

Position of the management on the counter motions for the Annual Meeting of the Shareholders to be held on April 5, 2018

The Board of Management and the Supervisory Board maintain their motions as presented in the Agenda and state their positions on the counter motions as follows:

Diesel engines

Daimler takes the various official inquiries, investigations and administrative proceedings relating to diesel exhaust emissions very seriously. The Company has fully cooperated with all the relevant authorities right from the start.

The Company's risk reporting has already described the possible risks in this context. The Board of Management is working hard to ensure that the issue will be fully clarified and has given instructions to that effect. The Board of Management and the Supervisory Board agree that full transparency on the facts must be established. We consistently follow up any indications of rule violations and of course take the necessary measures.

The underlying facts and their technical-physical and legal aspects are complex. The investigations and proceedings relating to diesel exhaust emissions have not yet been completed. We do not wish to participate in speculation or the premature assignment of guilt.

As early as summer 2017, we decided on a comprehensive package of measures to further reduce nitrogen-oxide emissions. They include software updates for over three million Euro 5 and Euro 6 diesel vehicles and a sales incentive for customers trading-in older diesel vehicles with the Euro 1 to 4 emissions standard. The software updates are taking place in agreement with the authorities and in compliance with the related approval process.

Daimler is also pushing ahead with the launch of vehicles that meet the stricter emission limits set by the RDE requirements. Step, by step, our customers will be able to choose from an increasingly wide range of vehicles certified to Euro 6d-TEMP.

We are significantly expanding our originally planned participation in the mobility fund ("Clean Air Immediate Program"). Together with BMW and Volkswagen, we now fully bear the entire share of the automotive industry. In this way, we making a further contribution towards measures that can be essential for avoiding driving bans, such as improving traffic flows by means of better traffic lights.

In the coming years, we will invest approximately ten billion euros in the expansion of our electric fleet. We will offer at least one electrified alternative in each vehicle segment. And by 2020, we will transform smart into the first car brand in Europe and the United States to completely change over its model range to electric drive systems.

E-mobility is also in full swing with our commercial vehicles: Mercedes-Benz Vans is working on the electrification of all its commercial model series. This will start with the eVito in 2018, followed by the Sprinter in 2019. Delivery of the first vehicles of our all-electric Mercedes-Benz Citaro bus will start in late 2018, and they will be put into operation as part of a so-called customer-oriented road test. With the eActros, Mercedes-Benz

is putting ten fully electric trucks on the roads in customer use in order to test their everyday practicality and economy under real-life conditions.

We are certain that we can make an important contribution to improving air quality in cities with our ultramodern vehicles with electric drive or efficient diesel and gasoline engines.

CO₂ emissions in Europe

In 2017, CO₂ emissions from Mercedes-Benz Cars in Europe averaged 125 g/km (2016: 123 g/km).

The main reason for this increase is that the proportion of unit sales accounted for by vehicles with higher equipment levels increased once again in the European Union.

It is our objective to comply with all CO₂ regulations. This also applies to the EU limits for the years 2020/2021.

As we repeatedly point out, complying with these ambitious fleet targets depends greatly not only on our ability to offer attractive and highly efficient products with electric drive, but also on the extent to which our customers actually decide to purchase those models.

In order to be in the best possible position in this respect, we are systematically changing over our product portfolio to the latest engine generations and are also systematically expanding it towards electrification through plug-in hybrids and purely electric vehicles:

- The smart electric drive – as a two-seater (coupe and convertible) and for the first time also as a four-seater – has been very successful on the market since its launch last year.
- At the Frankfurt Motor Show, we presented pre-series vehicles of our next generation of fuel-cell vehicles based on the GLC with plug-in-hybrid technology.
- The plug-in-hybrid offensive is also in full swing: With eight models on the roads, Mercedes-Benz currently offers its customers one of the broadest portfolios in the premium segment.
- In addition, Mercedes-Benz will this year present the EQC, the first model of the purely electric EQ model family, with a range of approximately 500 kilometers.

At present, more than 100 vehicles from Mercedes-Benz Cars have the A/A+ energy efficiency label.

Export of military vehicles

Daimler AG also produces military vehicles, which are used for logistical purposes. No armed vehicles are produced. Any protective equipment serves to protect the occupants and is not aggressive or offensive. In addition to the German armed forces, Daimler AG also supplies these vehicles to other customers outside Germany. In this context, the correct and lawful export of products has always been a fundamental principle of responsible corporate action for Daimler. Daimler has regulated in detail the subject of export control in a Group guideline in order to effectively prevent the risk of viola-

tions of export-control law. We generally adhere to the strict restrictions of the law for military deliveries. We also take into account the German government's assessment of the political situation in the respective countries.

The reason for the growth in unit sales in the defense business compared with 2015 is that deliveries of military trucks, chassis and G-Class vehicles fluctuate from year to year, due to the volumes of orders received and production planning, especially for major projects. This is not to be seen as a general expansion of the defense business.

