



# Annual Financial Statements 2021

Mercedes-Benz Group AG



**Cover photo**

Mercedes-Benz is taking the next step with the VISION EQXX. According to internal, digital simulations, it can be assumed that the technology carrier will travel over 1,000 kilometres<sup>1</sup> in real road traffic on a single battery charge. This corresponds to an energy consumption of less than 10 kWh per 100 kilometres or an energy efficiency of more than six miles per kWh. In addition to increased efficiency, resource conservation and the best possible environmental compatibility were equally important development goals. The interdisciplinary project team therefore chose a holistic approach. This started with improving all the components of the state-of-the-art electric powertrain and the use of lightweight and sustainable materials, supplemented with further efficiency measures - from tyres with extremely low rolling resistance to sophisticated aerodynamics (cW 0.17) and the latest software. The result is that the VISION EQXX breaks through previous technological limits and sets the new benchmark for energy efficiency.

<sup>1</sup> The range figures are provisional and are based on digital simulations in real traffic. The VISION EQXX has not undergone a type-approval/homologation procedure.

# Mercedes-Benz Group AG Annual Financial Statements 2021

(Daimler AG until 1 February 2022)

The Management Report of Mercedes-Benz Group AG is combined with the Group Management Report in accordance with Section 315 Subsection 5 of the German Commercial Code (HGB) and is published in the Mercedes-Benz Group's Annual Report 2021.

The Annual Financial Statements and the combined Management Report for Mercedes-Benz Group AG and the Mercedes-Benz Group for the year 2021 are filed with the operator of the German Federal Gazette and published in the German Federal Gazette.

The Annual Financial Statements of Mercedes-Benz Group AG and the Annual Report on the year 2021 can also be found on our website at [🌐 group.mercedes-benz.com/investors/reports-news/](https://group.mercedes-benz.com/investors/reports-news/).



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# Balance Sheet of Mercedes-Benz Group AG

(Daimler AG until 1 February 2022)

## Assets

	Note	31 Dec. 2021	31 Dec. 2020
In millions of euros			
<b>Non-current assets</b>			
Intangible assets	(1)	39	62
Property, plant and equipment	(2)	76	147
Financial assets	(3)	41,016	55,952
		<b>41,131</b>	56,161
<b>Current assets</b>			
Trade receivables	(4)	41	4
Receivables from subsidiaries	(4)	24,037	22,166
Other receivables and other assets	(4)	2,452	1,397
Securities	(5)	6,053	4,904
Cash and cash equivalents	(6)	9,047	7,658
		<b>41,630</b>	36,129
<b>Prepaid expenses</b>	(7)	<b>231</b>	341
		<b>82,992</b>	92,631

**Equity and liabilities**

Note **31 Dec. 2021** 31 Dec. 2020

In millions of euros

**Equity**

Share capital	(8)	<b>3,070</b>	3,070
(Conditional capital €500 million)			
Capital reserve	(8)	<b>11,480</b>	11,480
Retained earnings	(8)	<b>13,540</b>	23,230
Distributable profit	(8)	<b>5,349</b>	1,444
		<b>33,439</b>	39,224

**Provisions**

Provisions for pensions and similar obligations	(9)	<b>128</b>	193
Other provisions	(10)	<b>1,775</b>	1,550
		<b>1,903</b>	1,743

**Liabilities**

Trade payables	(11)	<b>358</b>	140
Liabilities to subsidiaries	(11)	<b>27,018</b>	26,511
Other liabilities	(11)	<b>20,253</b>	24,976
		<b>47,629</b>	51,627

**Deferred income**

	(12)	<b>21</b>	37
		<b>82,992</b>	92,631

# Income Statement of Mercedes-Benz Group AG

(Daimler AG until 1 February 2022)

	Note	2021	2020
In millions of euros			
<b>Revenue</b>	(13)	<b>1,488</b>	1,685
Cost of sales	(14)	<b>-1,470</b>	-1,641
<b>Gross profit</b>		<b>18</b>	44
General administrative expenses	(14)	<b>-1,237</b>	-928
Other operating income	(15)	<b>241</b>	407
Other operating expenses	(16)	<b>-100</b>	-127
Income/expense from investments in subsidiaries and associated companies, net	(17)	<b>11,840</b>	3,119
Interest income/expense, net	(18)	<b>-453</b>	-176
Other financial income/expense, net	(19)	<b>-116</b>	-65
Income taxes	(20)	<b>-655</b>	-141
<b>Profit after taxes</b>	(21)	<b>9,538</b>	2,133
Offset against other retained earnings		<b>13,879</b>	-
Asset reduction due to spin-off		<b>-13,879</b>	-
Transfer to other retained earnings		<b>-4,189</b>	-689
<b>Distributable profit</b>		<b>5,349</b>	1,444



# Notes to the Financial Statements of Mercedes-Benz Group AG

(Daimler AG until 1 February 2022)

## **Accounting policies and methods as well as changes in the corporate structure and renaming of the company from Daimler AG to Mercedes-Benz Group AG**

Mercedes-Benz Group AG is entered in the Commercial Register of the Stuttgart District Court under No. HRB 19360 and its registered office is located at Mercedesstraße 120, 70372 Stuttgart, Germany.

On 1 October 2021, the Extraordinary General Meeting approved the change of name from Daimler AG to Mercedes-Benz Group AG. The entry in the Commercial Register took place on 1 February 2022. For this reason, in addition to the name Mercedes-Benz Group AG, the name Daimler AG is also used here, depending on the respective facts and time.

In the context of the company's realignment (Project Focus), the Board of Management, with the consent of the Supervisory Board, resolved on 30 July 2021 to spin off and hive down significant parts of the former Daimler Trucks & Buses segment, including the related financial services business (Daimler commercial vehicle business). The legal basis for the restructuring is the spin-off and hive-down agreement concluded between Daimler AG and Daimler Truck Holding AG on 6 August 2021.

At the Extraordinary General Meeting of Daimler AG on 1 October 2021, the shareholders approved the spin-off and hive-down agreement. The approval of the Annual General Meeting of Daimler Truck Holding AG was given on 5 November 2021. The spin-off and hive-down were entered in the Commercial Register on 9 December 2021 with economic effect as of 1 January 2021 (spin-off date). With the spin-off and hive-down taking effect, as well as other measures provided for in the demerger agreement, Mercedes-Benz Group AG directly and indirectly

holds a minority interest totalling 35% of the share capital of Daimler Truck Holding AG as of the balance sheet date, and therefore no longer exercises a controlling influence on the basis of the agreements concluded in connection with the transaction. A detailed description of the effects on shareholdings of the spin-off and hive-down is provided in the "Financial assets" section. The control and profit-and-loss-transfer agreement existing between Daimler AG (now Mercedes-Benz Group AG) and Daimler Truck AG has been transferred to Daimler Truck Holding AG by way of the spin-off effective 1 January 2021.

Closely linked to Mercedes-Benz AG, Mercedes-Benz Group AG functions as an operating business unit that decides on the Group's strategy. In addition, it decides on matters of strategic importance for business operations and, as the Group parent company, is responsible for the regulatory, legal and compliance functions throughout the Group.

The financial statements of Mercedes-Benz Group AG have been prepared in accordance with the accounting principles of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG); the amounts shown are in millions of euros (€) and the comparable figures for the year ended 31 December 2020 are also shown.

The items summarised in the balance sheet and the income statement are listed individually and explained in these notes.

For the sake of materiality, clarity and transparency, the system of presentation has been modified in accordance with Section 266 of the HGB. Other receivables and other assets include in particular receivables from associated companies. Other provisions comprise

provisions for taxes and miscellaneous provisions. Other liabilities comprise liabilities to associated companies, loans and bonds, liabilities to banks and miscellaneous liabilities.

The income statement has been prepared according to the internationally predominant cost-of-sales method. The system of presentation according to Section 275 of the HGB has been modified to improve clarity with regard to financial activities.

Financial activities are presented as net income/expense from investments in subsidiaries and associated companies, net interest income/expense and net other financial income/expense.

Due to the existing control and profit-and-loss-transfer agreements, the profits and losses arising in particular at Mercedes Benz AG is taken over by Mercedes-Benz Group AG.

### Recognition and measurement

INTANGIBLE ASSETS are measured at cost of acquisition, reduced by systematic straight-line amortisation. They have a useful life of 4 to 15 years.

The capitalisation option for self-produced intangible assets is not utilised.

PROPERTY, PLANT AND EQUIPMENT are measured at cost of acquisition or production, reduced by systematic depreciation.

The production costs of self-constructed assets comprise direct costs as well as prorated material and production overheads, including depreciation, to the extent that they are caused by the production process.

Systematic straight-line depreciation for technical equipment and machinery, other equipment, and factory and office equipment is based on a useful life of 3 to 23 years.

Impairments are recognised if an asset has to be measured at a lower value.

Assets with costs of acquisition or production of up to €1,000 are immediately expensed.

The assets included separately under leased assets in the previous year are shown under factory and office equipment as of the year under review for reasons of materiality, clarity and transparency.

SHARES IN SUBSIDIARIES and ASSOCIATED COMPANIES AND OTHER FINANCIAL ASSETS are measured at cost of acquisition, or, if there is an indication of permanent impairment, at the lower fair value. If the reasons for permanent impairment are no longer given, the impairment is reversed. Loans bearing low interest or no interest are measured at their present values. In accounting for non-cash contributions, the exchange principles are generally applied and the newly acquired shares are measured at the carrying amount of the shares contributed.

RECEIVABLES and OTHER ASSETS are measured at their nominal values with consideration of all recognisable risks. If they have a residual period of more than one year and are non-interest bearing, they are discounted to their present value on the balance sheet date. General allowances are recognised to reflect general credit risks. Receivables and other assets with a residual term of less than one year which are denominated in foreign currencies are translated at the spot rates on the balance sheet date. Non-current assets denominated in foreign currencies are translated at the spot rates on the date when booked or at the lower rate on the balance sheet date.

SECURITIES PRESENTED UNDER CURRENT ASSETS are measured at the lower of cost of acquisition or fair value on the balance sheet date.

Payments made prior to the balance sheet date that constitute expenses for a specific period after that date are reported as PREPAID EXPENSES. Any difference between the settlement amount and the lower issue amount of a liability is capitalised and amortised systematically over the period of the liability.

DEFERRED TAXES are calculated on temporary differences in the measurement of assets, liabilities, accruals and deferrals between the tax basis and financial reporting according to HGB, as well as on tax-loss carryforwards. Tax-loss carryforwards can only be taken into account if they can be offset against taxable income within the statutory period of five years. Deferred taxes are measured based on the combined tax rate of 29.825% for the income-tax fiscal unity of Mercedes-Benz Group AG. The combined tax rate includes corporate income tax, trade tax and the solidarity surcharge. Deferred tax assets and deferred tax liabilities are netted. Any resulting tax liability is recognised as a deferred tax liability in the balance sheet. Any resulting tax asset is not recognised in the balance sheet, as no use is made of the capitalisation option.

PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS for pension plans result from the offsetting of pension obligations and assets that are not available to all other creditors and serve exclusively to settle pension obligations (special-purpose assets).

Retirement benefit obligations from pension plans that provide for a predefined benefit in old age are recognised at the settlement amount required according to reasonable business judgment. Measurement is based on the actuarial projected unit credit method. Discounting of pension obligations is based on the average market interest rate of the past ten financial years as published on 31 December 2021 by the German central bank (Deutsche Bundesbank) for an assumed residual period of 15 years.

Provisions for retirement benefit obligations which at least guarantee the contributions paid in are recognised at the fair value of the related assets, as this exceeds the guaranteed minimum amount. Future claims are related to the fair value of the assets (securities or comparable assets).

The offset assets are measured at fair value.

Expenses and income resulting from discounting the retirement benefit obligations are offset against the expenses and income of the offset assets under net interest income/ expense. All other components of pension expenses are presented under functional costs.

OTHER PROVISIONS are recognised at the required settlement amounts in accordance with reasonable commercial judgment. Expected future increases in prices and costs until settlement of the liabilities are taken into consideration. Provisions with a residual period of more than one year are discounted according to the net method over that period using the average market interest rate of the past seven financial years as published by the German central bank (Deutsche Bundesbank). Changes in the discount rate or interest effects of a changed estimate of the residual period are presented under interest income/ expense.

Other provisions also include provisions for taxes. In particular for the case that the amounts stated in the tax returns might not be realised (uncertain tax positions), the provisions are based on the best estimate of the expected tax payments. Tax refund claims are only recognised in the balance sheet if they are sufficiently certain.

In accordance with Section 254 of the HGB, DERIVATIVE FINANCIAL TRANSACTIONS are linked as a hedging relationship with an underlying transaction, provided there is a direct hedging context between the financial transaction and the underlying transaction. Financial transactions for which no units of valuation are formed are measured individually at fair value. Any resulting unrealised losses are expensed.

## Notes to the Financial Statements

LIABILITIES are measured at their settlement amounts. Liabilities denominated in foreign currencies with a residual period of up to one year are translated at the spot rates on the balance sheet date. Non-current liabilities denominated in foreign currencies are translated at the spot rates on the date when booked or at the higher rate on the balance sheet date.

Payments received prior to the balance sheet date that constitute income for a specific period after that date are reported as DEFERRED INCOME.

## Schedule of non-current assets

	Cost of acquisition or production					Depreciation/Amortization/Write-ups					Carrying amount		
	01.01. 2021	Addi- tions	Reclas- sifica- tions	Dis- posals	31.12. 2021	01.01. 2021	Addi- tions	Write- ups	Reclas- sifica- tions	Dis- posals	31.12. 2021	31.12. 2021	31.12. 2020
In millions of euros													
<b>Intangible assets</b>													
Purchased concessions, industrial property rights and similar rights and values, as well as licenses to such rights and values	181	12	2	43	152	125	26	-	-	38	113	39	56
Advance payments made	6	.	-2	4	.	-	-	-	-	-	-	.	6
	187	12	-	47	152	125	26	-	-	38	113	39	62
<b>Property, plant and equipment</b>													
Technical equipment and machinery	45	1	.	6	40	20	3	-	-	4	19	21	25
Other equipment, factory and office equipment <sup>1)</sup>	439	8	4	257	194	326	34	-	-	214	146	48	113
Advance payments made and construction in progress	9	4	-4	2	7	-	-	-	-	-	-	7	9
	493	13	-	265	241	346	37	-	-	218	165	76	147
<b>Financial assets</b>													
Shares in subsidiaries	54,324	6,406	137	27,438	33,429	1,439	-	-	-	1,116	323	33,106	52,885
Loans to subsidiaries	1,559	20	-137	130	1,312	-	-	-	-	-	-	1,312	1,559
Shares in associated companies	1,677	5,145	.	19	6,803	290	49	-	-	12	327	6,476	1,387
Securities presented as non-current assets	120	-	-	-	120	-	.	-	-	-	.	120	120
Other loans	1	1	-	-	2	-	-	-	-	-	-	2	1
	57,681	11,572	-	27,587	41,666	1,729	49	-	-	1,128	650	41,016	55,952
<b>Non-current assets</b>	<b>58,361</b>	<b>11,597</b>	<b>-</b>	<b>27,899</b>	<b>42,059</b>	<b>2,200</b>	<b>112</b>	<b>-</b>	<b>-</b>	<b>1,384</b>	<b>928</b>	<b>41,131</b>	<b>56,161</b>

<sup>1)</sup> The assets included separately under leased assets in the previous year are shown under factory and office equipment as of the year under review for reasons of materiality, clarity and transparency.

# Notes to the Balance Sheet

## 1. Intangible assets

The intangible assets of Mercedes-Benz Group AG in the amount of €39 million primarily comprise purchased licenses. Systematic amortisation amounts to €26 million (2020: €29 million). No unscheduled depreciation was recognised in 2021 (2020: €0 million).

## 2. Property, plant and equipment

The property, plant and equipment of Mercedes-Benz Group AG primarily consists of other equipment, factory and office equipment, and technical equipment and machinery.

Additions in 2021 relate solely to movable assets. Systematic depreciation of property, plant and equipment amounts to €37 million (2020: €64 million). No unscheduled depreciation was recognised in 2021 (2020: €0 million).

Disposals of assets include disposals of €37 million in connection with an external relocation of IT functions.

## 3. Financial assets

Shares in subsidiaries and associated companies decreased by €14,690 million to €39,582 million (2020: €54,272 million).

The development of financial assets in the year under review was significantly affected by the accounting treatment of the spin-off and hive-down of shares in Daimler Truck AG. On the one hand, significant effects result from the spin-off of 65.00% of the increased share capital of Daimler Truck AG to Daimler Truck Holding AG in exchange for the granting of shares in Daimler Truck Holding AG to the shareholders of Mercedes-Benz Group AG. On the other hand, the hive-down of approximately 28.43% of the increased share capital of Daimler Truck AG to Daimler Truck Holding AG in exchange for the granting of shares in Daimler Truck Holding AG to Mercedes-Benz Group AG had a material effect on the financial statements. Due to the contribution of various real-estate companies from Daimler Verwaltungsgesellschaft für Grundbesitz mbH to Daimler Truck AG, Daimler Verwaltungsgesellschaft für Grundbesitz mbH held an interest of approximately 6.57% in the increased share capital of Daimler Truck AG before the spin-off became effective. The measurement of the shareholding ratio is the result of company valuations by an external expert. The percentage shareholding of Mercedes-Benz Group AG in Daimler Truck AG was reduced accordingly prior to the completion of the spin-off; from the perspective of Mercedes-Benz Group AG, no further effects result from the latter transaction.

The additions to investments in subsidiaries result in particular from the capital contribution from Mercedes-Benz Group AG to Daimler Truck AG in the amount of €5,380 million in the reporting year to strengthen the equity base of Daimler Truck AG prior to the completion of the spin-off. The equity strengthening also led to an increase in the carrying amount of the investment in the subsidiary Daimler Verwaltungsgesellschaft für Grundbesitz mbH after completion of the spin-off in line with its shareholding in Daimler Truck Holding AG.

Furthermore, Mercedes-Benz Group AG carried out capital increases at Daimler Grund Services GmbH and Mercedes-Benz Mobility AG (formerly Daimler Mobility AG) as well as a debt-equity swap at Daimler India Commercial Vehicles Private Limited in the year under review. Finally, the contributions in kind of Mercedes-Benz France S.A.S. and Mercedes-Benz Portugal, S.A. to Mercedes-Benz AG increased the carrying amount of the investment in Mercedes-Benz AG.

The disposals of shares in subsidiaries are mainly due to spin-off and hive-down effects. Due to the spin-off of 65.00% of the increased share capital of Daimler Truck AG and the hive-down of approximately 28.43% of the increased share capital of Daimler Truck AG to Daimler Truck Holding AG with economic effect as of 1 January 2021 (spin-off date), the carrying amount of the investment in Daimler Truck AG was fully derecognised as of the spin-off date. In addition, the carrying amount of the investment in Daimler Truck AG, which was increased during the year by the equity strengthening, was also derecognised at the time of completion of the demerger. The other disposals of shares in subsidiaries are mainly due to capital repayments by Mercedes-Benz Capital Nederland B.V. (formerly Daimler International Nederland B.V.) and Mercedes-Benz Mobility AG (formerly Daimler Mobility AG) to Mercedes-Benz Group AG, and the sale of shares in Daimler Trucks Finance Canada Inc. and Daimler India Commercial Vehicles Private Limited to Daimler Truck AG. Finally, the shares in Mercedes-Benz France S.A.S. and Mercedes-Benz Portugal, S.A. were contributed to Mercedes-Benz AG by way of contributions in kind.

The additions to investments in associated companies mainly result from the hive-off of the increased share capital of Daimler Truck AG to Daimler Truck Holding AG. The carrying amount of the investment in Daimler Truck AG was derecognized pro rata and the shares in Daimler Truck Holding AG received in the course of the exchange transaction were recognized under investments in associated companies with an ownership interest of approximately 23.44%. The further shares received in Daimler Truck Holding AG amounting to an interest of approximately 4.99% were recognized directly in other assets due to the short-term holding intention. These were sold within the Group to Mercedes-Benz AG in January 2022. In addition, the capital contribution by Mercedes-Benz Group AG into Daimler Truck AG during the year following completion of the spin-off and hive-down led to an increase in the carrying amount of the investment in Daimler Truck Holding AG and in other assets in the amount of Mercedes-Benz Group AG's shareholding in Daimler Truck Holding AG. Finally, the intra-Group acquisition of the shares in KAMAZ PAO resulted in a further addition to investments in associated companies.

