DAIMLER

Annual Meeting 2021

Countermotions and election proposals from shareholders

As follows, you will find the countermotions and election proposals from shareholders as defined by Sections 126 and 127 of the German Stock Corporation Act (*Aktiengesetz*) on the Items of the Agenda of the virtual Annual Meeting of Daimler AG to be held on March 31, 2021.

Dear Shareholders,

A countermotion or election proposal to be made accessible in accordance with Sections 126 and 127 of the German Stock Corporation Act that is received before midnight on March 16, 2021 will be deemed to have been made during the virtual Annual Meeting if the shareholder making the request or submitting the election proposal has duly registered for the Annual Meeting. The right of the Chairman of the Annual Meeting to put the Management's resolution proposals to vote first remains unaffected.

Please find below, in the chronological order in which they were received, the countermotions and election proposals that have been sent to us to date and that are to be made accessible, as well as any further motions from shareholders that we have made accessible. We have marked motions and election proposals that do not consist solely of the rejection of a management proposal with capital letters.

If you wish to support or reject motions and election proposals marked in this way, please vote on the respective motion or election proposal on the reply form sent together with the letter of invitation to the Annual Meeting or via the e-service for shareholders. As a motion or election proposal may not be voted on if the respective management proposal achieves the required majority, please do not fail to vote also by marking a cross on the relevant Item of the Agenda.

Countermotions and election proposals which consist solely of rejecting management proposals are not marked with letters. You can support these motions or election proposals by voting "No" on the respective Item of the Agenda or by issuing the corresponding voting instructions.

The motions, election proposals and their justifications reflect the views of the authors as communicated to us. Any allegations of facts have also been posted on the Internet unchanged and without verification by us.

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Mr. **Boris Huscher**, Pommersfelden

Motion A

Election to the Supervisory Board

Dear Sir or Madam,

I wish to propose myself for election to the Supervisory Board. Hereto, I submit to you a short version of my curriculum vitae. Please consider my e-mail as an election proposal.

<u>Attachment</u>

Curriculum vitae

Personal details

Name	Boris Huscher
Date and place of birth:	November 27, 1983, Pforzheim
Marital status	Married, two children

Career

Since 2010	Administrative employee, automotive claims department (Debeka Versicherung)
2006 – 2010	Degree course for Bachelor of Arts Insurance Industry (University of Applied Science, Coburg) Main areas – Rate setting – Costing – Accounting – Controlling
2003 – 2006	Training as insurance broker (Ergo-Versicherung)

Personal interests

Sports

Astronomy

History

Financial investments

February 21, 2021

Boris Huscher

Dear Mr. […],

Thank you for your e-mail.

I propose, in addition to my first e-mail, myself, Mr. Boris Huscher, resident in 96178 Pommersfelden (Germany) for election as a member of the Supervisory Board. There is no membership in another statutory supervisory board.

Information from the Board of Management of Daimler AG pursuant to Section 127 Sentence 4 of the German Stock Corporation Act regarding the election proposal of shareholder Boris Huscher:

Pursuant to Section 96 Subsection 1 and Section 101 Subsection 1 of the German Stock Corporation Act (*Aktiengesetz*) and Section 7 Subsection 1 Sentence 1 No. 3 of the German Co-determination Act (*Mitbestimmungsgesetz*), the Supervisory Board is composed of ten members representing the shareholders and ten members representing the employees, and pursuant to Section 96 Subsection 2 Sentence 1 of the German Stock Corporation Act (*Aktiengesetz*), of not less than 30% of women (i.e., not less than six) and of not less than 30% of men (i.e., not less than six). The gender quota is to be fulfilled by the Supervisory Board as a whole, unless the members representing the shareholders or those representing the employees object to joint fulfillment pursuant to Section 96 Subsection 2 Sentence 3 of the German Stock Corporation Act (*Aktiengesetz*). No objection has been made to joint fulfilment of the gender quota.

