

Remuneration Report 2021

Mercedes-Benz Group AG



According to the requirements of Section 162 of the German Stock Corporation Act (AKTIENGESETZ, AktG) the Remuneration Report explains the application of the remuneration system for the members of the Board of Management and the Supervisory Board of Mercedes-Benz Group AG and describes the amount and structure of the individual remuneration awarded and due for the current and former members of the Board of Management and Supervisory Board in the financial year 2021. The Remuneration Report furthermore complies with the recommendations and suggestions of the German Corporate Governance Code (DEUTSCHE CORPORATE GOVERNANCE KODEX, DCGK) as resolved on December 16, 2019.

The remuneration system for members of the Board of Management is aligned with the business strategy as well as the sustainable and long-term growth of the Company and was approved by the Annual Shareholders' Meeting according to Section 120a Subsection 1 AktG on July 8, 2020, by 95.33% of the votes cast. It can be accessed on the Company's website at group.mercedes-benz.com/remuneration-bom. Remuneration of the Supervisory Board as well as the corresponding amendment to the Articles of Incorporation were approved at the Annual Shareholders' Meeting according to Section 113 Subsection 3 AktG on May 31, 2021, by 95.39% of the votes cast. The remuneration system of the Supervisory Board can be accessed on the Company's website at group.mercedes-benz.com/remuneration-sb.

The Remuneration Report 2021 was audited by KPMG AG Wirtschaftsprüfungsgesellschaft exceeding the requirements of Section 162 Subsection 3 AktG according to both formal and substantial criteria. The auditor's opinion is enclosed with the Remuneration Report 2021.

Review of the financial year 2021

The concrete link between the remuneration of the members of the Board of Management and performance (pay for performance) is of great importance to the Supervisory Board. In addition to the strong financial performance by the Group as a whole and the achievement of strategic targets, this also includes responsibility for employees, the environment and society. Despite the – still ongoing – global economic impact of the COVID-19 pandemic and the challenges resulting from the shortage of semiconductors, especially in the second half of the financial year, the Group was able to continue on its profitable growth path in the financial year 2021 and achieve continued good financial performance.

In line with the pay for performance principle implemented in the remuneration system of the Board of Management, which is to take appropriate account of the performance of the members of the Board of Management by setting adequate and ambitious performance criteria within the variable remuneration components, the variable remuneration awarded and due in 2021 reflects, from the point of view of the Supervisory Board, the good results of the past financial year. In addition to financial performance, the non-financial performance criteria and transformation targets achieved are also taken into account.

A major strategic milestone in the financial year 2021 was the successful spin-off and initial public offering of the Daimler commercial vehicle business. As a result, the commercial vehicles business gained full entrepreneurial independence as well as an independent corporate governance structure. In addition, the Mercedes-Benz brand set the course in July 2021 for an all-electric future: By the end of the decade, Mercedes-Benz shall be ready to go all-electric – wherever market conditions allow. With this strategic step from “electric first” to “electric only,” Mercedes-Benz is accelerating the transformation to a zero-emission and software-driven future. This strategy is also reflected in the targets for the Board of Management as well as for the executives.

The automotive industry continues to change profoundly and with strong momentum. Sustainability and climate protection in particular are among the most urgent challenges we now face. We are convinced that personal mobility will continue to be a fundamental need in the coming decades and that the market for sustainable luxury in the automotive sector will continue to grow. We also expect positive trends in the market for financial services and in demand for fleet management as well as for digital mobility solutions. In implementing the Company's purpose of enabling mobility for people at a high level, we aim to

- make mobility more sustainable;
- continue to grow in the core business;
- implement electric driving as a priority in all divisions;
- initiate automated and autonomous driving and mobility services with a focus on customer value and profitability;
- continue advancing digitization and leveraging its potential;
- support this transformation with a culture that is practiced and further developed by the employees, making the Group more agile and faster while increasing the pace of innovation.

The focus of the activities is always on the customer and sustainability as integral components of the strategy. Achieving the financial targets is a key condition in all the activities.

Principles of Board of Management remuneration

In determining the total remuneration of individual members of the Board of Management on the basis of the remuneration system approved by the Annual Shareholders' Meeting, the performance of the members of the Board of Management is taken into account in addition to the situation of the Company, the respective areas of activity and responsibility and customary market practice, taking into account the size, complexity and economic situation of the Company. This is done in line with legal requirements and with a clear focus on the competition. A balanced, from the point of view of the Supervisory Board, combination of non-performance-related (fixed) and performance-related (variable) remuneration components that also takes into account suitably ambitious performance parameters and performance indicators shall provide the Board of Management with incentive to implement the corporate strategy and ensure the Group's sustained success. In this way, the interests of all stakeholders, in particular those of the shareholders as the owners of the Company, those of the customers and those of the employees are reconciled.

There is also a strong focus on making the remuneration system of the Board of Management consistent with that of the management team. The latter aspect ensures that all of the decision-makers pursue uniform goals while taking the same financial and sustainability/environmental, social and governance (ESG) aspects into account and promoting the Company's cultural and organizational realignment.

The Supervisory Board orients itself by the following guidelines when determining the amount of remuneration and the remuneration system:

Remuneration guidelines

- The remuneration system as a whole contributes significantly to promoting the business strategy.
- The remuneration system and the performance targets for its variable components incentivize the Group's long-term and sustainable development.
- The remuneration system is an important factor in linking the interests of the shareholders, customers, employees and other stakeholders.
- The performance of the Board of Management members is appropriately taken into account in the variable remuneration components by adequate and ambitious set performance targets (pay for performance).
- When assessing the performance of the Board of Management, relevant competitors are taken into account in all variable remuneration components in order to implement an additional relative performance measurement and provide incentives for outperformance.
- The Supervisory Board ensures that the remuneration system for the Board of Management as well as that for senior executives sets equally focused incentives (consistency of remuneration systems).
- The design of the remuneration system takes the current market standards into account.

Review and determination of Board of Management remuneration

For each upcoming financial year, the Presidential Committee prepares the review of the remuneration system and the individual remuneration level by the Supervisory Board and, where necessary, prepares suggestions for changes. In the process, the Presidential Committee and the Supervisory Board can avail themselves of the advice of external remuneration experts. This was also done in the year under review. Based on the preparation and recommendation of the Presidential Committee, the Supervisory Board has not resolved any changes for the financial year 2021 to the remuneration system of the members of the Board of Management approved by the 2020 Annual Shareholders' Meeting. If major changes are made to the remuneration system, but at least every four years, it is submitted to the Annual Shareholders' Meeting for approval. If the Annual Shareholders' Meeting does not approve the remuneration system, a revised remuneration system has to be submitted for approval to the next ordinary Annual Shareholders' Meeting at the latest.

On the basis of the approved remuneration system and the recommendations of the Presidential Committee, the Supervisory Board determines the amount of the target total remuneration of the individual members of the Board of Management for each upcoming financial year. It shall be set in an adequate proportion to the responsibilities and performance of each member of the Board of Management and to the situation of the Group. In addition, the Supervisory Board makes sure that the target total remuneration is in line with the market. To do this, it uses both a horizontal and a vertical

comparison. For the horizontal – external – comparison of the target total remuneration, with regard to the market position of the Company (in particular sector, size and country), a suitable group of DAX companies as well as comparable other German companies and a group of international competitors consisting of listed automotive manufacturers (in the reporting period: BMW, GM, Honda, Hyundai, Kia, Mazda, Nissan, Subaru, Suzuki, Toyota and Volkswagen) is used. The composition of the international comparison group for the horizontal comparison corresponds largely to the group of competitors considered as well for the performance criteria for the long-term variable remuneration component (Performance Phantom Share Plan (PPSP)).

In addition to the horizontal comparison, the Supervisory Board takes into account the development of the Board of Management remuneration in a vertical – internal – comparison with the remuneration of the senior executives and the total workforce (collective and non-collective pay-scale employees, including senior executives) of the Group in Germany. This is done by comparing the ratio of the remuneration of the Board of Management with the remuneration of the defined groups of employees. In addition, the comparison of the ratio of the remuneration of the Board of Management with that of the total workforce is also made with companies listed in the DAX and comparable companies. For this purpose, the Supervisory Board has defined the group of senior executives as follows: It consists of the two management levels below the Board of Management at Mercedes-Benz Group AG within the Group in Germany. In the event of significant shifts in the ratio between the remuneration of the Board of Management and the horizontal and vertical comparison groups, the

Supervisory Board examines the causes and, in the absence of objective reasons for the shifts, adjusts the remuneration of the Board of Management if necessary.

Overview of the components of the remuneration system

The remuneration system generally consists of fixed non-performance-related and variable performance-related remuneration components, the sum of which determines the total remuneration a member of the Board of Management receives. The fixed non-performance-related remuneration consists of the base salary, the fringe benefits (pecuniary benefits, mainly expenses assumed by the Company for security services and the provision of company cars), which may vary each year

based on individual and certain events, and the annual amounts for retirement pension commitments of each member of the Board of Management.

The variable performance-related remuneration is divided into a short- and medium-term variable remuneration (annual bonus) and a long-term variable remuneration (Performance Phantom Share Plan, PPSP). 50% of the annual bonus is paid out after the end of the financial year and 50% after the end of a further year (Deferral), linked to relative share price development. The amount to be paid out for the long-term variable remuneration component (PPSP) is determined and paid out at the end of the four-year plan period.

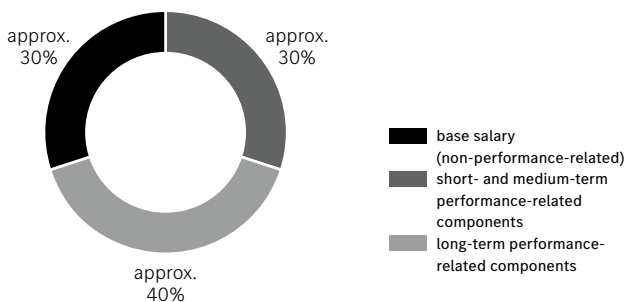
Fixed remuneration	Base salary	- Fixed contractually agreed remuneration paid out in twelve equal monthly installments	
	Fringe benefits	- Mainly expenses for security precautions and the provision of company cars	
	Retirement pension commitment	- Annual contribution of 15% of the sum of the base salary and the total annual bonus as determined at the end of the reporting period	
Variable remuneration	Short- and medium-term variable remuneration	Type	Annual bonus
		Limit/cap	200% of the base salary
		Performance criteria	Financial performance criteria: <ul style="list-style-type: none"> - 50% EBIT target/actual comparison - 50% free cash flow of the industrial business target/actual comparison - Range of possible target achievement: 0% - 200% - Non-financial performance criteria (up to 10 percentage points added to or deducted from the degree of target achievement for the financial performance criteria) - Transformation targets (up to 25 percentage points added to the degree of target achievement for the financial performance criteria)
		Payout	- 50% after one year - 50% deferred by one additional year coupled with share price performance compared to competitors
	Long-term variable remuneration	Plan type	- Performance Phantom Share Plan
		Limit/cap	- 250% of value when granted
		Performance criteria	- 50% return on sales - 50% relative share performance
		Payout	- After the three-year performance period and an obligatory one-year retention period
	Malus/clawback	- Partial reduction or complete elimination/reclamation of variable remuneration possible	
	Stock Ownership Guidelines	- The number of shares to be held is set between 20,000 and 75,000 - Up to 25% of the gross remuneration from the Performance Phantom Share Plans to be used to acquire ordinary shares	

Structure of the target total remuneration of the members of the Board of Management

The base salary and the short- and medium-term variable remuneration (annual bonus) each comprise approximately 30% of the target remuneration (excluding the retirement pension commitments and fringe benefits), while the variable remuneration component with a long-term incentive effect (PPSP) makes up approximately 40% of the target remuneration (the target remuneration reflects 100% target achievement). Thus, the long-term variable remuneration component shall exceed the short-term variable component, so that the focus is on the long-term and sustainable development of the Company without neglecting the operational annual targets. Both the delayed payout of the portion of the annual bonus (with use of the bonus-malus system) and the variable component of remuneration from the PPSP with its link to additional, ambitious comparative parameters and to the share price reflect the recommendations of the German Corporate Governance Code (DCGK), which stipulates that the variable remuneration that results from the achievement of mid- and long-term targets should exceed that from short-term targets.