In 2021, shares in subsidiaries and associated companies were impaired by an amount of €49 million (2020: €373 million). This relates to BAIC Motor Corporation Ltd. (2020: €279 million).

No write-ups of shares in subsidiaries or associated companies took place in 2021 (2020: €0 million).

#### 4. Receivables and other assets [↗ C.01](#)

Receivables from subsidiaries (€24,037 million, 2020: €22,166 million) comprise receivables that originally arose from the Group's internal transactions in connection with central finance and liquidity management (€16,775 million, 2020: €21,043 million), from profit transfers from subsidiaries (€7,040 million, 2020: €897 million) and from the supply of goods and services to German and foreign companies (€222 million, 2020: €226 million).

In connection with the spin-off and hive-down of the Daimler commercial vehicle business, receivables from subsidiaries were settled in the amount of €1,898 million.

Receivables from associated companies are receivables arising from the supply of goods and services to German and foreign associated companies (€51 million, 2020: €5 million) and from intra-Group clearing transactions in the context of central financial and liquidity management (€14 million, 2020: €18 million).

Due to the spin-off and hive-down of the Daimler commercial vehicle business, Mercedes-Benz Group AG reports receivables from Daimler Truck Holding AG and its subsidiaries as receivables from associated companies at the balance sheet date.

Other assets include approximately 4.99% of the shares in Daimler Truck Holding AG due to the intra-Group sale in January 2022 (€1,067 million, 2020: €0 million), tax-refund claims (€859 million, 2020: €726 million), fixed-term deposits (€250 million, 2020: 400 million) and accrued interest (€123 million, 2020: €132 million).

#### 5. Securities presented as current assets

Securities presented as current assets consist solely of miscellaneous securities, which include fixed or variable-interest marketable debt securities as well as money-market funds.

The increase of €1,149 million to €6,053 million (2020: €4,904 million) is due in particular to the acquisition of shares in money-market funds amounting to €2,236

#### C.01

##### Receivables and other assets

	31 Dec. 2021	31 Dec. 2020
In millions of euros		
Trade receivables	41	4
thereof more than 1 year until maturity	-	-
Receivables from subsidiaries	24,037	22,166
thereof more than 1 year until maturity	4,534	5,119
Receivables from associated companies	65	23
thereof more than 1 year until maturity	-	-
Other assets	2,387	1,374
thereof more than 1 year until maturity	42	57
<b>Receivables and other assets</b>	<b>26,530</b>	<b>23,567</b>
thereof more than 1 year until maturity	<b>4,576</b>	<b>5,176</b>

million. This was partially offset by disposals, mainly from the repayment of loans in an amount of €987 million.

#### 6. Cash and cash equivalents

Cash and cash equivalents amount to €9,047 million at the end of the year (2020: €7,658 million) and consist of bank balances, cash in hand and checks. As well as cash and cash equivalents, liquidity also includes securities presented as current assets (€6,053 million, 2020: €4,904 million) and fixed-term deposits (€250 million, 2020: €400 million), which are presented under other assets.

#### 7. Prepaid expenses

Prepaid expenses include discount amounts of €94 million (2020: €122 million). They result from the difference between the settlement amount and the lower issue amount of liabilities.

## 8. Equity [↗ C.02](#)

### Share capital

The share capital (authorised capital) is divided into no-par-value shares. All shares are fully paid up. Each share confers the right to one vote at the Annual General Meeting of Mercedes-Benz Group AG and, if applicable, with the exception of any new shares potentially not entitled to dividends, to an equal portion of the profits as defined by the dividend distribution resolved at the Annual General Meeting. Each share represents a proportionate amount of approximately €2.87 of the share capital. The number of shares outstanding/issued at 31 December 2021 is 1,070 million, unchanged from 31 December 2020.

### Treasury shares

By resolution of the Annual Shareholders' Meeting held on 8 July 2020, the Board of Management was again authorised, with the consent of the Supervisory Board, until 7 July 2025 to acquire treasury shares in a volume up to 10% of the share capital issued as of the day of the resolution, or – if this is less – as of the day of exercising the authorisation, to be used for all legal purposes. The shares can be used, among other things, with the exclusion of shareholders' subscription rights, for business combinations or to acquire companies, or to be sold to third parties for cash at a price that is not significantly lower than the stock-exchange price of the Company's shares. The acquired shares can also be used to fulfil obligations from issued convertible bonds and/or bonds with warrants and to be issued to employees of the Company and employees and board members of the Company's subsidiaries pursuant to Sections 15 et seq. of the German Stock Corporation Act (AktG). The treasury shares can also be cancelled. In a volume up to 5% of the share capital issued as of the day of the resolution of the Annual Shareholders' Meeting, the Company was authorised to acquire treasury shares also by using derivatives (put options, call options, forward purchases or a combination of these instruments), whereby the term of a derivative must not exceed 18 months and must not end later than 7 July 2025.

## C.02

### Equity

	31. Dec. 2021	31 Dec. 2020
In millions of euros		
Share capital	3,070	3,070
Capital reserve	11,480	11,480
Retained earnings	13,540	23,230
Distributable profit	5,349	1,444
<b>Equity</b>	<b>33,439</b>	<b>39,224</b>

## C.03

### Number of shares

	2021	2020
<b>Shares outstanding/issued at 1 January</b>	<b>1,069,837,447</b>	1,069,837,447
Shares reacquired in the context of employee share programs and not cancelled	-664,078	-1,052,569
Sale of treasury shares to employees in the context of employee share programs	664,078	1,052,569
<b>Shares outstanding/issued at 31 December</b>	<b>1,069,837,447</b>	1,069,837,447

The authorisation to acquire treasury shares was not utilised in the reporting period. As at 31 December 2020, no treasury shares were held by Mercedes-Benz Group AG at 31 December 2021. [↗ C.03.](#)



### **Employee share purchase plan**

In the first quarter of 2021, pursuant to Section 71 Subsection 1 No. 2 of the German Stock Corporation Act (AktG) in connection with the employee share programmes, without utilising the authorisation to acquire treasury shares granted by the Annual General Meeting on 8 July 2020, Mercedes-Benz Group AG acquired 664,078 Mercedes-Benz Group shares (2020: 1,052,569 Daimler shares) and reissued them to employees. The employee shares represent €1.91 million or 0.06% of the share capital; they were acquired for an average price of €72.07 per share and reissued to employees for an average price of €53.95 per share. The proportionate loss arising for Mercedes-Benz Group AG of €12.03 million was recognised through profit and loss as a personnel expense in 2021. The proportionate loss of €11.33 million from the sale of employee shares to entitled employees of Group companies was charged by Mercedes-Benz Group AG to the respective companies of the Group.

### **Approved capital**

The Annual General Meeting held on 5 April 2018 authorised the Board of Management, with the consent of the Supervisory Board, to increase the share capital of the Mercedes-Benz Group AG in the period until 4 April 2023 by a total of €1,000 million in one lump sum or by separate partial amounts at different times by issuing new, registered no-par-value shares in exchange for cash and/or non-cash contributions (Approved Capital 2018). The new shares are generally to be offered to the shareholders for subscription (also by way of indirect subscription pursuant to Section 186 Subsection 5 Sentence 1 of the German Stock Corporation Act (AktG)). The Board of Management was also authorised, among other things, with the consent of the Supervisory Board to exclude shareholders' subscription rights under certain conditions and within defined limits. Approved Capital 2018 has not yet been utilised.

### **Conditional capital**

By resolution of the Annual General Meeting on 8 July 2020, the Board of Management was authorised, with the consent of the Supervisory Board, until 7 July 2025 to issue convertible and/or warrant bonds or a combination of these instruments ("bonds") with a total face value of up to €10,000 million and a maturity of no more than ten years. The Board of Management is allowed to grant the holders of these bonds conversion or warrant rights for new registered no-par-value shares in Mercedes-Benz Group AG with an allocable portion of the share capital of up to €500 million in accordance with the details defined in the terms and conditions of the bonds. The bonds can be offered in exchange for cash and/or non-cash contributions, in particular for shares in other companies. The terms and conditions of the bonds can include warranty obligations or conversion obligations. The bonds can be issued once or several times, wholly or in instalments, or simultaneously in various tranches, as well as by subsidiaries of Mercedes-Benz Group AG within the meaning of Sections 15 et seq. of the German Stock Corporation Act (AktG). Among other things, the Board of Management was authorised, with the consent of the Supervisory Board, to exclude shareholders' subscription rights for the bonds under certain conditions and within defined limits.

In order to fulfil the conditions of the above-mentioned authorisation, the Annual General Meeting on 8 July 2020 also resolved to increase the share capital conditionally by an amount of up to €500 million (Conditional Capital 2020).

The new authorisation to issue convertible and/or warrant bonds has not yet been utilised.

### **Capital reserve**

The capital reserve amounts to €11,480 million at 31 December 2021 (2020: €11,480 million).

### Retained earnings

At 31 December 2021, other retained earnings amount to €13,540 million (2020: €23,230). The spin-off of 65% of the shares in Daimler Truck AG to Daimler Truck Holding AG and the equity strengthening carried out to the benefit of Daimler Truck AG in the context of this spin-off, as well as the contractually agreed reimbursement by Mercedes-Benz Group AG of the costs incurred by Daimler Truck AG in connection with the spin-off, resulted in a decrease of €13,879 million in other retained earnings. [↗ C.04](#).

### Distributable profit

Distributable profit for the 2021 financial year is calculated in accordance with Section 158 Subsection 1 of the German Stock Corporation Act (AktG) and amounts to €5,349 million. [↗ C.05](#)

### Information on amounts that may not be distributed

The difference between the recognition of the retirement benefit obligations with the average market interest rate of the past ten financial years and the recognition of the retirement benefit obligations with the average market interest rate of the past seven financial years amounts to €116 million and may not be distributed. The measurement at fair value of assets offset against retirement benefit obligations resulted in an amount of €158 million that may not be distributed.

On the other hand, retained earnings exist which may be freely disposed of in the amount of €13,540 million. Therefore, the distributable profit of €5,349 million is in fact fully distributable.

### Dividend

Under the German Stock Corporation Act (AktG), the dividend is paid out of the distributable profit reported in the annual financial statements of Mercedes-Benz Group AG (parent company only) in accordance with the German Commercial Code (HGB). For the year ended 31 December 2021, the Daimler management will propose to the shareholders at the Annual General Meeting the payment of €5,349 million of the distributable profit of Mercedes-Benz Group AG as a dividend to the shareholders, equivalent to €5.00 per no-par-value share entitled to a dividend (2020: €1,444 million and €1.35 per no-par-value share entitled to a dividend, respectively).

### C.04

#### Other retained earnings

	2021	2020
In millions of euros		
<b>Balance at 1 January</b>	<b>23,230</b>	22,541
Purchase of treasury shares	-	-
Allocated by the Annual Shareholders' Meeting	-	-
Transfer from net profit	<b>4,189</b>	689
Transfer from retained earnings	-	-
Spin-off of the Daimler commercial vehicle business	<b>-13,879</b>	
<b>Balance at 31 December</b>	<b>13,540</b>	23,230
thereof treasury shares	-	-

### C.05

#### Distributable profit

	2021
In millions of euros	
<b>Balance at 1 January</b>	<b>1,444</b>
Dividend distribution	<b>-1,444</b>
Net profit 2021	<b>9,538</b>
Transfer from retained earnings	<b>-4,189</b>
<b>Balance at 31 December</b>	<b>5,349</b>

### Share-based payment

As of 31 December 2021, Mercedes-Benz Group AG has Performance Phantom Share Plans (PPSP) 2018 through 2021 in operation. As instruments of share-based payment with cash settlement, the PPSP are measured at their fair values on the balance sheet date. They are paid out at the end of their contractually defined periods; an earlier, proportionate payout is only possible under certain conditions when a beneficiary leaves the company. PPSP 2017 was paid out as planned in the first quarter of 2021.

### Performance Phantom Share Plans

In 2021, Mercedes-Benz Group AG adopted a Performance Phantom Share Plan similar to that used in prior years, under which eligible board members and employees are granted phantom shares entitling them to receive cash payments provided that predefined targets are met in the three-year performance period. The amount of cash paid to eligible persons is based on the number of vested phantom shares (determined depending on target achievement over a three-year performance period) multiplied by the quoted price of Mercedes-Benz Group's ordinary shares (calculated as an average price over a specified period at the end of the four-year plan period). The determination of target achievement is based on relative share performance, which measures the performance development of Mercedes-Benz Group shares compared with the development of a performance index based on a group of competitors including the Mercedes-Benz Group, and the return on sales (RoS) of the Mercedes-Benz Group compared with the average RoS of a group of competitors.

Since PPSP 2018, the average RoS of the group of competitors is additionally revenue weighted. In this context, special regulations apply to the members of the Board of Management to the extent that the Mercedes-Benz Group has to achieve a higher RoS than the average of its competitors in order to obtain the same target achievement that the other plan participants obtain in the case of a RoS equal to the average of the competitors.

With the completion of the spin-off and hive-down of the Daimler commercial vehicle business, the outstanding PPSP plans will be continued as Group-specific plans. In this context, the plan conditions for the outstanding PPSP 2018 to PPSP 2021 plans have been adjusted as explained below.

#### CHANGES TO THE CONDITIONS for PPSP 2018

For PPSP 2018, the term ends on 31 December 2021 and the final number of phantom shares earned is fixed. Unlike the original plan conditions, the price by which the (finally) earned number of phantom shares is multiplied is determined on the basis of the average prices of Mercedes-Benz Group shares and Daimler Truck Holding shares within a defined period at the beginning of 2022, taking into account the allocation ratio defined for the shareholders, under which each shareholder receives one Daimler Truck Holding share for every two Mercedes-Benz Group shares.

#### CHANGES TO THE TERMS AND CONDITIONS FOR PPSP 2019 TO 2021

For PPSP 2019 to PPSP 2021, further adjustments are necessary in order to continue the respective plans after the spin-off in a Group-specific manner. Here, the number of phantom shares granted is adjusted with the help of a conversion factor. The conversion factor increases the number of (provisionally) granted Mercedes-Benz Group AG phantom shares by converting the notional allocation of Daimler Truck Holding AG phantom shares into additional Mercedes Group AG phantom shares on the basis of the allocation ratio defined for the shareholders. The increase in the number of (provisionally) allocated Mercedes-Benz Group AG phantom shares represents equivalent remuneration for the loss in value resulting from the spin-off. The exchange takes place on the basis of the average of the prices of Mercedes-Benz Group AG shares and Daimler Truck Holding AG shares within a defined period in December 2021. The amount paid out will be measured from the spin-off onwards on the basis of the specific success factors of the Mercedes-Benz Group.

The payment of a dividend equivalent will be based in the future on the adjusted number of performance phantom shares and the actual dividend paid on ordinary shares of Mercedes-Benz Group AG.

If plan participants have been transferred from a company of the Mercedes-Benz Group to a company of the Daimler Truck Group or vice versa, the provision has been transferred as far as possible. Payment of the PPSP is ultimately made by the new employer company. If the provision could not be transferred, a reimbursement agreement exists for the portion of the PPSP that was earned in a company of the respective other group prior to the spin-off.

## 9. Provisions for pensions and similar obligations

Provisions for pensions and similar obligations amount to €128 million at 31 December 2021 (2020: €193 million). [↗ C.06](#)

The settlement amount for obligations that provide for a defined benefit during retirement is €1,440 million (2020: €1,455 million). In connection with the spin-off and hive-down of significant parts of the former Daimler Trucks & Buses segment as well as further transfers of operations and other group transfers to Mercedes-Benz AG and Daimler Truck AG, obligations amounting to €121 million were disposed of. There were opposing effects in a total of €118 million from the decrease in the actuarial interest rate and from the compounding of the obligations.

The measurement of the pension obligations is based on an interest rate of 1.87% (2020: 2.30%). Life expectancy is calculated on the basis of the 2018 Heubeck mortality tables. The mortality tables take into account the latest statistics of the statutory pension insurance and the Federal Statistical Office. In addition, the measurement is based on annual increases in the cost of living and annual increases in future entitlements of 1.80% (2020: 1.80%) and expected annual wage and salary increases of 3.00% (2020: 3.00%).

These obligations are offset against the special-purpose assets, which as at 31 December 2021 have a fair value of €1,312 million (2020: €1,262 million) and cost of acquisition of €1,238 million (2020: €1,211 million).

## C.06

### Provisions for pensions and similar obligations

	31 Dec. 2021	31 Dec. 2020
In millions of euros		
Settlement amount of obligations from defined-benefit plans	1,440	1,455
Fair value of related special-purpose assets for obligations from defined-benefit plans	-1,312	-1,262
Settlement amount for obligations from plans with commitments backed by securities	98	92
Fair value of related special-purpose assets for obligations from plans with commitments backed by securities	-98	-92
<b>Provisions for pensions and similar obligations</b>	<b>128</b>	<b>193</b>

The obligations for the pension plans, the amounts of which are determined by the fair value of securities or comparable assets, are recognised with the fair value of those assets at 31 December 2021 of €98 million (2020: €92 million), as this exceeds the guaranteed minimum value of the obligations at 31 December 2021. There is then an offset with those special-purpose assets that have original costs of acquisition of €90 million (2020: €89 million). As a result, this leads to the full offsetting of the obligations with the related special purpose assets.

The assets offset at 31 December 2021 include the shares shown in Table [7 C.07](#) in foreign funds in the form of shares in an investment-fund company with variable equity of more than 10% pursuant to Sections 108 to 123 of the German Capital Investment Act (KAGB). This is a private equity fund with an international focus that reflects individual investor needs. There are no restrictions on the possibility of returning the shares on stock-exchange trading days. The return of shares can be temporarily suspended under unusual circumstances that make suspension seem necessary under consideration of the interests of the investors.

## 10. Other provisions [7 C.08](#)

Provisions for taxes relate primarily to income taxes for years not yet finally assessed.

Mercedes-Benz Group AG is the controlling company within the fiscal unity. All provisions for income taxes are recognised at Mercedes-Benz Group AG.

Other provisions primarily relate to personnel and social obligations as well as impending losses from derivative transactions.

As part of Project Focus, employees of Mercedes-Benz Group AG were transferred to Daimler Truck AG. This resulted in a decrease in personnel provisions of €20 million.

## 11. Liabilities [7 C.09](#)

Notes, bonds and commercial paper are primarily Euro-american medium-term notes in the amount of €18,884 million (2020: €22,367 million).

Liabilities to banks of €48 million (2020: €25 million) primarily comprise loans of €25 million (2020: €25 million).

Liabilities to subsidiaries (€27,018 million, 2020: €26,511 million) are liabilities that originally arose from transactions within the Group in the context of central finance and liquidity management (€26,905 million, 2020: €26,183 million), from the supply of goods and

## C.07

### Shares in investment funds at 31 December 2021

	Private equity funds
In millions of euros	
Carrying value/fair value	42
Cost of acquisition	38
Difference	4
Dividend for the year	18
Daily return possible	Yes

## C.08

### Other provisions

	31 Dec. 2021	31 Dec. 2020
In millions of euros		
Provisions for taxes	1,252	1,070
Miscellaneous provisions	523	480
	<b>1,775</b>	1,550

services with German and foreign companies of the Group (€105 million, 2020: €31 million), and from profit-and-loss transfers from subsidiaries (€8 million, 2020: €297 million).

Liabilities to subsidiaries in the amount of €2,341 million were settled as part of the spin-off and hive-down of the Daimler commercial vehicle business.

Liabilities to associated companies are liabilities that originally arose from the supply of goods and services with German and foreign associated companies (€59 million, 2020: €1 million) and from intra-Group settlement transactions in the context of central finance and liquidity management (€34 million, 2020: €0 million).

Due to the spin-off and hive-down of the Daimler commercial vehicle business, Mercedes-Benz Group AG reports liabilities to Daimler Truck Holding AG and its subsidiaries as liabilities to associated companies at the reporting date.

## Notes to the Financial Statements

Miscellaneous liabilities of €460 million (2020: €396 million) mainly comprise accrued and deferred interest, tax liabilities and liabilities from wages and salaries.

## 12. Deferred income

The deferred income of €21 million existing at 31 December 2021 comprises earnings effects from payments made in the charging-on of software to companies of the Group and to associated companies.

