Mercedes-Benz

Annual General Meeting 2025

Countermotions and election proposals from shareholders*

As follows, you will find the countermotions and election proposals from shareholders that are to be made accessible as defined by Sections 126 and 127 of the German Stock Corporation Act (AktG) on the Items of the Agenda of the virtual Annual General Meeting of Mercedes-Benz Group AG to be held on 7 May 2025.

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 (CEST) on 22 April 2025 shall be deemed to have been made at the time it is made accessible. Voting rights may be exercised regarding such countermotions and election proposals after timely registration by the means described in the convocation. This does not affect the right of the chairperson of the meeting to put the management's resolution proposals to the vote first. If the shareholder who has made the countermotion or election proposal is not entered in the share register as a shareholder of the Company and has not duly registered for the Annual General Meeting, the motion or election proposal does not have to be dealt with at the General Meeting. Please find below, in the chronological order in which they were received, the countermotions and election proposals that have been sent to us and that are to be made accessible.

Motions and election proposals that do not consist solely of the rejection of a management proposal are marked with capital letters. If you wish to support or reject motions and election proposals marked in this way, you can vote on the respective motions or election proposal on the reply form available on our website or via the InvestorPortal. As a motion or election proposal may not be voted on if the respective management proposal achieves the required majority or the shareholder who has made the countermotion or election proposal is not entered in the share register of the Company and has not duly registered for the Annual General Meeting, please do not fail to vote on the corresponding agenda item, too.

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.

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

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* Convenience translation; German version is legally binding

Dachverband der Kritischen Aktionärinnen und Aktionäre e. V. (Association of Ethical Shareholders), Cologne

Motion A
Countermotion to Agenda Item 2: Resolution on the appropriation of distributable profit

Dachverband der Kritischen Aktionärinnen und Aktionäre e. V. (Association of Ethical Shareholders) requests that the allocation of distributable profit proposed by the Board of Management and the Supervisory Board be rejected.

Reasons:

The dividend is too high. A significant reduction in the dividend is necessary in view of the need to invest in climate change mitigation and environmental protection measures as well as in sustainable electric mobility. The Association therefore calls for a dividend distribution of €0.20 per share instead of a dividend of €4.30 per no-par-value share entitled to a dividend.

Countermotion to Agenda Item 3: Resolution on the ratification of Board of Management members' actions

Dachverband der Kritischen Aktionärinnen und Aktionäre e. V. (Association of Ethical Shareholders) proposes that the actions of the members of the Board of Management for the financial year 2024 are not to be ratified.

Reasons:

The Board of Management is still not sufficiently fulfilling its responsibility to implement more effective measures for climate change mitigation and a socially and climate-friendly transformation.

We still have to assume that the combustion engine will be phased out in 2035. Unlike competitors such as BMW, Mercedes-Benz was oblivious to key industry trends and strategically realigned itself too late. As a result, the Group is now mainly focusing on massive job cuts instead of future-oriented innovations.

The anti-electric-car strategy: The Board of Management obstructs future prospects

After Mercedes-Benz abandoned the "electric only" strategy in February 2024 and CEO Ola Källenius spoke of "tactical flexibility," the Group is now focusing on a dual drive strategy. In March 2025, Mercedes-Benz announced that it would offer models with combustion engines alongside electric vehicles in order to respond flexibly to different demands. However, the plans appear to be much more a further commitment to combustion engines and a rejection of the necessary investments in better and, above all, more sustainable electric cars.

This decision comes against the backdrop of a decline in the sales of electric cars of over 27 per cent in 2024 — but only in Germany: The global sales market for electric cars grew by almost ten per cent. In order to increase profitability, Mercedes-Benz plans to introduce more combustion models than electric cars by the end of 2027. Of the 19 new models, 17 will be equipped with combustion engines. Most of these models are to be positioned in the higher price segment.

Mercedes-Benz urgently needs to sell more electric cars than cars with combustion engines in the medium term. With average fuel consumption still leading to CO_2 emissions of significantly more than 100 g/km, it is completely unclear whether the Group will be able to comply with the EU Commission's now delayed CO_2 fleet limits in three years' time. The cars sold in 2024 alone will be responsible for 97 million tons of CO_2 over their average useful life. By way of comparison, the largest direct CO_2 emitter among German companies, Heidelberg Materials, was responsible for almost 62 million tons of CO_2 in 2024.

Cost reduction through massive staff cuts — at the expense of the workforce

As part of the "Next Level Performance" program, Mercedes-Benz is planning savings of five billion euros by 2027 — a large part of which will be achieved by cutting thousands of jobs. Although a company agreement formally protects people against compulsory redundancies until 2035, the Group is de facto relying on pressure and severance programs to persuade more than 30,000 employees to leave the company voluntarily. Up to 500,000 euros are paid in some cases. The money is now missing for urgently needed investments in future-proof jobs.