Remuneration structure

Target remuneration consists of non-performance-related and performance-related components:



The pension contribution to the respective pension plan of the members of the Board of Management is currently calculated as 15% of the sum of the base salary and the total annual bonus as determined at the end of the reporting period.

Target total remuneration of the members of the Board of Management for the financial year 2021

The Supervisory Board has set the following target total remuneration for members of the Board of Management in the financial year 2021, calculated from

- the base salary 2021,
- taxable non-cash benefits and other fringe benefits in the financial year 2021,
- the half of the annual bonus for 2021 payable in the financial year 2022 at the value for target achievement of 100% (one-year variable remuneration 2021),
- the half of the medium-term annual bonus for 2021 payable in the financial year 2023 at the value for target achievement of 100% (Deferral 2021),
- the value of the long-term share-based remuneration (PPSP tranche 2021-2024) at the time when granted in the financial year 2021 (payable in the financial year 2025), and
- the retirement pension expense in the financial year 2021 (service costs in the financial year 2021).

Target Remuneration

	Ola Källenius Chairman of the Board of Management		Dr. Jörg Burzer² Production and Supply Chain Management (since December 1, 2021)		Martin Daum³ Daimler Trucks & Buses (bis 9. Dezember 2021)	
	2021	2020	2021	2020	2021	2020
	in k€	in k€	in k€	in k€	in k€	in k€
Base salary¹	1,664	1,415	69	-	763	707
Taxable non-cash benefits and other fringe benefits	96	72	3	-	91	115
Sum fixed remuneration	1,760	1,487	72	0	854	822
Short-term variable remuneration						
One-year variable remuneration 2021 (50% of annual bonus 2021)	832		35	-	382	
One-year variable remuneration 2020 (50% of annual bonus 2020)		832		-		416
Mid-term variable remuneration						
Deferral 2021 (50% of annual bonus 2021)	832		35	-	382	
Deferral 2020 (50% of annual bonus 2020)		832		-		416
Long-term variable remuneration						
PPSP 2021 ⁴	2,200			-	1,008	
PPSP 2020 ⁴		2,200		-		1,100
Sum variable remuneration	3,864	3,864	70	0	1,772	1,932
Retirement pension expense (service costs)	518	520	-	-	250	250
Target total remuneration	6,142	5,871	142	0	2,876	3,004

1 Taking into account the voluntary waiver of the Board of Management of 20% of the base salary for the period April 1 to December 31, 2020.

2 Dr. Jörg Burzer has been appointed to the Board of Management effective December 1, 2022.

3 Martin Daum: Entitlement from the PPSP 2021 transferred to Daimler Truck Holding AG. For the period from December 1 to December 9, no remuneration was paid by Mercedes-Benz Group AG to Martin Daum. Table reflects remuneration until resignation from the Board of Management.

4 PPSP 2021 and 2020: target value reflects the grant value.

Target Remuneration

	Renata Jungo Brüngger Integrity & Legal Affairs		Sabine Kohleisen² Human Resources & Labor Director (since December 1, 2021)		Wilfried Porth³ Human Resources & Labor Director (until November 30, 2021)	
	2021	2020	2021	2020	2021	2020
	in k€	in k€	in k€	in k€	in k€	in k€
Base salary¹	832	707	69	-	763	707
Taxable non-cash benefits and other fringe benefits	94	96	4	-	61	88
Sum fixed remuneration	926	803	73	0	824	795
Short-term variable remuneration						
One-year variable remuneration 2021 (50% of annual bonus 2021)	416		35	-	382	
One-year variable remuneration 2020 (50% of annual bonus 2020)		416		-		416
Mid-term variable remuneration						
Deferral 2021 (50% of annual bonus 2021)	416		35	-	382	
Deferral 2020 (50% of annual bonus 2020)		416		-		416
Long-term variable remuneration						
PPSP 2021 ⁴	1,100			-	1,054	
PPSP 2020 ⁴		1,100		-		1,150
Sum variable remuneration	1,932	1,932	70	0	1,818	1,982
Retirement pension expense (service costs)	251	252	-	-	-	-
Target total remuneration	3,109	2,987	143	0	2,642	2,777

1 Taking into account the voluntary waiver of the Board of Management of 20% of the base salary for the period April 1 to December 31, 2020.

2 Sabine Kohleisen has been appointed to the Board of Management effective December 1, 2022.

3 Wilfried Porth: Table for the period January 1 to November 30, 2021.

4 PPSP 2021 and 2020: target value reflects the grant value.

Zielvergütung

	Markus Schäfer Chief Technology Officer, Development & Purchasing		Britta Seeger Marketing & Sales		Hubertus Troska² Greater China	
	2021	2020	2021	2020	2021	2020
	in k€	in k€	in k€	in k€	in k€	in k€
Base salary¹	832	707	832	707	832	707
Taxable non-cash benefits and other fringe benefits	88	96	87	86	728	748
Sum fixed remuneration	920	803	919	793	1,560	1,455
Short-term variable remuneration						
One-year variable remuneration 2021 (50% of annual bonus 2021)	416		416		416	
One-year variable remuneration 2020 (50% of annual bonus 2020)		416		416		416
Mid-term variable remuneration						
Deferral 2021 (50% of annual bonus 2021)	416		416		416	
Deferral 2020 (50% of annual bonus 2020)		416		416		416
Long-term variable remuneration						
PPSP 2021 ³	1,100		1,100		1,100	
PPSP 2020 ³		1,100		1,100		1,100
Sum variable remuneration	1,932	1,932	1,932	1,932	1,932	1,932
Retirement pension expense (service costs)	253	254	255	256	250	250
Target total remuneration	3,105	2,989	3,106	2,981	3,742	3,637

1 Taking into account the voluntary waiver of the Board of Management of 20% of the base salary for the period April 1 to December 31, 2020.

2 In connection with Hubertus Troska's activities abroad, there are still ongoing taxable non-cash benefits for previous years.

3 PPSP 2021 and 2020: target value reflects the grant value.

Target Remuneration

Harald Wilhelm
Finanzen & Controlling/
Mercedes-Benz Mobility

	2021	2020
	in k€	in k€
Base salary¹	850	723
Taxable non-cash benefits and other fringe benefits	59	77
Sum fixed remuneration	909	800
Short-term variable remuneration		
One-year variable remuneration 2021 (50% of annual bonus 2021)	425	
One-year variable remuneration 2020 (50% of annual bonus 2020)		425
Mid-term variable remuneration		
Deferral 2021 (50% of annual bonus 2021)	425	
Deferral 2020 (50% of annual bonus 2020)		425
Long-term variable remuneration		
PPSP 2021 ²	1,100	
PPSP 2020 ²		1,100
Sum variable remuneration	1,950	1,950
Retirement pension expense (service costs)	278	291
Target total remuneration	3,137	3,041

1 Taking into account the voluntary waiver of the Board of Management of 20% of the base salary for the period April 1 to December 31, 2020.

2 PPSP 2021 and 2020: target value reflects the grant value.

Maximum amounts of remuneration and maximum total remuneration

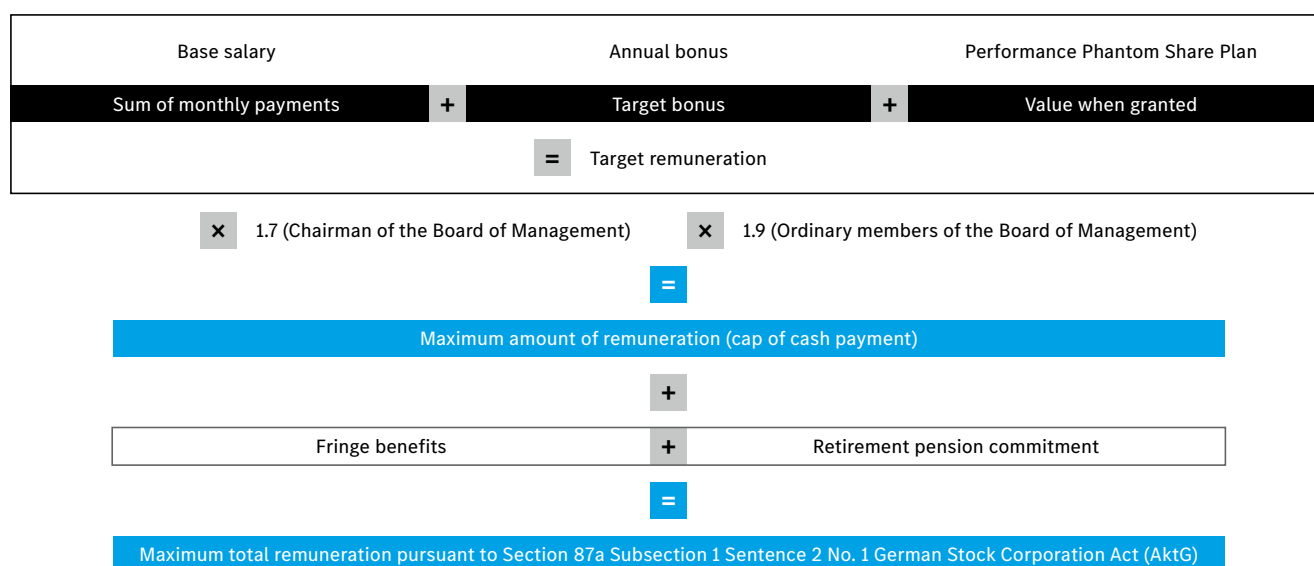
Pursuant to Section 87a Subsection 1 Sentence 2 No. 1 AktG, the remuneration system for the Board of Management provides for a maximum remuneration for members of the Board of Management. The maximum remuneration achievable for a financial year, comprising base salary, variable remuneration components, retirement pension expense and fringe benefits, is capped at €12,000,000 gross for the Chairman of the Board of Management and at €7,200,000 gross for each ordinary member of the Board of Management (“maximum total remuneration”).

In addition to the maximum total remuneration, the remuneration of the members of the Board of Management also has already had for many years caps on each of the variable remuneration components and a cap on the amount of the cash payments. For the Chairman of the Board of Management, this maximum amount is set at 1.7 times, for the other members of the Board of Management at 1.9 times the sum of the base salary, the target annual bonus and the PPSP value when granted.

The possible cap on the amount exceeding the maximum total remuneration and/or the maximum limit of the cash payments is determined with the payment of the PPSP issued in the relevant financial year, i.e., for the financial year 2021, with payment of the PPSP 2021 in the financial year 2025.

In the financial year 2021, the Supervisory Board ensured that the maximum amount of the cash payments for the financial year 2017 were complied with. A final statement on compliance with the maximum total remuneration and the maximum amount of the cash payments for the financial year 2021 can only be made once the targets have been achieved and the PPSP issued in the financial year 2021 has been paid out in the financial year 2025. The Supervisory Board will ensure the compliance at a given time.

Calculation of the maximum amount of remuneration (cap of cash payments) and maximum total remuneration



Remuneration components of the Board of Management in the financial year 2021 in detail

The individual components of the Board of Management's remuneration in detail are as follows:

Fixed remuneration components

Base salary

The base salary is fixed remuneration relating to the entire year, oriented on the area of responsibility and experience of each Board of Management member and paid out in twelve monthly installments.

Fringe benefits

Fringe benefits are an additional component of the fixed remuneration. These mainly comprise expenses for security precautions and the provision of company cars. In addition, special location-based benefits can be provided for Board of Management members who work abroad.