At the time when the convocation to the virtual Annual Meeting was published and at the time when the election proposal by shareholder Boris Huscher was made accessible, a total of six women are members of the Supervisory Board, of whom three are shareholder representatives and three are employee representatives. The minimum quota is therefore fulfilled. At the close of the Annual Meeting 2021, also the period of office of Petraea Heynike as a member of the Supervisory Board representing the shareholders will end. In order to continue to fulfill the minimum quota in the future, at least one woman is therefore to be elected as a shareholder representative.

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Mr. **Christian Pfingsten**, Hamburg

Regarding Item 3 of the Agenda

The actions of the members of the Board of Management are not to be ratified.

Reasons:

The task of the Board of Management of Daimler AG is to ensure that the revenue and the income of the Group improve.

It is remarkable that Daimler AG affords itself an extensive art collection composed of approximately 3,000 works of art. It is not apparent that this “Daimler Art Collection” makes a recognizable contribution to the improvement of the revenue and the income of Daimler AG. This art hobbyhorse is not appropriate to our times and the current economic conditions (share price since 2015: -25%, -11% revenue in 2020, inherited diesel liabilities, necessary investment in electric mobility, planned workforce reduction: up to 20,000 jobs).

The art collection of Daimler AG should therefore be liquidated. The proceeds of the sale are then to be invested in future-oriented business models or (2) utilized for securing jobs or (3) distributed to the shareholders as an extraordinary dividend.

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Prof. Christian Strenger, Frankfurt

Regarding Item 4 of the Agenda

It is proposed that the actions of the members of the Supervisory Board in office in the 2020 financial year are not to be ratified due to the Supervisory Board’s lack of independence, contrary to claims made.

Reasons:

In accordance with the provisions of the German Stock Corporation Act (*Aktiengesetz*) and the German Corporate Governance Code (GCGC), the proper fulfilment of the duties of the Supervisory Board of a publicly listed stock corporation requires the appropriate independence of a significant proportion of the members representing the shareholders. This assurance of a “critical view” is not only a firm expectation of the shareholders, but is also codified by the requirements of the EU Shareholders' Directive and the ARUG II derived from that directive. The statement made by Daimler AG in its Annual Report on page 151 stating that all shareholder representatives are independent is incomprehensible in general and in particular with regard to the chairmen of the Supervisory Board and of its Audit Committee and its Legal Affairs Committee:

- The Chairman of the Supervisory Board is a former member of the Board of Management and as such has now been in office for 14 years and is Chairman of three supervisory board committees and a member of the Legal Affairs Committee.
- The Chairman of the Audit Committee, who has been in office since 2007, i.e., for more than 13 years, is also Chairman of the Legal Affairs Committee established in 2019, which is responsible for properly following up the truck cartel and diesel emission fines that have already cost billions of euros. At the time of his appointment to the Daimler Supervisory Board in 2007, he was Chairman of the Supervisory Board of Deutsche Bank AG, which has been associated with Daimler in various forms for decades. As his more than twelve-year period of office and the aforementioned association at the time of his appointment represent two significant negative criteria for independence pursuant to Recommendation C.7 of the German Corporate Governance Code (GCGC), this would also have required a detailed justification of his being assessed as an independent member as required by C.8, rather than merely general statements as on page 151 of the Daimler Annual Report. Furthermore, pursuant to Section 161 AktG (German Stock Corporation Act), it would have been necessary to note a deviation in the Declaration of Conformity with the GCGC issued in December 2020.

  In particular the “critical view” postulated in the Daimler description of important supervisory board qualifications is of crucial relevance for the chairmanship of these so important control committees and cannot be substituted by “long-standing familiarity” with the cases already heavily burdening the shareholders. In addition, the legal opinions of Prof. Habersack and now Prof. Steinmeyer, whom Daimler has commissioned for years, only conclude that the Supervisory Board has fulfilled its duties. However, this in no way confirms the acceptability of the Supervisory Board not pursuing the members of the Board of Management and the Supervisory Board who acted and were responsible from 2004. Although three years have passed since the truck cartel fines of almost one billion euros resulting from 2004 were paid by the Company, it is not very convincing that according to Dr. Steinmeyer’s expert opinion, the investigation into the truck cartel issues has not yet been completed.

