

Annual Financial Statements 2022 of Mercedes-Benz Group AG



Mercedes-Benz Group



Annual Financial Statements 2022 Mercedes-Benz Group AG

(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 2022.

The Annual Financial Statements and the Combined Management Report for Mercedes-Benz Group AG for the year 2022 are to be filed electronically with the operator of the German Company Register for entry in the German Company Register.

The Annual Financial Statements of Mercedes-Benz Group AG and the Annual Report on the year 2022 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. 2022	31 Dec. 2021
In millions of euros			
Non-current assets			
Intangible assets	(1)	43	39
Property, plant and equipment	(2)	26	76
Financial assets	(3)	39,932	41,016
		40,001	41,131
Current assets			
Trade receivables	(4)	37	41
Receivables from subsidiaries	(4)	29,663	24,037
Other receivables and other assets	(4)	1,951	2,452
Securities	(5)	4,966	6,053
Cash and cash equivalents	(6)	7,450	9,047
		44,067	41,630
Prepaid expenses	(7)	188	231
		84,256	82,992

Equity and liabilities

	Note	31 Dec. 2022	31 Dec. 2021
In millions of euros			
Equity			
Share capital	(8)	3,070	3,070
(Conditional capital €500 million)			
Capital reserve	(8)	11,480	11,480
Retained earnings	(8)	16,854	13,540
Distributable profit	(8)	5,563	5,349
		36,967	33,439
Provisions			
Provisions for pensions and similar obligations	(9)	401	128
Other provisions	(10)	2,713	1,775
		3,114	1,903
Liabilities			
Trade payables	(11)	222	358
Liabilities to subsidiaries	(11)	30,297	27,018
Other liabilities	(11)	13,643	20,253
		44,162	47,629
Deferred income			
	(12)	13	21
		84,256	82,992

Income Statement of Mercedes-Benz Group AG

(Daimler AG until 1 February 2022)

	Note	2022	2021
In millions of euros			
Revenue	(13)	1,422	1,488
Cost of sales	(14)	-1,407	-1,470
Gross profit		15	18
General administrative expenses	(14)	-752	-1,237
Other operating income	(15)	359	241
Other operating expense	(16)	-66	-100
Income/expense from investments in subsidiaries and associated companies, net	(17)	12,495	11,840
Interest income/expense, net	(18)	-277	-453
Other financial income/expense, net	(19)	-433	-116
Income taxes	(20)	-2,464	-655
Profit after taxes	(21)	8,877	9,538
Offset against other retained earnings		-	13,879
Asset reduction due to spin-off		-	-13,879
Transfer to other retained earnings		-3,314	-4,189
Distributable profit		5,563	5,349

Notes to the Financial Statements of Mercedes-Benz Group AG

(Daimler AG until 1 February 2022)

Accounting policies and methods

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.

In the course of last year's spin-off and hive-down of a large section of the Daimler commercial vehicles business (Project Focus), it was resolved to rename Daimler AG as Mercedes-Benz Group AG.

Mercedes-Benz Group AG is closely linked with Mercedes-Benz AG and functions as an operating unit that defines 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 Annual 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 2021 are also shown.

The items summarized 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 financial institutions 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. The other financial income/expense includes in particular income and expenses from Group financing. These are mainly derivatives that are used primarily to hedge risks between Group companies.

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

Recognition and measurement

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

The capitalization option for self-produced intangible assets is not utilized.

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 recognized if an asset has to be measured at a lower value.

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

Shares IN SUBSIDIARIES AND ASSOCIATED COMPANIES and OTHER FINANCIAL ASSETS are measured at the 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 value. 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 recognizable risks. If they have a remaining term of more than one year and are non-interest bearing, they are discounted to their present value on the balance sheet date. A general value adjustment to the receivables is recognized to reflect the general credit risk. Receivables and other assets with a remaining term of one year or less which are denominated in foreign currencies are translated at the spot rates on the balance sheet date. Non-current receivables and other 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 capitalized and amortized 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 recognized as a deferred tax liability in the balance sheet. Any resulting tax asset is not recognized in the balance sheet, as no use is made of the capitalization option.

PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS 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).

Pension obligations resulting from pension plans that provide for a predefined benefit in old age are recognized 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 2022 by the German central bank (Deutsche Bundesbank) for an assumed remaining term of 15 years.

Pension obligations resulting from pension plans which at least guarantee the contributions paid in are recognized 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 pension 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 recognized 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 remaining term 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 remaining term 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 realized (uncertain tax positions), the provisions are based on the best estimate of the expected tax payments. Tax refund claims are only recognized 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 unrealized losses are expensed.

LIABILITIES are measured at their settlement amounts. Liabilities denominated in foreign currencies with a remaining term 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.

DISCONTINUATION OF BUSINESS ACTIVITIES AND INTENDED SALE OF SHARES IN THE RUSSIAN SUBSIDIARIES

On 2 March 2022, the Mercedes-Benz Group decided to stop exporting cars and vans to Russia and to cease local production in Russia until further notice.

In view of this situation, the intention is to sell the shares in the Russian subsidiaries. This results in an expense of €440 million at Mercedes-Benz Group AG.

The total amount is mainly attributable to the measurement of the shares in the Russian subsidiaries at Mercedes-Benz Group AG (€69 million) and at the subsidiaries Mercedes-Benz AG and Mercedes-Benz Mobility AG (€231 million). In addition, the measurement of receivables in connection with Russian companies at Mercedes-Benz AG resulted in an expense of €106 million. The effect on earnings at Mercedes-Benz AG and Mercedes-Benz Mobility AG affects Mercedes-Benz Group AG in the income/expense from investments in subsidiaries and associated companies through the profit-and-loss-transfer agreements.

At the end of October 2022, Mercedes-Benz Group signed contracts with the Russian car dealer Avtodom AO for the sale of the shares in the Russian subsidiaries.

Completion of the transaction is subject to authorities' approval, which have not yet been fully granted, and the implementation of the contractually agreed conditions.

Schedule of non-current assets

	Cost of acquisition or production					Depreciation/Amortization/Write-ups					Carrying amount		
	01 Jan. 2022	Additions	Reclassifications	Disposals	31 Dec. 2022	01 Jan. 2022	Additions	Write-ups	Reclassifications	Disposals	31 Dec. 2022	31 Dec. 2022	31 Dec. 2021
In millions of euros													
Intangible assets													
Purchased concessions, industrial property rights and similar rights and values, as well as licenses to such rights and values	152	22	.	39	135	113	18	-	-	39	92	43	39
Advance payments made	.	-	.	-	-	-	-	-	-	-	-	-	.
	152	22	-	39	135	113	18	-	-	39	92	43	39
Property, plant and equipment													
Technical equipment and machinery	40	2	.	5	37	19	3	-	.	1	21	16	21
Other equipment, factory and office equipment ¹⁾	194	2	5	92	109	146	9	-	-	56	99	10	48
Advance payments made and construction in progress	7	.	-5	2	.	-	-	-	-	-	-	.	7
	241	4	-	99	146	165	12	-	-	57	120	26	76
Financial assets													
Shares in subsidiaries	33,429	82	-	700	32,811	323	504	61	-	-	766	32,045	33,106
Loans to subsidiaries	1,312	222	-	57	1,477	-	-	-	-	-	-	1,477	1,312
Shares in associated companies	6,803	-	-	-	6,803	327	181	-	-	-	508	6,295	6,476
Securities presented as non-current assets	120	-	-	-	120	.	6	-	-	-	6	114	120
Other loans	2	-	-	1	1	-	-	-	-	-	-	1	2
	41,666	304	-	758	41,212	650	691	61	-	-	1,280	39,932	41,016
Non-current assets	42,059	330	-	896	41,493	928	721	61	-	96	1,492	40,001	41,131

Notes to the Balance Sheet

1. Intangible assets

The intangible assets of Mercedes-Benz Group AG in the amount of €43 million primarily comprise purchased licenses. Systematic amortization amounts to €18 million (2021: €26 million). No unscheduled depreciation was recognized in 2022 (2021: €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 2022 relate solely to movable assets. Systematic depreciation of property, plant and equipment amounts to €12 million (2021: €37 million). No unscheduled depreciation was recognized in 2022 (2021: €0 million).

3. Financial assets

Shares in subsidiaries and associated companies decreased by €1,242 million to €38,340 million (2021: €39,582 million).

The disposals of shares in subsidiaries are due to capital repayments by Mercedes-Benz Bank AG and Mercedes-Benz Mobility AG.

The additions to shares in subsidiaries result from capital increases at subsidiaries.

In 2022, shares in subsidiaries and associated companies were impaired by an amount of €685 million (2021: €49 million). This applies in particular to the shares in Mercedes-Benz Bank AG and KAMAZ PAO.

During the reporting year, write-ups of shares in subsidiaries in the amount of €61 million took place (2021: €0 million).

4. Receivables and other assets ↗ C.01

Receivables from subsidiaries (€29,663 million, 2021: €24,037 million) comprise financial receivables that originally arose from the Group's internal transactions in connection with central finance and liquidity management (€17,935 million, 2021: €16,775 million), from profit transfers from subsidiaries (€11,486 million, 2021: €7,040 million) and from the supply of goods and services to German and foreign companies of the Group (€242 million, 2021: €222 million).

Receivables from associated companies relate to receivables arising from the supply of goods and services to German and foreign associated companies (€134 million, 2021: €51 million) and from intra-Group clearing transactions in the context of central financial and liquidity management (€4 million, 2021: €14 million).

Other assets include fixed-term deposits (€850 million; 2021: €250 million), tax-refund claims (€795 million, 2021: €859 million) and accrued and deferred interest (€100 million, 2021: €123 million). In January 2022, Mercedes-Benz Group AG sold around 5% of its shares in Daimler Truck Holding AG (carrying amount: €1,067 million) to Mercedes-Benz AG at the current market price for transfer to the pension assets.

C.01

Receivables and other assets

	31 Dec. 2022	31 Dec. 2021
In millions of euros		
Trade receivables	37	41
thereof more than 1 year until maturity	-	-
Receivables from subsidiaries	29,663	24,037
thereof more than 1 year until maturity	5,098	4,534
Receivables from associated companies	138	65
thereof more than 1 year until maturity	-	-
Other assets	1,813	2,387
thereof more than 1 year until maturity	24	42
Receivables and other assets	31,651	26,530
thereof more than 1 year until maturity	5,122	4,576

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 decrease by €1,087 million to €4,966 million (2021: €6,053 million) is attributable to the disposal of bonds (€591 million) and shares in money market funds (€496 million).

6. Cash and cash equivalents

Cash and cash equivalents amounted to €7,450 million (2021: €9,047 million) and consist of bank balances, cash in hand and checks. As well as cash and cash equivalents, gross liquidity (€13,266 million) also includes securities presented as current assets (€4,966 million, 2021: €6,053 million) and fixed-term deposits (€850 million, 2021: €250 million), which are presented under other assets.

7. Prepaid expenses

Prepaid expenses include discount amounts of €70 million (2021: €94 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 (authorized 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 2022 is 1,070 million, unchanged from 31 December 2021.