In the reporting period, the members of the Board of Management were also included in a financial loss and liability insurance policy for executive bodies and certain executives taken out by the Company in the interests of the Company with a corresponding deductible in accordance with Section 93 Subsection 2 AktG. The premiums were paid by the Company.

Retirement benefits

In the financial year 2012, the Company introduced a new company retirement benefit plan for new entrants and new appointments both for employees paid according to collective bargaining agreements as well as for executives: the "Daimler Pensions Plan". This retirement benefit system features the payment of annual contributions by the Company and is aligned with the capital market. The Company merely makes a commitment to guarantee the total of contributions paid, which are invested in the capital market according to a precautionary investment concept.

The Supervisory Board has approved the application of this retirement benefit plan for all members of the Board of Management newly appointed since 2012. The amount of the annual contributions results from a fixed

percentage of the base salary and the total annual bonus for the respective financial year calculated as of the balance sheet date. This percentage in the financial year 2021 is 15%. Contributions to the retirement benefit plan are granted until the age of 62. The benefit from the Daimler Pensions Plan is payable to surviving Board of Management members at the earliest at the age of 62, irrespective of their age upon retirement. If a member of the Board of Management retires due to disability, the benefit is also paid as a disability pension until the age of 62.

The "Pension Capital system" was used from the beginning of 2006 until the end of 2011. Existing pension agreements of active Board of Management members at the beginning of this period were adjusted accordingly. All Board of Management members newly appointed during that period were subject exclusively to the Pension Capital system.

Under this system, each Board of Management member is credited with a capital component each year. This capital component comprises an amount equal to 15% of the sum of the Board of Management member's fixed base salary and the total annual bonus for the respective financial year determined on the balance sheet date, multiplied by an age factor equivalent to a rate of return of 6% until 2015 and 5% from 2016 (Wilfried Porth: 5% for all years). These contributions to pension plans are granted only until the age of 60. The benefit from the Pension Capital system is payable in the committed amount (sum of the capital components credited including interest) to surviving Board of Management members at the earliest at the age of 60, irrespective of their age upon retirement. If a member of the Board of Management retires due to disability, the benefit is paid as a disability pension, even before the age of 60.

Payments under the Pension Capital system and the Daimler Pensions Plan can be made in three ways: as a single amount or in twelve annual installments, whereby interest accrues on each partial amount from the time payments commence until the payout is complete (Pension Capital: 6% or 5%; Daimler Pensions Plan: in accordance with applicable law) or as an annuity with annual increases (Pension Capital: 3.5% or in accordance with applicable law; Daimler Pensions Plan: in accordance with applicable law).

The contracts specify that if a Board of Management member passes away before retiring for reason of age, the spouse/registered civil partner or dependent children is/are entitled to the full committed amount in the case of the Pension Capital system, and to the credit amount reached plus an imputed amount until the age of 62 in the case of the Daimler Pensions Plan. If a Board of Management member passes away after retiring for reason of age, in the case of payment of twelve annual installments, the heirs are entitled to the remaining present value. In the case of a pension with benefits for surviving dependents, the spouse/registered partner or dependent children is/are entitled to 60% of the discounted terminal value (Pension Capital), or the spouse/registered civil partner is entitled to 60% of the actual pension (Daimler Pensions Plan).

Until the end of 2005, the pension agreements of Board of Management members included a commitment to an annual retirement pension, calculated as a proportion of the former base salary and depending on the number of years of service; an analogous implementation of this commitment for the corresponding hierarchical level applied to Wilfried Porth for the period prior to his serving as a member of the Board of Management. Such pension claims remained in effect after the conversion to the Pension Capital system but were frozen at the level reached at the beginning of 2006.

Payments on these pension claims begin on application as retirement benefits if the term of service ends at or after the age of 60, or as disability benefits if the term of service ends before the age of 60 due to disability. The respective agreements provide for 3.5% annual increases starting when benefits are received (with the exception that Wilfried Porth's benefits are adjusted in accordance with applicable law). The agreements guarantee the spouse/registered civil partner of a deceased Board of Management member 60% of that member's pension. That amount can increase by up to 30 percentage points depending on the number of dependent children.

Departing Board of Management members are also provided with a company car, in some cases for a defined period.

Service costs for pension obligations to Board of Management members in office during the reporting period in accordance with IAS 19 amounted to €2.1 million in the financial year 2021 (2020: €2.1 million). The present value of the total defined benefit obligation according

to IAS 19 amounted to €32.9 million as of December 31, 2021 (2020: €31.6 million). Taking age and period of service into account, the individual entitlements, service costs and present values are shown in the table.

Individual entitlements, service costs and present value for members of the Board of Management

in k€	Jahr	Annual pension (as regulated until 2005) as of age 60	Service cost (for pension, pension capital and Daimler Pension Plan)	Present value ¹ of obligations (for pension, pension capital and Daimler Pensions Plan)
	2021	-	518	5,013
Ola Källenius	2020	-	520	4,378
	2021	-	-	16
Dr. Jörg Burzer ²	2020	-	-	-
	2021	-	250	4,227
Martin Daum ³	2020	-	250	3,993
	2021	-	251	2,211
Renata Jungo Brüngger	2020	-	252	1,840
	2021	-	-	11
Sabine Kohleisen ²	2020	-	-	-
	2021	156	-	11,661
Wilfried Porth ³	2020	156	-	12,684
	2021	-	253	2,853
Markus Schäfer	2020	-	254	2,720
	2021	-	255	2,520
Britta Seeger	2020	-	256	2,231
	2021	-	250	3,724
Hubertus Troska	2020	-	250	3,383
	2021	-	278	659
Harald Wilhelm	2020	-	291	325

¹ The amounts of the present values are primarily due to the low level of the relevant discount rate.

² Sabine Kohleisen and Dr. Jörg Burzer were appointed to the Board of Management effective on December 01, 2021.

³ Martin Daum resigned from the Board of Management effective on December 9, 2021 and Wilfried Porth resigned from the Board of Management effective on December 1, 2021.

Variable remuneration components

The variable remuneration is intended to provide the right incentives for the Board of Management to act in the interests of the corporate strategy, shareholders, customers, employees and other stakeholders. Annual operational targets of a financial and non-financial nature are derived from the long-term and sustainable development of the Company to ensure the implementation of the corporate strategy; the achievement of

these targets is incentivized via the annual bonus as short- and medium-term variable remuneration. In addition, there is the long-term-oriented variable remuneration – the Performance Phantom Share Plan (PPSP) – which rewards the long-term success of the Company compared to competitors and the long-term performance of the Mercedes-Benz Group share price and thus also the sustainable return for the shareholders.

Annual bonus

The annual bonus is a short- and medium-term variable remuneration component that provides an incentive for the contribution made in the financial year to the operational implementation of the corporate strategy, in particular the future-proof transformation through technological and sustainable realignment of the Group towards electromobility and extensive digitization as

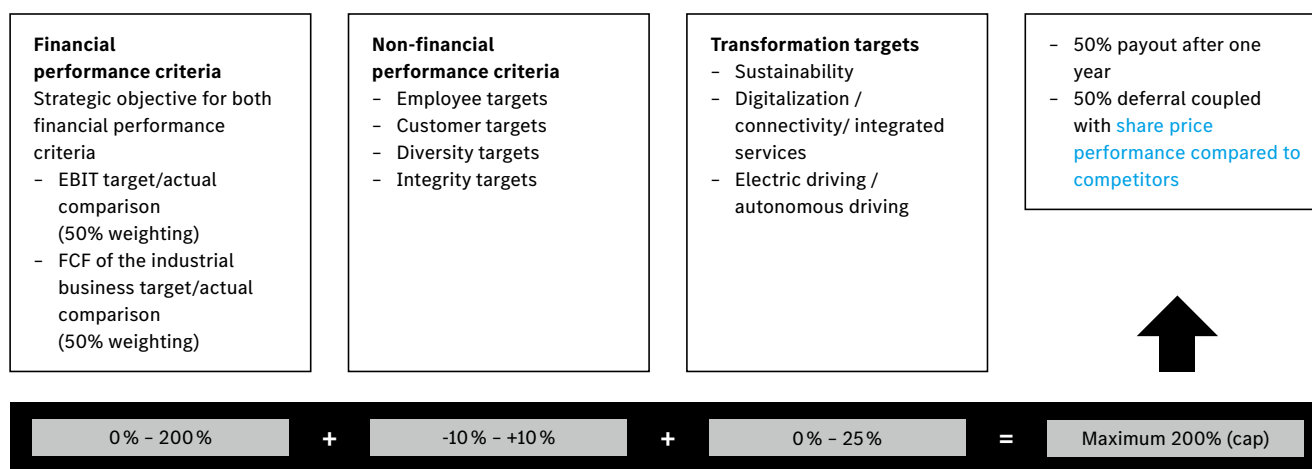
well as the expansion of the business model as a vehicle manufacturer and a provider of mobility services. With this in mind, the Supervisory Board derives ambitious operational targets from the strategic business objectives for each upcoming financial year. In addition to financial performance criteria, these also include non-financial performance criteria and transformation targets.

Overview: Relation of the annual bonus to the business strategy

Elements of the annual bonus	Relation to the business strategy/incentive effect
Financial performance criteria - EBIT	Strong focus of business operations on strengthening the global core business and providing the financial means to achieve the corporate strategy
Financial performance criteria - FCF IB	Alignment of remuneration with the extensive investment requirements arising from the Group transformation and incentivization of further optimization of cash flow management
Non-financial performance criteria	Inclusion of important non-financial strategic targets and thus building blocks such as "strengthening the core business," "adjusting the corporate culture," and "strengthening the customer- and market-oriented structure"
Transformation targets	Clear focus of cluster/target criteria on defined future fields and sustainability and ESG aspects as part of the corporate strategy
Deferral	Extension of the performance period for half of the annual bonus through an additional share-based component and a competitor comparison, thereby promoting the sustainability aspect of the remuneration system
Consideration of competitors	Integration of relative performance measurement and creation of incentives to outperform relevant competitors

The target annual bonus, which is paid if target achievement is 100%, is set at 100% of the base salary. The total payout amount from the annual bonus is

limited to 2 times the respective base salary for the corresponding financial year and is calculated as follows:



50% of the calculated annual bonus is paid out in March of the following financial year (one-year variable remuneration). The other 50% (so-called Deferral, medium-term oriented variable remuneration) is paid out one year later.

Amount with 100% target achievement (target annual bonus)

In the financial year 2021, the target amount is equivalent to the respective base salary.

Cap of annual bonus

The total payout amount from the annual bonus is limited to 2 times the base salary of the corresponding financial year.

Financial performance criteria

The structure of the financial performance criteria promotes the long-term development of the Company in terms of its financial ability to invest with its own funds in – for example – new technologies and business models. This effectively ensures the future viability of the Company.

The financial performance criteria are based on the operating result of the Group (EBIT) and the free cash flow of the industrial business (FCF IB), both weighted at 50%. Besides revenue, EBIT and FCF IB are the key financial performance indicators for the Group's operational financial performance.

Performance criteria in the financial year 2021:

- 50% comparison EBIT actual value 2021 to target value 2021
- 50% comparison FCF IB actual value 2021 to target value 2021

The result out of the performance criteria in the financial year 2021 has been adjusted for certain extents (e.g. deconsolidation result of the Truck Spin-Off). The target achievement has been lowered accordingly.