  In view of the alleged, but inexplicable lack of independence or insufficient independence of key members of the Supervisory Board, the resulting inaccuracy of significant items in the Declaration on Corporate Governance of the Annual Report 2020 and the inaccurate determination that the entire Supervisory Board (including the employee representatives) is independent, as well as the omission of the declaration of deviation required by Section 161 AktG, the actions of the Supervisory Board in 2020 are not to be ratified.

Regarding Item 7 of the Agenda

It is proposed that the resolution on the amendment to the Articles of Incorporation regarding an oversized remuneration increase (four times the current normal committee compensation) for the insufficiently independent Chairman of the Legal Affairs Committee is to be rejected.

Reasons:

The Committee established in 2019 has to deal with the intensive past failures of the Board of Management and the Supervisory Board related to the truck cartel and the diesel emission cases involving fines of many billions of euros in preparation for the Supervisory Board as a whole, which bears the primary responsibility. In view of the fact that the Chairman of the Committee has been a member of the Supervisory Board for up to 14 years and of the joint responsibility of the Board of Management for the truck cartel issues at the relevant time of the current Chairman of the Supervisory Board, questions of possible failures by these persons (such as the establishment and monitoring of appropriate compliance and risk systems) must also be examined and transparently pursued in view of the aforementioned long periods of office. At the latest after the clarification of the truck cartel problems with the associated high fines, an intensive clarification should have taken place of the responsibility of all members of management as well as a review of possible problems associated with the diesel emission issues that were initially denied by the then Board of Management Chairman but in the meantime are also damaging to the Company's reputation.

That the Committee Chairman who has been active in the Supervisory Board for more than 13 years should now be granted a fourfold increase in his remuneration to more than 115,000 euros annually for his work on these long-standing problem areas with potential personal responsibility should therefore be rejected, not only, but also because of the amount.

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Mr. **Marc-André Mühlensiepen**, Sinsheim

Motion B

Election of the Supervisory Board

Ladies and Gentlemen,

I hereby propose myself, Mr. Marc-André Mühlensiepen, resident in 74889 Sinsheim (Germany), for election as a member of the Supervisory Board.

There is no membership in another statutory supervisory board.

Attachment:

Curriculum vitae

Name:	Marc-André Mühlensiepen

Address:	[…]	
Date of birth:	May 8, 1989	
Family status:	single	
Place of birth:	Heidelberg	
Education/career:	Sept. 2005 – July 2008	Training as an insurance salesman at Victoria Versicherung AG in Mannheim
	July 2008 – May 2009	Own insurance agency of Victoria Versicherung in Heidelberg
	May 2009 – Feb. 2010	Civilian service at the Flinsbach church social center
	Since Feb. 2010	Self-employed insurance representative of Gothaer Versicherung / focus on SME clients and automotive insurance
Honorary activities:	Since Feb. 2016	Vice chairman of Flinsbach Tennis Club
	Since Jan. 2019	Treasurer of a condominium owners' association
Hobbies:	- Tennis	
	- Motorsport	
	- Financial transactions	

Sinsheim, March 8, 2021

Marc-André Mühlensiepen

Information from the Board of Management of Daimler AG pursuant to Section 127 Sentence 4 of the German Stock Corporation Act regarding the election proposal of shareholder Marc-André Mühlensiepen:

Pursuant to Section 96 Subsection 1 and Section 101 Subsection 1 of the German Stock Corporation Act (*Aktiengesetz*) and Section 7 Subsection 1 Sentence 1 No. 3 of the German Co-determination Act (*Mitbestimmungsgesetz*), the Supervisory Board is composed of ten members representing the shareholders and ten members representing the employees, and pursuant to Section 96 Subsection 2 Sentence 1 of the German Stock Corporation Act (*Aktiengesetz*), of not less than 30% of women (i.e., not less than six) and of not less than 30% of men (i.e., not less than six). The gender quota is to be fulfilled by the Supervisory Board as a whole, unless the members representing the shareholders or those representing the employees object to joint fulfillment pursuant to Section 96 Subsection 2 Sentence 3 of the German Stock Corporation Act (*Aktiengesetz*). No objection has been made to joint fulfilment of the gender quota.