C.02

Equity

	31 Dec. 2022	31 Dec. 2021
In millions of euros		
Share capital	3,070	3,070
Capital reserve	11,480	11,480
Retained earnings	16,854	13,540
Distributable profit	5,563	5,349
Equity	36,967	33,439

Treasury shares

By resolution of the Annual Shareholders' Meeting held on 8 July 2020, the Board of Management was again authorized, 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 authorization, to be used for all legal purposes. The shares can be used, among other things, with the exclusion of shareholders' subscription rights, for corporate mergers and acquisitions, or to be sold to third parties for cash at a price that is not significantly below the market price at the time of the sale. The acquired shares can also be used to service debt on convertible bonds and/or bonds with warrants, or can be issued to employees of the company and employees and members of executive bodies of subsidiaries pursuant to Section 15 ff. 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

authorized 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.

As at 31 December 2021, no treasury shares were held by Mercedes-Benz Group AG at 31 December 2022. ↗ C.03

On the basis of the aforementioned authorization, the Board of Management, with the approval of the Supervisory Board, resolved a share buyback programme on 16 February 2023. Beginning on 3 March 2023, treasury shares worth up to €4 billion (not including incidental costs) are to be purchased on the stock market over a period of up to two years and subsequently cancelled. Mercedes-Benz Group AG has separately agreed with Beijing Automotive Group Co., Ltd. and Geely Group that they will each keep their shareholdings in Mercedes-Benz Group AG below ten percent by divesting their shares on a pro-rata basis concurrently with the share buyback programme.

C.03

Number of shares

	2022	2021
Shares outstanding/issued at 1 January	1,069,837,447	1,069,837,447
Shares reacquired in the context of employee share programs and not cancelled	-652,253	-664,078
Sale of treasury shares to employees in the context of employee share programs	652,253	664,078
Shares outstanding/issued at 31 December	1,069,837,447	1,069,837,447

Employee share purchase plan

In the first quarter of 2022, pursuant to Section 71 Subsection 1 No. 2 of the German Stock Corporation Act (AktG) in connection with the employee share programmes, without utilizing the authorization to acquire treasury shares granted by the Annual Shareholders' Meeting on 8 July 2020, Mercedes-Benz Group AG acquired 652,253 Mercedes-Benz Group shares (2021: 664,078 Mercedes-Benz Group shares) and reissued them to employees. The employee shares represent €1.87 million or 0.06% of the share capital; they were acquired for an average price of €74.33 per share and

reissued to employees for an average price of €53.10 per share. The proportionate loss arising for Mercedes-Benz Group AG of €13.85 million was recognized through profit and loss as a personnel expense in 2022. The proportionate loss of €13.05 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 Shareholders' Meeting held on 5 April 2018 authorized 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 authorized, 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 utilized.

Conditional capital

By resolution of the Annual Shareholders' Meeting on 8 July 2020, the Board of Management was authorized, 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 may be issued in exchange for cash and/or non-cash contributions, in particular for shares in other companies. The respective terms and conditions may also provide for mandatory conversion or an obligation to exercise the option rights. 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 authorized, 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 authorization, the Annual Shareholders' 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 authorization to issue convertible and/or warrant bonds has not yet been utilized.

Capital reserve

The capital reserve amounted to €11,480 million at 31 December 2022 (2021: €11,480 million).

C.04

Other retained earnings

	2022	2021
In millions of euros		
Balance at 1 January	13,540	23,230
Purchase of treasury shares	-	-
Allocated by the Annual General Meeting	-	-
Transfer from net profit	3,314	4,189
Transfer from retained earnings	-	-
Spin-off of the Daimler commercial vehicle business	-	-13,879
Balance at 31 December	16,854	13,540
thereof treasury shares	-	-

Retained earnings

At 31 December 2022, other retained earnings amounted to €16,854 million (2021: €13,540 million). ↗ C.04

Distributable profit

Distributable profit for the 2022 financial year is calculated in accordance with Section 158 Subsection 1 of the German Stock Corporation Act (AktG) and amounts to €5,563 million. ↗ C.05

C.05

Distributable profit

	2022
In millions of euros	
Balance at 1 January	5,349
Dividend distribution	-5,349
Net profit 2022	8,877
Transfer to other retained earnings	-3,314
Balance at 31 December	5,563

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 €73 million and may not be distributed.

On the other hand, retained earnings which may be freely disposed of exist in the amount of €16,854 million. Therefore, the distributable profit of €5,563 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 in accordance with the German Commercial Code (HGB). For the year ended 31 December 2022, the management will propose to the shareholders at the Annual General Meeting the payment of €5,563 million of the distributable profit of Mercedes-Benz Group AG as a dividend to the shareholders, equivalent to €5.20 per no-par-value share entitled to a dividend (2021: €5,349 million and €5.00 per no-par-value share entitled to a dividend).

Share-based payment

As of 31 December 2022, Mercedes-Benz Group AG has Performance Phantom Share Plans (PPSP) 2019 through 2022 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 2018 was paid out as planned in the first quarter of 2022.

Performance Phantom Share Plan

In 2022, 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.

During the four-year period between the allocation of the preliminary phantom shares and the payout of the plan at the end of the period, the phantom shares earn a dividend equivalent in the amount of the actual dividend paid on ordinary Mercedes-Benz Group shares.

9. Provisions for pensions and similar obligations

Provisions for pensions and similar obligations amount to €401 million at 31 December 2022 (2021: €128 million).

➤ C.06

C.06

Provisions for pensions and similar obligations

	31 Dec. 2022	31 Dec. 2021
In millions of euros		
Settlement amount of obligations from defined-benefit plans	1,461	1,440
Fair value of related special-purpose assets for obligations from defined-benefit plans	-1,060	-1,312
Settlement amount for obligations from plans with commitments backed by securities	102	98
Fair value of related special-purpose assets for obligations from plans with commitments backed by securities	-102	-98
Provisions for pensions and similar obligations	401	128

The settlement amount for obligations that provide for a defined benefit during retirement is €1,461 million (2021: €1,440 million).

The measurement of the pension obligations is based on an interest rate of 1.78% (2021: 1.87%). Life expectancy is calculated on the basis of the Heubeck 2018 G 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 2.20% (2021: 1.80%) and expected annual wage and salary increases of 3.00% (2021: 3.00%).

These obligations are offset against the special-purpose assets, which as of 31 December 2022 have a fair value of €1,060 million (2021: €1,312 million) and cost of acquisition of €1,256 million (2021: €1,238 million).

The obligations for the pension plans, the amounts of which are determined by the fair value of securities or comparable assets, are recognized with the fair value of those assets at 31 December 2022 of €102 million (2021: €98 million), as this exceeds the guaranteed minimum value of the obligations at 31 December 2022. There is then an offset with those special-purpose assets that have original cost of acquisition of €103 million (2021: €90 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 2022 include the shares shown in Table ➤ 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.

C.07

Shares in investment funds at 31 December 2022

	Private equity funds
In millions of euros	
Carrying value/fair value	27
Cost of acquisition	38
Difference	-11
Dividend for the year	9
Daily return possible	Yes

10. Other provisions ↗ C.08

C.08

Other provisions

	31 Dec. 2022	31 Dec. 2021
In millions of euros		
Provisions for taxes	1,703	1,252
Miscellaneous provisions	1,010	523
	2,713	1,775

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

Mercedes-Benz Group AG is the parent company within the fiscal unit. All provisions for income taxes are recognized at Mercedes-Benz Group AG.

The increase in other provisions is mainly attributable to higher provisions for anticipated losses from derivative financial instruments. In addition, other provisions include in particular obligations for personnel and social security provisions.

11. Liabilities ↗ C.09

Notes, bonds and commercial paper are European medium-term notes in the amount of €13,049 million (2021: €18,884 million).

Liabilities to financial institutions of €243 million (2021: €48 million) relate to short-term borrowings.

Liabilities to subsidiaries of €30,297 million (2021: €27,018 million) are financial liabilities that originally arose from transactions within the Group in the context of central finance and liquidity management (€30,176 million, 2021: €26,905 million), from the supply of goods and services to German and foreign companies of the Group (€91 million, 2021: €105 million) and from profit-and-loss transfers from subsidiaries (€30 million, 2021: €8 million).

C.09

Liabilities recognized

	31 Dec. 2022	31 Dec. 2021
In millions of euros		
Notes/bonds and commercial paper	13,049	19,652
of which due in less than 1 year	505	1,591
of which due in 1 year to 5 years	2,555	7,072
of which due in more than 5 years	9,989	10,989
Liabilities to banks	243	48
of which due in less than 1 year	243	48
of which due in 1 year to 5 years	-	-
of which due in more than 5 years	-	-
Trade payables	222	358
of which due in less than 1 year	222	358
of which due in 1 year to 5 years	-	-
of which due in more than 5 years	-	-
Liabilities due to subsidiaries	30,297	27,018
of which due in less than 1 year	30,297	25,518
of which due in 1 year to 5 years	-	1,500
of which due in more than 5 years	-	-
Liabilities due to associated companies	4	93
of which due in less than 1 year	4	93
of which due in 1 year to 5 years	-	-
of which due in more than 5 years	-	-
Other liabilities	347	460
of which due in less than 1 year	334	431
of which due in 1 year to 5 years	12	27
of which due in more than 5 years	1	2
of which tax liabilities	129	112
of which obligations concerning social security	1	1
Total of liabilities	44,162	47,629
of which due in less than 1 year	31,605	28,039
of which due in 1 year to 5 years	2,567	8,599
of which due in more than 5 years	9,990	10,991

Liabilities to associated companies are liabilities that originally arose from the supply of goods and services to German and foreign associated companies (€4 million, 2021: €59 million) and from intra-Group clearing transactions in the context of central financial and liquidity management (€0 million, 2021: €34 million).

Miscellaneous liabilities of €347 million (2021: €460 million) mainly comprise accrued and deferred interest, tax liabilities and liabilities from wages and salaries.

12. Deferred income

The deferred income of €13 million existing at 31 December 2022 comprises earnings effects from payments made in the charging-on of software to companies of the Group and to associated companies.

Notes to the Income Statement

13. Revenue

Mercedes-Benz Group AG generates revenue primarily from the provision of internal services of corporate functions, which are charged to the companies of the Group. From these services, the company generated revenue of €1,163 million in the past financial year (2021: €1,470 million).

Moreover, the company provides services for Daimler Truck Holding AG and its subsidiaries. The revenue generated from these services amounted to €259 million in the past financial year (2021: €18 million).

Domestic revenue (€1,240 million) accounts for 87% of total revenue, with 13% coming from abroad (€182 million). The revenue generated outside Germany is attributable in particular to America (€61 million), Asia (€59 million) and Europe (€52 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 €1,407 million was lower than in the previous year (2021: €1,470 million).

General administrative expenses primarily comprise personnel expenses, IT costs and fees for expertise and consulting. The decrease in administrative expenses primarily resulted from much lower expenses for Project Focus.

The expenses for expertise and consulting include auditor fees. The shareholders of the Mercedes-Benz Group AG elected KPMG AG Wirtschaftsprüfungsgesellschaft as the external auditor at the Annual General Meeting held on 29 April 2022.