Daimler AG exports defense vehicles to countries that belong to the EU/NATO or which are equivalent to those countries according to export-control law, such as Japan, New Zealand, Australia, Switzerland and other countries. Wherever vehicles are subject to export licenses, export licenses have been obtained. Applications for export licenses for countries that do not belong to the group of EU/NATO states or the so-called equivalent countries are assessed and approved without exception in a detailed review process lasting several months that is carried out by the Federal Office for Economic Affairs and Export Control (BAFA), the Federal Ministry of Economics and the Federal Foreign Ministry. Respect for human rights in the country of final use and the technical suitability or probability of the use of a product for an internal repressive and potentially human rights-violating purpose are focal points in the official and ministerial review process.

Furthermore, we have introduced internal processes for governmental and government-related business that provide for a separate critical review. In individual cases, this also includes not accepting transactions that could be carried out in compliance with the law, but which are contrary to our corporate ethics. It should be borne in mind that political conditions can also change at any time, as can currently be observed in many countries. This of course is also taken into account in the aforementioned decision-making processes.

Turkey has been a member of NATO since 1952. As a member of NATO, Turkey has been and continues to be supported also with military goods from other NATO countries. Please understand that it is completely beyond our control and responsibility as to which sales in particular of used vehicles are made through third parties or which superstructures are fitted to Mercedes-Benz chassis.

Group advertising with a quotation of the Dalai Lama in China

We apologized for the post with the quotation of the Dalai Lama on Instagram.

As an internationally active company, we are represented in almost every country in the world, employing approximately 289,000 people from 165 nations, from 140 nations in Germany alone. Different values, viewpoints and lifestyles are an integral part of our everyday business life.

We treat the different markets with respect and give due consideration to their different values.

Obligations of the Supervisory Board in connection with antitrust matters

The Supervisory Board takes the antitrust accusations very seriously. It has fully complied with its obligations in this respect. The Supervisory Board receives regular reports on the results of internal investigations, the measures required by the Company and the handling of matters by the antitrust authorities.

The Company has implemented a Group-wide antitrust compliance program oriented towards national and international standards.

In order to obtain an external assessment of the Antitrust Compliance Program, the Board of Management commissioned the auditing company KPMG to review the Antitrust Law Compliance Management System in accordance with Audit Standard 980 of the German Institute of Auditors. The review focused on adequacy, implementation and effectiveness, and was successfully completed at the end of 2016.

With regard to the antitrust accusations made against the German automotive industry that have been reported in the press, it must first be said that these accusations are still being examined by the European Commission. It is currently open whether formal proceedings will be initiated. Irrespective of that, Daimler is cooperating with the authorities and has applied for immunity from fines. The facts have been determined in the context of an internal investigation.

In consultation with an independent law firm, the Supervisory Board has dealt with the issues raised and initiated the measures required to further clarify the facts and any responsibilities of members of the Board of Management. An additionally commissioned independent legal expert, Prof. Dr. Mathias Habersack, has also reached the conclusion that the Supervisory Board has fully complied with its obligations under stock corporation law to date. In order to create transparency with regard to the questions raised, a statement is provided below by Prof. Dr. Mathias Habersack, in which he has summarized the conclusions of his legal opinions so far.

Stuttgart, March 2018
Daimler AG

PROF. DR. MATHIAS HABERSACK

Statement

on the duties of the Supervisory Board in connection with
the truck cartel and possible further cartel matters,
prepared for the Supervisory Board of Daimler AG

The undersigned holds the Chair of Civil Law and Corporate Law at Ludwig-Maximilian University in Munich. On behalf of the Supervisory Board of Daimler AG, he prepared legal opinions in 2017 and 2018 on the obligations of the Supervisory Board of Daimler AG in connection with the proceedings of the European Commission AT.39824 – Trucks (“Truck Cartel”) and other possible antitrust law violations. The results of these legal opinions can be summarized as follows:

1. a) The Supervisory Board of Daimler AG (hereinafter also referred to as the “Company”) has examined, with the involvement of legal counsel, whether in connection with the European Commission's antitrust proceedings AT.39824 – Trucks, the Company is entitled to claims for damages against current or former members of the Board of Management; it has thus fully complied with its monitoring duties in this respect to date.

b) The Supervisory Board of Daimler AG has also complied in full with its duty to decide, in the interests of the Company and on the basis of the information obtained by clarifying the facts, on the assertion of any claims for damages by the Company against current or former members of the Board of Management. Since such claims, should they exist, would not become time-barred in the near future and it is in the interest of Daimler AG not to disclose the findings so far obtained, the Supervisory Board of Daimler AG has decided to continue the investigation of the facts in order to safeguard the current state of knowledge, again with the involvement of legal counsel, and to take a decision on further steps in due course.

2. The Supervisory Board of Daimler AG has also dealt with further matters involving possible antitrust law violations. It has taken the necessary measures in this respect and to date has thus also fully complied with its obligations under stock corporation law in this respect.

3. The Supervisory Board of Daimler AG is guided by the principles developed by the Second Civil Senate of the BGH (German Federal Court of Justice) in its “ARAG/Garmenbeck” verdict of April 21, 1997 (II ZR 175/95) regarding the obligations of a supervisory board in connection with examining the existence and assertion of claims for damages by a company against current or former members of a board of management.

4. According to the results of my legal opinions, the Supervisory Board of Daimler AG has so far complied in full with its obligations under stock corporation law.

March 23, 2018

Prof. Dr. Mathias Habersack