At the time when the convocation to the virtual Annual Meeting was published and at the time when the election proposal by shareholder Marc-André Mühlensiepen was made accessible, a total of six women are members of the Supervisory Board, of whom three are shareholder representatives and three are employee representatives. The minimum quota is therefore fulfilled. At the close of the Annual Meeting 2021, also the period of office of Petraea Heynike as a member of the Supervisory Board representing the shareholders will end. In order to continue to fulfill the minimum quota in the future, at least one woman is therefore to be elected as a shareholder representative.

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Mr. **Uwe Klaass**, Wernau

Regarding Item 2 of the Agenda

Ladies and Gentlemen,

I hereby submit the following countermotion:

Item 2. Resolution on the allocation of distributable profit

The proposed allocation of distributable profit is to be rejected.

<u>Reasons:</u>

A dividend of €0.90 per dividend-entitled share (total €962,853,702.30) is not to be paid out from the distributable profit.

Instead, part of the distributable profit is to be used to pay back to the Federal Employment Agency the short-time working allowance that was utilized by the Company. The remainder could then be paid out to shareholders in the form of a dividend.

In accordance with the "Principles of Social Responsibility" and the "Code of Conduct" of Daimler AG, it is not acceptable in terms of social responsibility to achieve profits at the expense of the Federal Republic of Germany and to distribute them to shareholders in the form of dividends.

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Ms. **Ursula Seyfert**, Freiburg

Regarding Item 3 of the Agenda

Due to the planned construction of a logistics center for the Hamburg plant in a wet moorland that is designated as a landscape protection area, the actions of the members of the Board of Management are not to be ratified.

BUND (the German non-profit organization for the environment and nature protection) has pointed out that the approximately 20-hectare area in question consists almost exclusively of marshes and swamp forests – and thus protected biotopes – of particularly high value. The marsh is two meters deep. Moors bind organic material and thus carbon dioxide, which is why they help to protect the climate.

Moors are therefore valuable CO2 reservoirs and, together with other biotopes, provide a habitat for protected animal and plant species. In view of the danger of extinction of species and loss of local recreational space, which is also caused by the sealing of natural land, this planning is not in tune with the times.

The Hamburg Harburg district council has written that construction of the logistics center in this location would “completely destroy” the wet moorland.

In order to justify sealing this natural area, those responsible refer to 55 hectares of “compensation areas” that would be created, in the Moorgürtel and Neuländer Moorwiesen nature reserves for example, or south of the Neuländer artificial lake, where moorland areas which are too dry could be wetted.

It is not appropriate to take existing landscapes that have not yet been sealed as compensation for sealing others.

It would have to be checked in advance with an environmental expertise whether it could make sense in this context to wet dry moorland areas.

Daimler should take responsibility on its own initiative and not wait for protests against this project.

I therefore propose that other resource-conserving solutions should be found. It is necessary to examine whether the logistics center could be integrated into the existing plant site by means of structural alterations.

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Association of Critical Shareholders, Cologne

Regarding Item 2 of the Agenda

The Association of Critical Shareholders proposes that the allocation of distributable profit as proposed by the management is to be rejected.

<u>Reasons:</u>

By increasing the dividend in the middle of the corona pandemic, Daimler AG is showing its ignorance of the mood of society as a whole. While the Group is receiving the short-time working allowance for some of its workforce, it is now paying out €1.35 per share instead of the 90 cents paid last year. Daimler employees, whose wages have been cut or who are threatened with dismissal due to the savings plan of Daimler CEO Ola Källenius, cannot understand why shareholders are to receive €1.4 billion.

A responsible management aware of the challenges of the future would put aside a significantly larger proportion of the Company's profits for necessary investments such as the accelerated changeover to electric mobility and the related infrastructure, and the production of buses and rail vehicles. This would also allow jobs that are now being cold-heartedly eliminated to be retained.