Table **➤** C.10 shows the fees for services provided by KPMG AG Wirtschaftsprüfungsgesellschaft recognized as expenses for services provided to Mercedes-Benz Group AG and its consolidated subsidiaries. Audit services relate to the audit of the Mercedes-Benz Group's Consolidated Financial Statements and the Annual 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 audits of IT systems and processes.

C.10

Auditor fees

	2022	2021
In millions of euros		
Audit services	24	25
Other attestation services	4	17
Tax services	-	1
Other services	2	1
	30	44

Other attestation services were particularly provided for reviews of IT systems and processes or in connection with the issuing of comfort letters. Other services were mainly commissioned for IT and process consulting not relevant to accounting and for quality assurance. The decrease in auditor fees compared to the previous year is due in part to one-time expenses in connection with the spin-off and hive-down of the Daimler commercial vehicle business in the prior year. In addition, the auditor fees of the previous year contained the fees incurred for the companies of the Daimler Trucks & Buses segment, which was reported until the date of the spin-off and hive-down.

15. Other operating income

Of the other operating income of €359 million (2021: €241 million), €289 million (2021: €183 million) is attributable to the period under review.

The increase in other operating income resulted mainly from the sale of approximately 5% of the shares in Daimler Truck Holding AG to Mercedes-Benz AG. These shares were subsequently transferred to Mercedes-Benz Pension Trust e.V.; Mercedes-Benz Group AG generated other operating income of €242 million from this transaction. In the previous year, other operating income in the amount of €102 million had resulted from the sale of patents and trademarks to Daimler Truck AG in connection with Project Focus.

Other operating income of €70 million (2021: €58 million) is attributable to other reporting periods and relates mostly to income from the release of provisions and accruals and deferrals.

16. Other operating expense

Other operating expense amounts to €66 million (2021: €100 million) and includes expenses for top-up contributions for partial retirement obligations and foreign exchange losses. The decrease in other operating expense is due in particular to the fact that lateral flow tests and protective masks were still procured centrally in the previous year, but were procured by the Group companies themselves in this financial year.

Other operating expense of €2 million (2021: €9 million) is attributable to other periods.

17. Income/expense from investments in subsidiaries and associated companies, net ↗ C.11

C.11

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

	2022	2021
In millions of euros		
Income from profit transfers	11,486	7,040
Expenses from loss transfers	-30	-8
Income from subsidiaries	545	3,629
Income from associated companies	1,130	1,220
Impairments of investments in subsidiaries and associated companies	-685	-49
Write-ups on investments in subsidiaries and associated companies	61	-
Gains on disposals of investments in subsidiaries and associated companies	-	46
Losses on the disposal of investments in subsidiaries and associated companies	-	.
Other expenses from investments in subsidiaries and associated companies	-12	-38
	12,495	11,840

Income from subsidiaries and associated companies increased primarily due to higher income from profit transfers. Opposing effects in comparison to the prior year resulted from lower income from subsidiaries and higher impairments of investments in subsidiaries and associated companies.

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

The lower income from subsidiaries is the result of decreased dividend payments by subsidiaries. The decrease is mainly due to the subsidiary Mercedes-Benz Capital Nederland B.V. (€0 million; 2021: €3,076 million).

Income from associated companies primarily comprises dividends from the equity investment in Beijing Benz Automotive Co., Ltd. (€1,112 million; 2021: €1,211 million).

Impairments of investments in subsidiaries and associated companies (€685 million) mainly relate to Mercedes-Benz Bank AG and KAMAZ PAO. In the previous year, impairments of investments in subsidiaries and associated companies related to BAIC Motor Corporation Ltd. (€49 million).

During the reporting year, write-ups of shares in subsidiaries in the amount of €61 million took place (2021: €0 million)

18. Interest income/expense, net ↗ C.12

The earnings components of the special-purpose assets are uniformly recognized under interest income/expense, net and are offset against the interest component of the pension obligations.

The interest expense from the measurement of retirement benefit obligations amounts to €38 million (2021: €127 million). The net loss from the special-purpose assets amounts to €233 million (2021: net gain of €79 million from the special-purpose assets).

The compounding of provisions with a remaining term of more than one year results in an interest expense of €0 million (2021: €13 million).

C.12

Interest income/expense, net

	2022	2021
In millions of euros		
Income from other securities and loans of financial assets	20	20
thereof from subsidiaries	20	20
Other interest and similar income	1,004	663
thereof from subsidiaries	559	266
Interest and similar expenses	-1,301	-1,136
thereof to subsidiaries	-521	-540
	-277	-453

19. Other financial income/expense ↗ C.13

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

Other financial income/expense includes a net gain on currency translation of €115 million (2021: net loss of €240 million). This currency income/expense includes gains on currency translation of €2,601 million (2021: €1,043 million) and currency losses of €2,486 million (2021: €1,283 million). Of this, gains of €982 million (2021: €469 million) and losses of €951 million (2021: €601 million) are attributable to derivatives.

Miscellaneous income includes the Group's internal provisions for warranty and guarantee obligations of €83 million (2021: €108 million). Miscellaneous expenses include expenses for Group financing of €650 million (2021: €50 million). The increase relates in particular to the change in interest rates.

C.13

Other financial income/expense, net

	2022	2021
In millions of euros		
Currency income/expense, net	115	-240
Miscellaneous income	104	177
Miscellaneous expenses	-652	-53
	-433	-116

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 €2,464 million (2021: €655 million). It comprises an expense of €2,716 million for the year 2022 (2021: €737 million) as well as a benefit of €252 million for previous years (2021: €82 million).

The €1,809 million increase in tax expense compared with the previous year is mainly due to the significant increase in taxable operating profit within the tax group. This resulted in a tax expense of €2,613 million in 2022 (2021: €637 million), primarily for corporate income tax, solidarity surcharge and trade tax.

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

21. Net profit

Net profit for the year 2022 amounts to €8,877 million (2021: €9,538 million). The decrease in assets of €13,879 million resulting from the spin-off of Daimler Truck AG was offset against other retained earnings in 2021. Following the transfer to retained earnings of €3,314 million pursuant to Section 58 Subsection 2 of the German Stock Corporation Act (AktG), the distributable profit of Mercedes-Benz Group AG amounts to €5,563 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.

The significant decrease in personnel expenses resulted from the transfer of corporate functions to Daimler Truck AG in the previous year and in the current year as part of Project Focus. In addition, there was a reorganization of the corporate departments at the Mercedes-Benz Group in the prior year, which significantly reduced the number of employees at Mercedes-Benz Group AG in 2021. In the prior year, this only affected personnel expenses proportionately because most of the transfers took place at the end of 2021.

Table ↗ C.14 shows the average number of employees to have been 4,470 (2021: 5,535). This figure reflects the entire financial year. At 31 December 2022, Mercedes-Benz Group AG had 4,429 employees (2021: 4,678 employees).

C.14

Personnel expenses

	2022	2021
In millions of euros		
Wages and salaries	535	706
Social security contributions	67	74
Pension costs	54	70
	656	850
Employees		
	2022	2021
Annual average numbers		
Manual workers	31	63
Salaried employees	4,207	5,186
	4,238	5,249
Trainees/apprentices/interns	232	286
Total (average for the year)	4,470	5,535
Total (at end of year)	4,429	4,678

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.

The significant decrease in purchased services is mainly due to lower costs for Project Focus.

C.15

Cost of materials

	2022	2021
In millions of euros		
Cost of raw materials, manufacturing supplies and purchased goods	16	35
Cost of purchased services	992	1,179
	1,008	1,214

Derivative financial instruments and valuation units

As part of its centralized 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 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 underlying asset values of all purchase and sale contracts without offsetting.

C.16

Derivative financial instruments: nominal amounts

	31 Dec. 2022	31 Dec. 2021
In millions of euros		
Foreign exchange contracts	135,961	83,758
Interest rate contracts	68,534	60,473
Commodity forward contracts	13	131
	204,508	144,362

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 minimize 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.

Other Notes

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 7 C.17.

C.17

Derivative financial instruments: carrying amounts/fair values

	31 Dec. 2022		31 Dec. 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
In millions of euros				
Assets				
Foreign exchange contracts	2	2,292	13	1,578
Interest rate contracts	24	2,427	41	826
Commodity forward contracts	-	1	2	6
	26	4,720	56	2,410
Liabilities				
Foreign exchange contracts	-43	-2,223	-107	-1,628
Interest rate contracts	-595	-1,691	-29	-247
Commodity forward contracts	-	-1	-1	-6
	-638	-3,915	-137	-1,881
Balance	-612	805	-81	529

The carrying amounts are taken from the items of the balance sheet and primarily relate to other provisions. The increase in provisions particularly affects interest swaps in connection with Group financing. Other amounts relate to other assets and other liabilities.

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 €204,508 million, financial instruments in a total amount of €81,823 million serve as hedging instruments in valuation units. Of that total, €63,108 million is accounted for by foreign-exchange contracts, €18,708 million by interest-rate contracts and €7 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.

C.18**Derivative financial instruments: valuation units**

Type of risk	Type of hedge	Hedged volume	31 Dec. 2022	
			Positive fair value	Negative fair value
In millions of euros				
Exchange-rate risk / interest-rate risk	Liability hedges	1,236	56	-
	Opposing derivative hedges	12,322	480	-79
	Macrohedged	5,150 ¹	11	-647
Exchange-rate risk	Asset and liability hedges	-	-	-
	Opposing derivative hedges	63,108	971	-1,208
Commodity-price risk	Opposing derivative hedges	7	-	-1
		81,823	1,518	-1,935

¹ Hedges in a total nominal amount of €11,650 million are designated as macrohedged.

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 ineffectivities 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, which are based on the same hedging rates as the external derivatives, are concluded with subsidiaries. These external and internal derivatives are combined to form valuation units (microhedged). In economic terms, the positive or negative effects from currency hedging thus largely occur at other companies of the Group.

Forward exchange contracts for financing activities outside the Group are combined with opposing hedges concluded to form valuation units (microhedged). 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 (microhedged) with the related financial receivables and liabilities. The hedging period is generally one to four years.

Interest rate contracts

Valuation units (microhedged) are formed for group-external 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 (microhedged). 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 (macrohedged), for example, in the case of volume- or time-proportionate smoothing of existing derivatives. The hedging period is one to a maximum of thirteen 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, which are based on the same hedging rates as the external derivatives, are concluded with subsidiaries. These external and internal derivatives are combined to form valuation units (microhedged) 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.

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 2022, contingent liabilities amounted to €70,658 million (2021: €71,802 million), primarily consisting of sureties and guarantees. They include sureties and guarantees to domestic and foreign subsidiaries amounting to €70,164 million (2021: €71,179 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 €387 million (2021: €971 million).

Sureties and guarantees were issued to third parties in a total amount of €37 million (2021: €52 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 due to a sufficient volume of the special-purpose assets being available to the other two legal entities.

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 €6,026 million for Mercedes-Benz Group AG (thereof due in 2023: €2,945 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 €3,653 million (thereof due in 2023: €2,172 million). Of that total, €1,624 million relates to subsidiaries (thereof due in 2023: €1,604 million).

Other financial obligations resulting from rental and leasing agreements amount to €16 million (thereof due in 2023: €3 million). Of that total, €15 million relates to subsidiaries (thereof due in 2023: €3 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.