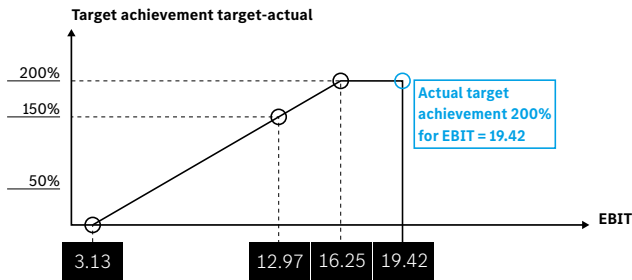
The measure of operating profit at the divisional level is EBIT. As earnings before interest and income taxes, EBIT reflects the divisions' responsibility for their earnings. The target value of EBIT for each financial year is determined on the basis of the desired medium-term return set by the Supervisory Board, which is ambitious and aligned with the competitive environment, and is derived from the growth targets. The starting point of the calculation is the revenue of the previous year.

In addition to the cash flows of the automotive divisions, FCF IB also includes cash flows from taxes and other reconciliation items not attributable to the divisions and is of particular importance for the financial strength of the Group. The target value for FCF IB in the respective financial year is based on the defined target EBIT of the divisions of the automotive business as well as on a strategic target for the cash conversion rate. The cash conversion rate is the proportion of the period's result that is scheduled to flow into the Group's liquidity after the payments for the necessary investments in research and development, tangible fixed assets and working capital are taken into account in accordance with the strategic growth target. When comparing the target FCF IB 2021 to the actual one, adjustments are made for certain factors that were taken into account in the target achievement of the annual bonus in the financial year 2020 or earlier.

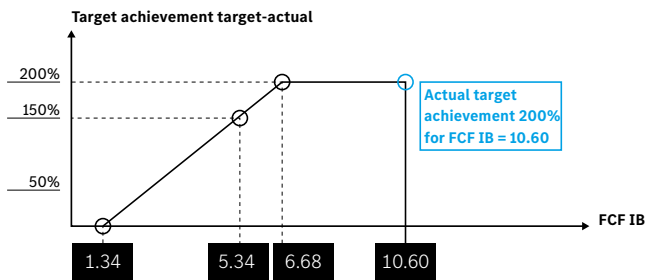
The range of possible target achievement for the two financial targets EBIT and FCF IB is between 0% and 200%. The lower limit of this range is 25% of the target value, the upper limit is 125% of the target value. If the value actually achieved is at or below the lower limit of the range, the degree of target achievement is always 0%. The total absence of a bonus is therefore possible. If the value actually achieved is at or above the upper limit of the range, the degree of target achievement is 200%, which is the maximum it can reach. The degree of target achievement develops linearly within the range.

For the financial year 2021, the Supervisory Board set the following financial targets, which were achieved as follows (adjusted on account of Truck Spin-Off):

Financial targets in the annual bonus: EBIT (in billions of euros)



Financial targets in the annual bonus: FCF IB (in billions of euros)



Non-financial performance criteria

The non-financial targets which focus on sustainability and cultural aspects are assigned to four categories and, like the financial performance criteria, apply uniformly to the entire Board of Management. These categories shall represent further building blocks of the corporate strategy and thus promote the sustainable and long-term development of the Company: for example, integrity, employee satisfaction and diversity as indispensable components of an agile, future-oriented corporate culture committed to social values, or quality as an indispensable prerequisite of customer satisfaction and long-term and sustainable sales success.

Each category is weighted equally and receives an addition or a deduction of up to 2.5 percentage points each to or from the degree of achievement of the financial targets. Across all four categories, the non-financial performance criteria lead to an addition or deduction of up to 10 percentage points to the degree of target achievement. Measurable criteria are also defined for the non-financial targets, allowing target achievement to be clearly determined on the basis of a target/actual comparison at the end of the financial year. The total of the addition or deduction resulting from the non-financial targets is rounded to two significant figures. For the financial year 2021 this results in an increment of +3.5 percentage points (rounded).

In detail:

Overview: Non-financial performance criteria in the annual bonus

Non-financial performance criteria	Design	Target achievement
Integrity	<ul style="list-style-type: none"> - Achievement of the Group-level targets regarding the further development and permanent establishment of integrity was measured on the basis of certain standardized questions in a global employee survey. - This measurement was based on the achieved approval rate of any question and the average approval rate achieved across all questions (integrity indicator). - Target achievement is derived at Group level. 	2 %
Quality	<ul style="list-style-type: none"> - Quality and/or customer satisfaction targets (quality KPIs of all divisions) were defined by the individual divisions for the financial year. - With regard to vehicles, a comparison of the target number and the actual number of claims during a predefined period of time ›MIS‹ (Months in Service), was carried out. - The level of target achievement at the Group level was derived as a weighted average of the individual divisional levels of target achievement. 	-2,5%
Employee Engagement	<ul style="list-style-type: none"> - Employee engagement to the Group was calculated on the basis of their answers to certain standardized questions in our global employee survey. - These answers, together with the participation rate achieved in the employee survey, were used to derive a level of target achievement at the Group level for the maintenance and enhancement of a high level of satisfaction and motivation among the employees. 	2 %
Diversity	<ul style="list-style-type: none"> - A target for the proportion of women in executive positions was defined at the Group level for a period of several years on the basis of Daimler's in-house guidelines for the proportion of women in management positions (Gender Diversity Aspirational Guidelines), which go beyond the legally obligatory targets. - A level of target achievement was determined for this in a comparison of actual and target values that was conducted at the end of the financial year. 	2 %

The following criteria are used for the evaluation:

Integrity

Degree of target achievement	Addition / deduction	Integrity Indicator +	Approval rate of any question
excellent	2.5%	> 80 %	> 74 %
good	2.0%	71-80 %	65-74 %
average	1.0%	61-70 %	60-64 %
low	-2.5%	≤ 60 %	≤ 59 %

Employee Engagement

Degree of target achievement	Addition / deduction	Employee Engagement +	Participation rate
excellent	2.5%	> 35%	> 70%
good	2.0%	31-35%	66-70%
average	1.0%	25-30%	61-65%
low	-2.5%	≤ 25%	≤ 60%

Quality

Degree of target achievement	Addition / deduction	Quality KPIs of all Divisions
excellent	2.5%	The addition / deduction depends on the respective target value of the respective division or product.
good	2.0%	
average	1.0%	
low	-2.5%	

Diversity

Degree of target achievement	Addition / deduction	Gender Diversity Aspirational Guidelines
excellent	2.5%	Target overachieved ≥10%
good	2.0%	Target overachieved < 10%
average	1.0%	Target achieved
low	-2.5%	Target not achieved

Transformation targets

In order to take into account the implementation of the future-oriented measures for the technological and sustainable realignment of the Group, measurable targets and key performance indicators from the future-oriented fields were defined at the beginning of the financial year 2021. As an integral component of the corporate strategy, sustainability/environmental, social and governance (ESG) aspects have an explicit significance for the entrepreneurial activities of Mercedes-Benz Group AG.

The transformation targets represent both quantitative and qualitative aspects. They can add up to 25 percentage points to the degree to which the financial targets have been achieved.

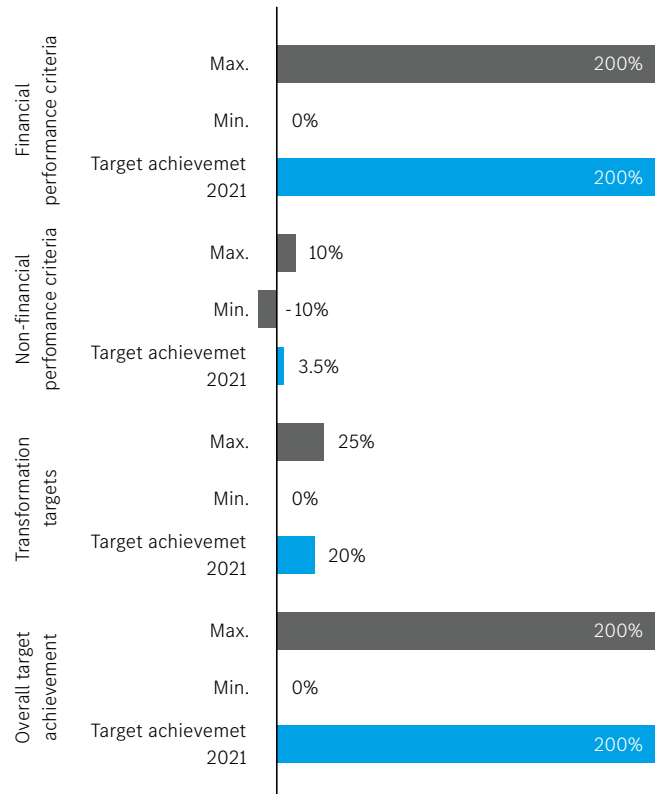
For the financial year 2021, the Supervisory Board has set transformation targets in the following topic areas of Sustainability / Digitalization / Connectivity / Integrated Service / Electric Driving / Autonomous Driving. These include, among others, the following aspects:

- CO₂-emission “tank-to-wheel”
- Progress of Mercedes-Benz Group operating system (especially implementation of the system and onboarding of new talents)
- Adjustment of the supply chain, especially with regard to high-risked materials
- Reduction of total CO₂-emissions in scope 1 and 2

The Supervisory Board derived the Board of Management’s shared level of target achievement from the divisions’ degree of target achievement as well as the strategic, organizational and structural contribution of the Board of Management as a whole, taking into account the economic environment and the competitive situation and positioning of the Group. For the financial year 2021 this leads to the addition of +20 percentage points to the degree to which the financial targets have been achieved.

Overall target achievement for the annual bonus 2021

The overall target achievement for the annual bonus 2021 is made up of the target achievements for the financial performance criteria, the non-financial performance criteria and the transformation targets, and amounts to 200% in the financial year 2021.



For the members of the Board of Management, this results in the following payout amount for the annual bonus 2021. Of this amount, 50% will be paid out in March of the financial year 2022 and 50% (Deferral) in the financial year 2023.

Overall target achievement Annual Bonus 2021

	Target amount	Financial performance criteria	Nonfinancial performance criteria	Transformation targets	Overall target achievement ¹	Payout amount
	in k€	Target achievement in %	Target achievement in %	Target achievement in %	in %	in k€
Ola Källenius	1,664					3,328
Dr. Jörg Burzer	69					138
Martin Daum	763					1,526
Renata Jungo Brüngger	832					1,664
Sabine Kohleisen	69					138
Wilfried Porth	763	200%	3.50%	20%	200%	1,526
Markus Schäfer	832					1,664
Britta Seeger	832					1,664
Hubertus Troska	832					1,664
Harald Wilhelm	850					1,700

¹ Maximum target achievement 200% (Addition of the three performance criteria).

Deferral

Only 50% of the annual bonus is paid out in March of the following financial year. The second 50% will be paid out one year later (so-called deferral), depending on Mercedes-Benz share performance compared with an automotive index (STOXX Europe Auto Index). Mercedes-Benz Group AG uses this index as a benchmark for the relative share performance in one year starting from December 31. The relative Mercedes-Benz share performance is multiplied by the second 50% of the annual bonus after the end of the period under review and paid out.

In the financial year 2021, the deferral from the annual bonus 2019 was paid out (further information with regards to deferred items can be taken from the tables ›remuneration awarded and due‹). The relative share performance of the Company compared to the STOXX Europe Auto Index for the Deferral 2019 for the period from January 1, 2020 to December 31, 2020 was 113%. The deferral from the annual bonus 2020 will be paid out in March 2022. The relative share performance of the Company compared to the STOXX Europe Auto Index for the period from January 1, 2021 to December 31, 2021 was 112%.

Performance Phantom Share Plan (PPSP)

The PPSP is a long-term variable remuneration component that shall reward the long-term success of the Company compared to its competitors and the long-term performance of the Mercedes-Benz share, and thus also the sustainable return for shareholders. Thereby, target achievement for the PPSP is measured on the basis of two performance criteria that are weighted at 50% each. First, the return on sales in a three-year comparison with competitors is used as a performance criterion that shall set incentives to ensure sustainable and profitable growth and enhance efficiency. Second, the “relative share performance” is used, which links the interests of the Board of Management and shareholders. The relevance of the share price and thus the alignment of the interests of the Board of Management and shareholders is further strengthened by the calculation of the payout amount only after the fourth year of the plan term at the share price then applicable.