For this reason, the Association of Critical Shareholders demands a dividend of only €0.10 per dividend-entitled share instead of €1.35.

Regarding Item 3 of the Agenda

The Association of Critical Shareholders proposes that the actions of the members of the Board of Management of Daimler AG for the year 2020 are not to be ratified.

Reasons:

The costs of the corona pandemic are being imposed on society

In the 2020 financial year, Daimler AG showed that it feels more committed to its shareholders than to its employees. While many employees had to go onto short-time working and suffered financial losses, the dividend actually increased in what was supposed to be crisis year. Profit sharing of €500 for the employees is only a small compensation. The consequences of the pandemic have thus been socialized, while the profits are now to be privatized.

Anyone who has heard the car lobby VDA, which also represents Daimler AG vis-à-vis politicians in Berlin, with its constant demands for new government subsidies for car buyers, can anyway only be surprised. Despite the corona crisis, or perhaps because of it, Daimler AG achieved an increase in profits last year. In addition to value-added tax cuts and short-time working allowances, the buyers' subsidies for plug-in hybrids and electric cars had a clear impact in this country. It is therefore fair to say that the dividend for the shareholders, which is even higher than in 2019, was substantially co-financed by the taxpayers.

The official fuel-consumption figures for plug-in hybrids are unrealistically low

An additional side effect for the Group is that by selling a large number of plug-in hybrids with their unrealistically low official fuel-consumption figures, it was also possible to meet the EU's CO2 fleet limit for 2020. This is a purely theoretical contribution to climate protection, based on loopholes in the legal regulations negotiated at the time by lobbyists in Brussels who were also supported by Daimler AG. The actual objective of those regulations is to reduce greenhouse gases for the sake of climate protection, and this is being counteracted by the exploitation of negotiated loopholes. Studies show that plug-in hybrid variants of a car model often have even higher fuel consumption and thus CO2 emissions in real-world operation than a vehicle of the identical model series with only a combustion engine. Furthermore, neither the parties putting the vehicles on the roads – in this case Daimler AG – nor the users have to prove that these vehicles are ever electrically charged and operated.

Daimler lags behind with electric mobility

Unfortunately, not much happened at Daimler AG in terms of all-electric vehicles in the 2020 financial year. But with the EQA, the electric version of the GLA, a model suitable for the volume market will at least be on the road in 2021, even if it is unfortunately a vehicle that was not designed as an electric car, but primarily as a car with a combustion engine. It is also utterly incomprehensible why there is only a plug-in version of the upcoming C-Class, but no electric version. In times of an electric-vehicle boom, an opportunity for Daimler to establish itself as a brand of change and to compete with other brands is now being negligently wasted.

Name a date for the end of the combustion engine!

Anyone who claims to provide “sustainable luxury” must be measured against this slogan. Large, heavy plug-in hybrids, which in reality consume much more fuel and thus emit CO2 accordingly, are the opposite of sustainability; they are wasters of resources. Instead of continuing to launch such sham products, Daimler should follow its public statements on an electric future in the car sector with action: The new Mercedes-Benz AG must – at least for Europe – finally name an early date for the end of new cars with combustion engines; the Board of Management has so far failed to do so. But of course, not every electric car is environmentally friendly. Strict environmental and resource standards must also apply here.

The emissions scandal is not being dealt with

In 2020, Daimler AG still has to deal with its failings of the past. The Group still refuses to come to terms with the diesel emissions scandal in full. There are still no admissions of guilt or effective improvements to the vehicles. Just recently, Germany’s Federal Motor Transport Authority (KBA) once again made it clear that the more than one million vehicle recalls are still in effect. Challenges to this decision by Daimler AG have been rejected. The KBA has apparently found a total of five different defeat devices in the Group’s various vehicles, with some models even having two of them. The courts have already confirmed that at least some of these defeat devices are illegal.