C.19

Business between Mercedes-Benz Group AG and related parties

In millions of euros	Subsidiaries	Associated companies
Income from sales of goods and services and other income in 2022	62	265
Expense from purchase of goods and services and other expense in 2022	188	11
Trade receivables at 31 December 2022	24	133
Financial receivables at 31 December 2022	295	4
Trade payables at 31 December 2022	36	4
Financial liabilities at 31 December 2022	272	-

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

Transactions under corporate law

In the course of an Extraordinary General Meeting on 13 December 2022, as the sole shareholder of Mercedes-Benz AG, Mercedes-Benz Group AG resolved to increase the subscribed capital (share capital) and the capital reserve of Mercedes-Benz AG by means of a contribution in kind of the company Mercedes-Benz International Finance B.V. The transfer of ownership of the shares in Mercedes-Benz International Finance B.V. took effect on 1 January 2023. The equity of Mercedes-Benz AG

increased by €500 million due to the resolution. In return, the carrying amount of the investment in Mercedes-Benz AG at Mercedes-Benz Group AG was increased by the same amount. As part of the company's participation, Mercedes-Benz Group AG received 1,000 shares with a nominal value of €1 per share in Mercedes-Benz AG.

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 encounter substantial financial burdens, e.g. from damages payments or 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.

Diesel emission behaviour: governmental proceedings

Mercedes-Benz is continuously subject to governmental information requests, inquiries, investigations, administrative orders and proceedings relating to various laws and regulations in connection with diesel exhaust emissions.

The corresponding activities of various authorities worldwide, which were already reported in the past, are partly ongoing, as described below. 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

Other Notes

settle civil environmental claims regarding the emission control systems of certain diesel vehicles. These agreements 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 has denied the allegations by the authorities and has not admitted liability, but has agreed to, among other things, pay civil penalties, conduct an emission modification programme for the affected vehicles and take certain other measures. The failure to meet certain of those obligations may trigger additional stipulated penalties. Mercedes-Benz paid the civil penalties in the first quarter of 2021.

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 local 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, thereby concluding the related administrative offence 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 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 autumn 2022, the KBA issued further decisions regarding vehicles equipped with an OM607 EU6 or EU5 diesel engine. 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 and has filed timely objections against the KBA's administrative orders and determinations mentioned above. Insofar as the KBA has not remedied the objections, Mercedes-Benz 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 the KBA were developed by Mercedes-Benz and assessed and approved by the KBA; the related recalls were 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 routinely conducts further reviews of Mercedes-Benz vehicles and asks questions about technical elements of the vehicles. In addition, Mercedes-Benz continues to be in a dialogue with the German Federal 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 addition to the aforementioned 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. In this context, South Korean authorities have made determinations and imposed sanctions against Mercedes-Benz. Mercedes-Benz has lodged an appeal against the determinations and the sanctions of the South Korean administrative authorities (the Ministry of Environment and the Korea Fair Trade Commission). The proceedings described in this paragraph are still ongoing.

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

Diesel emission behaviour: Consumer actions and other lawsuits in the United States, Germany and other states

As previously reported, the State of Arizona filed a lawsuit in January 2019 claiming that, amongst others, Mercedes-Benz Group AG and MBUSA deliberately deceived consumers in connection with advertising Mercedes-Benz diesel vehicles. In the fourth quarter of 2022, Mercedes-Benz Group AG and MBUSA reached a binding settlement with the State of Arizona. 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 emission control systems. The lawsuit was dismissed in the third quarter of 2022. The plaintiff has appealed the decision.

Consumer class actions containing allegations similar to those raised by the State of Arizona were filed against Mercedes-Benz Group AG in Israel in February 2019 as well as against Mercedes-Benz Group AG and further Group companies in the United Kingdom since May 2020, in Portugal as well as in November 2022 in Australia. The plaintiffs assert that Mercedes-Benz had used devices that impermissibly impair the effectiveness of emission control systems in reducing nitrogen-oxide (NO_x) emissions and which cause excessive emissions from vehicles with diesel engines.

Furthermore, since June 2020, class actions making similar allegations have been filed against Mercedes-Benz Group AG and other Group companies in the Netherlands. These have later been consolidated into one class action. The plaintiffs, foundations under the laws of the Netherlands, act in the name of Dutch claimants and base their claim on a law according to which said claimants participate in the class action without taking action themselves (opt-out). On 22 June 2022, the court ruled in a partial judgment that claimants must actively register for the lawsuit (opt-in) and that, due to the applicability of the previous legal regime, only a determination of claims can be obtained. In this regard, the decision has been appealed by the plaintiffs. Furthermore, the court ruled, that instead of customers from the entire EU area, only such customers may participate in the lawsuit who purchased their vehicles in the Netherlands. This part of the decision is final, which significantly reduces the number of potential claimants. At the same time, this development leads to a material reduction of the risk associated with the class action. Therefore, it no longer qualifies for separate reporting in the Notes to the Consolidated Financial Statements, which is why Mercedes-Benz will no longer report on this proceeding in the future.

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 KBA's recall orders (see above). The development of case numbers is declining, however an increase in the future cannot be ruled out. Based on similar allegations, the Federation of German Consumer Organizations (Verbraucherzentrale Bundesverband e.V.) filed a model declaratory action (Musterfeststellungsklage) against Mercedes-Benz Group AG with the Stuttgart Higher Regional Court in July 2021. Such action seeks a ruling that certain preconditions of alleged consumer claims are met. Mercedes-Benz Group AG defends itself against the federation's allegations.

Mercedes-Benz Group AG and the respective other affected companies of the Group regard the lawsuits set out above as being without merit and continue to defend themselves against the claims.

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 this context, the Stuttgart Higher Regional Court initiated model case proceedings under the German Act on Model Case Proceedings in Disputes under Capital Markets Law (KapMuG) in December 2021 (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. Multiple investors have 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 defends itself against the investors' allegations also in these model case proceedings.

Other legal proceedings

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. In June 2022, the proceedings in the United States were dismissed with final effect in favour of Mercedes-Benz. Mercedes-Benz also regards the remaining lawsuits pending in Canada as being without merit, and will continue to defend itself against them. This contingent liability cannot currently be measured.

As already reported, class actions in connection with Takata airbags are pending in the United States and Israel. 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. Meanwhile, a further class action filed in Argentina was dismissed, it may however be refiled. In February 2023, the class actions in Canada were partially dismissed. Mercedes-Benz Group AG continues to regard the pending claims as being without merit, and the affected Group companies will continue to defend themselves against the claims.

In May and July 2022, class actions were filed in the United States alleging claims based on a voluntary recall of certain Mercedes-Benz ML-, GL- and R-Class vehicles produced during the 2004–2015 model years for potentially corroded brake boosters. Among other things, the plaintiffs allege that the brake boosters in such vehicles could corrode and lead to reduced braking force. They allege failure to disclose the claimed defect and assert various claims. A similar class action was filed in Israel. Mercedes-Benz considers the lawsuits to be without merit and defends itself against them.

Accounting estimates and management judgments relating to all legal proceedings

Mercedes-Benz Group AG and its subsidiaries recognize provisions in connection with pending or threatened proceedings to the extent an obligation is probable and can be reasonably estimated. Such 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. Consequently, provisions recognized for some legal proceedings may turn out to be insufficient once such proceedings have ended. Mercedes-Benz may also become liable for payments in legal proceedings for which no provisions were recognized and which, in the case of subsidiaries, may negatively affect the earnings of Mercedes-Benz Group AG through profit-and-loss-transfer agreements. Uncertainty exists regarding the amounts or due dates of possible

cash outflows. Although the final result of any such proceedings could materially affect Mercedes-Benz's operating results and cash flows for a particular reporting period, Mercedes-Benz believes that it should not exert a sustained influence on the company's financial position.

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

Individualized information on the remuneration of the members of the Board of Management and of the Supervisory Board of Mercedes-Benz Group 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 2022,
- the short-term half of the annual bonus for 2022 payable in 2023 with its value at the balance sheet date 2022,
- the half of the medium-term share-based component of the annual bonus for 2022 ("deferral") payable in 2024 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 2022 (payable in 2026), and
- taxable non-cash benefits in 2022 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 Daimler or 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 2022, €8.5 million (2021: €8.8 million) is attributable to fixed, i.e., non-performance-related remuneration, €15.0 million (2021: €15.0 million) to short- and medium-term performance-related variable remuneration (annual bonus with deferral) and €8.3 million (PPSP: 137,655 phantom shares at €60.23 each) to variable performance-related remuneration components with a long-term incentive effect granted in the year under review (2021: €11.1 million, 170,670 phantom shares at €65.27 each). This adds up to a total of €31,8 million for 2022 (2021: €34.9 million). 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 provision for the pension obligation. The service cost of the pension obligation to current members of the Board of Management in 2022 was €2.3 million (2021: €2.1 million). The present value according to HGB of the total obligation at 31 December 2022 was €18.1 million (2021: €16.3 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 provision 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 term of the service contract.

Payments made in 2022 to former members of the Board of Management of Mercedes-Benz Group AG and their survivors amounted to a total of €21.3 million (2021: €19.1 million). Pension obligations for former members of

the Board of Management and their survivors amounted to a total of €296.5 million at 31 December 2022 (2021: €303.7 million).

In 2022, no advances or loans were made or abated 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 2022 was €4.6 million (2021: €4.6 million). 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 2022, in particular for advisory or agency services.

In 2022, no advances or loans were made or abated 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 2022, shareholdings in the company exist that were communicated pursuant to Section 33 Subsection 1 of the German Securities Trading Act and disclosed pursuant to Section 40 Subsection 1 of the German Securities Trading Act (WpHG) as follows:

On 1 December 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 Mercedes-Benz Group AG, Mercedesstr. 120, 70372 Stuttgart, Germany, exceeded the threshold of 5% on 28 November 2022 and as of that date amounted to 5.34% (corresponding to 57,109,857 voting rights out of a total of 1,069,837,447 voting rights). Thereof 0.04%, corresponding to 399,378 voting rights, are accounted for by American Depository

receipts. 5.34% (corresponding to 57,109,857 voting rights) are attributable to BlackRock, Inc., Wilmington, Delaware, USA 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) in conjunction with Section 34 of the WpHG that its percentage of voting rights in the then Daimler AG, Mercedesstr. 120, 70372 Stuttgart, Germany, reached the threshold of 5% on 7 August 2019 and as of that date amounted to 5.00% (corresponding to 53,491,873 voting rights out of a total of 1,069,837,447 voting rights). Thereof 5.00% (corresponding to 53,491,873 voting rights) were attributable to the People's Republic of China pursuant to Section 34 of the WpHG. 3% or more of the voting rights (5.0%) were 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 WpHG that its percentage of voting rights in the then 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 organizational changes within Beijing Automotive Group Co., Ltd. on 9 August 2019, BAIC International Development Co., Ltd. was no longer part of the chain of controlled companies with regard to the People's Republic of China's shareholding in the then 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 WpHG in conjunction with Section 34 of the German Securities Trading Act (WpHG) that his percentage of voting rights in the then Daimler AG, at that time Mercedesstr. 137, 70327 Stuttgart, Germany, exceeded the threshold of 5% on 3 December 2018 and as of that date amounted to 9.69% (corresponding to 103,619,340 voting rights out of a total of 1,069,837,447 voting rights). Thereof, 9.69% (corresponding to 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%) were 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 then Daimler AG, at that time Mercedesstr. 137, 70327 Stuttgart, Germany, exceeded the threshold of 5% on 22 April 2010 and that it held 5.33% (corresponding to 56,589,320 voting rights) as of that date. The notification stated that all voting rights were directly held.