## C.09

### Liabilities recognized

	31 Dec. 2021	31 Dec. 2020
In millions of euros		
Notes/bonds and commercial paper	<b>19,652</b>	24,554
of which due in less than 1 year	<b>1,591</b>	3,172
of which due in 1 year to 5 years	<b>7,072</b>	8,140
of which due in more than 5 years	<b>10,989</b>	13,242
Liabilities to banks	<b>48</b>	25
of which due in less than 1 year	<b>48</b>	-
of which due in 1 year to 5 years	-	25
of which due in more than 5 years	-	-
Trade payables	<b>358</b>	140
of which due in less than 1 year	<b>358</b>	140
of which due in 1 year to 5 years	-	-
of which due in more than 5 years	-	-
Liabilities due to subsidiaries	<b>27,018</b>	26,511
of which due in less than 1 year	<b>25,518</b>	20,796
of which due in 1 year to 5 years	<b>1,500</b>	5,715
of which due in more than 5 years	-	-
Liabilities due to associated companies	<b>93</b>	1
of which due in less than 1 year	<b>93</b>	1
of which due in 1 year to 5 years	-	-
of which due in more than 5 years	-	-
Other liabilities	<b>460</b>	396
of which due in less than 1 year	<b>431</b>	396
of which due in 1 year to 5 years	<b>27</b>	-
of which due in more than 5 years	<b>2</b>	-
of which tax liabilities	<b>112</b>	14
of which obligations concerning social security	<b>1</b>	3
<b>Total of liabilities</b>	<b>47,629</b>	51,627
of which due in less than 1 year	<b>28,039</b>	24,505
of which due in 1 year to 5 years	<b>8,599</b>	13,880
of which due in more than 5 years	<b>10,991</b>	13,242

# Notes to the Income Statement

## 13. Revenue

The Company generates revenue primarily from the provision of internal services of corporate functions, which are charged to the companies of the Group.

In the past financial year, Mercedes-Benz Group AG generated revenue of €1,470 million (2020: €1,560 million) from the provision of services by corporate functions within the Group and revenue of €18 million from the provision of services to Daimler Truck Holding AG and its subsidiaries.

Due to legal restrictions, Mercedes-Benz Group AG was used for specific sales of Mercedes-Benz AG and Daimler Truck AG until August 2020 and generated revenue from the vehicle business in the amount of €125 million in the period 1 January to 30 August 2020.

Domestic revenue (€1,271 million) accounts for 85% of total revenue, with 15% coming from abroad (€217 million). The revenue generated outside Germany is attributable in particular to America (€84 million), Asia (€64 million) and Europe (€60 million).

## 14. Functional costs

Functional costs are broken down in the income statement into cost of sales and general administrative expenses.

Cost of sales includes the expenses incurred to generate sales revenue. These are mainly personnel expenses, the cost of purchased services, IT expenses, depreciation, and rental and lease expenses. Cost of sales of €1,470 million was lower than in the previous year (2020: €1,641 million).

General administrative expenses primarily comprise personnel expenses, IT costs and fees for expertise and consulting. The increase in administrative expenses primarily resulted from expenses in connection with the spin-off and hive-down of the Daimler commercial vehicle business in the amount of €238 million (2020: €0 million) as well as expenses for the transformation of the IT infrastructure of €78 million (2020: €0 million). On the other hand, there were lower expenses of €41 million (2020: €86 million) for cost-optimisation programmes resulting from a general works agreement concluded in January 2020. This agreement includes voluntary termination agreements for employees working in administrative and production-related areas.

The expenses for consulting include auditor fees. The shareholders of the former Daimler AG elected KPMG AG Wirtschaftsprüfungsgesellschaft as the external auditor at the Annual General Meeting held on 31 March 2021.

Table [7 C.10](#) shows the fees of KPMG AG Wirtschaftsprüfungsgesellschaft recognised as expenses for services provided to Mercedes-Benz Group AG and its subsidiaries in the respective financial year. These also include the fees of the companies of the former Daimler Truck & Buses segment incurred until the date of the spin-off and hive-down of the Daimler commercial vehicle business. Audit services relate to the audit of the consolidated financial statements and the year-end financial statements, as well as to all services required for the audit, including the reviews of the interim financial statements, the accounting-related audit of the internal control system and accounting-related reviews of the introduction of IT systems and processes.

Other attestation services were particularly provided for voluntary project-supporting reviews of IT systems and processes, reviews in connection with compliance management systems, the issuing of comfort letters as well as for services within the scope of the spin-off and hive-down. Tax services primarily relate to value-added tax advisory. Other services were mainly commissioned in connection with IT and process consulting and quality assurance not relevant to accounting. The increase in auditor fees compared to the previous year is mainly due to expenses in connection with the spin-off and hive-down.

### 15. Other operating income

Of the other operating income of €241 million (2020: €407 million), €183 million (2020: €239 million) is attributable to the period under review. In connection with Project Focus, patents and trademarks were sold to Daimler Truck AG; Mercedes-Benz Group AG generated other operating income of €102 million from this sale.

The decrease in other operating income resulted primarily from the sale of patents to Daimler Truck AG in the previous year in connection with the Group-wide concentration of fuel-cell activities at Daimler Truck Fuel Cell GmbH & Co. KG, a wholly owned sub-subsidiary of Daimler Truck AG.

Other operating income of €58 million (2020: €168 million) is attributable to other reporting periods and relates mostly to income from the release of provisions

### C.10

#### Auditor fees

	2021	2020
In millions of euros		
Audit services	25	23
Other attestation services	17	5
Tax services	1	.
Other services	1	1
	<b>44</b>	<b>29</b>

and accruals and deferrals. The decrease was primarily the result of the release of provisions for derivatives in the vehicle business in the previous year, which had been recognised in connection with the Project Future.

### 16. Other operating expenses

Other operating expenses amount to €100 million (2020: €127 million) and include expenses relating to the central procurement of lateral-flow tests and protective masks.

Other operating expenses of €9 million (2020: €14 million) are attributable to other periods.



### 17. Income/expense from investments in subsidiaries and associated companies, net [↗ C.11](#)

Income from subsidiaries and associated companies increased primarily due to higher income from profit transfers and higher income from subsidiaries.

The increased income from profit transfers resulted in particular from a higher profit transfer from Mercedes-Benz AG to Mercedes-Benz Group AG.

The higher income from subsidiaries is the result of increased dividend payments by subsidiaries. The increase is mainly due to a higher dividend paid to Mercedes-Benz Group AG by Mercedes-Benz Capital Nederland B.V. (formerly Daimler International Nederland B.V.) of €3,076 million (2020: €0 million).

Income from associated companies primarily comprises dividends from the equity investment in Beijing Benz Automotive Co., Ltd. (€1,211 million, 2020: €1,351 million).

Dividends from subsidiaries transferred to Mercedes-Benz AG in previous years in the context of Project Future are included in the profit transfer to Mercedes-Benz Group AG and consequently in income from profit transfers.

Impairments of investments in subsidiaries and associated companies relate to BAIC Motor Corporation Ltd. (€49 million). In the previous year, impairments of investments in subsidiaries and associated companies also primarily related to BAIC Motor Corporation Ltd. (€279 million).

### 18. Interest income/expense, net [↗ C.12](#)

The earnings components of the special-purpose assets are uniformly recognised under interest income/expense, net and are offset against the interest component of the retirement benefit obligation.

The interest expense from the measurement of retirement benefit obligations amounts to €127 million (2020: €120 million). The income from the special-purpose assets amounts to €79 million (2020: €29 million).

### C.11

#### Income/expense from investments in subsidiaries and associated companies, net

	2021	2020
In millions of euros		
Income from profit transfers	7,040	914
Expenses from loss transfers	-8	-310
Income from subsidiaries	3,629	1,559
Income from associated companies	1,220	1,367
Impairments of investments in subsidiaries and associated companies	-49	-373
Write-ups on investments in subsidiaries and associated companies	-	-
Gains on disposals of investments in subsidiaries and associated companies	46	-
Losses on the disposal of shares in subsidiaries and associated companies	.	-16
Other expenses from investments in subsidiaries and associated companies	-38	-22
	<b>11,840</b>	3,119

### C.12

#### Interest income/expense, net

	2021	2020
In millions of euros		
Income from other securities and loans of financial assets	20	36
thereof from subsidiaries	20	36
Other interest and similar income	663	815
thereof from subsidiaries	266	357
Interest and similar expenses	-1,136	-1,027
thereof to subsidiaries	-540	-200
	<b>-453</b>	-176

The compounding of provisions with an original maturity of more than one year results in an interest expense of €13 million (2020: €14 million).

The increase in interest expense to subsidiaries primarily resulted from a bond transfer to Mercedes-Benz International Finance B.V. (formerly Daimler International Finance B.V.).

## 19. Other financial income/expense, net [↗ C.13](#)

Other financial income/expense, net includes items from the ongoing Group financing.

Other financial income/expense includes a net loss on currency translation of €240 million (2020: net gain of €95 million). This includes currency gains of €1,043 million (2020: €2,162 million) and currency losses of €1,283 million (2020: €2,067 million).

Miscellaneous income includes the Group's internal provisions for warranty and guarantee obligations of €108 million (2020: €118 million). Miscellaneous expenses include expenses for Group financing of €50 million (2020: €196 million).

## 20. Income taxes

As the parent company, Mercedes-Benz Group AG is the taxpayer with respect to those subsidiaries with which it has concluded profit-and-loss-transfer agreements. The individual companies are listed in the [👁️ "Statement of investments"](#) pursuant to Section 285 of the German Commercial Code (HGB) and are marked with a separate footnote.

The expense from taxes on income amounts to €655 million (2020: benefit of €141 million). It comprises an expense of €737 million for the year 2021 (2020: €111 million) as well as a benefit of €82 million for previous years (2020: expense of €30 million).

The €514 million increase in tax expense compared with the previous year is due to the significant increase in taxable income for corporate income-tax purposes and in taxable income for trade-tax purposes (2020: taxable loss for trade-tax purposes). This resulted in a tax expense for corporate income tax, solidarity surcharge and trade tax of €637 million in 2021 (2020: €24 million). In addition, as in the previous year, withholding taxes were paid mainly on dividend distributions from foreign subsidiaries as well as on income in connection with interest and the use of rights.

## C.13

### Other financial income/expense, net

	2021	2020
In millions of euros		
Currency income/expense, net	-240	95
Miscellaneous income	177	120
Miscellaneous expenses	-53	-280
	-116	-65

Deferred taxes are not included in this item because the option of capitalising deferred tax assets was not exercised. Future tax relief mainly arises from temporary accounting differences in connection with pensions and other provisions and from the tax-loss carryforward.

## 21. Net profit

Net profit for the year 2021 amounts to €9,538 million (2020: €2,133 million). The decrease in assets of €13,897 million resulting from the spin-off of Daimler Truck AG was offset against other retained earnings. Following the transfer to retained earnings of €4,189 million pursuant to Section 58 Subsection 2 of the German Stock Corporation Act (AktG), the distributable profit of Mercedes-Benz Group AG amounts to €5,349 million.

# Other Notes

## Personnel expenses / Employees [↗ C.14](#)

Wages and salaries include salaries, severance payments, holiday bonuses, special bonuses and expenses resulting from personnel provisions.

Social-security contributions primarily comprise the employer's share of contributions to pension, unemployment, nursing-care and medical insurance plans.

Expenses for pensions include service costs and contributions to the German Pension Insurance Association, which are included in the functional costs in the income statement.

In the context of Project Focus, corporate functions were transferred to Daimler Truck AG. In addition, there was a reorganisation of the corporate departments at the Mercedes-Benz Group, which significantly reduced the number of employees at Mercedes-Benz Group AG. This only affected personnel expenses proportionately because most of the transfers took place at the end of the year.

The average number of employees of 5,535 (2020: 6,628) as shown in Table [↗ C.14](#) reflects the entire financial year. At 31 December 2021, Mercedes-Benz Group AG had 4,678 employees (2020: 6,403).

## Cost of materials [↗ C.15](#)

Cost of materials primarily comprises expenses for purchased services as well as, to a smaller extent, expenses for raw materials, manufacturing supplies and purchased goods.

Among other things, cost of materials includes expenses of €238 million in connection with the spin-off and hive-down of the Daimler commercial vehicle business.

## C.14

### Personnel expenses

	2021	2020
In millions of euros		
Wages and salaries	706	690
Social security contributions	74	91
Pension costs	70	55
	850	836

### Employees

	2021	2020
Annual average numbers		
Manual workers	63	80
Salaried employees	5,186	6,166
	5,249	6,246
Trainees/apprentices/interns	286	382
<b>Total (average for the year)</b>	<b>5,535</b>	<b>6,628</b>
<b>Total (at end of year)</b>	<b>4,678</b>	<b>6,403</b>

## C.15

### Cost of materials

	2021	2020
In millions of euros		
Cost of raw materials, manufacturing supplies and purchased goods	35	159
Cost of purchased services	1,179	850
	1,214	1,009

## Derivative financial instruments and valuation units

As part of its centralised Group financing, Mercedes-Benz Group AG concludes derivative financial instruments with external financial institutions. These financial instruments serve solely to hedge risks relating to foreign exchange rates and interest rates and to hedge commodity prices. They cover the underlying transactions of the companies of the Mercedes-Benz Group and the original financial transactions (underlying transactions) and are placed together with them as far as possible in valuation units.

The derivative financial instruments held by Mercedes-Benz Group AG have the nominal values at the end of the reporting year and the prior year as shown in table [C.16](#). The nominal values are the totals of the basic values of all purchase and sale contracts without offsetting.

The currency hedging contracts primarily comprise currency forwards, most of which are charged on to companies of the Group through internal derivatives. In addition, forward exchange contracts and currency swaps are held to hedge financial receivables and liabilities from Group financing. The interest rate hedging

contracts include interest rate swaps and interest rate/currency swaps. They are primarily used to minimise the risk of changes in interest rates. The commodity forwards currently comprise commodity swaps, most of which are charged on to companies of the Group through internal derivatives.

The carrying amounts and fair values of derivative financial instruments at the end of the reporting year and the prior year are shown in table [C.17](#).

The carrying amounts are taken from the items of the balance sheet and primarily relate to other provisions. Other amounts relate to other assets, other liabilities and prepaid expenses and deferred income.

### C.16

#### Derivative financial instruments: nominal amounts

	31 Dec. 2021	31 Dec. 2020
In millions of euros		
Foreign exchange contracts	83,758	64,986
Interest rate contracts	60,473	57,709
Commodity forward contracts	131	456
	144,362	123,151

### C.17

#### Derivative financial instruments: carrying amounts/fair values

	31 Dec. 2021		31 Dec. 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
In millions of euros				
<b>Assets</b>				
Foreign exchange contracts	13	1,578	18	836
Interest rate contracts	41	826	60	935
Commodity forward contracts	2	6	5	39
	56	2,410	83	1,810
<b>Liabilities</b>				
Foreign exchange contracts	-107	-1,628	-58	-859
Interest rate contracts	-29	-247	-118	-499
Commodity forward contracts	-1	-6	-5	-39
	-137	-1,881	-181	-1,397
<b>Balance</b>	<b>-81</b>	<b>529</b>	<b>-98</b>	<b>413</b>

## C.18

## Derivative financial instruments: valuation units

Type of risk	Type of hedge	Hedged volume	31 Dec. 2021	
			Positive fair value	Negative fair value
In millions of euros				
Exchange-rate risk / interest-rate risk	Liability hedges	3,075	78	-3
	Opposing derivative hedges	12,490	59	-155
	Macrohedged	5,918 <sup>1</sup>	19	-147
Exchange-rate risk	Asset and liability hedges	-	-	-
	Opposing derivative hedges	37,884	1,322	-199
Commodity-price risk	Opposing derivative hedges	65	-	-6
		59,432	1,478	-510

<sup>1</sup> Hedges in a total nominal amount of €13,989 million are designated in macrohedged.

Interest-rate hedges result in other assets from prematurely terminated valuation units. In addition, other assets and other liabilities result from advance payments made and received for interest-rate/currency swaps. Other provisions also include negative fair values and fair-value changes of derivatives not included in valuation units as well as negative ineffectiveness from valuation units.

The fair values of currency forwards are determined on the basis of current ECB reference rates with consideration of forward premiums or discounts. The fair values of interest-rate contracts are determined on the basis of discounted expected future cash flows with the use of the market interest rates applicable for the remaining time until maturity of the financial instruments. The fair values of commodity forwards are determined on the basis of current spot rates on commodity exchanges with consideration of forward premiums or discounts.

Of the derivative financial instruments held on the balance sheet date in a nominal amount of €144,362 million, financial instruments in a total amount of €59,432 million serve as hedging instruments in valuation units. Of that total, €37,884 million is accounted for by foreign-exchange contracts, €21,483 million by interest-rate contracts and €65 million by commodity forward contracts.

Table [7 C.18](#) shows the hedged exchange-rate, interest-rate and commodity-price risks included in valuation units.

If derivative financial instruments are included in valuation units with the related underlying transactions, an effectiveness measurement is carried out both at the beginning of the hedging period and on each following balance sheet date upon which the hedge exists.

In connection with the hedging of exchange-rate risks of assets and liabilities, the conditions and parameters of the underlying transaction and the hedging transaction are compared with each other. With the hedging of mirror derivatives, effectiveness is automatically ensured due to the mirroring. The risk management system at the Mercedes-Benz Group monitors the effectiveness of hedges.

Mercedes-Benz Group AG generally applies the net hedge presentation method for its valuation units. Insofar as changes in fair value resulting from the measurement of open hedges are offset by changes in the value of the underlying transactions, these derivatives are not recognized in the balance sheet; the corresponding offsetting changes in the value of hedges and underlying transactions are therefore not recognized in profit or loss for the period. Provisions are recognized for any additional changes in the value of hedges in the event of losses.

**Foreign-exchange contracts**

Mercedes-Benz Group AG uses derivative financial instruments for currency hedging. In addition, opposing intra-Group hedging contracts are concluded with subsidiaries, which are based on the same hedging rates as the external derivatives. These external and internal derivatives are combined to form valuation units (micro-hedges). In economic terms, the positive or negative effects from currency hedging thus largely occur at other companies of the Group.

In connection with the spin-off and hive-down of the Daimler commercial vehicle business, intra-Group hedging contracts of Mercedes-Benz Group AG with Daimler Truck companies were terminated prematurely, while opposing transactions were concluded for most of the related hedges outside the Group.

Forward exchange contracts for financing activities outside the Group are combined with opposing hedges concluded to form valuation units (microhedges). Provided that the documentation requirements are fulfilled, currency forwards with Group-external counterparties that are not matched by corresponding hedges within the Group can be included in valuation units (micro-hedges) with the related financial receivables and liabilities. The hedging period is generally one to four years.

**Interest rate contracts**

Valuation units (microhedges) are formed for interest swaps and interest/currency swaps which have opposing hedges concluded with subsidiaries. Interest-rate contracts that are not opposed by any corresponding hedges are included in valuation units with the related financial receivables and liabilities, provided that the documentation requirements are fulfilled (micro hedges). If groups of derivatives are in an economic relationship with a risk-offsetting effect, they are combined - if applicable with a related financial receivable or liability - in valuation units (macrohedges), for example, in the case of volume- or time-proportionate smoothing of existing derivatives. The hedging period is one to a maximum of twelve years.

**Commodity forward contracts**

Mercedes-Benz Group AG concludes Group-external derivative financial instruments for raw-material hedging. In addition, opposing intra-Group hedging contracts

are concluded with subsidiaries, which are based on the same hedging rates as the external derivatives. These external and internal derivatives are combined to form valuation units (microhedges) and are shown in the balance sheet using the net hedge presentation method. In economic terms, the positive or negative effects from raw-material hedging thus occur at other companies of the Group. In connection with the spin-off and hive-down of the Daimler commercial vehicle business, intra-Group hedging contracts of Mercedes-Benz Group AG with Daimler Truck companies were terminated prematurely, while opposing hedges were concluded for the related hedging contracts outside the Group.

**Contingent liabilities**

Contingent liabilities relate to potential future events, the occurrence of which would lead to an obligation. At the balance sheet date, the contingent liabilities of Mercedes-Benz Group AG were reviewed with consideration of available knowledge about the financial position, cash flows and profitability of business partners with regard to the risk situation. Mercedes-Benz Group AG assesses the risk of possible claims on all the listed obligations as unlikely. At 31 December 2021, contingent liabilities amount to €71,802 million (2020: €86,813 million), primarily consisting of sureties and guarantees. They include sureties and guarantees to domestic and foreign subsidiaries amounting to €71,179 million (2020: €86,773 million), which primarily comprise guarantees provided to creditors of subsidiaries of Mercedes-Benz Group AG, for example, for loans they have taken out and bonds they have issued and liabilities to banks.

Contingent liabilities include global guarantees to banks for liabilities of Russian companies of the Group in the amount of €971 million.

As a result of the spin-off and hive-down of the Daimler commercial vehicle business, sureties and guarantees for associated companies amount to €571 million as of 31 December 2021.