At the beginning of the plan, the Supervisory Board specifies a grant value in Euro in the context of setting the individual annual target total remuneration. This amount is divided by the relevant average price of Mercedes-Benz shares calculated over a predefined, longer period of time, which results in the preliminary number of phantom shares allocated.

Overview: Relation of the Performance Phantom Share Plan (PPSP) to the business strategy

Elements of the PPSP	Relation to the business strategy/incentive effect
Return on sales	Integrates a main key performance measure of the Group and ensures sustainable and profitable growth
Share price performance	Links the interests of the Board of Management and shareholders
Consideration of competitors	Integrates a relative measure of performance and thus creates incentive to outperform relevant competitors over the long run
Four-year duration	Ensures the sustainable and long-term growth of the Group
Conversion into phantom shares	Strengthens the relation to the share price and thus the linking of interests of the Board of Management and shareholders

Also at the beginning of the plan, performance criteria are set for a period of three years (performance period). Depending on the achievement of these performance criteria with a possible range of 0% to 200%, after three years the phantom shares allocated at the beginning of the plan are converted into the final number of phantom shares allocated.

After another plan year has elapsed (retention period), the amount to be paid out is calculated from this final number of phantom shares multiplied by the applicable share price at that time. The share price relevant for the payout under this plan is also relevant to allocating the preliminary number of phantom shares for the plan newly issued in the respective financial year.

A dividend equivalent is applied for each phantom share held if a dividend is paid out for Mercedes-Benz shares in the respective year. The amount of the dividend equivalent is based on the dividend that is paid out during the respective year for an actual share in the Company. During the performance period, it is granted for the preliminary number of phantom shares that have been allocated; in the year of the retention period, it is granted for the final number of phantom shares.

Value upon allocation

Determined annually by the Supervisory Board; for the financial year 2021, approximately 1.4 times the base salary.

Range of possible target achievement

0 to 200%, meaning that the plan is capped. It may also be zero.

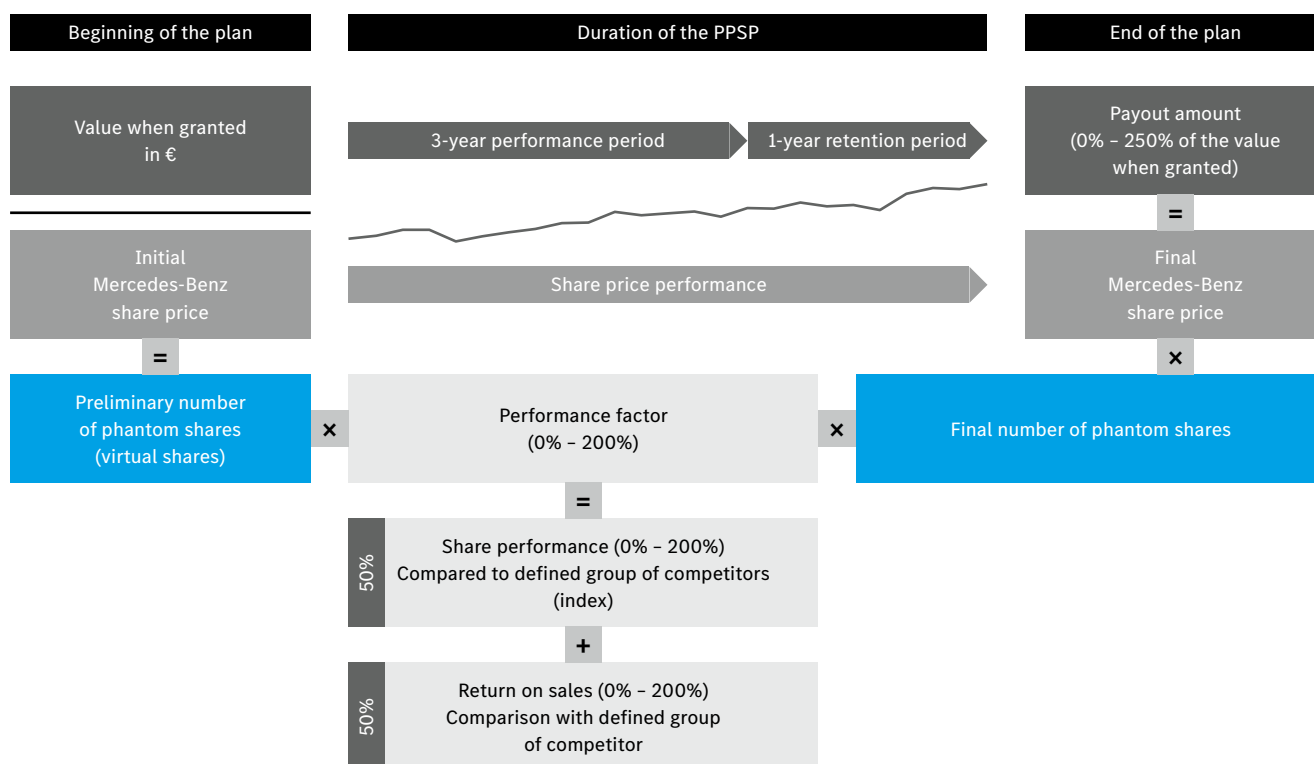
Value of phantom shares at payout

The value of the phantom shares to be paid out after the end of the plan period depends on the target achievement measured in accordance with the following performance criteria and the share price relevant for the payout. This share price is limited to 2.5 times the share price at the beginning of the plan. Furthermore, the final amount paid is limited to 2.5 times the value when granted at the beginning of the plan. This maximum amount also includes the dividend equivalent paid out during the four-year plan period.

Performance criteria for the PPSP 2021

Return on sales (50%):

The return on sales achieved is determined in a three-year comparison with a group of competitors comprising listed vehicle manufacturers with an automotive share of more than 70% by revenue and an investment-grade credit rating (BMW, GM, Honda, Hyundai, Kia, Mazda, Nissan, PSA Peugeot/Stellantis, Subaru, Suzuki, Toyota, Volvo and Volkswagen). For the measure of performance, the average return on sales of the competitors is calculated over three years. Target achievement occurs to the extent to which Mercedes-Benz



Group's return on sales deviates by a maximum of +/-2 percentage points from 105% of the calculated average of the competitors.

- Target achievement of 100% only occurs when the average return on sales of the Group reaches 105% of the revenue-weighted average return on sales of the group of competitors. Maximum target achievement of 200% occurs if return on sales of the Group exceeds 105% of the revenue-weighted average of the competitors by 2 percentage points or more. If a target achievement of between 195% and 200% occurs, the maximum target achievement calculated from the performance parameter of return on sales compared to the group of competitors will only be deemed to be 200% if the actual return on sales for the Group's automotive business reaches at least the strategic target for return on sales in the third year of the performance period. Otherwise, target achievement will be limited to 195%.

- Target achievement of 0% for this performance criterion occurs in the event of a downward deviation of 2 percentage points or more. In the deviation range of +/- 2 percentage points, target achievement varies in proportion to the deviation.

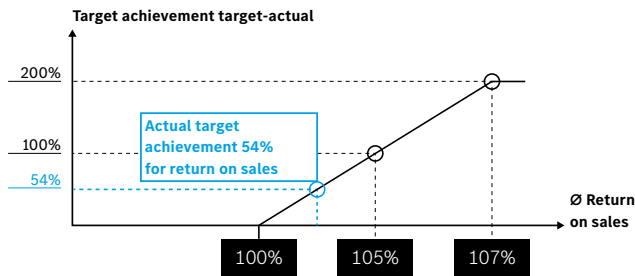
Relative share performance (50%):

Relative share performance is measured by the performance of the Mercedes-Benz share in a three-year comparison with the performance of the defined group of competitors. If the performance of the Mercedes-Benz share price (in percent) is the same as that of the index (in percent), target achievement is deemed to be 100%. If the performance of the share price (in percent) is 50 percentage points or more above (below) the performance of the index, target achievement is deemed to be 200% (0%). In the deviation range of +/- 50 percentage points, target achievement varies in proportion to the deviation. The PPSP 2021 was granted in 2021 will however only be reported in 2025.

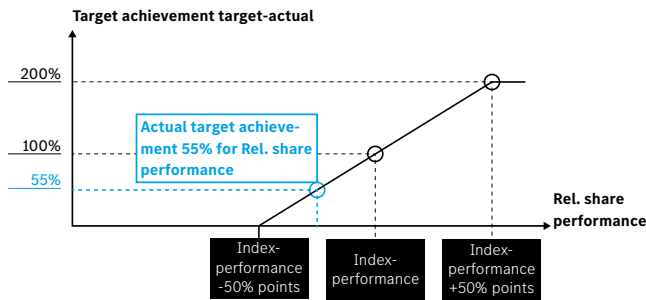
Target achievement for the PPSP 2017

For the PPSP 2017, which will be paid out in the financial year 2021 at the end of the four-year plan period, the following target achievement was calculated:

Financial targets for PPSP: Return on sales



Financial targets for PPSP: relative share performance

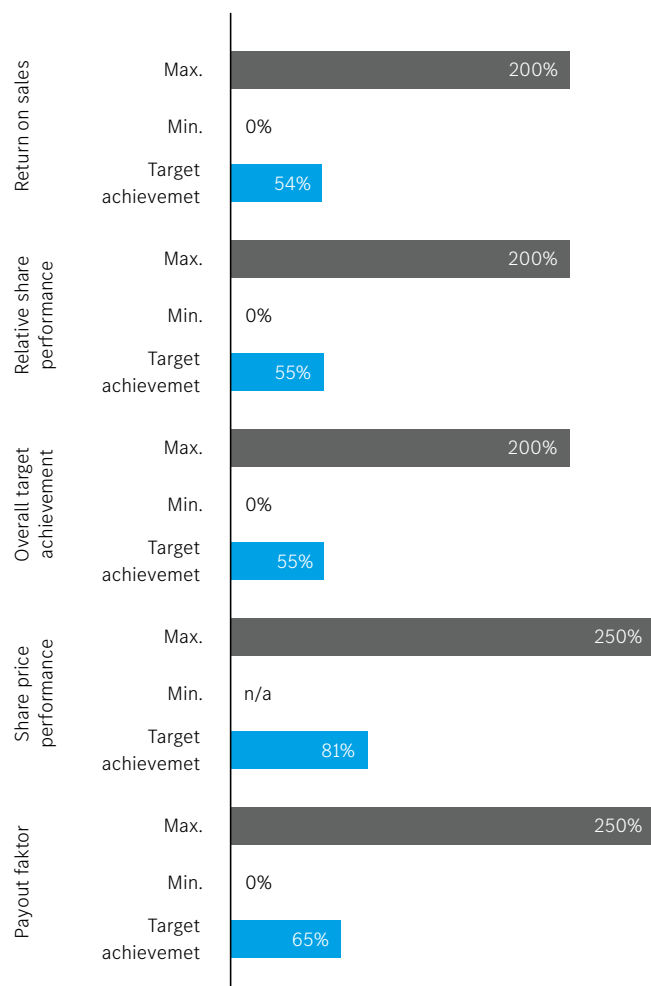


The spin-off of the commercial vehicles business, which was completed at the end of the financial year 2021, had no impact on the PPSP 2017, as its payout was completed before the spin-off. The payout of the PPSP 2018 will be based on a combined closing price of the Daimler-/Mercedes-Benz Group AG share and the Daimler Truck Holding AG share in the period between January 1, 2022 and the day before the first ordinary meeting of the Executive Committee of the Supervisory Board of Mercedes-Benz Group AG in 2022, but no later than the day before the Supervisory Board meeting of Mercedes-Benz Group AG for the adoption of the annual financial statements for 2021 and the allocation ratio defined for shareholders. The PPSP 2019 to 2021 will continue as group-specific plans following the successful spin-off of the commercial vehicles business. In contrast to real shares, phantom shares did not result in a spin-off in such a way that additional shares of Daimler

Truck Holding AG were granted in a defined exchange ratio. In order to compensate for the loss in value of the Daimler/Mercedes-Benz share resulting from the spin-off, the number of provisional phantom shares granted was adjusted using a conversion factor. The conversion factor increased the number of (provisionally) allocated Mercedes-Benz Phantom shares by exchanging the fictitious allocation of shares in Daimler Truck Holding AG into additional Mercedes-Benz Phantom Shares on the basis of the allocation ratio defined for shareholders in the demerger agreement. On the basis of the allocation ratio of 1:2 defined for the shareholders and the share prices of former Daimler AG and Daimler Truck Holding AG in the period from December 10 to December 31, 2021, a conversion factor of 1.2199 was determined for the Phantom Shares of Mercedes-Benz Group AG. This was applied to the previous number of Phantom Shares in order to continue the PPSP at the same value.