After the balance sheet date of 31 December 2022, the company received further notifications in accordance with Section 33 Subsection 1 of the WpHG which, pursuant to Section 40 Subsection 1 of the WpHG, were disclosed as follows:

On 30 January 2023, **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 Mercedes-Benz Group AG, Mercedesstr. 120, 70372 Stuttgart, Germany, exceeded the threshold of 5% on 25 January 2023 and as of that date amounted to 5.39% (corresponding to 57,614,286 voting rights out of a total of 1,069,837,447 voting rights). Thereof 0.04%, corresponding to 412,477 voting rights, are accounted for by American Depositary receipts. 5.39% (corresponding to 57,614,286 voting rights) are attributable to BlackRock, Inc., Wilmington, Delaware, USA pursuant to Section 34 of the WpHG.

On 12 January 2023, the **State of Kuwait**, Kuwait City, Kuwait, notified us pursuant to Section 33 Subsection 1 WpHG in conjunction with Section 34 of the German Securities Trading Act (WpHG) that its percentage of voting rights in Mercedes-Benz Group AG, Mercedesstr. 120, 70372 Stuttgart, Germany, exceeded the threshold of 5% on 22 April 2010 and as of that date amounted to 5.33% (corresponding to 56,589,230 voting rights out of a total of 1,061,185,632 voting rights). Thereof, 5.33% (corresponding to 56,589,230 voting rights) are attributable to the State of Kuwait pursuant to Section 34 of the WpHG. 3% or more of the voting rights (5.33%) were held directly by the Kuwait Investment Authority at that date. The notification corrected the Kuwait Investment Authority's notification of 24 April 2010.* To the company's knowledge, the actual percentage of voting rights held by the Kuwait Investment Authority as of 31 December 2022 is 6.84%.

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/.

Members of the Board of Management and their mandates

Members of the Board of Management	Other supervisory board memberships/directorships
Ola Källenius Chairman of the Board of Management Appointed until May 2024	INTERNAL DIRECTORSHIPS - EXTERNAL DIRECTORSHIPS Tetra Laval Group
Dr Jörg Burzer Production & Supply Chain Management Appointed until November 2024	INTERNAL DIRECTORSHIPS Mercedes-Benz South Africa Ltd. Beijing Benz Automotive Co., Ltd. Mercedes-Benz U.S. International EXTERNAL DIRECTORSHIPS -
Renata Jungo Brüngger Integrity & Legal Affairs Appointed until December 2024	INTERNAL DIRECTORSHIPS - EXTERNAL DIRECTORSHIPS Daimler Truck Holding AG Daimler Truck AG Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in Munich
Sabine Kohleisen Human Resources & Labour Director Appointed until November 2024	INTERNAL DIRECTORSHIPS Mercedes-Benz U.S. International Mercedes-Benz Mobility AG (since 1 January 2023) EXTERNAL DIRECTORSHIPS -
Markus Schäfer Chief Technology Officer, Development & Procurement Appointed until May 2024	INTERNAL DIRECTORSHIPS Mercedes AMG High Performance Powertrains Ltd. Mercedes-AMG GmbH EXTERNAL DIRECTORSHIPS Mercedes-Benz Grand Prix Ltd. – Chairman Shenzhen DENZA New Energy Automotive Co., Ltd. (until 30 June 2022) smart Automobile Co., Ltd. Farasis Energy (Ganzhou) Co., Ltd. (until 29 June 2022) Mercedes-Benz Formula E Ltd. – Chairman (until 21 September 2022)

Other Notes**Members of the Board of Management****Britta Seeger**

Marketing & Sales

Appointed until December 2024

Other supervisory board memberships/directorships

INTERNAL DIRECTORSHIPS

Mercedes-Benz Mobility AG

Mercedes-AMG GmbH

Mercedes-Benz (China) Ltd. – Vice Chairman

Mercedes-Benz South Africa Ltd.

EXTERNAL DIRECTORSHIPS

Beijing Mercedes-Benz Sales Service Co., Ltd.

smart Automobile Co., Ltd.

Deutsche Lufthansa AG

Mercedes-Benz Formula E Ltd. (until 21 September 2022)

Hubertus Troska

Greater China

Appointed until December 2025

INTERNAL DIRECTORSHIPS

Daimler Greater China Ltd. – Chairman

Mercedes-Benz 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 (until 30 June 2022)

smart Automobile Co., Ltd. – Vice Chairman

Harald Wilhelm

Finance & Controlling / Mercedes-Benz Mobility

Appointed until March 2027

INTERNAL DIRECTORSHIPS

Mercedes-Benz Mobility AG – Chairman

Mercedes-AMG GmbH

EXTERNAL DIRECTORSHIPS

Daimler Truck Holding AG

Daimler Truck AG

BAIC Motor Corporation Ltd.

Members of the Supervisory Board and their mandates

Members of the Supervisory Board

Other supervisory board memberships/directorships

Dr Bernd Pischetsrieder

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

Mercedes-Benz AG – Chairman**

Ergun Lümalı*

Deputy Chairman of the Supervisory Board of Mercedes-Benz Group AG; Chairman of the Group Works Council of Mercedes-Benz Group AG; Chairman of the General Works Council of Mercedes-Benz Group AG; Chairman of the Works Council of Mercedes-Benz Sindelfingen Plant
Elected until 2023

Mercedes-Benz AG**

Sari Baldauf

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

Mercedes-Benz AG**

Nokia Oyj – Chairwoman

Michael Bettag*

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

Mercedes-Benz AG** (since 9 February 2022)

Ben van Beurden

Former Chief Executive Officer of Shell plc
Elected until 2025

Mercedes-Benz AG**

Nadine Boguslawski*

First Authorized Representative of IG Metall Stuttgart
Appointed until 2023

Mercedes-Benz AG**

Robert Bosch GmbH

Michael Brecht*

Chairman of the Works Council of Mercedes-Benz Gaggenau Plant
Elected until 2023

Daimler Truck Holding AG

Daimler Truck AG

Dr Martin Brudermüller

Chairman of the Board of Executive Directors of BASF SE
Elected until 2025

Mercedes-Benz AG**

* Employee representative

** Group mandate

Other Notes

<p>Liz Centoni Chief Strategy Officer and GM, Applications Cisco, Inc. Elected until 2025</p>	<p>Mercedes-Benz AG** Ingersoll Rand Inc.</p>
<p>Dame Veronica Anne (“Polly”) Courtice Former Director of the University of Cambridge Institute for Sustainability Leadership Elected until 2026 (since 29 April 2022)</p>	<p>Mercedes-Benz AG** (since 29 April 2022) Anglian Water Services Ltd. Jupiter Green Investment Trust PLC (until 7 September 2022) British Standards Institution (since 1 September 2022)</p>
<p>Marco Gobbetti Chief Executive Officer of Salvatore Ferragamo S.p.A. Elected until 2026 (since 29 April 2022)</p>	<p>Mercedes-Benz AG** (since 29 April 2022) Spring Place One Ltd.</p>
<p>Michael Häberle* Deputy Chairman of the Group Works Council of Mercedes-Benz Group AG; Deputy Chairman of the General Works Council of Mercedes-Benz Group AG; Chairman of the Works Council of Mercedes-Benz Untertürkheim Plant Elected until 2023</p>	<p>Mercedes-Benz AG** (since 29 April 2022)</p>
<p>Timotheus Höttges Chairman of the Board of Management of Deutsche T-Mobile US, Inc., USA – Chairman Telekom AG Elected until 2025</p>	<p>Mercedes-Benz AG**</p>
<p>Olaf Koch Partner and Managing Director Zintinus GmbH Elected until 2025</p>	<p>Mercedes-Benz AG**</p>
<p>Roman Romanowski* Head of the Executive Legal Department at the Board of Management of IG Metall Appointed until 2023</p>	<p>Mercedes-Benz AG**</p>

** Employee representative

** Group mandate

Other Notes**Prof. Dr Helene Svahn**

Professor in Nanobiotechnology at the Royal
Institute of Technology, Sweden
Elected until 2025

Mercedes-Benz AG**
Axel Johnson International AB (until 30 May 2022)
Konecranes Oyj (since 15 June 2022)

Monika Tielsch*

Member of the Works Council of Mercedes-Benz
Sindelfingen Plant (RD)
Appointed until 2023

Mercedes-Benz AG** (since 1 June 2022)

Elke Tönjes-Werner*

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

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Dr Frank Weber*

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

Mercedes-Benz AG**
Präzisionsteile Franz Schulz GmbH (since 1 January 2023)
Präschu Verpachtung GmbH (since 1 January 2023)

Roman Zitzelsberger*

District Manager of IG Metall
Baden-Württemberg
Elected until 2023

Daimler Truck Holding AG
Daimler Truck AG
ZF Friedrichshafen AG

* Employee representative

** Group mandate

Stepped down from the Supervisory Board**on 29 April 2022:**

Bader M. Al Saad
 (Chairman of the Board of Directors and Director
 General of the Arab Fund for Economic & Social
 Development)

Dr Clemens Börsig
 (Former Chairman of the Supervisory Board of
 Deutsche Bank AG)

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

Dr Bernd Pischetsrieder – Chairman
 Ben van Beurden
 Michael Brecht* (until 29 April 2022)
 Ergun Lümali* (since 29 April 2022)
 Roman Zitzelsberger*

Presidential Committee

Dr Bernd Pischetsrieder – Chairman
 Ben van Beurden
 Michael Brecht* (until 29 April 2022)
 Ergun Lümali* (since 29 April 2022)
 Roman Zitzelsberger*

Audit Committee

Olaf Koch – Chairman (since 29 April 2022)
 Dr Clemens Börsig (former Chairman, until 29 April 2022)
 Michael Brecht*
 Timotheus Höttges (since 29 April 2022)
 Ergun Lümali*

Nomination Committee

Dr Bernd Pischetsrieder – Chairman
 Sari Baldauf
 Ben van Beurden

Legal Affairs Committee

Olaf Koch – Chairman
 Dr Clemens Börsig (former Chairman, until 29 April 2022)
 Michael Brecht* (until 29 April 2022)
 Liz Centoni
 Dame Veronica Anne (“Polly”) Courtice
 (since 29 April 2022)
 Michael Häberle*
 Ergun Lümali*
 Roman Romanowski* (since 29 April 2022)

* 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 subsidiaries.

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.

