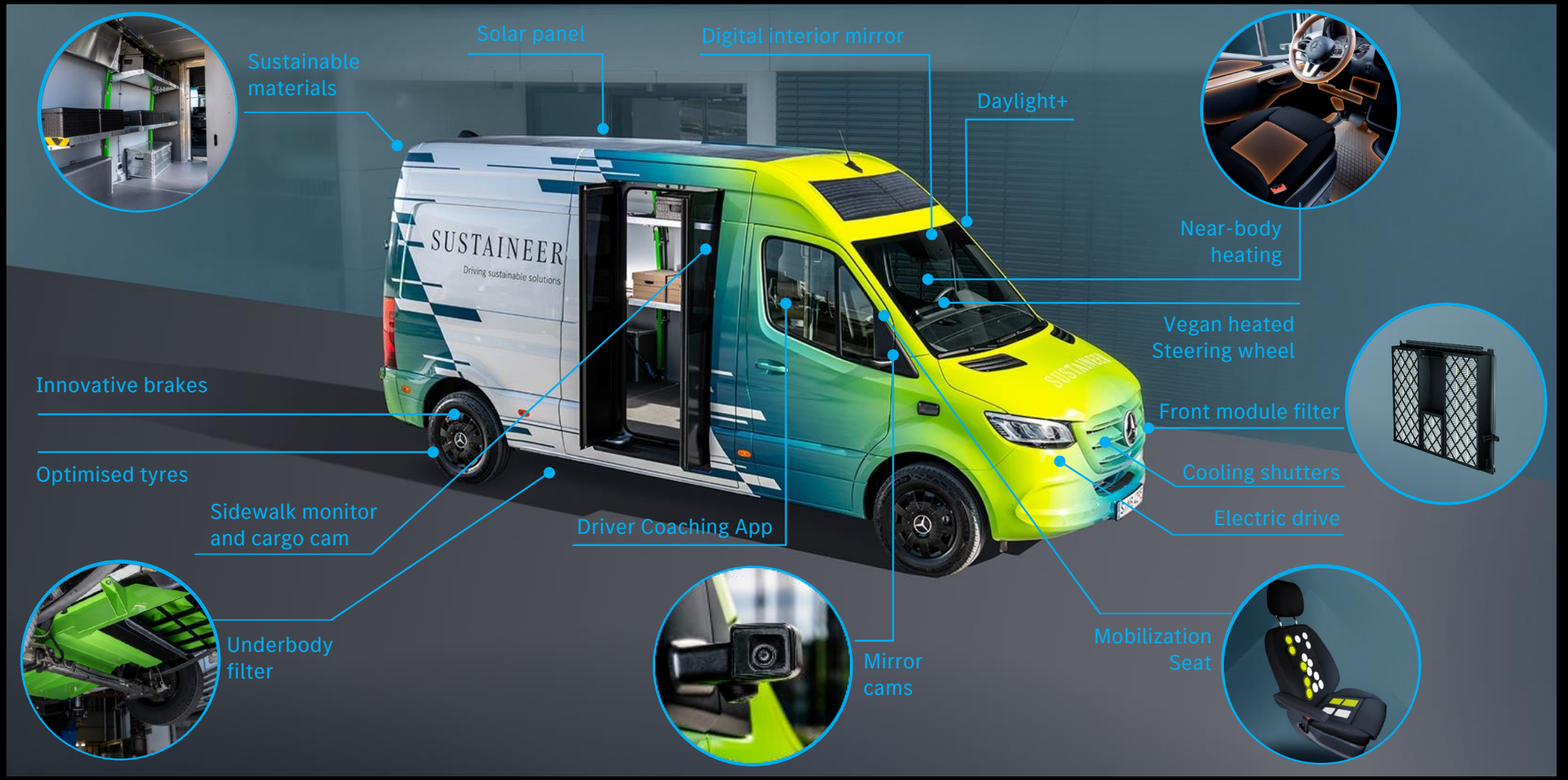
**Choice** of
- 2 wheel bases
- 3 battery capacity levels
  Large | Medium | Small





**Underfloor module** for
high-voltage battery

# SUSTAINEER as innovation driver for sustainable solutions



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3. **MERCEDES-BENZ MOBILITY**

# Mercedes-Benz Mobility Strategy

WE MOVE YOU!

Best-in-class Mobility Services – Customer-centric, seamless & flexible

| | | | |
|---|---|---|---|
| Sustainability Electrification Service Income | Seamlessly integrated customer experience | End-to-end automation & digitization | Data-driven company |

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**.

# 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, 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-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 current 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.