The maximum target achievement of the performance criteria return on sales and relative share performance of 200% was not reached by the PPSP 2017. The cap of the share price relevant for the payout of 2.5 times the share price at the beginning of the plan and the cap of the final amount to be paid out (including the dividend equivalents paid out during the four-year plan period) of 2.5 times the absolute euro amount specified at the beginning of the plan, which is relevant for the preliminary number of phantom shares allocated (payout factor), were also not reached for the PPSP 2017.

The following figure shows the target achievements, the share price performance and the payout factor of the PPSP 2017 in total:



The following table shows the grant value per member of the Board of Management and the payout amount of the PPSP 2017 resulting from overall target achievement and share performance:

Transfer of PPSP tranches to Daimler Truck

The PPSP (2018-2021) allocated to Mr. Daum in the past and not yet paid out were converted to Daimler Truck Holding AG due to the spin-off of the Daimler Truck Group. The conversion is analogous to that for senior executives of the new Truck Group. This was done by converting two Daimler shares into one Daimler Truck Holding AG share (1:2 allocation ratio). The PPSP 2017 was not converted, as it had already been paid out prior to the spin-off.

Overall target achievement PPSP 2017

	Grant Value	Share Price at Grant	Preliminary number of Phantom Shares	Target Achievement	Final number of Phantom Shares	Share price at Payout	Payout Amount
	in k€	in €		in %		in €	in €
Ola Källenius	1,100		15,446	55%	8,496		495,317
Martin Daum	1,100		15,446	55%	8,496		495,317
Renata Jungo Brüngger	1,100		15,446	55%	8,496		495,317
Wilfried Porth	1,150	71.22	16,148	55%	8,882	58.30	517,821
Markus Schäfer ¹	380		5,336	61%	3,255		189,767
Britta Seeger	1,100		15,446	55%	8,496		495,317
Hubertus Troska	1,100		15,446	55%	8,496		495,317

¹ Allocation as Executive Vice President. Plans for the level below the Board of Management differ in terms of target achievement.

Guidelines for share ownership

As a supplement to the remuneration components of the Board of Management, share ownership guidelines exist for the Board of Management (“Stock Ownership Guidelines”). These guidelines require members of the Board of Management to invest in Mercedes-Benz Group shares over a period of several years and to hold those shares until the end of their employment. The number of shares to be held is set between 20,000 and 75,000, depending on the functional responsibility of the respective member of the Board of Management. In fulfillment of the policy, up to 25% of the gross remuneration out of each Performance Phantom Share Plan for each financial year is generally to be used to acquire actual shares in the Company, but the required shares can also be acquired in other ways.

On December 31, 2021, the following status for the Stock Ownership Guidelines and their implementation resulted for the members of the Board of Management in the office of that time:

Stock Ownership Guidelines

	SOG-Target		Status quo
	Number	Number	in % of the SOG-Target
Ola Källenius	75,000	16,101	21%
Dr. Jörg Burzer	20,000	1,593	8%
Renata Jungo Brüngger	20,000	9,508	48%
Sabine Kohleisen	20,000	353	2%
Markus Schäfer	20,000	8,907	45%
Britta Seeger	20,000	3,934	20%
Hubertus Troska	20,000	20,000	100%
Harald Wilhelm ¹	25,000	-	-

¹ Harald Wilhelm has so far not received any payout from PPSP. The first grant would be due in 2023 (PPSP 2019).

Malus/clawback

Malus and clawback provisions are implemented in the service contracts and the PPSP plan conditions.

These provisions allow for the partial or complete reduction of the annual bonus for any Board of Management member who violates the duties pursuant to Section 93 AktG and, in particular, the principles laid down in the Company’s Integrity Code. If it is not possible to reduce a future bonus payment or a payment that has yet to be made, the Board of Management member in question will be required to pay back the amount of the bonus reduction. The Supervisory Board decides on such bonus reductions.

The terms governing the PPSP include a provision that allows for the partial or complete reduction of the payout for any member of the Board of Management who clearly violates the principles laid down in the Company’s Integrity Code or any other professional obligations, prior to the payout of the plan proceeds. The Supervisory Board decides on such bonus reductions.

There were no reasons for applying the malus or clawback provisions in the financial year 2021, which is why there were no reductions or repayments.

Early termination of service

The durations of the service contracts of the members of the Board of Management correspond to their terms of appointment.

If the appointment of a member of the Board of Management is revoked pursuant to Section 84 Subsection 3 AktG and there is good cause as defined in Section 626 of the German Civil Code (Bürgerliches Gesetzbuch, BGB), the service contract shall also end at the time the revocation of the appointment takes effect. In this case, no payments are made to the Board of Management member for the period from the effective date of the revocation.

In the case of early termination of the service contract without good cause within the meaning of Section 626 of the German Civil Code (BGB), 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. Such persons are only entitled to payment of the annual bonus pro rata for the period until the end of the membership in the Board of Management. Entitlement to payment of the performance-based components 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 payments described above are subject to the provisions of the severance cap of the German Corporate Governance Code (DCGK), their total including fringe benefits is limited to twice the value of the annual remuneration and may not exceed the total remuneration for the remaining period of the service contract.

In the event of an early or regular termination of the service contract, both the short-term and the delayed medium-term component (deferral) of the annual bonus and the proceeds from the long-term PPSP are not paid out in advance but instead at the points in time agreed upon in the service contract or in the terms and conditions of the PPSP plan. The entitlements are inheritable.

A post-contractual non-competition clause is not included in the contracts of the Board of Management members. There are likewise no commitments in the event of early termination of Board of Management membership due to a change of control, nor are there any commitments regarding severance payments.

Information on benefits in the event of regular termination of employment can be found in section "Retirement benefits".

Secondary activities of Board of Management members

Board of Management members should only accept to a limited extent management board or supervisory board positions and/or any other administrative or honorary functions outside the Group. They furthermore require the consent of the Supervisory Board before commencing any secondary activities. This ensures that neither the time required nor the remuneration paid for such activities leads to any conflict with the members' duties to the Group. Insofar as such secondary activities are memberships of statutory supervisory boards or comparable boards of business enterprises, they are disclosed in the notes to the annual financial statements of Mercedes-Benz Group AG, which are published on the website. In general, Board of Management members have no right to separate remuneration for board positions held at other companies of the Group. In the event of the assumption of supervisory board mandates outside the Group, the Supervisory Board decides whether and to what extent the remuneration is to be credited.

Remuneration from third parties

No remuneration was paid to members of the Board of Management by third parties with regard to their activities on the Board of Management in the financial year 2021.

Remuneration of the members of the Board of Management in the office in the financial year 2021

The following tables show the remuneration awarded and due in the financial year 2021 and 2020 for each individual member of the Management Board in accordance with Section 162 Subsection 1 Sentence 1 AktG, including the respective relative proportions of their components.

The disclosure corresponds to the disclosure already made in the past in accordance with the model table (“Benefits received”) of the German Corporate Governance Code (DCGK) in its version of February 7, 2017 and thus ensures a consistently transparent and comparable presentation of the individual remuneration of the members of the Board of Management of Mercedes-Benz Group AG. For this purpose, clusters were defined for the respective remuneration components, based on the disclosure logic described below:

The first half of the one-year variable remuneration 2021 is disclosed in accordance with a vesting-oriented interpretation. This means that the one-year variable remuneration (Short Term Incentive) is disclosed for the financial year in which the performance measurement is completed and it is therefore vested. The one-year variable remuneration is therefore disclosed for the financial year 2021, although the actual payout will not take place until early in the financial year 2022. For the deferral (Mid Term Incentive) and the PPSP (Long Term Incentive), on the other hand, a disclosure logic is chosen that corresponds to a payout-oriented interpretation. This ensures that all conditions subsequent or conditions precedent of the medium- and long-term oriented variable remuneration have lapsed or have been fulfilled and that the actual amount of the remuneration components can be disclosed in accordance with the actual payout.

The total “remuneration awarded and due” in the financial year 2021 is calculated as the total of the amounts of

- the base salary 2021,
- the taxable non-cash benefits and other fringe benefits in the financial year 2021,
- the half share of the annual bonus 2021 determined for the financial year 2021 and paid in the financial year 2022 (one-year variable remuneration 2021),
- the half share of the medium-term-oriented component of the annual bonus 2019 (Deferral 2019) ending at the end of the financial year 2020 and paid in the financial year 2021,
- the value of the long-term share-based remuneration (PPSP 2017) paid in the financial year 2021,
- the dividend equivalents of the current PPSP (2018, 2019, 2020 and 2021) paid in the financial year 2021.

Furthermore, the retirement pension expense in the financial year 2021 (service costs in the financial year 2021) is shown.

For the comparison of the remuneration 2021 and 2020, it should be taken into account that the members of the Board of Management have voluntarily waived 20% of their base salary for the period from April 1 to December 31, 2020.

Remuneration awarded and due

	Ola Källenius Chairman of the Board of Management				Dr. Jörg Burzer Production and Supply Chain Management (since December 1, 2021)			
	2021		2020		2021		2020	
	in k€	in %	in k€	in %	in k€	in %	in k€	in %
Base salary	1,664	39%	1,415	39%	69	49%	-	-
Taxable non-cash benefits and other fringe benefits	96	2%	72	2%	3	2%	-	-
Sum fixed remuneration	1,760		1,487		72		0	
Short-term variable remuneration								
One-year variable remuneration 2021 (50% of annual bonus 2021) ¹	1,664	39%	-	-	69	49%	-	-
One-year variable remuneration 2020 (50% of annual bonus 2020)	-	-	1,232	34%	-	-	-	-
Mid-term variable remuneration ²								
Deferral 2019 (50% of annual bonus 2019)	189	4%	-	-	-	-	-	-
Deferral 2018 (50% of annual bonus 2018)	-	-	242	7%	-	-	-	-
Long-term variable remuneration								
PPSP 2017	495	13%	-	-	-	-	-	-
PPSP 2016	-	-	565	16%	-	-	-	-
Dividend equivalent PPSP 2021	51	1%	-	-	-	-	-	-
Dividend equivalent PPSP 2020	64	1%	43	1%	-	-	-	-
Dividend equivalent PPSP 2019	50	1%	33	1%	-	-	-	-
Dividend equivalent PPSP 2018	11	0%	13	0%	-	-	-	-
Dividend equivalent PPSP 2017	-	-	8	0%	-	-	-	-
Sum variable remuneration	2,524		2,136		69		0	
Total remuneration in terms of Sec.162 AktG	4,284	100%	3,623	100%	141	100%	0	-
Retirement pension expense (service costs)	518	-	520	-	-	-	-	-
Total remuneration (incl. service costs)	4,802		4,143		141		0	

¹ Only 50% of the annual bonus is paid out in March of the following financial year. The second 50% will be paid out one year later (so-called deferral), depending on Mercedes-Benz share performance compared with an automotive index (STOXX Europe Auto Index). The disclosure corresponds to the disclosure already made in the past in accordance with the model table ("Benefits received") of the German Corporate Governance Code (DCGK) in its version of February 7, 2017 and thus ensures a consistently transparent and comparable presentation of the individual remuneration of the members of the Board of Management of Mercedes-Benz Group AG. This means that the one-year variable remuneration (Short Term Incentive) is disclosed for the financial year in which the performance measurement is completed and it is therefore vested. The one-year variable remuneration is therefore disclosed for the financial year 2021, although the actual payout will not take place until the financial year 2022. For the deferral (Mid Term Incentive) and the PPSP (Long Term Incentive), on the other hand, a disclosure logic is chosen that corresponds to a payout-oriented interpretation.