C.20

Name of the company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
I. Subsidiaries (consolidated in the Consolidated Financial Statements)					
Accumotive GmbH & Co. KG	Kamenz, Germany	100.00	212	19	
Alpha 1 Mercedes-Benz Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	100.00	3,700	317	
Alpha 2 Mercedes-Benz Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	100.00	-	-	
Alpha 3 Mercedes-Benz Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	100.00	-	-	
Alpha 4 Mercedes-Benz Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	100.00	777	91	4
Alpha 5 Mercedes-Benz Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	100.00	623	31	
Alpha 6 Mercedes-Benz Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	100.00	205	10	
Alpha 7 Mercedes-Benz Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	100.00	61	14	
Athlon Beheer International B.V.	Schiphol, Netherlands	100.00	-	-	
Athlon Car Lease Belgium N.V.	Machelen, Belgium	100.00	143	24	
Athlon Car Lease International B.V.	Schiphol, Netherlands	100.00	537	26	4
Athlon Car Lease Italy S.R.L.	Rome, Italy	100.00	35	13	
Athlon Car Lease Nederland B.V.	Schiphol, Netherlands	100.00	150	47	4
Athlon Car Lease Polska Sp. z o.o.	Warsaw, Poland	100.00	-	-	
Athlon Car Lease Portugal, Ida	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	87	28	
Athlon Car Lease Spain, S.A.	Alcobendas, Spain	100.00	48	13	
Athlon France S.A.S.	Le Bourget, France	100.00	-	-	
Athlon Germany GmbH	Düsseldorf, Germany	100.00	167	22	
Athlon Mobility Consultancy N.V.	Machelen, Belgium	100.00	-	-	
Athlon Mobility Services UK Limited	Milton Keynes, United Kingdom	100.00	74	21	
Athlon Rental Germany GmbH	Düsseldorf, Germany	100.00	-	-	
Athlon Sweden AB	Malmö, Sweden	100.00	-	-	
Brooklands Estates Management Limited	Milton Keynes, United Kingdom	100.00	-	-	

Other Notes

Name of the company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
CARS Technik & Logistik GmbH	Wiedemar, Germany	100.00	-	-	3
CLIDET NO 1048 (Proprietary) Limited	Centurion, South Africa	100.00	-	-	
DAF Investments, Ltd.	Wilmington, USA	100.00	-	-	
Daimler Fleet Management GmbH	Stuttgart, Germany	100.00	-	-	3
Daimler Fleet Management South Africa (Pty.) Ltd. i. L.	Pretoria, South Africa	65.00	-	-	2
Daimler Greater China Ltd.	Beijing, China	100.00	3,984	1,514	
Daimler Mobility & Technology Service Co., Ltd.	Beijing, China	100.00	-	-	
Daimler Northeast Asia Parts Trading and Services Co., Ltd.	Beijing, China	100.00	193	170	
Daimler Vans USA, LLC	Wilmington, USA	100.00	-	-	
Daimler Vermögens- und Beteiligungsgesellschaft mbH	Stuttgart, Germany	100.00	1,231	-	3
Delta Mercedes-Benz Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	100.00	241	22	
EHG Elektroholding GmbH	Stuttgart, Germany	100.00	1,187	-	3
Epsilon Mercedes-Benz Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	100.00	252	12	
Friesland Lease B.V.	Drachten, Netherlands	51.11	-	-	
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	78	-	3
Mercedes AMG High Performance Powertrains Ltd	Brixworth, United Kingdom	100.00	-	-	
Mercedes pay GmbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-AMG GmbH	Affalterbach, Germany	100.00	1,447	-	3
Mercedes-Benz - Aluguer de Veículos, Lda.	Mem Martins, Portugal	100.00	-	-	
Mercedes-Benz (China) Ltd.	Beijing, China	75.00	1,133	957	
Mercedes-Benz (Thailand) Limited	Bangkok, Thailand	100.00	212	100	4
Mercedes-Benz AG	Stuttgart, Germany	100.00	32,079	-	3
Mercedes-Benz Argentina S.A.U.	Buenos Aires, Argentina	100.00	334	.	
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	479	63	
Mercedes-Benz Auto Finance Ltd.	Beijing, China	100.00	1,976	346	4
Mercedes-Benz Automotive Mobility GmbH	Berlin, Germany	100.00	12	-	3
Mercedes-Benz Bank AG	Stuttgart, Germany	100.00	3,031	-	3
Mercedes-Benz Bank GmbH	Eugendorf, Austria	100.00	-	-	
Mercedes-Benz Bank Polska S.A. w likwidacji	Warsaw, Poland	100.00	-	-	2
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	64	14	
Mercedes-Benz Bordeaux S.A.S.	Begles, France	100.00	-	-	
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	452	515	

Other Notes

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Mercedes-Benz Capital Investments B.V.	Utrecht, Netherlands	100.00	1,029	202	
Mercedes-Benz Capital Nederland B.V.	Utrecht, Netherlands	100.00	13,011	3,022	
Mercedes-Benz Capital Rus OOO	Moscow, Russian Federation	100.00	-	-	
Mercedes-Benz Cars & Vans Brasil Ltda.	São Paulo, Brazil	100.00	64	43	
Mercedes-Benz Cars UK Limited	Milton Keynes, United Kingdom	100.00	282	91	4
Mercedes-Benz Česká republika s.r.o.	Prague, Czech Republic	100.00	115	51	4
Mercedes-Benz Connectivity Services GmbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz Corporate Investments, LLC	Wilmington, USA	100.00	-	-	
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	235	66	4
Mercedes-Benz Dealer Bedrijven B.V.	The Hague, Netherlands	100.00	-	-	
Mercedes-Benz Espana, S.A.U.	Alcobendas, Spain	100.00	338	98	4
Mercedes-Benz Europa NV/SA	Woluwe-Saint-Lambert, Belgium	100.00	-	-	
Mercedes-Benz ExTra LLC	Wilmington, USA	100.00	-	-	
Mercedes-Benz Filo Hizmetleri A.S.	Istanbul, Turkey	100.00	-	-	
Mercedes-Benz Finance Canada Inc.	Montreal, Canada	100.00	276	2	
Mercedes-Benz Finance Co., Ltd.	Tokyo, Japan	95.11	459	40	4
Mercedes-Benz Finance North America LLC	Wilmington, USA	100.00	-	-	
Mercedes-Benz Financial Services Australia Pty. Ltd.	Melbourne, Australia	100.00	184	36	4
Mercedes-Benz Financial Services Austria GmbH	Eugendorf, Austria	100.00	-	-	
Mercedes-Benz Financial Services BeLux NV	Brussels, Belgium	100.00	-	-	
Mercedes-Benz Financial Services Canada Corporation	Mississauga, Canada	100.00	174	68	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	225	10	
Mercedes-Benz Financial Services France S.A.	Montigny-le Bretonneux, France	100.00	740	41	4
Mercedes-Benz Financial Services Hong Kong Ltd.	Hong Kong, China	80.00	-	-	
Mercedes-Benz Financial Services India Private Limited	Chennai, India	100.00	226	23	
Mercedes-Benz Financial Services Investment Company LLC	Wilmington, USA	100.00	-	-	
Mercedes-Benz Financial Services Italia S.p.A.	Rome, Italy	100.00	399	47	4
Mercedes-Benz Financial Services Korea Ltd.	Seoul, South Korea	80.00	374	19	4
Mercedes-Benz Financial Services Nederland B.V.	Nieuwegein, Netherlands	100.00	88	20	4
Mercedes-Benz Financial Services New Zealand Ltd	Auckland, New Zealand	100.00	-	-	
Mercedes-Benz Financial Services Portugal – Sociedade Financeira de Crédito S.A.	Mem Martins, Portugal	100.00	-	-	4
Mercedes-Benz Financial Services Rus OOO	Moscow, Russian Federation	100.00	30	-29	
Mercedes-Benz Financial Services Schweiz AG	Schlieren, Switzerland	100.00	141	42	
Mercedes-Benz Financial Services Singapore Ltd.	Singapore, Singapore	100.00	-	-	4
Mercedes-Benz Financial Services Slovakia s.r.o.	Bratislava, Slovakia	75.00	-	-	
Mercedes-Benz Financial Services South Africa (Pty) Ltd	Pretoria, South Africa	100.00	-	-	4
Mercedes-Benz Financial Services Sp. z o.o.	Warsaw, Poland	100.00	-	-	

Other Notes

Name of the company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Mercedes-Benz Financial Services Taiwan Ltd.	Taipei, Taiwan, China	51.00	-	-	4
Mercedes-Benz Financial Services UK Limited	Milton Keynes, United Kingdom	100.00	615	147	4
Mercedes-Benz Financial Services USA LLC	Wilmington, USA	100.00	1,720	569	4
Mercedes-Benz Finans Danmark A/S	Copenhagen, Denmark	100.00	43	13	
Mercedes-Benz Finans Sverige AB	Malmö, Sweden	100.00	47	12	
Mercedes-Benz Finansal Kiralama Türk A.S.	Istanbul, Turkey	100.00	-	-	
Mercedes-Benz Finansman Türk A.S.	Istanbul, Turkey	100.00	-	-	4
Mercedes-Benz Fleet Management Singapore Pte. Ltd.	Singapore, Singapore	100.00	-	-	
Mercedes-Benz Försäljnings AB	Malmö, Sweden	100.00	-	-	
Mercedes-Benz France S.A.S.	Montigny-le Bretonneux, France	100.00	348	90	
Mercedes-Benz Group Australia/Pacific Pty Ltd	Melbourne, Australia	100.00	125	44	
Mercedes-Benz Grund Services GmbH	Schönefeld, Germany	100.00	216	-	3
Mercedes-Benz Hellas Single-Member S.A.	Kifissia, Greece	100.00	-	-	
Mercedes-Benz Holdings UK Limited	Milton Keynes, United Kingdom	100.00	1,071	509	
Mercedes-Benz Hong Kong Limited	Hong Kong, China	100.00	-	-	
Mercedes-Benz India Private Limited	Pune, India	100.00	438	95	
Mercedes-Benz Insurance Agency (Beijing) Co., Ltd.	Beijing, China	100.00	-	-	
Mercedes-Benz Insurance Agency LLC	Willmington, USA	100.00	-	-	
Mercedes-Benz Insurance Broker S.R.L.	Voluntari, Romania	100.00	-	-	
Mercedes-Benz Insurance Services GmbH	Stuttgart, Germany	100.00	18	-	3
Mercedes-Benz Insurance Services Nederland B.V.	Utrecht, Netherlands	100.00	-	-	
Mercedes-Benz Insurance Services Taiwan Ltd.	Taipei, Taiwan, China	100.00	-	-	
Mercedes-Benz Insurance Services UK Limited	Milton Keynes, United Kingdom	100.00	-	-	
Mercedes-Benz Intellectual Property GmbH & Co. KG	Stuttgart, Germany	100.00	-	-	
Mercedes-Benz International Finance B.V.	Utrecht, Netherlands	100.00	225	-340	
Mercedes-Benz Investment Company LLC	Wilmington, USA	100.00	407	-77	
Mercedes-Benz Italia S.p.A.	Rome, Italy	100.00	150	45	
Mercedes-Benz Japan Co., Ltd.	Tokyo, Japan	100.00	258	66	
Mercedes-Benz Korea Limited	Seoul, South Korea	51.00	340	124	
Mercedes-Benz Lease Italia S.r.l.	Trent, Italy	100.00	-	-	
Mercedes-Benz Leasing Co., Ltd.	Beijing, China	65.00	1,101	158	4
Mercedes-Benz Leasing Deutschland GmbH	Stuttgart, Germany	100.00	63	-	3
Mercedes-Benz Leasing GmbH	Stuttgart, Germany	100.00	-133	-	3
Mercedes-Benz Leasing IFN S.A.	Bucharest, Romania	100.00	-	-	4
Mercedes-Benz Leasing Kft.	Budapest, Hungary	100.00	-	-	4
Mercedes-Benz Leasing Polska Sp. z o.o.	Warsaw, Poland	100.00	167	22	4
Mercedes-Benz Leasing Treuhand GmbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz LT GmbH	Böblingen, Germany	100.00	55	-	3
Mercedes-Benz Ludwigsfelde Anlagenverwaltung GmbH & Co. OHG	Schönefeld, Germany	100.00	-	-	
Mercedes-Benz Ludwigsfelde GmbH	Ludwigsfelde, Germany	100.00	63	-	3
Mercedes-Benz Malaysia Sdn. Bhd.	Puchong, Malaysia	100.00	64	36	
Mercedes-Benz Manhattan, Inc.	Wilmington, USA	100.00	-	-	