This strategy is taking place against the backdrop of sluggish sales of e-models such as the EQE and EQS, whose design is apparently not appealing to many customers, which in turn reveals a failure in the product strategy. Instead of genuine innovation and long-term planning, the Group is now focusing on short-term cost-cutting, primarily at the expense of the workforce.

The Board of Management's strategic decisions, in particular the relocation of production capacities to low-wage countries such as Hungary, jeopardize both social peace within the company and Germany as a business location in the medium to long term. The announced doubling of manufacturing shares in countries with low labour costs (from 15 to 30 per cent) and the reduction of production in Germany by 100,000 units with simultaneous expansion in Kecskemét (plus 100,000 units) will lead to massive job cuts in the company's home region.

Although the closure of German plants is currently ruled out, a de facto downsizing is taking place through job cuts by means of fluctuation and severance programs. These measures are accompanied by considerable pressure on employees, as reports of non-transparent discussions suggest. The practice of using threats or psychological pressure to persuade employees to leave voluntarily is reminiscent of the job cuts initiated by Mercedes in 2021.

In addition, the Board of Management fails to recognize the political responsibility that comes with investing in countries such as Hungary. There, companies such as Mercedes-Benz benefit from low wages and political support, but at the same time they become dependent on an authoritarian regime that is increasingly in conflict with EU values and the rule of law. The wage differences between Hungarian and German employees (in some cases less than half of the special payments) also raise questions about social justice and business ethics.

The chosen course shows a risky fixation on short-term cost optimization instead of sustainable and socially responsible corporate governance.

Countermotion to Agenda Item 4: Resolution on the ratification of Supervisory Board members' actions

Dachverband der Kritischen Aktionärinnen und Aktionäre e. V. (Association of Ethical Shareholders) proposes that the actions of the members of the Supervisory Board for the financial year 2024 are not to be ratified.

Reasons:

The Supervisory Board did not adequately fulfil its control function vis-à-vis the Board of Management on key strategic issues. In particular with regard to the relocation of production capacities abroad, the reduction of jobs in Germany, and the resulting social and ethical implications of the location policy, as well as the decision concerning the "dual powertrain strategy," there is insufficient intervention and a lack of critical monitoring of the corporate strategy.

It is not apparent that the Supervisory Board has questioned the far-reaching consequences of the staff cuts — including the sometimes questionable practices in dealing with managers and employees covered by collective agreements — or called for alternative, more socially acceptable solutions. The integration into possible programs such as the JobForum, which was controversial at the time, and the structuring of severance arrangements would also have required more critical supervision.

Furthermore, in the interests of sustainable corporate governance, the Supervisory Board should have more closely examined the extent to which investments in countries with questionable constitutional developments, such as Hungary under the Orbán government, are compatible with the ethical and social standards of a global corporation. Political instability, wage inequality, and the lack of employee codetermination rights in these countries raise considerable questions, on which the Supervisory Board rarely takes a public stance.

Instead of acting as a counterweight to the Board of Management's short-term profit-oriented strategy, the Supervisory Board has supported it without any recognizable restrictions. This does not do justice to the long-term interests of shareholders and employees.

When deciding on the tactical realignment of a dual drive strategy, the Supervisory Board should also have scrutinized more critically whether the path taken is compatible with the company's long-term goals — for example with regard to climate change mitigation, regulatory developments and social responsibility.

Countermotion to Agenda Item 14: Resolution on new authorization of the Board of Management to provide for the Shareholders' Meeting to be held virtually and corresponding amendment to Paragraph 2 of Art. 11 (§ 11 (2)) of the Articles of Association

Dachverband der Kritischen Aktionärinnen und Aktionäre e. V. (Association of Ethical Shareholders) requests that the proposed resolution to authorize the Board of Management to decide whether to hold a virtual general meeting be rejected.

<u>Reasons:</u>

Our reasons for rejecting this authorization of the Board of Management remain unchanged even after two years of experience with virtual general meetings: The format and manner in which an general meeting is conducted affect elementary shareholder rights. Therefore, the General Meeting, and not the Board of Management, should decide on the conditions or format of future general meetings.

The General Meeting should be allowed to decide whether a hybrid format should be implemented as a further option, combining the advantages of a general meeting with physical attendance with those of a purely virtual event.

The dwindling shareholder interest in general meetings when they are only held virtually is highly problematic in general. Many shareholders do not even turn on their computers, which is also a vote with their feet on this format.

We therefore also criticize the decision by the Board of Management and Supervisory Board to hold this year’s Annual General Meeting purely virtually.