² In addition to the deferrals paid out from the annual bonus 2018 and 2019 shown in the table, further deferrals are outstanding. These are the Deferral 2020 for Ola Källenius with a deferred amount of 1,232 k€ and the Deferral 2021 with a deferred amount of 1,664 k€ for Ola Källenius and 69 k€ for Dr. Jörg Burzer.

Remuneration awarded and due

	Martin Daum Daimler Trucks & Buses (until December 9, 2021)				Renata Jungo Brüngger Integrity & Legal Affairs			
	2021		2020		2021		2020	
	in k€	in %	in k€	in %	in k€	in %	in k€	in %
Base salary	763	33%	707	36%	832	34%	707	31%
Taxable non-cash benefits and other fringe benefits	91	4%	115	6%	94	4%	96	4%
Sum fixed remuneration	854		822		926		803	
Short-term variable remuneration								
One-year variable remuneration 2021 (50% of annual bonus 2021) ¹	763	33%	-	-	832	34%	-	-
One-year variable remuneration 2020 (50% of annual bonus 2020)	-	-	616	32%	-	-	616	27%
Mid-term variable remuneration ²								
Deferral 2019 (50% of annual bonus 2019)	118	5%	-	-	118	5%	-	-
Deferral 2018 (50% of annual bonus 2018)	-	-	242	12%	-	-	242	11%
Long-term variable remuneration								
PPSP 2017	495	22%	-	-	495	20%	-	-
PPSP 2016	-	-	225	11%	-	-	565	24%
Dividend equivalent PPSP 2021	25	1%	-	-	25	1%	-	-
Dividend equivalent PPSP 2020	32	1%	21	1%	32	1%	21	1%
Dividend equivalent PPSP 2019	30	1%	20	1%	30	1%	20	1%
Dividend equivalent PPSP 2018	11	0%	13	1%	11	0%	13	1%
Dividend equivalent PPSP 2017	-	-	8	0%	-	-	8	0%
Sum variable remuneration	1,474		1,145		1,543		1,485	
Total remuneration in terms of Sec. 162 AktG	2,328	100%	1,967	100%	2,469	100%	2,288	100%
Retirement pension expense (service costs)	250	-	250	-	251	-	252	-
Total remuneration (incl. service costs)	2,578		2,217		2,720		2,540	

1 Only 50% of the annual bonus is paid out in March of the following financial year. The second 50% will be paid out one year later (so-called deferral), depending on Mercedes-Benz share performance compared with an automotive index (STOXX Europe Auto Index). The disclosure corresponds to the disclosure already made in the past in accordance with the model table ("Benefits received") of the German Corporate Governance Code (DCGK) in its version of February 7, 2017 and thus ensures a consistently transparent and comparable presentation of the individual remuneration of the members of the Board of Management of Mercedes-Benz Group AG. This means that the one-year variable remuneration (Short Term Incentive) is disclosed for the financial year in which the performance measurement is completed and it is therefore vested. The one-year variable remuneration is therefore disclosed for the financial year 2021, although the actual payout will not take place until the financial year 2022. For the deferral (Mid Term Incentive) and the PPSP (Long Term Incentive), on the other hand, a disclosure logic is chosen that corresponds to a payout-oriented interpretation.

2 In addition to the deferrals paid out from the annual bonus 2018 and 2019 shown in the table, further deferrals are outstanding. These are the Deferral 2020 for Martin Daum and Renata Jungo Brüngger with a deferred amount of 616 k€ for each, and the Deferral 2021 with a deferred amount of 763 k€ for Martin Daum and 832 k€ for Renata Jungo Brüngger.

Remuneration awarded and due

	Sabine Kohleisen Human Resources & Labor Director (since December 1, 2021)				Wilfried Porth Human Resources & Labor Director (until November 30, 2021)			
	2021		2020		2021		2020	
	in k€	in %	in k€	in %	in k€	in %	in k€	in %
Base salary	69	49%	-	-	763	33%	707	31%
Taxable non-cash benefits and other fringe benefits	4	2%	-	-	61	3%	88	4%
Sum fixed remuneration	73		0		824		795	
Short-term variable remuneration								
One-year variable remuneration 2021 (50% of annual bonus 2021) ¹	69	49%	-	-	763	33%	-	-
One-year variable remuneration 2020 (50% of annual bonus 2020)	-	-	-	-	-	-	616	26%
Mid-term variable remuneration ²								
Deferral 2019 (50% of annual bonus 2019)	-	-	-	-	118	5%	-	-
Deferral 2018 (50% of annual bonus 2018)	-	-	-	-	-	-	242	10%
Long-term variable remuneration								
PPSP 2017	-	-	-	-	518	23%	-	-
PPSP 2016	-	-	-	-	-	-	591	26%
Dividend equivalent PPSP 2021	-	-	-	-	27	1%	-	-
Dividend equivalent PPSP 2020	-	-	-	-	34	1%	22	1%
Dividend equivalent PPSP 2019	-	-	-	-	31	1%	21	1%
Dividend equivalent PPSP 2018	-	-	-	-	11	0%	14	1%
Dividend equivalent PPSP 2017	-	-	-	-	-	-	8	0%
Sum variable remuneration	69		0		1,502		1,514	
Total remuneration in terms of Sec. 162 AktG	142	100%	0	-	2,326	100%	2,309	100%
Retirement pension expense (service costs)								
Total remuneration (incl. service costs)	142		0		2,326		2,309	

1 Only 50% of the annual bonus is paid out in March of the following financial year. The second 50% will be paid out one year later (so-called deferral), depending on Mercedes-Benz share performance compared with an automotive index (STOXX Europe Auto Index). The disclosure corresponds to the disclosure already made in the past in accordance with the model table ("Benefits received") of the German Corporate Governance Code (DCGK) in its version of February 7, 2017 and thus ensures a consistently transparent and comparable presentation of the individual remuneration of the members of the Board of Management of Mercedes-Benz Group AG. This means that the one-year variable remuneration (Short Term Incentive) is disclosed for the financial year in which the performance measurement is completed and it is therefore vested. The one-year variable remuneration is therefore disclosed for the financial year 2021, although the actual payout will not take place until the financial year 2022. For the deferral (Mid Term Incentive) and the PPSP (Long Term Incentive), on the other hand, a disclosure logic is chosen that corresponds to a payout-oriented interpretation.

2 In addition to the deferrals paid out from the annual bonus 2018 and 2019 shown in the table, further deferrals are outstanding. These are the Deferral 2020 for Wilfried Porth with a deferred amount of 616 k€ and the Deferral 2021 with a deferred amount of 69 k€ for Sabine Kohleisen and 763 k€ for Wilfried Porth.

Remuneration awarded and due

	Markus Schäfer Chief Technology Officer, Development & Purchasing				Britta Seeger Marketing & Sales			
	2021		2020		2021		2020	
	in k€	in %	in k€	in %	in k€	in %	in k€	in %
Base salary	832	40%	707	43%	832	34%	707	40%
Taxable non-cash benefits and other fringe benefits	88	4%	96	6%	87	4%	86	5%
Sum fixed remuneration	920		803		919		793	
Short-term variable remuneration								
One-year variable remuneration 2021 (50% of annual bonus 2021) ¹	832	40%	-	-	832	34%	-	-
One-year variable remuneration 2020 (50% of annual bonus 2020)	-	-	616	37%	-	-	616	35%
Mid-term variable remuneration ²								
Deferral 2019 (50% of annual bonus 2019)	72	4%	-	-	118	5%	-	-
Deferral 2018 (50% of annual bonus 2018)	-	-	-	-	-	-	242	14%
Long-term variable remuneration								
PPSP 2017 ³	190	8%	-	-	495	20%	-	-
PPSP 2016 ^{3,4}	-	-	185	12%	-	-	59	3%
Dividend equivalent PPSP 2021	25	1%	-	-	25	1%	-	-
Dividend equivalent PPSP 2020	32	2%	21	1%	32	1%	21	1%
Dividend equivalent PPSP 2019	24	1%	16	1%	30	1%	20	1%
Dividend equivalent PPSP 2018	5	0%	5	0%	11	0%	13	1%
Dividend equivalent PPSP 2017	-	-	3	0%	-	-	8	0%
Sum variable remuneration	1,180		846		1,543		979	
Total remuneration in terms of Sec. 162 AktG	2,100	100%	1,649	100%	2,462	100%	1,772	100%
Retirement pension expense (service costs)	253	-	254	-	255	-	256	-
Total remuneration (incl. service costs)	2,353		1,903		2,717		2,028	

1 Only 50% of the annual bonus is paid out in March of the following financial year. The second 50% will be paid out one year later (so-called deferral), depending on Mercedes-Benz share performance compared with an automotive index (STOXX Europe Auto Index). The disclosure corresponds to the disclosure already made in the past in accordance with the model table ("Benefits received") of the German Corporate Governance Code (DCGK) in its version of February 7, 2017 and thus ensures a consistently transparent and comparable presentation of the individual remuneration of the members of the Board of Management of Mercedes-Benz Group AG. This means that the one-year variable remuneration (Short Term Incentive) is disclosed for the financial year in which the performance measurement is completed and it is therefore vested. The one-year variable remuneration is therefore disclosed for the financial year 2021, although the actual payout will not take place until the financial year 2022. For the deferral (Mid Term Incentive) and the PPSP (Long Term Incentive), on the other hand, a disclosure logic is chosen that corresponds to a payout-oriented interpretation.

2 In addition to the deferrals paid out from the annual bonus 2018 and 2019 shown in the table, further deferrals are outstanding. These are the Deferral 2020 for Markus Schäfer and Britta Seeger with a deferred amount of 616 k€ for each, and the Deferral 2021 with a deferred amount of 832 k€ for each.

3 Markus Schäfer: the PPSP grant for 2017 and 2018 has been awarded prior to his appointment to the Board of Management.

4 Britta Seeger: the 2016 PPSP grant was awarded before her appointment to the Board of Management.

Remuneration awarded and due

	Hubertus Troska Greater China				Harald Wilhelm Finance & Controlling/ Mercedes-Benz Mobility			
	2021		2020		2021		2020	
	in k€	in %	in k€	in %	in k€	in %	in k€	in %
Base salary	832	27%	707	24%	850	44%	723	49%
Taxable non-cash benefits and other fringe benefits ¹	728	23%	748	25%	59	3%	77	5%
Sum fixed remuneration	1,560		1,455		909		800	
Short-term variable remuneration								
One-year variable remuneration 2021 (50% of annual bonus 2021) ²	832	27%	-	-	850	44%	-	-
One-year variable remuneration 2020 (50% of annual bonus 2020)	-	-	616	21%	-	-	629	44%
Mid-term variable remuneration ³								
Deferral 2019 (50% of annual bonus 2019)	118	4%	-	-	90	5%	-	-
Deferral 2018 (50% of annual bonus 2018)	-	-	242	8%	-	-	-	-
Long-term variable remuneration								
PPSP 2017	495	16%	-	-	-	-	-	-
PPSP 2016	-	-	565	20%	-	-	-	-
Dividend equivalent PPSP 2021	25	1%	-	-	25	1%	-	-
Dividend equivalent PPSP 2020	32	1%	21	1%	32	2%	21	1%
Dividend equivalent PPSP 2019	30	1%	20	1%	22	1%	15	1%
Dividend equivalent PPSP 2018	11	0%	13	0%	-	-	-	-
Dividend equivalent PPSP 2017	-	-	8	0%	-	-	-	-
Sum variable remuneration	1,543		1,485		1,019		665	
Total remuneration in terms of Sec. 162 AktG	3,103	100%	2,940	100%	1,928	100%	1,465	100%
Retirement pension expense (service costs)	250	-	250	-	278	-	291	-
Total remuneration (incl. service costs)	3,353		3,190		2,206		1,756	

¹ Hubertus Troska: In connection with Hubertus Troska's activities abroad, there are still ongoing taxable non-cash benefits for previous years.