Sureties and guarantees were issued to third parties in a total amount of €52 million (2020: €41 million).

### Subsequent liability

As legal entities involved in the hive-down that took place in 2019, Mercedes-Benz Group AG, Mercedes-Benz AG and Daimler Truck AG are jointly and severally liable pursuant to Section 133 Subsections 1 and 3 of the German Transformation Act (UmwG) for the liabilities of Mercedes-Benz Group AG (formerly Daimler AG) incurred prior to the effective date of the hive-down. Those of the aforementioned legal entities to which the relevant liabilities are not assigned under the hive-down agreement are liable, however, only for those liabilities if they fall due within five years of the announcement of the entry of the hive-down in the commercial register of Mercedes-Benz Group AG and claims therefrom are established in court or in another manner as described in Section 133 of the German Transformation Act (UmwG).

The provisions existing in this context, in particular the procedure for regulating the internal settlements between the participating legal entities, are regulated in the hive-down agreement of 25 March 2019.

The aforementioned period is ten years for pension obligations based on the Company Pensions Act that existed before the hive-down took effect. Mercedes-Benz Group AG does not expect any outflow of liquidity from the other two legal entities due to the special-purpose assets available in a sufficient volume.

The potential obligations from subsequent liability pursuant to Section 133 of the German Transformation Act (UmwG) and from the risks from the internal settlement between Mercedes-Benz Group AG and Mercedes-Benz AG and Daimler Truck AG amount to €8,924 million for Mercedes-Benz Group AG (thereof due in 2022: €4,410 million).

According to the current appraisal, an actual cash outflow from Mercedes-Benz Group AG is considered to be unlikely due to the assessments of the creditworthiness of Mercedes-Benz AG and Daimler Truck AG.

### Other financial obligations

Other financial obligations total €3,540 million (thereof due in 2022: €2,565 million). Such obligations to subsidiaries amount to €1,867 million (thereof due in 2022: €1,847 million) and to associated companies amount to €1 million (thereof due in 2022: €1 million).

Other financial obligations resulting from rental and leasing agreements amount to €33 million (thereof due in 2022: €10 million). Of that total, €15 million relates to subsidiaries (thereof due in 2022: €5 million).

The remaining financial obligations, in particular purchase commitments, are of a magnitude typical for the industry.

## Related party disclosures pursuant to Section 285 No. 21 of the German Commercial Code (HGB)

### Subsidiaries and associated companies

Most of the services supplied within the ordinary course of business between Mercedes-Benz Group AG and related parties comprise transactions with subsidiaries and associated companies and are included in table [C.19](#).

### Board members

Throughout the world, Mercedes-Benz Group AG has business relationships with numerous entities that are also customers and/or suppliers of Mercedes-Benz Group AG. Those customers and/or suppliers include companies that have a connection with some of the members of the Supervisory Board or Board of Management of Mercedes-Benz Group AG or its subsidiaries.

### Events after the reporting period

#### Sale and contribution of shares in Daimler Truck Holding AG to the pension plan assets

Since the spin-off and hive-down of the shares in Daimler Truck AG described above became effective, Mercedes-Benz Group AG holds approximately 28.43% of the shares in the listed Daimler Truck Holding AG. At the end of January 2022, Mercedes-Benz Group AG sold approximately 4.99% of its shares in Daimler Truck Holding AG to Mercedes-Benz AG at the market price on that date. Mercedes-Benz AG in turn immediately transferred the acquired shares to the pension plan assets of Mercedes-Benz AG (trustee: Daimler Pension Trust e.V.). The extraordinary contribution to the pension plan assets corresponds to the fair value of the contributed assets at the time of the contribution and amounts to €1,309 million.

#### Transfer of bonds to Mercedes-Benz International Finance B.V. (formerly Daimler International Finance B.V.)

At the beginning of March 2022, Mercedes-Benz Group AG transferred issued bonds in a volume of €5 billion to Mercedes-Benz International Finance B.V. (formerly Daimler International Finance B.V.). This had no significant impact on earnings.

## C.19

### Business between Mercedes-Benz Group AG and related parties

	Subsidiaries	Associated companies
In millions of euros		
Sales of service and other income in 2021	54	26
Purchase of goods and services and other expenses in 2021	183	35
Trade receivables at 31 December 2021	14	43
Financial receivables at 31 December 2021	289	28
Trade payables at 31 December 2021	20	63
Financial liabilities at 31 December 2021	287	47

### Russia-Ukraine War

Russia has been at war with Ukraine since 24 February 2022 ("Russia-Ukraine War"). On 2 March 2022, Mercedes-Benz decided to discontinue the export of cars and vans to Russia as well as local production in Russia until further notice. The effects of the Russia-Ukraine War represent a value-affecting event after the reporting period and therefore have no impact on the recognition and measurement of assets and liabilities as at the reporting date. The impact on financial position, cash flows and profitability in 2022 cannot be quantified at this time.

### Legal proceedings

Mercedes-Benz Group AG and its subsidiaries are confronted with various legal proceedings, claims as well as governmental investigations and orders (legal proceedings) on a large number of topics, including vehicle safety, emissions, fuel economy, financial services, dealer, supplier and other contractual relationships, intellectual property rights (including but not limited to patent infringement actions), warranty claims, environmental matters, antitrust matters (including actions for damages) as well as investor litigation. Product-related



litigation involves claims alleging faults in vehicles. Some of these claims are asserted by way of class actions. If the outcome of such legal proceedings is detrimental to Mercedes-Benz or such legal proceedings are settled, the Group may be required to pay substantial compensatory and punitive damages or to undertake service actions, recall campaigns, monetary penalties or other costly actions, which would adversely affect the earnings of Mercedes-Benz Group AG. Legal proceedings and related settlements may also have an impact on the Company's reputation.

Up until the effective date of the spin-off of a majority interest in Daimler Truck AG to Daimler Truck Holding AG on 9 December, 2021, Daimler Truck AG and its consolidated subsidiaries were group companies of Daimler AG (now Mercedes-Benz Group AG). Insofar as risks resulting from the legal proceedings mentioned above materialise, and to the extent that the facts underlying such risks relate to the aforementioned Truck & Bus companies, Mercedes-Benz Group AG is entitled to indemnification claims. Such claims arise vis-à-vis Daimler Truck AG based on the hive-down of assets and liabilities of the former Daimler Trucks and Daimler Buses divisions to Daimler Truck AG in 2019. Vis-à-vis Daimler Truck Holding AG, such claims arise from the spin-off of the majority interest in Daimler Truck AG to Daimler Truck Holding AG in 2021.

#### **Diesel emission behaviour: governmental proceedings**

As already reported, several authorities and institutions worldwide were, and still are, active in the form of inquiries, investigations, procedures and/or orders. These activities particularly relate to test results, the emission control systems used in Mercedes-Benz diesel vehicles and/or the interactions of Mercedes-Benz with the relevant authorities as well as related legal issues and implications, including, but not limited to, under applicable environmental, criminal, consumer protection and antitrust laws.

In the United States, Mercedes-Benz Group AG and Mercedes-Benz USA, LLC (MBUSA) reached agreements in the third quarter of 2020 with various authorities to settle civil environmental claims regarding the emission control systems of certain diesel vehicles, which have become final and effective. The authorities take the

position that Mercedes-Benz failed to disclose Auxiliary Emission Control Devices (AECs) in certain of its US diesel vehicles and that several of these AECs are illegal defeat devices.

As part of these settlements, Mercedes-Benz denies the allegations by the authorities and does not admit liability, but has agreed to, among other things, pay civil penalties, conduct an emission modification programme for affected vehicles and take certain other measures. The failure to meet certain of those obligations may trigger additional stipulated penalties. In the first quarter of 2021, Mercedes-Benz paid the civil penalties, provisions have been recognised for the emission modification programme and other measures.

As already reported, in April 2016, the U.S. Department of Justice ("DOJ") requested that Mercedes-Benz conduct an internal investigation. Mercedes-Benz conducted such internal investigation in cooperation with DOJ's investigation; DOJ's investigation remains open. In addition, further US state authorities have opened investigations pursuant to both state environmental and consumer protection laws and have requested documents and information.

In Canada, the Canadian environmental regulator Environment and Climate Change Canada ("ECCC") is conducting an investigation in connection with Diesel exhaust emissions based on the suspicion of potential violations of, amongst others, the Canadian Environmental Protection Act, as well as undisclosed AECs and defeat devices. Mercedes-Benz continues to cooperate with the investigating authorities.

In Germany, the Stuttgart public prosecutor's office issued a fine notice against Mercedes-Benz in September 2019 based on a negligent violation of supervisory duties, which became legally binding, thereby concluding the related administrative offense proceedings against Mercedes-Benz. The Stuttgart public prosecutor's office is still conducting criminal investigation proceedings against Mercedes-Benz employees on the suspicion of, amongst others, fraud. In July 2021, the local court of Böblingen issued penal orders against three Mercedes-Benz employees with the local court of Böblingen based on, amongst others, fraud, which have become final.

Between 2018 and 2020, the German Federal Motor Transport Authority (“KBA”) issued subsequent auxiliary provisions for the EC type approvals of certain Mercedes-Benz diesel vehicles, and ordered mandatory recalls as well as, in some cases, stops of the first registration. In each of those cases, it held that certain calibrations of specified functionalities are to be qualified as impermissible defeat devices. Mercedes-Benz has a contrary legal opinion on this question. Since 2018, however, it has (in view of the KBA’s interpretation of the law as a precautionary measure) implemented a temporary delivery and registration stop with respect to certain models, also covering the used car, leasing and financing businesses, and is constantly reviewing whether it can lift this delivery and registration stop in whole or in part. Mercedes-Benz has filed timely objections against the KBA’s administrative orders mentioned above. In early 2021, the KBA issued objection orders (“Widerspruchsbescheide”) in these proceedings, thereby not following the arguments brought forward by Mercedes-Benz. Since Mercedes-Benz continues to have a different understanding of the relevant legal provisions, it has filed lawsuits with the competent administrative court to have the controversial questions at issue clarified in a court of law. Irrespective of such objections and the lawsuits that are now pending, Mercedes-Benz continues to cooperate fully with the KBA. The new calibrations requested by KBA have been developed by Mercedes-Benz and assessed and approved by the KBA; the related recalls have been initiated. It cannot be ruled out that under certain circumstances, software updates may have to be reworked, or further delivery and registration stops may be ordered or resolved by the Company as a precautionary measure, also with regard to the used car, leasing and financing businesses. In the course of its regular market supervision, the KBA is routinely conducting further reviews of Mercedes-Benz vehicles and is asking questions about technical elements of the vehicles. In addition, Mercedes-Benz continues to be in a dialogue with the German Ministry for Digital and Transport (BMDV) to conclude the analysis of the diesel-related emissions matter and to further the update of affected customer vehicles. In light of the aforementioned administrative orders issued by the KBA, and continued discussions with the KBA and the BMDV, it cannot be ruled out completely that additional administrative orders may be issued in the course of the ongoing and/or further

investigations. Since 1 September 2020, this also applies to other responsible authorities of other member states and the European Commission, which conduct market surveillance under the new European Type Approval Regulation and can take measures upon assumed non-compliance, irrespective of the place of the original type approval, and also to the British market surveillance authority DVSA (Driver and Vehicle Standards Agency).

In the course of its formal investigation into possible collusion on clean emission technology, the European Commission sent a statement of objections to Mercedes-Benz and other automobile manufacturers in April 2019. In this context, Mercedes-Benz had filed an application for immunity from fines (leniency application) with the European Commission some time ago. On 8 July 2021, the proceedings were closed by way of a settlement with the European Commission. During the entire proceedings, Mercedes-Benz Group AG cooperated closely with the European Commission, and the European Commission granted the company complete immunity from fines.

In addition to the abovementioned authorities, national cartel authorities and other authorities of various foreign States, including the South Korean Ministry of Environment, the South Korean competition authority (Korea Fair Trade Commission) and the Seoul public prosecutor’s office (South Korea) are conducting various investigations and/or procedures in connection with Diesel exhaust emissions.

Mercedes-Benz continues to fully cooperate with the authorities and institutions.

#### **Diesel emission behaviour: consumer actions and other lawsuits in the United States, Canada, Germany and other states**

As previously reported, a consolidated class action against Mercedes-Benz Group AG and MBUSA was pending before the US District Court for New Jersey. The plaintiffs alleged that Mercedes-Benz Group AG and MBUSA used devices that impermissibly impair the effectiveness of emission control systems in reducing nitrogen-oxide (NO<sub>x</sub>) emissions and which cause excessive emissions from vehicles with diesel engines. In

addition, plaintiffs alleged that consumers were deliberately deceived in connection with the advertising of Mercedes-Benz diesel vehicles.

In the third quarter of 2020, Mercedes-Benz Group AG and MBUSA reached a settlement with plaintiffs' counsel of this consumer class action. As part of the settlement, Mercedes-Benz Group AG and MBUSA deny the material factual allegations and legal claims asserted by the class action plaintiffs, but have agreed to provide payments to certain current and former diesel vehicle owners and lessees. The relevant court has granted final approval of the settlement and issued a final judgment in the case. The estimated costs of the settlement amount to approximately USD 700 million. In addition, Mercedes-Benz estimates further expenses of a mid three-digit-million euro amount to fulfil the requirements of this settlement and the aforementioned settlements with the US authorities.

A consumer class action making similar allegations and seeking similar remedies as to vehicles sold or leased in Canada was filed against Mercedes-Benz Group AG and other Group companies in Ontario in April 2016. In the fourth quarter of 2021, Mercedes-Benz Group AG and the other Group companies reached a settlement with plaintiffs' counsel of the consumer class action. As part of the settlement, Mercedes-Benz Group AG and the other Group companies deny the material factual allegations and legal claims asserted by the class action plaintiffs, but have agreed to make payments to certain current and former diesel vehicle owners and lessees. The estimated costs for this settlement amount to approximately CAD250 million (equivalent to approximately €175 million).

In a separate lawsuit filed by the State of Arizona in January 2019, the plaintiff claims that, amongst others, Mercedes-Benz Group AG and MBUSA deliberately deceived consumers in connection with advertising Mercedes-Benz diesel vehicles. Consumer class actions containing similar allegations were filed against Mercedes-Benz Group AG and further Group companies in the United Kingdom since May 2020 as well as against Mercedes-Benz Group AG in Israel in February 2019. In a separate lawsuit filed by the Environmental Protection Commission of Hillsborough County, Florida in September 2020, the plaintiff claims that, amongst

others, Mercedes-Benz Group AG and MBUSA violated municipal regulations prohibiting vehicle tampering and other conduct by using alleged devices claimed to impair the effectiveness of emissions control systems.

In Germany, a large number of customers of diesel vehicles have filed lawsuits for damages or rescission of sales contracts. They assert that the vehicles contained illegal defeat devices and/or showed impermissibly high emission or consumption values. They refer to, in particular, the German Federal Motor Transport Authority's recall orders (see above). Given the current development of case numbers, we expect a continued high number of lawsuits to be filed in this respect. In this context, the Federation of German Consumer Organisations (Verbraucherzentrale Bundesverband e.V.) filed a model declaratory action ("Musterfeststellungsklage") against Mercedes-Benz Group AG with the Stuttgart Higher Regional Court on 7 July 2021. Such action seeks a ruling that certain preconditions of alleged consumer claims are met. Mercedes-Benz Group AG will defend itself against the federation's allegations.

Furthermore, a class action against Mercedes-Benz Group AG and other Group companies was filed in the Netherlands on 23 June 2020. The class action makes allegations comparable to the aforementioned US and Canadian class actions relating to all Euro 5 and 6 diesel vehicles sold in the EU between 2009 and 2019. The plaintiff, a foundation under the laws of the Netherlands, is representing Dutch claimants and seeks certification of an opt-out Netherlands class (Dutch claimants are participating in the class action by law). In the course of the proceedings, other claimants who bought such vehicles in the EU market have the option to declare participation in the class action (opt-in). Furthermore, the plaintiff is seeking declarations of law concerning the customers' entitlement to nullify or rescind their vehicle purchase contracts, to demand replacement of their vehicle and/or to demand damages. After the extension of the deadline granted by court, two further foundations filed statements of claim in court on 30 December 2020. The court has still to determine the lead plaintiff.

Mercedes-Benz Group AG and the respective other affected companies of the Group regard the lawsuits set out before as being without merit and will defend itself against the claims, unless a settlement has already been reached as described above.

In addition, investors from Germany and abroad have filed lawsuits for damages with the Stuttgart Regional Court alleging the violation of disclosure requirements (main proceedings) and also raised out-of-court claims for damages. The investors allege that Mercedes-Benz Group AG did not immediately disclose inside information in connection with the emission behaviour of its diesel vehicles and that it had made false and misleading public statements. They further claim that the purchase price of the financial instruments acquired by them (in particular Mercedes-Benz shares, formerly Daimler AG shares) would have been lower if Mercedes-Benz Group AG had complied with its disclosure obligations. Mercedes-Benz Group AG regards these allegations and claims as being without merit and will defend itself against them. In January 2021, the Stuttgart Regional Court issued in the context of the main proceedings an order for reference to commence model case proceedings in accordance with the Act on Model Proceedings in Capital Markets Disputes (KapMuG) before the Stuttgart Higher Regional Court (model case proceedings). The purpose of the model case proceedings is to reach a decision that is binding for the main proceedings regarding common factual and legal questions. The main proceedings before the Stuttgart Regional Court will be suspended until a decision is reached on the questions submitted, insofar as they cannot be dismissed independently of the questions to be decided in the model case proceedings. The decision in the model case proceedings is binding for the suspended main proceedings. In December 2021, the Stuttgart Higher Regional Court determined a model case plaintiff and announced the model case proceedings in the German register for model case proceedings. Thereafter, multiple investors used the possibility to register claims in a considerable amount with the model case proceedings in order to suspend the period of limitation. Mercedes-Benz Group AG remains of the view to have duly fulfilled its disclosure obligations under capital markets law and will defend itself against the investors' allegations also in these model case proceedings.

### **Antitrust law proceedings (including actions for damages)**

Starting in July 2017, a number of class actions were filed in the United States and Canada against Mercedes-Benz Group AG and other manufacturers of automobiles as well as various of their North American subsidiaries. Plaintiffs allege to have suffered damages because defendants engaged in anticompetitive behaviour relating to vehicle technology, costs, suppliers, markets, and other competitive attributes, including diesel emissions control technology, since the 1990s. All pending US class actions were centralised in one proceeding by the Judicial Panel on multidistrict litigation and transferred to the U.S. District Court for the Northern District of California. In 2018, plaintiffs in the US antitrust class action amended and consolidated their complaints into two pleadings, one on behalf of consumers and the other on behalf of dealers. On 23 October 2020, the court granted motions to dismiss the complaints in their entirety, with prejudice, ending the litigation in the US district court. On 30 August 2021, the consumer plaintiffs withdrew the appeal they had filed, ending their case. On 26 October 2021, the US Court of Appeals for the Ninth Circuit affirmed the dismissal of the dealer plaintiffs' claims. Mercedes-Benz Group AG and MBUSA regard the US and Canadian lawsuits as being without merit, and will continue to defend themselves against the claims.

In the course of its formal investigation into possible collusion on clean emission technology, the European Commission sent a statement of objections to Mercedes-Benz and other automobile manufacturers in April 2019. In this context, Mercedes-Benz had filed a leniency application with the European Commission some time ago. On 8 July 2021, the proceedings were closed by way of a settlement with the European Commission. During the entire proceedings, Mercedes-Benz Group AG cooperated closely with the European Commission, and the European Commission granted the company complete immunity from fines.

Following the settlement decision by the European Commission adopted on 19 July 2016, concluding the trucks antitrust proceedings, Mercedes-Benz Group AG and Daimler Truck AG are facing customers' claims for damages to a considerable degree. Respective legal actions, class actions and other forms of legal redress

have been initiated in various states in and outside of Europe and should further be expected. As set out at the beginning of the note “Legal Proceedings”, Mercedes-Benz Group AG is entitled to indemnification claims against Daimler Truck Holding AG and Daimler Truck AG, should the aforementioned claims materialise. Consequently, as Mercedes-Benz Group AG is no longer exposed to financial risks related to the damages claims described in this paragraph, it will no longer report about these proceedings.