Despite all this, Daimler continues to claim that the Group has not cheated on its diesel vehicles’ emissions; these claims were and are obviously false and either indicate a lack of oversight by the Group’s Board of Management, or were and are deliberate misstatements. International authorities also continue to assume that illegal defeat devices are installed in further Mercedes-Benz diesel vehicles.

Regarding Item 4 of the Agenda

The Association of Critical Shareholders proposes that the actions of the members of the Supervisory Board of Daimler AG for the year 2020 are not to be ratified.

<u>Reasons:</u>

The Supervisory Board has failed to set the course for the transport turnaround. This would require strategic instructions for the Board of Management so that it can initiate the measures necessary to restructure the Group.

Initiate the transport turnaround!

Motorized private transport in its current form is harmful to the climate and to health and contributes significantly to reducing the quality of life in cities. This is why alternatives to the car and the strengthening of public transport are necessary. Continuing to rely heavily on the production of private cars is not sustainable and jeopardizes the continued existence of the Group.

At the same time, there is a growing demand for electric buses and rail vehicles for local public transport, which the market is not currently meeting. Daimler AG slept through this trend for a long time and became involved in the development of electric buses very hesitantly. It didn’t start until 2018 with the eCitaro, while other manufacturers, especially from China, have been active in this market for years. And those persons responsible for the Group obviously do not have their eyes on the future market for rail vehicles.

Politicians have now recognized that the massive expansion of local and long-distance public transport is just as essential for a sustainable transport revolution as its decarbonization. For this reason, public funds are increasingly flowing into the conversion and expansion of this sector. At the same time, it is to be expected that the subsidization of motorized individual transport through instruments such as the company-car privilege will not be politically sustainable for much longer. The abolition of these subsidies will lead to further declines in unit sales, especially for suppliers that rely heavily on typical company cars.

Daimler has non-climate-friendly batteries produced, mainly in China

At first glance, electric vehicles are significantly more climate friendly than cars with combustion engines. However, if the energy comes from non-renewable sources, electric vehicles are not climate-neutral either. This problem also exists with the production of batteries such as those needed by Daimler for its electric vehicles because the batteries used by Daimler and other German automakers come mainly from Asia, especially China. Daimler only began cooperating on this with the Chinese company Farasis in mid-2020. Battery production requires enormous amounts of energy, which in China comes mainly from climate-damaging coal-fired power plants. A study by the Association of German Engineers (VDI) shows that 8.4 metric tons of CO2 emissions are currently produced for a diesel car, while 16.8 metric tons are produced for an electric car with a battery from China.

(https://www.vdi.de/news/detail/einseitige-fokussierung-auf-pkw-mit-batterieantrieb-gefaehrdet-co2-ziele)

It is no coincidence that reporting by Daimler AG on responsible raw-material sourcing is very selective. As the current CSR Directive Implementation Act allows companies to decide for themselves what they report on and to what extent, the Daimler Sustainability Report has many gaps.

(https://power-shift.de/wp-content/uploads/2020/12/Performance-Check-Automobilindustrie-Verantwortungsvoller-Rohstoffbezug-PowerShift-Inkota_Fehlerkorrektur.pdf).

Lack of transparency on arms exports

Daimler is a member of the Federal Association of the German Security and Defense Industry (BDSV), which represents the interests of the German defense industry. Daimler also makes appearances at arms fairs and is, for example, on the list of exhibitors at the IDEX arms fair, which was held in Abu Dhabi at the end of February. Nonetheless, one searches in vain for terms such as “military” or “armaments” in the annual report. This is why we regularly ask at annual shareholders’ meetings where Daimler military vehicles are exported to. Until now, Daimler AG has always listed all recipient countries by name in its answers. As a result, it has become known that in recent years, Daimler military vehicles have repeatedly been delivered to countries that are involved in wars, are located in crisis regions, and where human rights are trampled underfoot. In 2020, however, it was stated, “As a matter of principle, we do not comment on the individual recipients.” What has become known, however, is that 86% (in terms of total value) of Daimler military vehicles exported in 2019 were delivered to third countries (countries outside the EU, NATO and equivalent countries), so military-vehicle exports cannot simply be swept under the carpet. Especially since the Group emphasizes that respect for human rights “[is] a fundamental component of responsible corporate governance” for Daimler and that the Group (would like to) communicate its “handling of the issue of human rights even more transparently.” The Supervisory Board must work to ensure that a critical evaluation of Daimler’s military-vehicle export practices is once again made possible and that military-vehicle exports to warring and human-rights-violating countries are stopped immediately.