Other Notes

Name of the company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Mercedes-Benz Manufacturing (Thailand) Limited	Bangkok, Thailand	100.00	-	-	
Mercedes-Benz Manufacturing Hungary Kft.	Kecskemét, Hungary	100.00	524	102	
Mercedes-Benz Manufacturing Poland sp. z o.o.	Jawor, Poland	100.00	215	58	
Mercedes-Benz México International, S. de R.L. de C.V.	Mexico City, Mexico	100.00	457	147	
Mercedes-Benz Mexico, S. de R.L. de C.V.	Mexico City, Mexico	100.00	43	21	
Mercedes-Benz Mitarbeiter-Fahrzeuge Leasing GmbH	Stuttgart, Germany	100.00	4	-	3
Mercedes-Benz Mobility (Thailand) Co., Ltd.	Bangkok, Thailand	100.00	117	21	
Mercedes-Benz Mobility AG	Stuttgart, Germany	100.00	2,502	-	3, 4
MERCEDES-BENZ MOBILITY AUSTRALIA PTY LTD	Melbourne, Australia	100.00	63	74	
Mercedes-Benz Mobility Beteiligungsgesellschaft mbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz Mobility Korea Ltd.	Seoul, South Korea	100.00	-	-	
MERCEDES-BENZ MOBILITY MEXICO, S. DE R.L. DE C.V.	Mexico City, Mexico	100.00	-	-	
Mercedes-Benz Mobility Services GmbH	Stuttgart, Germany	100.00	242	-	3
Mercedes-Benz Nederland B.V.	Utrecht, Netherlands	100.00	49	28	4
Mercedes-Benz Nederland Holding B.V.	Utrecht, Netherlands	100.00	568	59	
Mercedes-Benz New Zealand Ltd	Auckland, New Zealand	100.00	-	-	
Mercedes-Benz North America Corporation	Wilmington, USA	100.00	5,190	1,441	4
Mercedes-Benz North America Finance Corporation	Newark, USA	100.00	-	-	
Mercedes-Benz Österreich GmbH	Eugendorf, Austria	100.00	-	-	
Mercedes-Benz Otomotiv Ticaret ve Hizmetler A.S.	Istanbul, Turkey	66.91	87	46	
Mercedes-Benz Paris SAS	Port-Marly, France	100.00	86	10	4
Mercedes-Benz Parts Brand GmbH	Stuttgart, Germany	100.00	-	-	3
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	10	-11	
Mercedes-Benz Polska Sp. z o.o	Warsaw, Poland	100.00	71	32	
Mercedes-Benz Portugal, S.A.	Sintra, Portugal	100.00	-	-	
Mercedes-Benz PRAHA s.r.o.	Prague, Czech Republic	100.00	13	10	
Mercedes-Benz Real Estate GmbH	Berlin, Germany	100.00	-	-	
Mercedes-Benz Reinsurance S.A. Luxembourg	Luxembourg, Luxembourg	100.00	116	13	
Mercedes-Benz Renting, S.A.	Alcobendas, Spain	100.00	-	-	
Mercedes-Benz Research & Development North America, Inc.	Wilmington, USA	100.00	35	19	
Mercedes-Benz Retail Belgium NV/SA	Woluwe-Saint-Lambert, Belgium	100.00	18	18	4
Mercedes-Benz Retail Group UK Limited	Milton Keynes, United Kingdom	100.00	92	43	
Mercedes-Benz Retail Receivables LLC	Farmington Hills, USA	100.00	-	-	
Mercedes-Benz Retail, Unipessoal Lda.	Mem Martins, Portugal	100.00	-	-	
Mercedes-Benz Risk Solutions South Africa (Pty.) Ltd.	Pretoria, 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	434	21	
Mercedes-Benz Schweiz AG	Schlieren, Switzerland	100.00	90	35	
Mercedes-Benz Service Leasing S.R.L.	Bucharest, Romania	100.00	-	-	

Other Notes

Name of the company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Mercedes-Benz Services Correduria de Seguros, S.A.	Alcobendas, Spain	100.00	-	-	
Mercedes-Benz Services Malaysia Sdn Bhd	Selangor, Malaysia	100.00	-	-	
Mercedes-Benz Sigorta Aracilik Hizmetleri A.S.	Istanbul, Turkey	100.00	-	-	
Mercedes-Benz Singapore Pte. Ltd.	Singapore, Singapore	100.00	71	33	
Mercedes-Benz Sosnowiec Sp. z o.o.	Sosnowiec, Poland	100.00	-	-	
Mercedes-Benz South Africa Ltd	Pretoria, South Africa	100.00	1,102	186	
Mercedes-Benz Sverige AB	Malmö, Sweden	100.00	103	20	4
Mercedes-Benz Taiwan Ltd.	Taipei, Taiwan, China	51.00	126	44	
Mercedes-Benz Trust Holdings LLC	Farmington Hills, USA	100.00	-	-	
Mercedes-Benz Trust Leasing Conduit LLC	Wilmington, USA	100.00	-	-	
Mercedes-Benz Trust Leasing LLC	Farmington Hills, USA	100.00	-	-	
Mercedes-Benz U.S. International, Inc.	Vance, USA	100.00	650	208	
Mercedes-Benz Ubezpieczenia Sp. z o.o.	Warsaw, Poland	100.00	-	-	
Mercedes-Benz USA, LLC	Wilmington, USA	100.00	381	297	4
Mercedes-Benz Vans Hong Kong Limited	Hong Kong, China	67.55	144	67	
Mercedes-Benz Vans UK Limited	Milton Keynes, United Kingdom	100.00	29	13	
Mercedes-Benz Vans, LLC	Wilmington, USA	100.00	112	30	
Mercedes-Benz Vermögens- und Beteiligungsgesellschaft mbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz Versicherung AG	Stuttgart, Germany	100.00	66	-	3
Mercedes-Benz Versicherungsservice GmbH	Berlin, Germany	100.00	-	-	3
Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH	Schönefeld, Germany	100.00	5,211	-	3
Mercedes-Benz Vietnam Ltd.	Ho Chi Minh City, Vietnam	70.00	136	31	
Mercedes-Benz Warszawa Sp. z o.o.	Warsaw, Poland	100.00	36	11	4
Mercedes-Benz Wavre S.A.	Wavre, Belgium	100.00	-	-	
Mercedes-Benz Wholesale Receivables LLC	Wilmington, USA	100.00	-	-	
Multifleet G.I.E	Le Bourget, France	50.10	-	-	
PT Mercedes-Benz Indonesia	Bogor, Indonesia	100.00	-	-	
PT Mercedes-Benz Distribution Indonesia	Jakarta, Indonesia	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	314	98	
Ucafleet S.A.S	Le Bourget, France	65.00	-	-	
Vierzehnte Vermögensverwaltungsgesellschaft DVB mbH	Stuttgart, Germany	100.00	-	-	3
Wagenplan B.V.	Almere, Netherlands	60.00	-	-	
YASA Limited	Kidlington, United Kingdom	100.00	243	-8	
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	62.49	-	-	

Other Notes

Name of the company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Cúspide GmbH	Stuttgart, Germany	100.00	-	-	
Daimler Gastronomie GmbH	Stuttgart, Germany	100.00	-	-	3
Daimler Group Services Madrid, S.A.U.	San Sebastián de los Reyes, Spain	100.00	-	-	
Daimler Unterstützungskasse GmbH	Stuttgart, Germany	100.00	-	-	
Dreizehnte Vermögensverwaltungsgesellschaft DVB mbH	Stuttgart, Germany	100.00	-	-	3
DriveCo, LLC	Wilmington, USA	100.00	-	-	
Lapland Car Test Aktieföretag	Arvidsjaur, Sweden	100.00	-	-	
LEONIE DMS DVB GmbH	Stuttgart, Germany	100.00	-	-	3
LICULAR GmbH	Kuppenheim, Germany	100.00	-	-	3
Li-Tec Battery GmbH	Kamenz, Germany	100.00	-	-	3
MB GTC GmbH Mercedes-Benz Gebrauchtteile Center	Neuhausen auf den Fildern, Germany	100.00	..	-	3
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 Assignment Services Americas, 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	-	-	
Mercedes-Benz Energy GmbH	Kamenz, Germany	100.00	-	-	3
Mercedes-Benz Financial Services UK (Trustees) Ltd	Milton Keynes, United Kingdom	100.00	-	-	
Mercedes-Benz G GmbH	Raaba, Austria	100.00	-	-	
Mercedes-Benz Group Services Berlin GmbH	Berlin, Germany	100.00	-	-	3
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 Intellectual Property Management GmbH	Stuttgart, Germany	100.00	-	-	3
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 Parts Logistics Asia Pacific Sdn. Bhd.	Puchong, Malaysia	100.00	-	-	
Mercedes-Benz Pensionsfonds AG	Stuttgart, Germany	100.00	-	-	9
Mercedes-Benz Purchasing Coordination Corporation	Wilmington, USA	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	266	44	5
Mercedes-Benz Slovakia s.r.o.	Bratislava, Slovakia	100.00	-	-	
Mercedes-Benz Subscription Services USA LLC	Wilmington, USA	100.00	-	-	

Other Notes

Name of the company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Mercedes-Benz Tech Innovation GmbH	Ulm, Germany	100.00	-	-	3
Mercedes-Benz Tech Motion GmbH	Leinfelden-Echterdingen, Germany	100.00	-	-	3
Mercedes-Benz UK Share Trustee Ltd.	Milton Keynes, United Kingdom	100.00	-	-	
Mercedes-Benz UK Trustees Limited	Milton Keynes, United Kingdom	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	-	-	
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	-	-	
Van Manufacturing Poland sp. z o.o.	Jawor, Poland	100.00	-	-	
Vierte Vermögensverwaltung PV GmbH	Stuttgart, Germany	100.00	-	-	3
Zweite Vermögensverwaltung PV GmbH	Stuttgart, Germany	100.00	-	-	3
Zweite Vermögensverwaltungsgesellschaft Zeus mbH	Stuttgart, Germany	100.00	-	-	3