### **Other legal proceedings**

As already reported, class actions in connection with Takata airbags are pending in Canada, the United States, Israel, and Argentina. The lawsuits are based on allegations that, along with Takata entities and many other companies that sold vehicles equipped with Takata airbag inflators, Mercedes-Benz entities and others were allegedly negligent in selling such vehicles, purportedly not recalling them quickly enough, and failing to warn consumers about a potential defect and/or to provide an adequate replacement airbag inflator. One of the complaints in the United States also asserts claims by automotive recyclers who allege injury because they are not able to re-sell salvaged airbag inflators that are subject to the Takata recall. Mercedes-Benz Group AG continues to regard all these claims as being without merit, and the Mercedes-Benz Group affiliates respectively affected will further defend themselves against the claims.

### **Accounting estimates and management judgments relating to all legal proceedings**

Mercedes-Benz Group AG and its subsidiaries recognise provisions in connection with pending or threatened proceedings to the extent a loss is probable and can be reasonably estimated. These provisions are taken into account in the annual financial statements and are based on estimates. Some of the risks arising from legal proceedings cannot be estimated or can only be estimated to a limited extent. It is therefore possible that the amounts of provisions recognised may prove to be insufficient after the conclusion of some of these proceedings or that Mercedes-Benz may be obliged to make payments in legal proceedings for which no provisions have been recognised and which, in the case of subsidiaries, may negatively affect the earnings of Mercedes-Benz Group AG through profit-and-loss-transfer agreements. Uncertainties exist regarding the amounts or due dates of possible cash outflows. Although the final outcome of such proceedings may have a material impact on the earnings and cash flows of Mercedes-Benz Group AG in a certain reporting period, we do not believe that the resulting possible obligations will have a lasting impact on the Company's financial position.


### Remuneration of the members of the Board of Management and the Supervisory Board

Individualised information on the remuneration of the members of the Board of Management and of the Supervisory Board of Mercedes-Benz AG is disclosed in the Remuneration Report .

#### Board of Management remuneration

The total remuneration (excluding retirement benefit commitments) granted to the members of the Board of Management of Mercedes-Benz Group AG pursuant to Section 285 No. 9 of the German Commercial Code (HGB) is calculated as the total of the amounts of

- the base salary in 2021,
- the short-term half of the annual bonus for 2021 payable in 2022 with its value at the balance sheet date,
- the half of the medium-term share-based component of the annual bonus for 2021 (“deferral”) payable in 2023 with its value at the balance sheet date 2022 (entitlement depending on the development of Mercedes-Benz Group share price compared with the STOXX Europe Auto Index),
- the value of the long-term share-based remuneration (Performance Phantom Share Plan – PPSP) at the time when granted in 2021 (payable in 2025), and
- taxable non-cash benefits in 2021 and other fringe benefits.

For both of the share-based components of remuneration – the deferred payment of the second 50% of the annual bonus (deferral) and the PPSP with a long-term orientation – the amounts to be paid out can deviate significantly from the values described, depending on the development of the Mercedes-Benz Group share price and on the achievement of the relevant target parameters. Upward deviation is limited. Both components can also be zero. Further information on share-based remuneration is provided in the  Equity chapter and in the Remuneration Report.

In 2021, €8.8 million (2020: €7.6 million) is attributable to fixed, i.e., non-performance-related remuneration, €15.0 million (2020: €11.1 million) to short- and medium-term performance-related variable remuneration (annual bonus with deferral) and €11.1 million (PPSP: 170,670 phantom shares at €65.27 each) to variable performance-related remuneration with a long-term incentive effect granted in the year under review (2020: €9.2 million. €, 215,743 phantom shares at €42.73). This adds up to a total of €34.9 million for 2021 (2020: €27.9 million). The amounts for 2020 reflect the voluntary waiver by the Board of management of 20% of the basic remuneration in the period of 1 April to 31 December 2020. The members of the Board of Management are entitled to a company pension. The system upon which that pension is based was last adjusted by the Supervisory Board for members newly appointed as of 2012. Service cost and present value have been calculated with consideration of the parameters used to calculate the pension obligation. The service cost of the pension obligation in 2021 was €2.1 million (2020: €2.1 million). The present value of the total obligation at 31 December 2021 was €16.3 million (2020: €26.9 million).

In the case of early termination of a service contract without an important reason, Board of Management service contracts include commitments to payment of the base salary and pro-vision of a company car until the end of the original service period at a maximum. However, entitlement to the payment of the annual bonus exists only pro rata for the time until the termination of the service contract. Entitlement to payment of the performance-related component of remuneration with a long-term incentive effect (PPSP) that has already been allocated is defined by the conditions of the respective plans. To the extent that the benefits described above are subject to the provisions of the so-called severance cap of the German Corporate Governance Code, their total including fringe benefits is limited to double the annual remuneration and may not exceed the total remuneration for the remaining period of the service contract.

Payments made in 2021 to former members of the Board of Management of Mercedes-Benz Group AG and their survivors amounted to a total of €19.1 million (2020: €26.0 million). Pension obligations for former

members of the Board of Management and their survivors amounted to €303.7 million at 31 December 2021 (2020: €291.8 million).

In 2021, no advances or loans were made to members of the Board of Management of Mercedes-Benz Group AG.

### Supervisory Board remuneration

The total remuneration for the members of the Supervisory Board of Mercedes-Benz Group AG in 2021 was €4.6 million (2020: €3.7 million). The amount for 2020 reflects the voluntary waiver by the Supervisory Board of 20% of the fixed remuneration and of the meeting attendance fees in the period from 1 April to 31 December 2021. The remuneration of the members of the Supervisory Board does not include any performance-related variable components.

With the exception of the remuneration paid to the members of the Supervisory Board representing the employees in accordance with their contracts of employment, no remuneration was paid to the members of the Supervisory Board for services provided personally beyond their board and committee activities in 2021, in particular for advisory or agency services.

In 2021, no advances or loans were made to members of the Supervisory Board of Mercedes-Benz Group AG.

### Disclosures pursuant to Section 160 Subsection 1 No. 8 of the German Stock Corporation Act (AktG)

At the balance sheet date of 31 December 2021, shareholdings in the Company exist that were communicated pursuant to Section 33 Subsection 1 and Section 21 Subsection 1 of the German Securities Trading Act (WpHG, old version) and disclosed pursuant to Section 40 Subsection 1 and Section 26 Subsection 1 of the WpHG (old version) as follows:

On 30 December 2021, **Bank of America Corporation**, Wilmington, Delaware, USA, notified us pursuant to Section 33 Subsection 1 of the German Securities Trading Act (WpHG) that its percentage of voting rights in [the former] Daimler AG, Mercedesstr. 120, 70372 Stuttgart, Germany, fell below the threshold of 3% on 28 December 2021 and as of that date amounted to 1.81%

(19,364,922 voting rights, thereof 333,024 voting rights equal to 0.03% from American Depositary receipts, out of a total of 1,069,837,447 voting rights). Thereof, 1.81% (19,364,922 voting rights) are attributable to Bank of America, Wilmington, Delaware, USA, at that date pursuant to Section 34 of the WpHG.

On 9 December 2021, **BlackRock, Inc.**, Wilmington, Delaware, USA, notified us pursuant to Section 33 Subsection 1 of the German Securities Trading Act (WpHG) that its percentage of voting rights in [the former] Daimler AG, Mercedesstr. 120, 70372 Stuttgart, Germany, exceeded the threshold of 5% on 6 December 2021 and as of that date amounted to 5.35% (57,205,993 voting rights, thereof 48,797 voting rights equal to 0.005% from American Depositary receipts, out of a total of 1,069,837,447 voting rights). Thereof, 5.35% (57,205,993 voting rights) are attributable to BlackRock, Inc., Wilmington, Delaware, USA at that date pursuant to Section 34 of the WpHG.

On 17 March 2021, **Nissan Motor Co. Ltd.**, Yokohama, Japan, notified us pursuant to Section 33 Subsection 1 of the German Securities Trading Act (WpHG) that its percentage of voting rights in [the former] Daimler AG, Mercedesstr. 120, 70372 Stuttgart, Germany, fell below the threshold of 3% on 12 March 2021 and as of that date amounted to 1.54% (16,448,378 voting rights out of a total of 1,069,837,447 voting rights). Thereof, 1.54% (16,448,378 voting rights) are directly held by Nissan Motor Co. Ltd. Yokohama, Japan, at that date.

On 16 March 2021, **Renault S. A.**, Boulogne-Billancourt, France, notified us pursuant to Section 33 Subsection 1 of the German Securities Trading Act (WpHG) that its percentage of voting rights in [the former] Daimler AG, Mercedesstr. 120, 70372 Stuttgart, Germany, fell below the threshold of 3% on 12 March 2021 and as of that date amounted to 1.5374% (16,448,378 voting rights out of a total of 1,069,837,447 voting rights). Thereof, 1.5374% (16,448,378 voting rights) are attributable to Renault S.A., Boulogne-Billancourt, France, at that date pursuant to Section 34 of the WpHG.

On 9 August 2019, the **People's Republic of China**, Beijing, China, notified us pursuant to Section 33 Subsection 1 of the German Securities Trading Act (WpHG) that its percentage of voting rights in [the former]

Daimler AG, [then] Mercedesstr. 137, 70372 Stuttgart, Germany, reached the threshold of 5% on 7 August 2019 and as of that date amounted to 5.00% (53,491,873 voting rights out of a total of 1,069,837,447 voting rights). Thereof, 5.00% (53,491,873 voting rights) are attributable to the People's Republic of China pursuant to Section 34 of the WpHG. 3% or more of the voting rights (5%) are held directly by Investment Global Co., Ltd., an indirect subsidiary of Beijing Automotive Group Co., Ltd. On 17 December 2021, BAIC International Development Co., Ltd, Beijing, China, notified us pursuant to Section 33 Subsection 1 of the German Securities Trading Act (WpHG) that its percentage of voting rights in [the former] Daimler AG, Mercedesstr. 120, 70372 Stuttgart, Germany, had fallen below the threshold of 5% on 9 August 2019 and as of that date amounted to 0.00% (corresponding to 0 of a total of 1,069,837,447 voting rights). Due to organisational changes within Beijing Automotive Group Co., Ltd. on 9 August 2019, BAIC International Development Co., Ltd. is no longer part of the chain of controlled companies with regard to the People's Republic of China's shareholding in [the former] Daimler AG. The percentage of voting rights of Investment Global Co. amounted to 9.98% as of 17 December 2021.

On 5 December 2018, **Li Shufu**, notified us pursuant to Section 33 Subsection 1 in conjunction with Section 37 of the German Securities Trading Act (WpHG) that its percentage of voting rights in [the former] Daimler AG, [then] Mercedesstr. 137, 70372 Stuttgart, Germany, exceeded the threshold of 5% on 3 December 2018 and as of that date amounted to 9.69% (103,619,340 voting rights out of a total of 1,069,837,447 voting rights). Thereof, 9.69% (103,619,340 voting rights) are attributable to Li Shufu pursuant to Section 34 of the WpHG. 3% or more of the voting rights (9.69%) are held directly by Tenaciou3 Prospect Investment Limited as of that date. The notification was made on the occasion of reaching a threshold at subsidiary level as a result of a change in the holding structure.

The **Kuwait Investment Authority** as Agent for the Government of the State of Kuwait, Kuwait City, State of Kuwait, notified us pursuant to Section 21 Subsection 1 of the German Securities Trading Act (WpHG, [old version]) that the voting rights of the State of Kuwait in [the former] Daimler AG, [then] Mercedesstr. 137, 70372

Stuttgart, Germany, exceeded the threshold of 5% on 22 April 2010 and that it held 5.33% (56,589,320 voting rights) as of that date. The notification states that all voting rights are directly held.

After the balance sheet date of 31 December 2021, the company received further notifications which, pursuant to Section 40 Subsection 1 of the German Securities Trading Act (WpHG), were disclosed as follows:

On 13 January 2022, **Bank of America Corporation**, Wilmington, Delaware, USA, notified us pursuant to Section 33 Subsection 1 of the German Securities Trading Act (WpHG) that its percentage of voting rights in [the former] Daimler AG, Mercedesstr. 120, 70372 Stuttgart, Germany, fell below the threshold of 3% on 10 January 2022 and as of that date amounted to 1.75% (18,771,892 voting rights, thereof 333,857 voting rights equal to 0.03% from American Depositary receipts, out of a total of 1,069,837,447 voting rights). Thereof, 1.75% (18,771,892 voting rights) are attributable to Bank of America, Wilmington, Delaware, USA, at that date pursuant to Section 34 of the WpHG.

On 12 January 2022, **BlackRock, Inc.**, Wilmington, Delaware, USA, notified us pursuant to Section 33 Subsection 1 of the German Securities Trading Act (WpHG) that its percentage of voting rights in [the former] Daimler AG, Mercedesstr. 120, 70372 Stuttgart, Germany, exceeded the threshold of 5% on 7 January 2022 and as of that date amounted to 5.42% (58,007,435 voting rights, thereof 45,349 voting rights equal to 0.004% from American Depositary receipts, out of a total of 1,069,837,447 voting rights). Thereof, 5.42% (58,007,435 voting rights) are attributable to BlackRock, Inc., Wilmington, Delaware, USA at that date pursuant to Section 34 of the WpHG.

#### **Declaration of Compliance with the German Corporate Governance Code**

The mandatory statement pursuant to Section 161 of the German Stock Corporation Act (AktG) has been issued by the Board of Management and the Supervisory Board and is permanently accessible at [group.mercedes-benz.com/company/corporate-governance/declarations-reports/](https://group.mercedes-benz.com/company/corporate-governance/declarations-reports/).



**Members of the Board of Management and their mandates**

<b>Members of the Board of Management</b>	<b>Supervisory board memberships/directorships</b>
<p><b>Ola Källenius</b> Chairman of the Board of Management Appointed until May 2024</p>	<p>INTERNAL DIRECTORSHIPS Daimler Truck AG – Chairman (until 10 November 2021)</p> <p>EXTERNAL DIRECTORSHIPS Tetra Laval Group</p>
<p><b>Dr. Jörg Burzer</b> Production &amp; Supply Chain Management (since 1 December 2021) Appointed until November 2024</p>	<p>INTERNAL DIRECTORSHIPS Mercedes-Benz South Africa Ltd. Beijing Benz Automotive Co., Ltd. Mercedes-Benz U.S. International</p>
<p><b>Martin Daum</b> Daimler Trucks &amp; Buses Membership ended on 9 December 2021</p>	<p>INTERNAL DIRECTORSHIPS None</p> <p>EXTERNAL DIRECTORSHIPS Beijing Foton Daimler Automotive Co., Ltd. Cellcentric GmbH &amp; Co. KG</p>
<p><b>Renata Jungo Brünger</b> Integrity and Legal Affairs Appointed until December 2023</p>	<p>INTERNAL DIRECTORSHIPS Daimler Truck AG<sup>1</sup> (since 29 July 2021)</p> <p>EXTERNAL DIRECTORSHIPS Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in Munich Daimler Truck Holding AG (since 10 December 2021)</p>
<p><b>Sabine Kohleisen</b> Human Resources and Director of Labour Relations (since 1 December 2021) Appointed until November 2024</p>	<p>INTERNAL DIRECTORSHIPS Daimler Truck AG (until 10 November 2021) Mercedes-Benz U.S. International</p>
<p><b>Wilfried Porth</b> Human Resources and Director of Labour Relations Membership ended on 30 November 2021</p>	<p>INTERNAL DIRECTORSHIPS Mercedes-Benz AG (until 1 October 2021) Daimler Truck AG (until 10 November 2021)</p> <p>EXTERNAL DIRECTORSHIPS VfB Stuttgart 1893 AG – Vice Chairman (until 19 July 2021)</p>

1 External directorship since 9 December 2021

**Members of the Board of Management****Markus Schäfer**

Chief Technology Officer, Development & Procurement

Appointed until May 2024

**Supervisory board memberships/directorships**

## INTERNAL DIRECTORSHIPS

Mercedes AMG High Performance Powertrains Ltd.

Mercedes AMG GmbH (since 5 November 2021)

Mercedes-Benz Grand Prix Ltd.<sup>2</sup> – Chairman

Mercedes-Benz Formula E Ltd. – Chairman

## EXTERNAL DIRECTORSHIPS

Shenzhen DENZA New Energy Automotive Co., Ltd.

smart Automobile Co., Ltd.

Farasis Energy (Ganzhou) Co., Ltd. (since 23 July 2021)

**Britta Seeger**

Sales

Appointed until December 2024

## INTERNAL DIRECTORSHIPS

Mercedes-Benz Mobility AG (formerly Daimler Mobility AG)

Mercedes-Benz AMG GmbH (since 5 November 2021)

Mercedes-Benz (China) Ltd. – Vice Chairwoman

Mercedes-Benz Formula E Ltd.

Mercedes-Benz Grand Prix Ltd. (until 1 March 2021)

Mercedes-Benz South Africa Ltd.

## EXTERNAL DIRECTORSHIPS

Beijing Mercedes-Benz Sales Service Co., Ltd.

smart Automobile Co., Ltd.

Deutsche Lufthansa AG (since 4 May 2021)

<sup>2</sup> External directorship since 25 January 2022

**Members of the Board of Management****Hubertus Troska**

Greater China

Appointed until December 2025

**Supervisory board memberships/directorships**

## INTERNAL DIRECTORSHIPS

Daimler Truck AG (until 10 November 2021)

Daimler Greater China Ltd. – Chairman

Daimler Truck China Limited – Chairman (until 30 November 2021)

Daimler Trucks and Buses (China) Ltd.<sup>1</sup> – Chairman

Mercedes-Benz Hong Kong Ltd. (formerly Daimler Vans Hong Kong Ltd.) – Chairman

Mercedes-Benz Leasing Co., Ltd.

Mercedes-Benz (China) Ltd.

Mercedes-Benz Hong Kong Ltd.

Mercedes-Benz Taiwan Ltd.

## EXTERNAL DIRECTORSHIPS

BAIC Motor Corporation Ltd.

Beijing Mercedes-Benz Sales Service Co., Ltd. – Chairman

Beijing Benz Automotive Co., Ltd. – Vice Chairman

Beijing Foton Daimler Automotive Co., Ltd.

Fujian Benz Automotive Co., Ltd. – Vice Chairman

Shenzhen DENZA New Energy Automotive Co., Ltd. –  
Chairman

smart Automobile Co., Ltd. – Vice Chairman

**Harald Wilhelm**Finance & Controlling / Mercedes-Benz  
Mobility

Appointed until March 2027

## INTERNAL DIRECTORSHIPS

Mercedes-Benz Mobility AG (formerly Daimler Mobility AG) –  
ChairmanDaimler Truck AG<sup>1</sup>

Mercedes-AMG GmbH (since 5 November 2021)

## EXTERNAL DIRECTORSHIPS

BAIC Motor Corporation Ltd.

Daimler Truck Holding AG (since 9 December 2021)

<sup>1</sup> External directorship since 9 December 2021

**Members of the Supervisory Board and their mandates****Members of the Supervisory Board****Dr. Bernd Pischetsrieder**

Chairman of the Supervisory Board of Mercedes-Benz Group AG  
Elected until 2024

**Other supervisory board memberships/directorships**

Mercedes-Benz AG – Chairman\*\*

**Michael Brecht\***

Deputy Chairman of the Supervisory Board of Mercedes-Benz Group AG;  
Chairman of the General Works Council, Mercedes-Benz Group;  
Chairman of the Works Council at the Mercedes-Benz plant in Gaggenau  
Elected until 2023

Mercedes-Benz AG\*\* (until 31 October 2021)  
Daimler Truck Holding AG\*\* (since 9 December 2021)  
Daimler Truck AG\*\*<sup>1</sup>

**Bader M. Al Saad**

Chairman of the Board of Directors and Director General of the Arab Fund for Economic & Social Development  
Elected until 2022

Mercedes-Benz AG\*\* (since 29 July 2021)  
Daimler Truck AG\*\* (until 29 July 2021)  
Kuwait Investment Authority (until 17 April 2021)  
Kuwait Fund for Arab Economic Development (until 8 July 2021)  
BlackRock Inc.