Regarding Item 6 of the Agenda

The Association of Critical Shareholders proposes that the candidates stated under b) and c) are not to be elected to the Supervisory Board of Daimler AG.

<u>Reasons:</u>

The Association of Critical Shareholders considers the candidate proposed under b), **Ben van Beurden**, Den Haag, the Netherlands, Chief Executive Officer of Royal Dutch Shell plc, United Kingdom, the Netherlands, to be unsuitable. At a time when climate and environmental protection are high on the agenda, it would be a devastating signal if the head of one of the world’s largest oil companies, which is responsible for environmental pollution and the production of climate-damaging fossil fuels, joins the Supervisory Board of Daimler AG. In 2015, in order to expand Shell’s empire, van Beurden pushed through the USD 70 billion purchase of BG Gas, a company primarily active in deep waters. His justification is that BG would advance Shell’s financial growth strategy – especially in deep waters and with LNG (liquefied natural gas). Shell is already one of the industry leaders in both fields.

https://www.manager-magazin.de/unternehmen/personalien/shell-chef-van-beurden-und-der-70-milliarden-dollar-deal-a-1027474.html

In Germany too, the reputation of the oil multinational headed by van Beurden is as bad as can be imagined. As became known in July 2020, a total of up to 450,000 liters of diesel oil leaked from a pipeline at the Shell refinery in the Cologne district of Godorf, contaminating the soil. Shell had already been aware of the environmental disaster since April 2020. The environmental association BUND accuses Shell of neglecting safety checks on pipelines, with excessively long intervals between inspections of that 60-year-old pipeline, for example. Shell was initially unable to assess the extent of the damage; it has stated that the leak was discovered by chance.

https://www1.wdr.de/nachrichten/rheinland/neuer-umweltskandal-bei-shell-in-koeln-godorf-100.html

The Association of Critical Shareholders considers the candidate proposed under c), **Dr. Martin Brudermüller**, Mannheim, Chairman of the Board of Executive Directors of BASF SE, to be unsuitable. As a long-standing member of the Board of Executive Directors of the world's largest chemical company and as its Chairman of the Board of Executive Directors since 2018, Brudermüller is jointly responsible for numerous irregularities. For example, BASF SE does not live up to one of its corporate objectives, namely – as it states itself – "to act responsibly in purchasing and production." At least since BASF's 2015 annual shareholders' meeting, the Board of Executive Directors – and thus Brudermüller as well – have been aware that BASF was not taking sufficient care of supply chain violations and for years ignored the disregard for internationally recognized standards at its British-South African platinum supplier Lonmin plc (now Sibanye-Stillwater). For example, mining company Lonmin was partly responsible for the bloody crackdown in 2012 on a miners' strike at a platinum mine near Johannesburg, South Africa. In the "Marikana massacre," 34 miners were shot dead by South African police (https://basflonmin.com/home/de/). The handling by the BASF Board of Executive Directors of publication of audits that the Company had carried out at its supplier Lonmin in South Africa is also problematic. Despite repeated requests from the Association of Critical Shareholders, other non-governmental organizations and shareholders, BASF has refused to review the audits.

Furthermore, the Association of Critical Shareholders objects to the current Supervisory Board member **Dr. Bernd Pischetsrieder** being proposed as candidate for the chairmanship of the Supervisory Board, following the departure of Dr. Manfred Bischoff from the Supervisory Board. The advance praise for Pischetsrieder is clear: "The fact that Daimler is now presenting the ex-VW [and BMW] boss as successor for the head of the Supervisory Board is a step backwards and not a signal for a departure into a better future."