III. Joint operations (accounted for using proportionate consolidation in the Consolidated Financial Statements)

Cooperation Manufacturing Plant Aguascalientes, S.A.P.I de C.V.	Aguascalientes, Mexico	54.01	765	28	7
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IV. Joint ventures (accounted for using the equity method in the Consolidated Financial Statements)

Automotive Cells Company SE	Bruges, France	33.33	530	-38	4, 7
Enbase Power GmbH	Munich, Germany	25.10	-	-	
Fujian Benz Automotive Co., Ltd.	Fuzhou, China	50.00	713	257	7
MB Service Japan Co., Ltd.	Hitachi, Japan	33.40	-	-	
Movinx GmbH	Berlin, Germany	50.00	-	-	
smart Automobile Co., Ltd.	Ningbo, China	50.00	457	-206	4, 8
Wei Xing Tech. Co., Ltd.	Hangzhou, China	50.00	32	-15	4, 8
YOUR NOW Holding GmbH	Munich, Germany	50.00	1,240	-652	4, 6

V. Associated companies (accounted for using the equity method in the Consolidated Financial Statements)

BAIC Motor Corporation Ltd.	Beijing, China	9.55	10,409	1,986	4, 8
Beijing Benz Automotive Co., Ltd.	Beijing, China	49.00	6,748	3,649	7, 10
Blacklane GmbH	Berlin, Germany	30.99	-	-	
Bolt Technology OÜ	Tallinn, Estonia	7.42	415	-547	4, 8
Daimler Truck Holding AG	Leinfelden-Echterdingen, Germany	30.00	27,805	2,211	4, 7, 10
IONITY Holding GmbH & Co. KG	Munich, Germany	15.12	167	-61	6
LSH Auto International Limited	Hong Kong, China	15.00	-	-	
Mercedes-Benz Grand Prix Ltd.	Brackley, United Kingdom	33.33	191	104	4, 7

Other Notes

Name of the company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Mobility Trader Holding GmbH	Berlin, Germany	9.17	373	-9	6
RS Holdings Inc.	Wilmington, USA	65.32	6	-31	6
There Holding B.V.	Rijswijk, Netherlands	29.74	1,080	-106	8
VI. Joint operations, joint ventures, associated companies and substantial other investments (accounted for at (amortized) cost or recognized at fair value in the Consolidated Financial Statements)					
AFCC Automotive Fuel Cell Cooperation Corp.	Burnaby, Canada	50.10	-	-	2
Aston Martin Lagonda Global Holdings Plc	Gaydon, United Kingdom	9.74	786	-220	4, 8
BDF IP Holdings Ltd.	Burnaby, Canada	33.00	-	-	
Beijing Mercedes-Benz Sales Service Co., Ltd.	Beijing, China	51.00	42	11	6
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	9.52	-	-	4
Gamma 1 Daimler Truck Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	10.10	-	-	
Gamma 2 Daimler Truck Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	10.10	-	-	
Grundstücksgesellschaft Schlossplatz 1 mbH & Co. KG	Berlin, Germany	18.37	-	-	
Grundstücksverwaltungsgesellschaft EvoBus GmbH & Co. OHG	Schönefeld, Germany	10.12	-	-	
hap2U SAS	Pontcharra, France	34.59	-	-	
Kamaz PAO	Naberezhnye Chelny, Russian Federation	15.00	685	53	4, 8
Momenta Global Limited	Grand Cayman, Cayman Islands	6.34	-	-	
Ondine Tech Fund 1 L.P.	George Town, Cayman Islands	43.23	-	-	
PDB – Partnership for Dummy Technology and Biomechanics GbR	Ingolstadt, Germany	20.00	-	-	
Power Supply Systems GmbH	Stuttgart, Germany	24.90	-	-	
Sila Nanotechnologies Inc.	Dover, USA	8.91	-	-	
SK Gaming Beteiligungs GmbH	Cologne, Germany	24.17	-	-	
smart-BRABUS GmbH i.L.	Bottrop, Germany	50.00	-	-	2
STARCAM s.r.o.	Most, Czech Republic	51.00	-	-	
The Mobility House AG	Zurich, Switzerland	11.53	17	-13	4, 8
VfB Stuttgart 1893 AG	Stuttgart, Germany	11.61	-	-	
Volocopter GmbH	Bruchsal, Germany	5.50	111	-111	4, 8

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 2022

6 Financial statements according to local GAAP 2021

7 Financial statements according to IFRS 2022

8 Financial statements according to IFRS 2021

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

10 Including investor-level adjustments.

Board of Management

Stuttgart, 13 March 2023



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 profitability 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, 13 March 2023



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, 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, Stuttgart (the Company), which comprise the balance sheet as of December 31, 2022 and the income statement for the financial year from January 1 to December 31, 2022 as well as the notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the report on the situation of the Company and the Group (hereinafter referred to as "the combined management report"), of Mercedes-Benz Group AG including the combined non-financial statement for the fulfilment of the Sections 289b to 289e and 315b to 315c HGB for the financial year from January 1 to December 31, 2022.

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, 2022, and of its financial performance for the financial year from January 1 to December 31, 2022, 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 Section on "EU Taxonomy" in the section entitled "non-financial declaration" that is included in the combined management report in accordance with Sections 289b paragraph 1, 289c, 315b paragraph 1 and 315c HGB. There it is stated that the EU Taxonomy Regulation and the delegated act promulgated for this includes wording and terms that are subject to considerable uncertainty with regard to their interpretation and for which clarifications have not yet been published in all cases. The legal representatives describe how they have carried out the necessary interpretation of the EU Taxonomy Regulation and the delegated acts promulgated by this. On account of the immanent risk that abstract legal terms are subject to interpretation, the conformity of the interpretation with the law is subject to uncertainty. Our opinion on the combined management report has not been modified in this regard.

Key Audit Matter in the Audit of the Annual Financial Statement

A key audit matter is a matter that, in our professional judgement, was of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2022. This matter was 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 this matter.

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 can be found in the notes to the financial statements under Note 3 "Financial assets" and on the financial receivables from subsidiaries 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 in accordance with the German Commercial Code (HGB))" in the subsection entitled "Risks and opportunities".

THE RISK FOR THE ANNUAL FINANCIAL STATEMENTS

Mercedes-Benz Group AG is reporting shares in subsidiaries of € 32,045 million (PY: € 33,106 million) and financial receivables from subsidiaries of € 17,935 million (PY: € 16,775 million) as of December 31, 2022. The shares in subsidiaries and financial receivables from subsidiaries amount proportionately to 38.0% and 21.3% 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 general 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 the 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 respective participation. The assessment of the non-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 financial surpluses and long-term growth rates and the determination of the capitalisation rates.

As a result of the negative macroeconomic development as a consequence of the Russia-Ukraine war, increasing energy costs, an increasing level of interest rates and higher inflation, the degree of uncertainty in connection with the estimates with regard to the underlying future financial surpluses increased in the course of the financial year 2022.

The Company recorded impairment losses of € 504 million (PY: € 0 million) on shares in subsidiaries in the financial year 2022.

There is primarily a risk that the shares in subsidiaries and associated companies and financial receivables from subsidiaries and associated companies 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 recognise an impairment loss. To this end, we appraised in particular the impairment test documentation and reviewed the forecasts on the future development of the revenues and earnings or the expected future financial surpluses of the individual companies and discussed this with those responsible for the planning.

Our audit procedures on the valuation of the, in our opinion, 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 financial surpluses are based on appropriate and reasonable assumptions. Hereby we evaluated the explanations of the legal representatives regarding the significant assumptions used in the planning, the strategic expectations and the operative measures with regard to their impact on the forecasts of the future financial surpluses. We then assessed the appropriateness of the significant assumptions made and the valuation methods used by the Company. In order to evaluate the appropriateness of the capitalisation rates with regard to the determination of the lower fair value, 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 capitalisation 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 in some cases investigated the impact on fair value of possible changes for instance in the capitalisation 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 retraced 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.

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,
- the disclosures in the combined management report on the appropriateness and effectiveness of the overall internal control system and the risk management system pursuant to the German Corporate Governance Codex marked as extraneous to management reports and unaudited,
- the disclosures of the non-financial statement in the combined management report marked as unaudited with regard to:
 - the proportion of suppliers who have signed the "Ambition Letter" (Chapter on "Environmental issues"),
 - the CO₂-emissions in production (Chapter on "Environmental issues"),
 - the frequency of accidents at production locations (Chapter on "Employee issues") as well as
 - the EU taxonomy in tables B.39, B.40, B.41 und B.42 (Chapter on "EU taxonomy").

In accordance with our engagement, we have performed a separate audit of this information. With regard to the nature, scope and results of this audit, we refer to our audit opinion dated March 13, 2023.

Our opinions on the annual 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 annual financial statements, with the combined 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 (i.e., fraudulent financial reporting and misappropriation of assets) or error.

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 to be able to provide 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 of the combined management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of 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 judgement and maintain professional scepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the annual financial statements and of the 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 the risk of not detecting a material misstatement 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 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.
- 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 actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual 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 on the Electronic Rendering of the Annual Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 paragraph 3a HGB

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 »mercedesbenzgroupag-2022-12-31-de.xhtml« (SHA256-Hashwert: 813773ed4cb1344342945cc61852bd5167a7181271751f39c87cdb087a749267) made available 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 work extends only to the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

Independent Auditor's Report

In our opinion, the rendering of the annual financial statements and the combined management report contained in the electronic file made available, identified above and prepared 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 annual financial statements and the accompanying combined management report for the financial year from January 1 to December 31, 2022 contained in the "Report on the Audit of the Annual 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 the combined management report, contained in the file made available 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 AsS 410 (06.2022)) 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 renderings 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 control as 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 process of preparing 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 judgement and maintain professional scepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 paragraph 1 HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of the Commission Delegated Regulation (EU) 2019/815, as amended as at the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to 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 at the Annual Shareholder's Meeting held on April 29, 2022. We were engaged by the Supervisory Board on July 1, 2022. We have been the 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 the combined management report converted into ESEF format - including the versions to be entered in the company register - are merely electronic renderings of the audited annual financial statements and the audited combined 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 provided in electronic form.

German Public Auditor Responsible for the Engagement

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

Stuttgart, den 13. März 2023

KPMG AG
Wirtschaftsprüfungsgesellschaft

Original German version signed by:

[signature] gez. Sailer
Wirtschaftsprüfer
(German Public Auditor)

[signature] gez. Bock
Wirtschaftsprüfer
(German Public Auditor)

Forward-looking statements**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, customs and foreign trade provisions; a shift in consumer preferences towards smaller, lower-margin vehicles; a possible lack of acceptance of our products or services which limits our ability to achieve prices and adequately utilise our production capacities; price increases for fuel, raw materials or energy; disruption of production due to shortages of materials or energy, labour strikes or supplier insolvencies; a decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimisation measures; the business outlook for companies in which we hold a significant equity interest; the successful implementation of strategic cooperations and joint ventures; changes in laws, regulations and government policies, particularly those relating to vehicle emissions, fuel economy and safety; the resolution of pending governmental investigations or of investigations requested by governments and the outcome of pending or threatened future legal proceedings; and other risks and uncertainties, some of which are described under the heading "Risk and Opportunity Report" in the current Annual Report. If any of these risks and uncertainties materialises, 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.