**Sari Baldauf**

Chair of the Board of Directors of Nokia Oyj  
Elected until 2023

Mercedes-Benz AG\*\* (until 1 October 2021)  
Daimler Truck AG\*\* (until 10 November 2021)  
Vexve Armatury Group – Chairwoman (until 30 June 2021)  
Nokia Oyj – Chairwoman

**Michael Bettag\***

Chairman of the Works Council at the Mercedes-Benz Nuremberg Own Retail Branch  
Elected until 2023

**Ben van Beurden**

Chief Executive Officer of Shell plc  
Elected until 2025  
(since 31 March 2021)

Mercedes-Benz AG\*\* (since 22 April 2021)

<sup>1</sup> External directorship since 9 December 2021

\* Employee representative \*\* Group mandate

**Members of the Supervisory Board****Nadine Boguslawski\***

First Authorised Representative of IG Metall (German Metalworkers' Union)  
Stuttgart  
Appointed until 2023  
(since 1 August 2021)

**Other supervisory board memberships/directorships**

Mercedes-Benz AG\*\*

Robert Bosch GmbH

**Dr. Clemens Börsig**

Former Chairman of the Supervisory Board of Deutsche Bank AG  
Elected until 2022

Mercedes-Benz AG\*\* (since 1 October 2021)

Daimler Truck AG\*\* (until 10 November 2021)

Linde plc (until 1 March 2022)

Emerson Electric Co. (until 1 February 2022)

**Dr. Martin Brudermüller**

Chairman of the Board of Executive Directors of BASF SE  
Elected until 2025  
(since 31 March 2021)

Mercedes-Benz AG\*\* (since 22 April 2021)

**Liz Centoni**

Chief Strategy Officer and GM, Applications Cisco, Inc.  
Elected until 2025  
(since 31 March 2021)

Mercedes-Benz AG\*\* (since 29 July 2021)

Ingersoll Rand Inc.

**Michael Häberle\***

Deputy Chairman of the General Works Council at Mercedes-Benz Group AG;  
Chairman of the Works Council at the Mercedes-Benz Untertürkheim Site  
Elected until 2023

Mercedes-Benz AG\*\*

**Timotheus Höttges**

Chairman of the Board of Management of Deutsche Telekom AG  
Elected until 2025

Mercedes-Benz AG\*\* (since 1 October 2021)

Henkel AG & Co. KGaA (until 30 September 2021)

FC Bayern AG (until 30 August 2021)

Telekom Deutschland GmbH – Chairman (until 2 July 2021)

T-Mobile US, Inc., USA – Chairman

**Olaf Koch**

Partner and Managing Director Zintinus GmbH  
Elected until 2025  
(since 1 October 2021)

Mercedes-Benz AG\*\*

<sup>1</sup> External directorship since 9 December 2021

\* Employee representative \*\* Group mandate

**Members of the Supervisory Board****Ergun Lümalı\***

Deputy Chairman of the Group Works Council at the Mercedes-Benz Group; Chairman of the General Works Council at Mercedes-Benz Group AG; Chairman of the Works Council at the Mercedes-Benz plant in Sindelfingen  
Elected until 2023

**Other supervisory board memberships/directorships**

Mercedes-Benz AG\*\*  
Daimler Truck AG\*\* (until 31 October 2021)

**Roman Romanowski\***

Head of the Executive Legal Department at the Board of Management of IG Metall (German Metalworkers' Union)  
Appointed until 2023  
(since 6 September 2021)

Mercedes-Benz AG\*\* (since 1 August 2021)

**Prof. Dr. Helene Svahn**

Professor of Nanobiotechnology at the Royal Institute of Technology, Sweden  
Elected until 2025  
(since 1 October 2021)

Mercedes-Benz AG\*\*  
Axel Johnson International AB

**Monika Tielsch\***

Member of the Labour Council at the Mercedes-Benz Sindelfingen Plant (RD)  
Elected until 2023  
(since 9 December 2021)

**Elke Tönjes-Werner\***

Deputy Chairwoman of the Works Council at the Mercedes-Benz Bremen Plant  
Elected until 2023

**Dr. Frank Weber\***

Centre Manager BodyTEC, Mercedes-Benz AG; Chairman of the Management Representatives Committee, Mercedes-Benz Group  
Elected until 2023

Mercedes-Benz AG\*\*

**Roman Zitzelsberger\***

District Manager of IG Metall (German Metalworkers' Union) in Baden-Württemberg  
Elected until 2023

Daimler Truck AG\*\*<sup>1</sup>  
Daimler Truck Holding AG (since 9 December 2021)  
ZF Friedrichshafen AG

<sup>1</sup> External directorship since 9 December 2021

\* Employee representative \*\* Group mandate

**Stepped down from the Supervisory Board:**

Dr. Manfred Bischoff  
 Raymond Curry\*  
 Dr. Jürgen Hambrecht  
 Petraea Heynike  
 Joe Kaeser  
 Sibylle Wankel\*  
 Marie Wieck  
 Dr. Sabine Zimmer\*

**Legal Affairs Committee**

Dr. Clemens Börsig – Chairman  
 Sari Baldauf (since 31 March 2021 until  
 1 December 2021)  
 Dr. Manfred Bischoff (until 31 March 2021)  
 Michael Brecht\*  
 Liz Centoni (since 2 December 2021)  
 Michael Häberle\*  
 Olaf Koch (since 1 October 2021)  
 Ergun Lümali\* (since 1 August 2021)  
 Sibylle Wankel\* (until 31 July 2021)  
 Marie Wieck (until 1 October 2021)

**Committees of the Supervisory Board:****Committee pursuant to Section 27 Subsection 3 of the German Codetermination Act (MitbestG)**

Dr. Manfred Bischoff – Chairman  
 (until 31 March 2021)  
 Dr. Bernd Pischetsrieder – Chairman  
 (since 31 March 2021)  
 Ben van Beurden (since 31 March 2021)  
 Michael Brecht\*  
 Dr. Jürgen Hambrecht (until 31 March 2021)  
 Roman Zitzelsberger\*

**Presidential Committee**

Dr. Manfred Bischoff – Chairman (until 31 March 2021)  
 Dr. Bernd Pischetsrieder – Chairman (since 31 March  
 2021)  
 Michael Brecht\*  
 Dr. Jürgen Hambrecht (until 31 March 2021)  
 Ben van Beurden (since 31 March 2021)  
 Roman Zitzelsberger\*

**Audit Committee**

Dr. Clemens Börsig – Chairman  
 Michael Brecht\*  
 Joe Kaeser (until 1 October 2021)  
 Olaf Koch (since 1 October 2021)  
 Ergun Lümali\*

**Nomination Committee**

Dr. Manfred Bischoff – Chairman  
 (until 31 March 2021)  
 Dr. Bernd Pischetsrieder – Chairman  
 (since 31 March 2021)  
 Ben van Beurden (since 31 March 2021)  
 Sari Baldauf

\* Employee representative

\*\* Group mandate

# Statement of Investments

pursuant to Section 285 of the German Commercial Code (HGB) in conjunction with Section 286 Subsection 3 Sentence 1 No. 1 and Subsection 3 Sentence 2 of the German Commercial Code (HGB)

The statement of investments of Mercedes-Benz Group AG pursuant to Section 285 of the German Commercial Code (HGB) is presented as follows. For information regarding equity and earnings, IFRS values are generally used for fully consolidated companies. Information on equity and earnings and on other investments is omitted pursuant to Section 286 Subsection 3 Sentence 1 No. 1 of the HGB if such information is of minor relevance for

a fair presentation of the financial position, cash flows and profitability of Mercedes-Benz Group. On 1 February 2022, Daimler AG was renamed as Mercedes-Benz Group AG. From that date, further name changes of Group companies will take place. The statement of investments shows the companies with their company names as of 31 December 2021.

## C.20

Name of the company	Domicile, country/region	Equity interest in percent <sup>1</sup>	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
<b>I. Subsidiaries (consolidated in the Consolidated Financial Statements)</b>					
Accumotive GmbH & Co. KG	Kamenz, Germany	100.00	214	29	
Athlon Beheer International B.V.	Schiphol, Netherlands	100.00	-	-	
Athlon Car Lease Belgium N.V.	Machelen, Belgium	100.00	-	-	
Athlon Car Lease International B.V.	Schiphol, Netherlands	100.00	527	13	4
Athlon Car Lease Italy S.R.L.	Rome, Italy	100.00	-	-	
Athlon Car Lease Nederland B.V.	Schiphol, Netherlands	100.00	128	31	4
Athlon Car Lease Polska Sp. z o.o.	Warsaw, Poland	100.00	-	-	
Athlon Car Lease Portugal, lda	Oeiras, Portugal	100.00	-	-	
Athlon Car Lease Rental Services B.V.	Schiphol, Netherlands	100.00	-	-	
Athlon Car Lease Rental Services Belgium N.V.	Machelen, Belgium	100.00	-	-	
Athlon Car Lease S.A.S.	Le Bourget, France	100.00	58	12	
Athlon Car Lease Spain, S.A.	Alcobendas, Spain	100.00	-	-	
Athlon France S.A.S.	Le Bourget, France	100.00	-	-	
Athlon Germany GmbH	Düsseldorf, Germany	100.00	145	18	
Athlon Mobility Consultancy N.V.	Machelen, Belgium	100.00	-	-	
Athlon Mobility Services UK Limited	Milton Keynes, United Kingdom	100.00	57	19	
Athlon Rental Germany GmbH	Düsseldorf, Germany	100.00	-	-	
Athlon Sweden AB	Malmö, Sweden	100.00	-	-	
Athlon Switzerland AG i.L.	Schlieren, Switzerland	100.00	-	-	2
Brooklands Estates Management Limited	Milton Keynes, United Kingdom	100.00	-	-	
CARS Technik & Logistik GmbH	Wiedemar, Germany	100.00	-	-	3
CLIDET NO 1048 (Proprietary) Limited	Centurion, South Africa	100.00	-	-	
DA Investments Co. LLC	Wilmington, USA	100.00	166	42	
DAF Investments, Ltd.	Wilmington, USA	100.00	-	-	



## Other Notes

Name of the company	Domicile, country/region	Equity interest in percent <sup>1</sup>	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Daimler AG & Co. Anlagenverwaltung OHG	Schönefeld, Germany	100.00	-	-	
Daimler Australia/Pacific Pty. Ltd.	Melbourne, Australia	100.00	125	40	
Daimler Brand & IP Management GmbH & Co. KG	Stuttgart, Germany	100.00	23	21	
Daimler Canada Finance Inc.	Montreal, Canada	100.00	282	12	
Daimler Capital Services LLC	Wilmington, USA	100.00	72	18	4
Daimler Compra y Manufactura Mexico S. de R.L. de C.V.	Mexico City, Mexico	100.00	377	61	
Daimler Finance North America LLC	Wilmington, USA	100.00	-	-	
Daimler Financial Services Africa & Asia Pacific Ltd.	Singapore, Singapore	100.00	48	10	4
Daimler Financial Services India Private Limited	Chennai, India	100.00	216	33	
Daimler Financial Services Investment Company LLC	Wilmington, USA	100.00	72	48	
Daimler Fleet Management GmbH	Stuttgart, Germany	100.00	5	-	3
Daimler Fleet Management Singapore Pte. Ltd.	Singapore, Singapore	100.00	-	-	
Daimler Fleet Management South Africa (Pty.) Ltd. i. L.	Centurion, South Africa	65.00	-	-	2
Daimler Fleet Services A.S.	Istanbul, Turkey	100.00	-	-	
Daimler Greater China Ltd.	Beijing, China	100.00	5,692	1,331	
Daimler Grund Services GmbH	Schönefeld, Germany	100.00	203	-	3
Daimler Insurance Agency LLC	Wilmington, USA	100.00	-	-	
Daimler Insurance Services GmbH	Stuttgart, Germany	100.00	17	-	3
Daimler Insurance Services UK Limited	Milton Keynes, United Kingdom	100.00	-	-	
Daimler International Finance B.V.	Utrecht, Netherlands	100.00	566	-46	
Daimler International Nederland B.V.	Utrecht, Netherlands	100.00	9,988	2,121	
Daimler Investments US LLC	Wilmington, USA	100.00	-	-	
Daimler Ladungsträger GmbH	Böblingen, Germany	100.00	61	-	3
Daimler Mobility & Technology Service Co., Ltd.	Beijing, China	100.00	-	-	
Daimler Mobility AG	Stuttgart, Germany	100.00	2,607	-	3, 4
DAIMLER MOBILITY AUSTRALIA PTY LTD	Melbourne, Australia	100.00	63	47	
Daimler Mobility Services GmbH	Leinfelden-Echterdingen, Germany	100.00	242	-	3
Daimler Mobility Vermögens- und Beteiligungsgesellschaft mbH	Stuttgart, Germany	100.00	-	-	3
Daimler Nederland B.V.	Utrecht, Netherlands	100.00	827	314	
Daimler Nederland Holding B.V.	Utrecht, Netherlands	100.00	506	11	
Daimler North America Corporation	Wilmington, USA	100.00	5,960	1,982	4
Daimler North America Finance Corporation	Newark, USA	100.00	-	-	
Daimler Northeast Asia Parts Trading and Services Co., Ltd.	Beijing, China	100.00	189	152	
Daimler Parts Brand GmbH	Stuttgart, Germany	100.00	-	-	3
Daimler Re Insurance S.A. Luxembourg	Luxembourg, Luxembourg	100.00	103	14	
Daimler Real Estate GmbH	Berlin, Germany	100.00	-	-	
Daimler Retail Receivables LLC	Farmington Hills, USA	100.00	-	-	
Daimler South East Asia Pte. Ltd.	Singapore, Singapore	100.00	91	54	
Daimler Truck Financial Services Belgium N.V./S.A.	Brussels, Belgium	100.00	-	-	
Daimler Truck Financial Services Italia S.p.A	Rome, Italy	100.00	-	-	
Daimler Truck Financial Services Nederland B.V.	Nieuwegein, Netherlands	100.00	-	-	

## Other Notes

Name of the company	Domicile, country/region	Equity interest in percent <sup>1</sup>	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Daimler Trust Holdings LLC	Farmington Hills, USA	100.00	-	-	
Daimler Trust Leasing Conduit LLC	Wilmington, USA	100.00	-	-	
Daimler Trust Leasing LLC	Farmington Hills, USA	100.00	-	-	
Daimler UK Limited	Milton Keynes, United Kingdom	100.00	865	-159	
Daimler Vans Hong Kong Limited	Hong Kong, China	67.55	144	43	
Daimler Vans USA, LLC	Wilmington, USA	100.00	-	-	
Daimler Vermögens- und Beteiligungsgesellschaft mbH	Stuttgart, Germany	100.00	1,202	-	3
Daimler Verwaltungsgesellschaft für Grundbesitz mbH	Schönefeld, Germany	100.00	5,210	-	3
Daimler Vorsorge und Versicherungsdienst GmbH	Berlin, Germany	100.00	-	-	3
EHG Elektroholding GmbH	Stuttgart, Germany	100.00	1,151	-	3
Friesland Lease B.V.	Drachten, Netherlands	51.11	-	-	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 1 OHG	Schönefeld, Germany	100.00	3,743	362	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 2 OHG	Schönefeld, Germany	100.00	-	-	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 3 OHG	Schönefeld, Germany	100.00	-	-	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 4 OHG	Schönefeld, Germany	100.00	740	58	4
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 5 OHG	Schönefeld, Germany	100.00	698	103	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 6 OHG	Schönefeld, Germany	100.00	206	12	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 7 OHG	Schönefeld, Germany	100.00	45	17	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Delta OHG	Schönefeld, Germany	100.00	231	23	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Epsilon OHG	Schönefeld, Germany	100.00	252	18	
Interleasing Luxembourg S.A.	Windhof, Luxembourg	100.00	-	-	
Koppieview Property (Pty) Ltd	Zwartkop, South Africa	100.00	-	-	
MBarc Credit Canada Inc.	Mississauga, Canada	100.00	-	-	
MDC Power GmbH	Kölleda, Germany	100.00	86	-	3
Mercedes AMG High Performance Powertrains Ltd	Brixworth, United Kingdom	100.00	-	-	
Mercedes Benz Kamyon Finansman A.S.	Istanbul, Turkey	100.00	-	-	
Mercedes Benz Otomotiv Ticaret ve Hizmetler A.S.	Istanbul, Turkey	66.91	76	29	
Mercedes pay GmbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-AMG GmbH	Affalterbach, Germany	100.00	1,295	-	3
Mercedes-Benz - Aluguer de Veículos, Lda.	Mem Martins, Portugal	100.00	-	-	
Mercedes-Benz (China) Ltd.	Beijing, China	75.00	1,173	873	
Mercedes-Benz (Thailand) Limited	Bangkok, Thailand	100.00	195	103	4
Mercedes-Benz AG	Stuttgart, Germany	100.00	25,956	-	3
Mercedes-Benz Antwerpen N.V.	Antwerp, Belgium	100.00	-	-	
Mercedes-Benz Argentina S.A.U.	Buenos Aires, Argentina	100.00	277	9	
Mercedes-Benz Asia GmbH	Stuttgart, Germany	100.00	223	-	3
Mercedes-Benz Assuradeuren B.V.	Utrecht, Netherlands	100.00	-	-	
Mercedes-Benz Australia/Pacific Pty Ltd	Melbourne, Australia	100.00	466	43	
Mercedes-Benz Auto Finance Ltd.	Beijing, China	100.00	2,084	372	4
Mercedes-Benz Automotive Mobility GmbH	Berlin, Germany	100.00	-	-	3
Mercedes-Benz Bank AG	Stuttgart, Germany	100.00	3,296	-	3

## Other Notes

Name of the company	Domicile, country/region	Equity interest in percent <sup>1</sup>	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Mercedes-Benz Bank GmbH	Eugendorf, Austria	100.00	-	-	
Mercedes-Benz Bank Polska S.A.	Warsaw, Poland	100.00	-	-	
Mercedes-Benz Bank Rus OOO	Moscow, Russian Federation	100.00	-	-	
Mercedes-Benz Bank Service Center GmbH	Berlin, Germany	100.00	-	-	3
Mercedes-Benz Banking Service GmbH	Saarbrücken, Germany	100.00	-	-	3
Mercedes-Benz Belgium Luxembourg S.A.	Brussels, Belgium	100.00	85	18	
Mercedes-Benz Bordeaux S.A.S.	Begles, France	100.00	-	-	
Mercedes-Benz Broker Argentina S.A.	Buenos Aires, Argentina	99.00	-	-	
Mercedes-Benz Broker Biztosítási Alkusz Hungary Kft.	Budapest, Hungary	100.00	-	-	
Mercedes-Benz Brooklands Limited	Milton Keynes, United Kingdom	100.00	-	-	
Mercedes-Benz Canada Inc.	Mississauga, Canada	100.00	29	94	
Mercedes-Benz Capital Rus OOO	Moscow, Russian Federation	100.00	-	-	
Mercedes-Benz Cars & Vans Brasil - Indústria e Comércio De Veículos Ltda.	São Bernardo do Campo, Brazil	100.00	19	30	
Mercedes-Benz Cars UK Limited	Milton Keynes, United Kingdom	100.00	211	81	4
Mercedes-Benz Česká republika s.r.o.	Prague, Czech Republic	100.00	72	13	4
Mercedes-Benz Compañía Financiera Argentina S.A.	Buenos Aires, Argentina	100.00	-	-	
Mercedes-Benz Connectivity Services GmbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz CPH A/S	Horsholm, Denmark	100.00	-	-	
Mercedes-Benz Credit Pénzügyi Szolgáltató Hungary Zrt.	Budapest, Hungary	100.00	-	-	
Mercedes-Benz Customer Solutions GmbH	Stuttgart, Germany	100.00	-	-	4
Mercedes-Benz Danmark A/S	Copenhagen, Denmark	100.00	181	16	4
Mercedes-Benz Dealer Bedrijven B.V.	The Hague, Netherlands	100.00	-	-	
Mercedes-Benz Drogenbos N.V.	Drogenbos, Belgium	100.00	-	-	
Mercedes-Benz Espana, S.A.U.	Alcobendas, Spain	100.00	277	43	
Mercedes-Benz Europa NV/SA	Woluwe-Saint-Lambert, Belgium	100.00	-	-	
Mercedes-Benz ExTra LLC	Wilmington, USA	100.00	-	-	
Mercedes-Benz Finance Co., Ltd.	Tokyo, Japan	95.11	646	54	4
Mercedes-Benz Financial Services Australia Pty. Ltd.	Melbourne, Australia	100.00	218	60	4
Mercedes-Benz Financial Services Austria GmbH	Eugendorf, Austria	100.00	-	-	
Mercedes-Benz Financial Services BeLux NV	Brussels, Belgium	100.00	100	19	
Mercedes-Benz Financial Services Canada Corporation	Mississauga, Canada	100.00	283	82	4
Mercedes-Benz Financial Services Česká republika s.r.o.	Prague, Czech Republic	100.00	-	-	
Mercedes-Benz Financial Services España, E.F.C., S.A.	Alcobendas, Spain	100.00	240	38	
Mercedes-Benz Financial Services France S.A.	Montigny-le-Bretonneux, France	100.00	635	94	4
Mercedes-Benz Financial Services Hong Kong Ltd.	Hong Kong, China	80.00	-	-	
Mercedes-Benz Financial Services Italia S.p.A.	Rome, Italy	100.00	453	72	4
Mercedes-Benz Financial Services Korea Ltd.	Seoul, South Korea	80.00	393	32	4
Mercedes-Benz Financial Services Nederland B.V.	Nieuwegein, Netherlands	100.00	117	23	4
Mercedes-Benz Financial Services New Zealand Ltd	Auckland, New Zealand	100.00	-	-	