(https://www.wiwo.de/unternehmen/auto/neuer-aufsichtsratschef-bei-daimler-pischetsrieder-ein-mann-aus-der-steinzeit-der-autoindustrie/26683820.html).

The business magazine *Wirtschaftswoche* is not alone in its assessment of the "man from the Stone Age of the automotive industry. The fact that the 72-year-old Bavarian is replacing the 78-year-old Swabian Manfred Bischoff is not a sign of a new dawn in the Stuttgart board of old-men.

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Dr. Bernd T. Gans, Vaterstetten

Regarding Item 4 of the Agenda

It is proposed that the actions of members of the Supervisory Board in the year 2020 are not to be ratified.

Reasons:

The Supervisory Board, in particular its Chairman, Manfred Bischoff, and its Deputy Chairman, Michael Brecht, has still not seriously fulfilled its legal obligations to fully clarify the responsibilities of Board of Management members for the substantial fines imposed on the Company in the truck antitrust proceedings.

The same lack of action over several years is apparent from the billions of euros in fines imposed by German and US regulatory authorities due to inadmissible defeat devices in car diesel engines.

In both cases, the persons acting at the time should at least as a precaution have been held liable, in particular the former Chairman of the Board of Management, Dieter Zetsche. This has not yet been done, however, to the detriment of the shareholders.

Instead, Manfred Bischoff had various expert opinions prepared by Professors Habersack and Steinmeyer in order to gain a free hand for the arrangement of his succession in accordance with his personal ideas. Consequently, he declared Dieter Zetsche as being “without an alternative” for his succession for months until his “outcoming” to the *Stuttgarter Zeitung* newspaper on September 27, 2020. Since when this “symbiotic relationship” has interfered with decisions at the Company is another matter.

In his capacity as Chairman of the Supervisory Board since 2007, Manfred Bischoff has failed to find an equivalent and loyal anchor shareholder from the European or Western economic area, following the withdrawal of Deutsche Bank. The “delegates” of Deutsche Bank since 2000, Hilmar Kopper, Paul Achleitner and Clemens Börsig, obviously did not see their traditional ties with Daimler-Benz since 1927 as an obligatory legacy of their bank to support Daimler in this matter. It is therefore not surprising that the Daimler management was surprised, as if caught napping, by the crafty entry of the Chinese conglomerate Geely at the beginning of 2018. In the meantime, BAIC, another Chinese conglomerate and a major producer of commercial vehicles, has also bought Daimler shares. But the Chinese party leadership’s requirement for influence and a top position in important industrial sectors has no doubt only been partially fulfilled.

Manfred Bischoff tries to play down the resulting threat situation by portraying these shareholdings as those of two independent private companies. However, this argumentation is not convincing. On the contrary, the gateway for a majority acquisition by the Chinese side is wide open. All the more so since, after the sale of the Renault/Nissan stake, the Daimler leadership was presumably taken by surprise once again. Thomas Fromm therefore poses the question in the *Süddeutsche Zeitung* newspaper of March 13/14, 2021: “Is the takeover coming soon?”

In view of the aforementioned supervisory and strategic failures of the Supervisory Board, including the members representing the employees, the actions of the Supervisory Board are not to be ratified.

Regarding Item 7 of the Agenda

It is proposed that the resolution on the remuneration of the members of the Supervisory Board and the related amendment of the Articles of Incorporation is to be rejected.

Reasons:

The increase in Supervisory Board remuneration proposed at the Annual Shareholders' Meeting on March 29, 2017 already aroused vociferous protests from the shareholders present. It was in no way proportionate to the inflation rate officially recorded in the EU at that time, nor to a proven increase in the workload for Supervisory Board activities. In fact, it can be assumed that it was calculated as the equivalent of the then newly introduced mandatory annual subscription to shares in the Company, i.e., as an add-on or quasi-free acquisition of shares.

The review of Supervisory Board remuneration which is now due, in particular for participation in committees, is also neither objectively justified nor oriented towards publicly available parameters, but is excessive.

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