## Other Notes

Name of the company	Domicile, country/region	Equity interest in percent <sup>1</sup>	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Mercedes-Benz Financial Services Portugal - Sociedade Financeira de Crédito S.A.	Mem Martins, Portugal	100.00	88	11	4
Mercedes-Benz Financial Services Rus OOO	Moscow, Russian Federation	100.00	86	16	
Mercedes-Benz Financial Services Schweiz AG	Schlieren, Switzerland	100.00	167	48	
Mercedes-Benz Financial Services Slovakia s.r.o.	Bratislava, Slovakia	75.00	-	-	
Mercedes-Benz Financial Services South Africa (Pty) Ltd	Centurion, South Africa	100.00	74	10	4
Mercedes-Benz Financial Services Sp. zo.o.	Warsaw, Poland	100.00	-	-	
Mercedes-Benz Financial Services Taiwan Ltd.	Taipei, Taiwan, China	51.00	60	10	4
Mercedes-Benz Financial Services UK Limited	Milton Keynes, United Kingdom	100.00	509	373	4
Mercedes-Benz Financial Services USA LLC	Wilmington, USA	100.00	1,834	731	4
Mercedes-Benz Finans Danmark A/S	Copenhagen, Denmark	100.00	47	11	
Mercedes-Benz Finans Sverige AB	Malmö, Sweden	100.00	58	12	
Mercedes-Benz Finansal Kiralama Türk A.S.	Istanbul, Turkey	100.00	-	-	
Mercedes-Benz Finansman Türk A.S.	Istanbul, Turkey	100.00	87	14	4
Mercedes-Benz Formula E Limited	Brackley, United Kingdom	100.00	-	-	
Mercedes-Benz Försäljnings AB	Malmö, Sweden	100.00	-	-	
Mercedes-Benz France S.A.S.	Montigny-le-Bretonneux, France	100.00	491	59	
Mercedes-Benz Grand Prix Ltd.	Brackley, United Kingdom	70.00	192	107	
Mercedes-Benz Hellas Single-Member S.A.	Kifissia, Greece	100.00	-	-	
Mercedes-Benz Hong Kong Limited	Hong Kong, China	100.00	34	12	
Mercedes-Benz India Private Limited	Pune, India	100.00	365	29	
Mercedes-Benz Insurance Agency (Beijing) Co., Ltd.	Beijing, China	100.00	-	-	
Mercedes-Benz Insurance Broker S.R.L.	Voluntari, Romania	100.00	-	-	
Mercedes-Benz Insurance Services Nederland B.V.	Utrecht, Netherlands	100.00	-	-	
Mercedes-Benz Insurance Services Taiwan Ltd.	Taipei, Taiwan, China	100.00	-	-	
Mercedes-Benz Investment Company LLC	Wilmington, USA	100.00	487	85	
Mercedes-Benz Italia S.p.A.	Rome, Italy	100.00	177	47	
Mercedes-Benz Japan Co., Ltd.	Tokyo, Japan	100.00	276	74	
Mercedes-Benz Korea Limited	Seoul, South Korea	51.00	289	99	
Mercedes-Benz Lease Italia S.r.l.	Trento, Italy	100.00	-	-	
Mercedes-Benz Leasing (Thailand) Co., Ltd.	Bangkok, Thailand	100.00	107	18	
Mercedes-Benz Leasing Co., Ltd.	Beijing, China	65.00	1,222	213	4
Mercedes-Benz Leasing Deutschland GmbH	Stuttgart, Germany	100.00	.	-	3
Mercedes-Benz Leasing GmbH	Stuttgart, Germany	100.00	-45	-	3
Mercedes-Benz Leasing Hrvatska d.o.o.	Zagreb, Croatia	100.00	-	-	
Mercedes-Benz Leasing IFN S.A.	Bucharest, Romania	100.00	34	10	4
Mercedes-Benz Leasing Kft.	Budapest, Hungary	100.00	-	-	4
Mercedes-Benz Leasing Polska Sp. z o.o.	Warsaw, Poland	100.00	148	19	4
Mercedes-Benz Leasing Treuhand GmbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz Ludwigsfelde GmbH	Ludwigsfelde, Germany	100.00	-	-	3
Mercedes-Benz Malaysia Sdn. Bhd.	Puchong, Malaysia	100.00	91	46	

## Other Notes

Name of the company	Domicile, country/region	Equity interest in percent <sup>1</sup>	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Mercedes-Benz Manhattan, Inc.	Wilmington, USA	100.00	-	-	
Mercedes-Benz Manufacturing (Thailand) Limited	Bangkok, Thailand	100.00	-	-	
Mercedes-Benz Manufacturing Hungary Kft.	Kecskemét, Hungary	100.00	490	66	
Mercedes-Benz Manufacturing Poland sp. z o. o.	Jawor, Poland	100.00	201	43	
Mercedes-Benz Mechelen N.V.	Mechelen, Belgium	100.00	-	-	
Mercedes-Benz Mexico, S. de R.L. de C.V.	Mexico City, Mexico	100.00	31	11	
Mercedes-Benz Mitarbeiter-Fahrzeuge Leasing GmbH	Stuttgart, Germany	100.00	4	-	3
Mercedes-Benz Mobility Korea Ltd.	Seoul, South Korea	100.00	-	-	
Mercedes-Benz Nederland B.V.	Utrecht, Netherlands	100.00	38	15	4
Mercedes-Benz New Zealand Ltd	Auckland, New Zealand	100.00	-	-	
Mercedes-Benz Österreich GmbH	Eugendorf, Austria	100.00	39	17	
Mercedes-Benz Paris SAS	Port-Marly, France	100.00	-	-	4
Mercedes-Benz Parts Logistics Ibérica, S.L.U.	Azuqueca de Henares, Spain	100.00	-	-	
Mercedes-Benz Parts Logistics UK Limited	Milton Keynes, United Kingdom	100.00	-	-	
Mercedes-Benz Parts Manufacturing & Services Ltd.	Shanghai, China	100.00	-	-	
Mercedes-Benz Polska Sp. z o.o	Warsaw, Poland	100.00	69	28	
Mercedes-Benz Portugal, S.A.	Sintra, Portugal	100.00	-	-	
Mercedes-Benz PRAHA s.r.o.	Prague, Czech Republic	100.00	-	-	
Mercedes-Benz Renting, S.A.	Alcobendas, Spain	100.00	-	-	
Mercedes-Benz Research & Development North America, Inc.	Wilmington, USA	100.00	47	11	
Mercedes-Benz Retail Belgium NV/SA	Woluwe-Saint-Lambert, Belgium	100.00	-	-	4
Mercedes-Benz Retail Group UK Limited	Milton Keynes, United Kingdom	100.00	45	-11	
Mercedes-Benz Retail, S.A.	Madrid, Spain	100.00	39	17	
Mercedes-Benz Retail, Unipessoal Lda.	Mem Martins, Portugal	100.00	-	-	
Mercedes-Benz Risk Solutions South Africa (Pty.) Ltd.	Centurion, South Africa	100.00	-	-	
Mercedes-Benz Roma S.p.A.	Rome, Italy	100.00	-	-	
Mercedes-Benz Romania S.R.L.	Bucharest, Romania	100.00	-	-	
Mercedes-Benz Russia AO	Moscow, Russian Federation	100.00	353	113	
Mercedes-Benz Schweiz AG	Schlieren, Switzerland	100.00	76	21	
Mercedes-Benz Service Leasing S.R.L.	Bucharest, Romania	100.00	-	-	
Mercedes-Benz Services Correduria de Seguros, S.A.	Alcobendas, Spain	100.00	-	-	
Mercedes-Benz Services Malaysia Sdn Bhd	Selangor, Malaysia	100.00	-	-	
Mercedes-Benz Servicios S.A.U	Buenos Aires, Argentina	100.00	-	-	
Mercedes-Benz Sigorta Aracilik Hizmetleri A.S.	Istanbul, Turkey	100.00	-	-	
Mercedes-Benz Sosnowiec Sp. z o.o.	Sosnowiec, Poland	100.00	-	-	
Mercedes-Benz South Africa Ltd	Pretoria, South Africa	100.00	935	23	
Mercedes-Benz Sverige AB	Malmö, Sweden	100.00	107	20	4
Mercedes-Benz Taiwan Ltd.	Taipei, Taiwan, China	51.00	165	81	
Mercedes-Benz U.S. International, Inc.	Vance, USA	100.00	467	121	
Mercedes-Benz Ubezpieczenia Sp. z o.o.	Warsaw, Poland	100.00	-	-	
Mercedes-Benz USA, LLC	Wilmington, USA	100.00	376	327	4

## Other Notes

Name of the company	Domicile, country/region	Equity interest in percent <sup>1</sup>	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Mercedes-Benz Vans UK Limited	Milton Keynes, United Kingdom	100.00	76	22	
Mercedes-Benz Vans, LLC	Wilmington, USA	100.00	117	26	
Mercedes-Benz Vermögens- und Beteiligungsgesellschaft mbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz Versicherung AG	Stuttgart, Germany	100.00	56	-	3
Mercedes-Benz Vietnam Ltd.	Ho Chi Minh City, Vietnam	70.00	103	27	
Mercedes-Benz Warszawa Sp. z o.o.	Warsaw, Poland	100.00	-	-	4
Mercedes-Benz Waterloo S.A.	Braine-L'Alleud, Belgium	100.00	-	-	
Mercedes-Benz Wavre S.A.	Wavre, Belgium	100.00	-	-	
Mercedes-Benz Wommel N.V.	Wommel, Belgium	100.00	-	-	
Mercedes-Benz Wholesale Receivables LLC	Wilmington, USA	100.00	-	-	
Multifleet G.I.E	Le Bourget, France	50.10	-	-	
P.T. Mercedes-Benz Indonesia	Bogor, Indonesia	100.00	-	-	
PT Mercedes-Benz Distribution Indonesia	Jakarta, Indonesia	100.00	-	-	
Sandown Motor Holdings (Pty) Ltd	Bryanston, South Africa	100.00	-	-	
Silver Arrow Canada GP Inc.	Mississauga, Canada	100.00	-	-	
Silver Arrow Canada LP	Mississauga, Canada	100.00	-	-	
Star Assembly SRL	Sebes, Romania	100.00	274	87	
Ucafleet S.A.S	Le Bourget, France	65.00	-	-	
Vierzehnte Vermögensverwaltungsgesellschaft DVB mbH	Stuttgart, Germany	100.00	-	-	3
YASA Limited	Kidlington, United Kingdom	100.00	229	-9	
Zuidlease B.V.	Sittard, Netherlands	51.00	-	-	

## II. Subsidiaries (not consolidated in the Consolidated Financial Statements)

Accumotive Verwaltungs-GmbH	Kamenz, Germany	100.00	-	-	
AEG Olympia Office GmbH	Stuttgart, Germany	100.00	-	-	3
Anota Fahrzeug Service- und Vertriebsgesellschaft mbH	Berlin, Germany	100.00	-	-	3
Circulo Cerrado S.A. de Ahorro para Fines Determinados	Buenos Aires, Argentina	68.84	-	-	
Cúspide GmbH	Stuttgart, Germany	100.00	-	-	
Daimler Brand & IP Management Verwaltung GmbH	Stuttgart, Germany	100.00	-	-	3
Daimler Financial Services UK Trustees Ltd.	Milton Keynes, United Kingdom	100.00	-	-	
Daimler Gastronomie GmbH	Stuttgart, Germany	100.00	-	-	3
Daimler Group Services Berlin GmbH	Berlin, Germany	100.00	-	-	3
Daimler Group Services Madrid, S.A.U.	San Sebastián de los Reyes, Spain	100.00	-	-	
Daimler International Assignment Services USA, LLC	Wilmington, USA	100.00	-	-	
Daimler Pensionsfonds AG	Stuttgart, Germany	100.00	-	-	11
Daimler Protics GmbH	Leinfelden-Echterdingen, Germany	100.00	-	-	3
Daimler Purchasing Coordination Corp.	Wilmington, USA	100.00	-	-	
Daimler Trucks Retail Italia S.r.l.	Rome, Italy	100.00	-	-	
Daimler TSS GmbH	Ulm, Germany	100.00	2	-	3, 5
Daimler UK Share Trustee Ltd.	Milton Keynes, United Kingdom	100.00	-	-	
Daimler UK Trustees Limited	Milton Keynes, United Kingdom	100.00	-	-	

## Other Notes

Name of the company	Domicile, country/region	Equity interest in percent <sup>1</sup>	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Daimler Unterstützungskasse GmbH	Stuttgart, Germany	100.00	-	-	
Dreizehnte Vermögensverwaltungsgesellschaft DVB mbH	Stuttgart, Germany	100.00	-	-	3
Lapland Car Test Aktiebolag	Arvidsjaur, Sweden	100.00	-	-	
LEONIE DMS DVB GmbH	Stuttgart, Germany	100.00	-	-	3
LICULAR GmbH	Kuppenheim, Germany	100.00	-	-	
Li-Tec Battery GmbH	Kamenz, Germany	100.00	-	-	3
MB GTC GmbH Mercedes-Benz Gebrauchtteile Center	Neuhausen auf den Fildern, Germany	100.00	.	-	3, 5
MBition GmbH	Berlin, Germany	100.00	-	-	3
MBition Sofia EOOD	Sofia, Bulgaria	100.00	-	-	
Mercedes pay AG	Zug, Switzerland	100.00	-	-	
Mercedes pay S.A. – in liquidation	Luxembourg, Luxembourg	100.00	-	-	2
Mercedes pay USA LLC	Wilmington, USA	100.00	-	-	
Mercedes-Benz Cars Middle East FZE	Dubai, United Arab Emirates	100.00	-	-	
Mercedes-Benz Consulting GmbH	Leinfelden-Echterdingen, Germany	100.00	-	-	3
Mercedes-Benz Customer Assistance Center Maastricht N.V.	Maastricht, Netherlands	100.00	-	-	
Mercedes-Benz Egypt S.A.E.	New Cairo, Egypt	100.00	70	12	5
Mercedes-Benz Energy GmbH	Kamenz, Germany	100.00	-	-	3
MERCEDES-BENZ FINANCIAL SERVICES MEXICO S. de R.L. de C.V	Mexico City, Mexico	100.00	-	-	
Mercedes-Benz G GmbH	Raaba, Austria	100.00	-	-	
Mercedes-Benz Group Services Phils., Inc.	Cebu City, Philippines	100.00	-	-	
Mercedes-Benz Hungária Kft.	Budapest, Hungary	100.00	-	-	
Mercedes-Benz IDC Europe S.A.S.	Valbonne, France	100.00	-	-	
Mercedes-Benz Logistics and Distribution Egypt LLC	New Cairo, Egypt	100.00	-	-	
Mercedes-Benz Manufacturing and Import Egypt	New Cairo, Egypt	100.00	-	-	
Mercedes-Benz Manufacturing Rus Ltd	Moscow, Russian Federation	80.00	-	-	
Mercedes-Benz Motorsport Limited	Brackley, United Kingdom	100.00	-	-	
Mercedes-Benz Museum GmbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz OD GmbH	Stuttgart, Germany	100.00	-	-	
Mercedes-Benz Parts Logistics Asia Pacific Sdn. Bhd.	Puchong, Malaysia	100.00	-	-	
Mercedes-Benz Research & Development Tel Aviv Ltd.	Tel Aviv, Israel	100.00	-	-	
Mercedes-Benz Research and Development India Private Limited	Bangalore, India	100.00	264	104	6
Mercedes-Benz Slovakia s.r.o.	Bratislava, Slovakia	100.00	-	-	
Mercedes-Benz Subscription Services USA LLC	Wilmington, USA	100.00	-	-	
Mercedes-Benz Vans Mobility, S.L.U.	Alcobendas, Spain	100.00	-	-	
Mercedes-Benz Venezuela S.A.	Valencia, Venezuela	100.00	-	-	
Mercedes-Benz.io GmbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz.io Portugal Unipessoal Lda.	Lisbon, Portugal	100.00	-	-	
Montajes y Estampaciones Metálicas, S.L.	Esparraguera, Spain	51.00	-	-	
NAG Nationale Automobil-Gesellschaft Aktiengesellschaft	Stuttgart, Germany	100.00	-	-	
Porcher & Meffert Grundstücksgesellschaft mbH & Co. Stuttgart OHG	Schönefeld, Germany	100.00	-	-	

## Other Notes

Name of the company	Domicile, country/region	Equity interest in percent <sup>1</sup>	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Power Supply Systems GmbH	Stuttgart, Germany	100.00	-	-	
R.T.C. Management Company Limited	Banbury, United Kingdom	88.89	-	-	
Sechste Vermögensverwaltungsgesellschaft Zeus mbH	Stuttgart, Germany	100.00	-	-	
SMART MOBILITY PTE. LTD.	Singapore, Singapore	100.00	-	-	
Star Transmission srl	Cugir, Romania	100.00	-	-	
STARKOM, proizvodnja in trgovina d.o.o.	Maribor, Slovenia	100.00	-	-	
Vierte Vermögensverwaltung PV GmbH	Stuttgart, Germany	100.00	-	-	3
YASA Automotive Limited	Kidlington, United Kingdom	100.00	-	-	
YASA Marine Limited	Kidlington, United Kingdom	100.00	-	-	
YASA Motors Limited	Kidlington, United Kingdom	100.00	-	-	
Zweite Vermögensverwaltung PV GmbH	Stuttgart, Germany	100.00	-	-	3
Zweite Vermögensverwaltungsgesellschaft Zeus mbH	Stuttgart, Germany	100.00	-	-	3
<b>III. Joint operations (accounted for using proportionate consolidation in the Consolidated Financial Statements)</b>					
Cooperation Manufacturing Plant Aguascalientes, S.A.P.I de C.V.	Aguascalientes, Mexico	54.01	663	19	7
<b>IV. Joint ventures (accounted for using the equity method in the Consolidated Financial Statements)</b>					
Enbase Power GmbH	Munich, Germany	25.10	-	-	
Fujian Benz Automotive Co., Ltd.	Fuzhou, China	50.00	689	228	7
IONITY Holding GmbH & Co. KG	Munich, Germany	20.00	228	-42	6
MB Service Japan Co., Ltd.	Hitachi, Japan	33.40	-	-	
Movinx GmbH	Berlin, Germany	50.00	-	-	
Shenzhen DENZA New Energy Automotive Co. Ltd.	Shenzhen, China	50.00	61	-54	6
smart Automobile Co., Ltd.	Ningbo, China	50.00	675	-65	4, 7
Wei Xing Tech. Co., Ltd.	Hangzhou, China	50.00	47	-22	4, 7
YOUR NOW Holding GmbH	Munich, Germany	50.00	707	-333	4, 9, 12
<b>V. Associated companies (accounted for using the equity method in the Consolidated Financial Statements)</b>					
BAIC Motor Corporation Ltd.	Beijing, China	9.55	12,833	1,868	4, 10, 12
Beijing Benz Automotive Co., Ltd.	Beijing, China	49.00	6,148	3,205	7, 12
Blacklane GmbH	Berlin, Germany	29.17	4	-17	6
Bolt Technology OÜ	Tallinn, Estonia	7.45	145	-45	4, 8
Daimler Truck Holding AG	Leinfelden-Echterdingen, Germany	35.00	25,153	2,265	4, 13
LSH Auto International Limited	Hong Kong, China	15.00	-	-	
Mobility Trader Holding GmbH	Berlin, Germany	9.18	382	-9	5
RS Holdings Inc.	Wilmington, USA	65.32	-16	-28	6
There Holding B.V.	Rijswijk, Netherlands	29.74	1,090	-108	7, 12
Verimi GmbH	Berlin, Germany	2.60	15	-19	6
Wagenplan B.V.	Almere, Netherlands	50.00	-	-	



## Other Notes

Name of the company	Domicile, country/region	Equity interest in percent <sup>1</sup>	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
<b>VI. Joint operations, joint ventures, associated companies and substantial other investments (accounted for at (amortised) cost in the Consolidated Financial Statements)</b>					
AFCC Automotive Fuel Cell Cooperation Corp.	Burnaby, Canada	50.10	-	-	2
Aston Martin Lagonda Global Holdings Plc	Gaydon, United Kingdom	11.69	894	-461	4, 8
BDF IP Holdings Ltd.	Burnaby, Canada	33.00	-	-	
Beijing Mercedes-Benz Sales Service Co., Ltd.	Beijing, China	51.00	46	11	6
carwow Ltd.	London, United Kingdom	5.08	-	-	4
Earlybird DWES Fund VI GmbH & Co. KG	Munich, Germany	6.45	-	-	
Esslinger Wohnungsbau GmbH	Esslingen am Neckar, Germany	26.57	-	-	
European Center for Information and Communication Technologies - EICT GmbH	Berlin, Germany	25.00	-	-	
Factorial Inc.	Woodbury, USA	9.56	-	-	
Grundstücksgesellschaft Schlossplatz 1 mbH & Co. KG	Berlin, Germany	18.37	-	-	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Gamma 1 OHG	Schönefeld, Germany	10.10	-	-	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Gamma 2 OHG	Schönefeld, Germany	10.10	-	-	
Grundstücksverwaltungsgesellschaft EvoBus GmbH & Co. OHG	Schönefeld, Germany	10.10	-	-	
hap2U SAS	Pontcharra, France	34.59	-	-	
KAMAZ PAO	Naberezhnye Chelny, Russian Federation	15.00	549	34	4, 8
PDB - Partnership for Dummy Technology and Biomechanics GbR	Ingolstadt, Germany	20.00	-	-	
Sila Nanotechnologies Inc.	Dover, USA	8.96	-	-	
SK Gaming Beteiligungs GmbH	Cologne, Germany	33.33	-	-	
smart-BRABUS GmbH	Bottrop, Germany	50.00	-	-	
STARCAM s.r.o.	Most, Czech Republic	51.00	-	-	
The Mobility House AG	Zurich, Switzerland	11.07	-	-	
VfB Stuttgart 1893 AG	Stuttgart, Germany	11.75	24	-28	6
Volocopter GmbH	Bruchsal, Germany	6.48	29	-54	8
what3words Ltd.	London, United Kingdom	8.25	23	-18	4, 6

1 Shareholding pursuant to Section 16 of the German Stock Corporation Act (AktG)

2 In liquidation

3 Profit-and-loss transfer agreement with Mercedes-Benz Group AG (direct or indirect)

4 Pre-consolidating company

5 Financial statements according to local GAAP 2021

6 Financial statements according to local GAAP 2020

7 Financial statements according to IFRS 2021

8 Financial statements according to IFRS 2020

9 Financial statements according to IFRS of 30 November 2021. Statement of income for the period of 1 December 2020 to 30 November 2021. Mercedes-Benz Group recognises its proportionate share of profits or losses with a one-month time lag.

10 Financial statements according to IFRS of 30 September 2021. Statement of income for the period of 1 October 2020 to 30 September 2021. Mercedes-Benz Group recognises its proportionate share of profits or losses with a three-month time lag.

11 Control over the investment of the assets. No consolidation of the assets due to the contractual situation.

12 Including investor-level adjustments.

13 Figures for the statement of income relate to the period of 1 January to 30 September 2021, not including investor level adjustments.

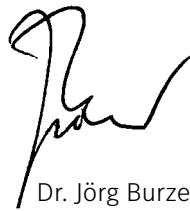
Figures for the statement of financial position relate to the initial recognition as of 10 December 2021, including provisional investor level adjustments without goodwill.

# Board of Management

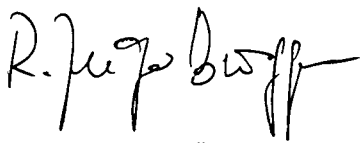
Stuttgart, 10 March 2022



Ola Källenius



Dr. Jörg Burzer



Renata Jungo Brüngger



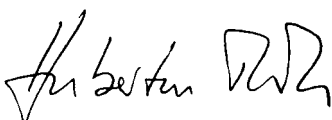
Sabine Kohleisen



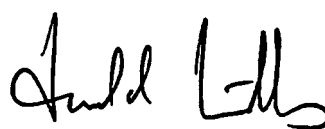
Markus Schäfer



Britta Seeger



Hubertus Troska



Harald Wilhelm

# Responsibility Statement

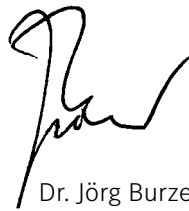
To the best of our knowledge, and in accordance with applicable reporting principles, the financial statements give a true and fair view of the financial position, cash flows and profit or loss of Mercedes-Benz Group AG, and the management report, which has been combined with the Group management report, includes a fair review of the development and performance of the

business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of Mercedes-Benz Group AG.

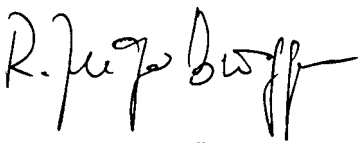
Stuttgart, 10 March 2022



Ola Källenius




Dr. Jörg Burzer



Renata Jungo Brüngger



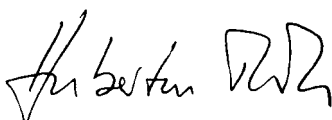
Sabine Kohleisen



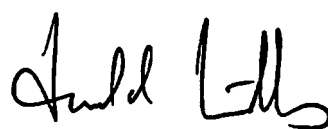
Markus Schäfer



Britta Seeger



Hubertus Troska



Harald Wilhelm

# Independent Auditor's Report

To Mercedes-Benz Group AG (until February 1, 2022  
Daimler AG), Stuttgart

Report on the Audit of the Annual Financial Statements  
and of the Combined Management Report

## **Opinions**

We have audited the annual financial statements of Mercedes-Benz Group AG (until February 1, 2022: Daimler AG), Stuttgart (the Company), which comprise the balance sheet as of December 31, 2021 and the income statement for the financial year from January 1 to December 31, 2021 as well as the notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of the entity and the group (combined management report) of Mercedes-Benz Group AG including the combined non-financial statement of the entity and the group pursuant to Sections 289 paragraph 1, 289c, 315b paragraph 1 and 315c HGB for the financial year from January 1 to December 31, 2021.

In accordance with the German legal regulations, we have not audited the content of the elements of the combined management report referred to in the "Other information" section of our auditor's report.

The combined management report includes cross-references not foreseen by law that are marked as unaudited. In accordance with the German legal regulations, we have not audited the content of these cross-references and the information to which these cross-references relate.

In our opinion, on the basis of the knowledge obtained in the audit

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as of December 31, 2021, and of its financial performance for the financial year from January 1 to December 31, 2021, in compliance with German Legally Required Accounting Principles, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, the combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the elements of the combined management report referred to in the "Other information" section of our auditor's report. The combined management report includes cross-references not foreseen by law that are marked as unaudited. Our opinion does not cover these cross-references and the information to which these cross-references relate.

Pursuant to Section 322 paragraph 3 sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

## **Basis for the Opinions**

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as the "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer

[Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 paragraph 2 letter f) of the EU Audit Regulation, we declare that we have not provided any non-audit services prohibited under Article 5 paragraph 1 of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and the combined management report.

#### **Note on the emphasis of a particular matter**

We refer to the comments of the legal representatives in the section on "EU Taxonomy" in the section entitled "non-financial statement" that is included in the combined management report in accordance with Sections 289b paragraph 1, 289c, 315b paragraph 1, 315c HGB. There it is stated that the EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. The legal representatives have disclosed their interpretations of the EU Taxonomy Regulation and the Delegated Acts adopted thereunder. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties. Our opinion on the combined management report has not been modified in this regard.

#### **Key Audit Matters in the Audit of the Annual Financial Statements**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2021. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

#### **Non-impairment of shares in subsidiaries and financial receivables from subsidiaries**

Please refer with regard to the accounting policies and methods applied to the notes to the financial statements in the section entitled "Accounting policies and methods". Further information on the shares in subsidiaries and associated companies can be found in the notes to the financial statements under Note 3 "Financial assets" and on the financial receivables from subsidiaries and associated companies in Note 4 "Receivables and other assets" in the section entitled "Notes to the balance sheet" and in the combined management report in the chapter entitled "Mercedes-Benz Group AG (condensed version according to HGB)" in the subsection entitled "Risk and Opportunity Report".

#### **THE RISK FOR THE ANNUAL FINANCIAL STATEMENTS**

Mercedes-Benz Group AG is reporting shares in subsidiaries of € 33,106 million (PY: € 52,885 million) and financial receivables from subsidiaries of € 16,775 million (PY: € 21,043 million) as of December 31, 2021. The shares in subsidiaries and financial receivables from subsidiaries amount proportionately to 39.9% and 20.2% respectively of the total assets and therefore have a significant influence on the Company's assets and liabilities.

Shares in subsidiaries are measured at cost of acquisition or, in the event of probable permanent impairment, at the lower fair values. Receivables are measured at their nominal values, taking into account all foreseeable risks.

The lower fair value as the benchmark for impairment of shares in subsidiaries is primarily measured in the absence of market values at the discretionary future earnings value. If the fair value is lower than the carrying amount, it is investigated on the basis of qualitative and quantitative criteria whether impairment is expected to be permanent. In the case of financial receivables from subsidiaries, the credit rating of the debtor is also based on the future earnings value for the individual company. The assessment of the impairment of shares in subsidiaries including the calculation of the fair value via the future earnings value is complex and, as regards the assumptions made, dependent to a high degree on estimations and assessments by the

Company. This applies among other things in particular to the estimation of the future cash flows and long-term growth rates and the determination of the capitalization rates.

There is primarily a risk, that the shares in subsidiaries and financial receivables from subsidiaries are impaired.

#### **OUR AUDIT APPROACH**

We first of all evaluated the process for identifying indications of possible impairment and assessed, on the basis of the information obtained in the course of our audit, for which shares in subsidiaries and financial receivables from subsidiaries there is an indication of the need to recognize an impairment loss. To this end, we appraised in particular the impairment test documentation and reviewed the forecasts on the future development of the revenue and earnings or the expected future cash flows of the individual companies and discussed this with those responsible for the planning.

Our audit procedures on the valuation of the, in our opinion, principal shares in subsidiaries and financial receivables from subsidiaries that are at risk consisted in particular of the assessment of whether the underlying forecasts of the future cash flows are based on appropriate and reasonable assumptions. Hereby we evaluated the explanations of the legal representatives regarding the principal assumptions used in the planning, the strategic expectations and the operative measures with regard to their impact on the forecasts of the future cash flows. We then assessed the appropriateness of the key assumptions and the valuation methods used by the Company. In order to evaluate the appropriateness of the capitalization rates with regard to the determination of the lower fair value and to audit the mathematical correctness of the discounted cash flows, we in some cases involved our own valuation specialists. To this end we among other things compared the underlying assumptions and data providing the basis for the capitalization rate, in particular the risk-free interest rate, the market risk premium and the Beta factor, with our own assumptions and publicly available data. In order to take into account the existing forecast uncertainty, we furthermore investigated the impact on fair value of possible changes for instance in the capitalization rate and the long-term growth rate in

that we calculated alternative scenarios and compared these with the Company's valuation results (sensitivity analysis).

In order to ensure the arithmetical correctness of the valuation method used, we walked through the Company's calculations on the basis of the available budget data.

#### **OUR OBSERVATIONS**

The approach providing the basis for the impairment tests on the shares in subsidiaries and financial receivables from subsidiaries is appropriate and is consistent with the valuation principles. The Company's assumptions and data are appropriate.

#### **Impact on the financial statements of the Spin-off Agreement between Mercedes-Benz Group AG and Daimler Truck Holding AG**

Please refer with regard to a description of this matter to the notes to the financial statements in the section entitled "Accounting policies and methods as well as changes in the corporate structure and renaming of the Company from Daimler AG to Mercedes-Benz Group AG". Disclosures on the impact on the financial statements of the Spin-off Agreement concluded on August 6, 2021 between Mercedes-Benz Group AG and Daimler Truck Holding AG, Stuttgart, (Spin-off Agreement), can be found in the notes to the financial statements, in particular in Note 3 "Financial assets" and in Note 8 "Equity" in the section entitled "Notes to the Balance Sheet".

## THE RISK FOR THE ANNUAL FINANCIAL STATEMENTS

Mercedes-Benz Group AG (until February 1, 2022: Daimler AG) as the transferor legal entity concluded a Spin-off Agreement on August 6, 2021 with Daimler Truck Holding AG as the transferee legal entity. In this agreement, various transactions under corporate transformation law carried out during the financial year and other transactions in connection with the Daimler commercial vehicles business were agreed between the parties.

With the effectiveness of the transactions, total financial assets were reduced compared with the previous year-end by a net amount of € 9,490 million, whereby shares in subsidiaries and associated companies were reduced by € 14,494 million and in particular the participating interests were increased in the opposite direction by € 5,004 million. Furthermore, retained earnings were reduced by € 13,879 million and cash and cash equivalents by € 5,456 million. Following the completion of the transactions, Mercedes-Benz Group AG held a direct investment of 28.43% and an indirect investment of 6.57% in the capital stock of Daimler Truck Holding AG as of December 31, 2021.

The agreement providing the basis for the transactions is complex.

In order to determine the participation ratio based on corporate valuations, Mercedes-Benz Group AG involved an external appraiser. The corporate valuations necessary for the determination of the participation ratio are complex and are based on a number of discretionary assumptions. The principal assumptions relate to the expected development of the revenue and margins and the capitalization rates.

The risk for the annual financial statements is that the development of the shares in subsidiaries and associated companies, the participating interests and equity is inappropriate.

There is furthermore a risk that the corporate valuations performed to define the participation ratio are inappropriate.

## OUR AUDIT APPROACH

We first of all assessed the arrangements made in the Spin-off Agreement, especially their treatment by the transferor legal entity, and obtained an understanding of the individual transactions and the reflection in the financial statements of the transaction as a whole.

In the course of the audit, we obtained an understanding of the effects on the financial statements of the standardized measures in the Spin-off Agreement. In this context, we also evaluated the legal execution of the hive-down and spin-off with regard to whether the criteria under corporate transformation and company law were fulfilled.

With the help of our valuation specialists, we furthermore assessed the appropriateness of the principal assumptions and the valuation methods in the corporate valuations performed by an external appraiser in order to define the participation ratios.

We assessed the professional competence, capabilities, impartiality and the working results of the independent appraiser engaged by Mercedes-Benz Group AG.

In the evaluation of the appropriateness of the corporate valuations, we first of all analyzed whether the valuation methods applied are consistent with the accounting regulations. We then evaluated the principal valuation assumptions, with the help of our valuation specialists. For this purpose, we discussed the expected cash flows and the assumed long-term growth rates with those responsible for the planning. In addition, we performed reconciliations with other forecasts internally available, for instance for tax purposes, and with the budget prepared by the legal representatives and approved by the Supervisory Board. In addition, we assessed the consistence of the assumptions with external sector-specific and general market estimates.

We compared the assumptions and parameters, especially the risk-free interest rate, the market risk premium and the Beta factor, providing the basis for the capitalization rates, with our own assumptions and publicly available data. To take account of the existing forecast uncertainty, we in addition investigated the impact of possible changes in the capitalization rates, revenue planning and the development of the long-term growth

rates on the fair value by calculating alternative scenarios and compared them with the Company's measurement results (sensitivity analysis).

To ensure the arithmetical correctness of the valuation method applied, we obtained an understanding of the Company's calculations on the basis of selected risk-oriented elements.

### **OUR OBSERVATIONS**

The disclosure of the impacts on the financial statements of the Spin-off Agreement between Mercedes-Benz Group AG and Daimler Truck Holding AG is appropriate and is consistent with the accounting and valuation principles that are to be applied.

The valuation methods for the definition of the participation ratios are appropriate and are consistent with the accounting and valuation principles that are to be applied. The principal assumptions and data for the corporate valuations performed to determine the participation ratio are appropriate.

### **Other information**

The legal representatives and the Supervisory Board are responsible for the other information. The other information comprises the following elements of the combined management report, the content of which we have not audited:

- the combined declaration on corporate management, which is referred to in the combined management report, and
- the disclosures in the combined management report on EU Taxonomy extraneous to management reports in the tables [B.32](#), [B.33](#) and [B.34](#), which are marked as audited with limited assurance.

The other information also includes the remaining parts of the annual report.

The other information does not comprise the consolidated financial statements, the audited disclosures in the management report and our related auditor's report.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Legal Representatives and the Supervisory Board for the Annual Financial Statements and the Combined Management Report**

The legal representatives are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the legal representatives are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.



**Independent Auditor's Report**

In preparing the annual financial statements, the legal representatives are responsible for assessing the Company's ability to continue as a going concern. They are also responsible for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the legal representatives are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the legal representatives are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and for providing sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and the combined management report.

**Auditor's Responsibilities for the Audit of the Annual Financial Statements and the Combined Management Report**

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatements, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee, that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal control relevant to the audit of the annual financial statements, and of arrangements and measures (systems) relevant to the audit of the combined management report, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems of the Company.

**Independent Auditor's Report**

- evaluate the appropriateness of accounting policies used by the legal representatives and the reasonableness of estimates made by the legal representatives and related disclosures.
- conclude on the appropriateness of the use by the legal representatives of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- evaluate the consistency of the combined management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- perform audit procedures on the prospective information presented by the legal representatives in the combined management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the legal representatives as a basis for the prospective information and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless laws or other legal regulations preclude public disclosure of the matter.

## **Other Legal and Regulatory Requirements**

### **Report on the Assurance in accordance with Section 317 paragraph 3a HGB on the Electronic Rendering of the Annual Financial Statements and the Combined Management Report Prepared for Publication Purposes**

We have performed assurance work in accordance with Section 317 paragraph 3a HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the combined management report (hereinafter the "ESEF documents") contained in the file that can be downloaded by the issuer from the electronic client portal with access protection, »mercedesbenzgroupag-2021-12-31.zip« (SHA256-Hashwert: 0b387d4ceffea020be9c9a71380c9e1972e9e5866c393af5daea902a4ff2bdf), and prepared for publication purposes complies in all material respects with the requirements of Section 328 paragraph 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance only extends to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and the combined management report contained in the electronic file and made available for publication purposes complies in all material respects with the requirements of Section 328 paragraph 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from January 1 to December 31, 2021 contained in the "Report on the Audit of the Consolidated Financial Statements and the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the annual financial statements and of the combined management report contained in the file and identified above in accordance with Section 317 paragraph 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in accordance with Section 317 paragraph 3a HGB (IDW AuS 410 (10.2021)) conducive to the understanding of the report at an international level and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described below. Our audit firm applies IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QS 1).

The Company's legal representatives are responsible for the preparation of the ESEF documents including the electronic rendering of the annual financial statements and the combined management report in accordance with Section 328 paragraph 1 sentence 4 item 1 HGB.

In addition, the Company's legal representatives are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 paragraph 1 HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 paragraph 1 HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also

- identify and assess the risks of material non-compliance with the requirements of Section 328 paragraph 1 HGB, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.

**Independent Auditor's Report**

- obtain an understanding of internal control relevant to the audit of the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815 on the technical specification for this electronic file in the version applicable on the reporting date.
- evaluate whether the ESEF documents provide a content-equivalent XHTML rendering of the audited annual financial statements and the audited combined management report.

**Further Information pursuant to Article 10 of the EU Audit Regulation**

We were elected as auditor by the Annual Shareholders' Meeting on March 31, 2021. We were engaged by the Supervisory Board on July 16, 2021. We have been the group auditor of Mercedes-Benz Group AG without interruption since the financial year 1998.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

**Other matter – Use of the Auditor's Report**

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as the examined ESEF documents. The annual financial statements and combined management report converted to the ESEF format - including the versions to be published in the German Federal Gazette [Bundesanzeiger] - are merely electronic renderings of the audited annual financial statements and the audited group management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

**German Public Auditor Responsible for the Engagement**

The German Public Auditor responsible for the engagement is Alexander Bock.

Stuttgart, March 10, 2022

KPMG AG  
Wirtschaftsprüfungsgesellschaft

Original German version signed by:

[signature] Sailer  
Wirtschaftsprüfer  
(German Public Auditor)

[signature] Bock  
Wirtschaftsprüfer  
(German Public Auditor)

## **Forward-looking statements:**

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 and tariff regulations; 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 or raw materials; disruption of production due to shortages of materials, labor 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 government investigations or of investigations requested by governments and the conclusion of pending or threatened future legal proceedings; and other risks and uncertainties, some of which we describe under the heading "Risk and Opportunity Report" in the current Annual 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.

These documents constitute the English translation of the German "Jahresabschluss," which is the sole authoritative version.