² Only 50% of the annual bonus is paid out in March of the following financial year. The second 50% will be paid out one year later (so-called deferral), depending on Mercedes-Benz share performance compared with an automotive index (STOXX Europe Auto Index). The disclosure corresponds to the disclosure already made in the past in accordance with the model table ("Benefits received") of the German Corporate Governance Code (DCGK) in its version of February 7, 2017 and thus ensures a consistently transparent and comparable presentation of the individual remuneration of the members of the Board of Management of Mercedes-Benz Group AG. This means that the one-year variable remuneration (Short Term Incentive) is disclosed for the financial year in which the performance measurement is completed and it is therefore vested. The one-year variable remuneration is therefore disclosed for the financial year 2021, although the actual payout will not take place until the financial year 2022. For the deferral (Mid Term Incentive) and the PPSP (Long Term Incentive), on the other hand, a disclosure logic is chosen that corresponds to a payout-oriented interpretation.

³ In addition to the deferrals paid out from the annual bonus 2018 and 2019 shown in the table, further deferrals are outstanding. These are the Deferral 2020 with a deferred amount of 616 k€ for Hubertus Troska and 629 k€ for Harald Wilhelm and the Deferral 2021 with a deferred amount of 832 k€ for Hubertus Troska and 850 k€ for Harald Wilhelm.

Remuneration of former members of the Board of Management in the financial year 2021

The remuneration granted and owed to former members of the Board of Management of Mercedes-Benz Group AG in 2021 amounted to a total of € 21.6 million (2020: € 30.3 million). This represents a decrease of 29%.

Wilfried Porth resigned from the Board of Management, responsible for Human Resources and Labor Director, at the end of November 30, 2021. His service contract ends at the close of April 30, 2022. During the remaining term of his service contract, Mr. Porth will continue to receive the contractually agreed remuneration. For the remainder of the financial year 2021 following his resignation (December 1, 2021 to December 31, 2021), this amount was €73,000 and is made up of the following components: €69,300 base salary and €3,700 fringe benefits. The fixed remuneration components therefore account for 100% of the remuneration.

Dr. Dieter Zetsche was paid the medium-term variable remuneration (Deferral) from the 2019 annual bonus in the amount of €289,298 in the financial year 2021. In addition, he received payments from the PPSP 2017 in the amount of €1,260,679, dividend equivalents in the amount of €103,820 from the current PPSP (2018, 2019) and pension payments in the amount of €1,081,199. Furthermore, Dr. Zetsche received a payment in the amount of €755,170 from the company pension plan. Fringe benefits amounted to €48,500. Accordingly, the fixed remuneration components account for 48% and the variable remuneration components for 52% of the remuneration.

Bodo Uebber was paid the medium-term variable remuneration (Deferral) from the annual bonus 2019 in the amount of €136,516 in the financial year 2021. In addition, he received payments from the PPSP 2017 in the amount of €592,095, dividend equivalents in the amount of €48,759 from the current PPSP (2018, 2019) and pension payments in the amount of €284,709. Fringe benefits amounted to €24,600. Accordingly, the fixed remuneration components account for 28% and the variable remuneration components for 72% of the remuneration.

Prof. Dr. Thomas Weber received pension payments in the amount of €344,359 in the financial year 2021. Furthermore, Prof. Dr. Thomas Weber received a payment in the amount of €440,611 from the company pension plans. Fringe benefits amounted to €12,700. The fixed remuneration components therefore account for 100% of the remuneration.

Dr. Manfred Bischoff received pension payments in the amount of €738,670 in the financial year 2021. Fringe benefits amounted to €74,859. The fixed remuneration components therefore account for 100% of the remuneration.

The remuneration awarded and due in the financial year 2021 to the former members of the Board of Management of Mercedes-Benz Group AG amounted to €15.2 million (2020: €15.1 million) in total.

Remuneration of the Supervisory Board

Principles of Supervisory Board remuneration

Pursuant to Section 113 Subsection 3 AktG, the Annual Shareholders' Meeting of Mercedes-Benz Group AG must resolve upon the remuneration of the members of the Supervisory Board at least every four years. This resolution was adopted by the 2021 Annual Shareholders' Meeting with an approval rate of 95.39% of the votes cast. Article 10 of the Articles of Incorporation of Mercedes-Benz Group AG was adjusted. The remuneration of the members and the Chairman of the Legal Affairs Committee was increased, in all other respects, the level of Supervisory Board remuneration is to remain unchanged. The new rules regarding Supervisory Board remuneration were applicable for the first time for the financial year 2021.

The remuneration of the Supervisory Board members is set in a relationship to their responsibilities and to the situation of the Company and takes into account the recommendations of the German Corporate Governance Code (DCGK) as well as the remuneration of the supervisory boards of other large, listed companies.

The members of the Supervisory Board receive a function-related, fixed remuneration without variable components, to strengthen their independence in the performance of monitoring and advisory duties and in personnel and remuneration decisions. In addition, especially in economically strained situations in which variable remuneration components generally decrease, there is a need to more intensively monitor and advise the Board of Management, accompanied by an increased workload and increased liability risk for Supervisory Board members.

Taking into account the higher time requirements of the Chairman, the Deputy Chairman of the Supervisory Board as well as the Chairmen and members of committees, the members of the Supervisory Board receive fixed annual remuneration of €144,000. The Chairman of the Supervisory Board receives an additional €288,000; the Deputy Chairman of the Supervisory Board receives an additional €144,000.

Membership and chairmanship of the Audit Committee are remunerated with an additional €72,000 and €144,000, respectively. Membership of the Presidential Committee are remunerated with an additional €57,600. No additional remuneration is paid for the Chairman of the Presidential Committee, as this activity is generally included in the remuneration of the Chairman of the Supervisory Board, who chairs the Presidential Committee by virtue of the Rules of Procedure of the Supervisory Board and its committees. The membership of other Supervisory Board committees are remunerated with an additional €28,800; No additional remuneration is paid for the Chairman of the Nominating Committee, as this activity is generally included in the remuneration of the Chairman of the Supervisory Board, who chairs the Nominating Committee by virtue of the Rules of Procedure of the Supervisory Board and its committees. Deviating from this, with effect from January 1, 2021, the expansion of duties and the associated increased time commitment of the members and the Chairman of the Legal Affairs Committee were taken into account by additional function-related remuneration of €57,600 and €115,200, respectively.

Functions on committees shall only be taken into account for a maximum of three committees; if a member of the Supervisory Board has functions in more than three such committees, the three highest-paid committee functions shall be relevant. Members of a Supervisory Board committee are only entitled to remuneration for such membership in a financial year if the committee has held at least one meeting to fulfill its duties in this period.

The members of the Supervisory Board and its committees receive an attendance fee of €1,100 for each meeting of the Supervisory Board meeting and its committees that they attend as a member, with attendance by telephone or video conference or using other comparable customary means of telecommunication also entitling them to an attendance fee. The attendance fee is paid only once if several meetings of the Supervisory Board and/or its committees are held on the same calendar day.

Furthermore, the members of the Supervisory Board are reimbursed for the value-added tax and expenses incurred for the Supervisory Board activities.

The members of the Supervisory Board were also covered in the year under review by insurance against pecuniary damage taken out by and in the interest of the Company for boards and certain senior executives. The insurance premiums were paid by the Company.

All members of the Supervisory Board have made a self-commitment to acquire Company shares in the amount of 20% of their gross annual remuneration (excluding committee remuneration and the attendance fee) every year and to hold these shares until the end of one year after they have left the Company's Supervisory Board (voluntary obligation based on the "comply or explain" principle). This does not apply to Supervisory Board members whose Supervisory Board remuneration is subject to the guidelines of the Confederation of German Trade Unions for transfer of the Hans Böckler Foundation on a mandatory or voluntary basis or whose remuneration is to be transferred to their employer to the corresponding extent in the basis of a service or employment contract or is to be set off against their contractual remuneration entitlement. In the event that a lower amount of the Supervisory Board remuneration is transferred or set off, the voluntary commitment applies to 20% of the amount not transferred or set off. With this voluntary commitment, the members of the Supervisory Board are expressing their focus on and commitment to the long-term, sustainable success of the Company.

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

Remuneration of Supervisory Board members in the financial year 2021

The individual remuneration awarded and due to Supervisory Board members, which consists of 100% fixed remuneration components, is shown in the table below.

The total remuneration for the activities of the members of the Supervisory Board of Mercedes-Benz Group AG in the financial year 2021 amounted to €6.2 million (2020: €5.4 million). For the comparison of the remuneration 2021 and 2020, it should be taken into account that the members of the Supervisory Board have voluntarily waived 20% of their fixed remuneration and their attendance fee for the period from April 1 to December 31, 2020.

Fixed remuneration						
Chairman		Deputy Chairman			Member	
€432,000		288,000 €			144,000 €	
Deputy Chairman						
Audit Committee		Legal Affairs Committee		Presidential Committee	Mediation Committee	Nomination Committee
Chair	Member	Chair	Member	Member		
€144,000	€72,000	€115,200	€57,600	€57,600	€28,800	€28,800
Attendance fee						
€1,100						

Remuneration of the Supervisory Board

	Fixed remuneration		Committee remuneration		Attendance fee		Total remuneration	
	2021	2020	2021	2020	2021	2020	2021	2020
	in k€		in k€		in k€		in k€	
Dr. Manfred Bischoff (until 31.3.2021) ^{1, 22}	107	367	28	98	3	18	138	483
Dr. Bernd Pischetsrieder ^{2, 23}	362	122	72	11	15	11	449	144
Bader M. Al Saad ^{3, 24}	144	122	0	0	10	6	154	128
Sari Baldauf ^{4, 33}	144	122	68	24	15	8	227	154
Ben van Beurden (since 31.3.2021) ⁵	109	0	65	0	12	0	186	0
Michael Bettag	144	122	0	0	10	10	154	132
Dr. Clemens Börsig ^{6, 25}	144	122	259	147	17	15	420	284
Nadine Boguslawski (since 1.8.2021) ⁷	60	0	0	0	3	0	63	0
Michael Brecht ^{8, 26}	288	245	187	135	19	18	494	398
Dr. Martin Bruder Müller (since 31.3.2021) ⁹	109	0	0	0	7	0	116	0
Elizabeth Centoni (since 31.3.2021) ¹⁰	109	0	0	0	8	0	117	0
Michael Häberle ^{11, 27}	144	122	58	24	14	12	216	158
Dr. Jürgen Hambrecht (until 31.3.2021) ²⁸	36	122	14	49	3	10	53	181
Petraea Heynike (until 31.3.2021) ^{12, 29}	36	122	0	0	2	6	38	128
Timotheus Höttges ¹³	144	56	0	0	10	6	154	62
Joe Kaeser (until 1.10.2021) ^{14, 30}	109	122	54	61	9	14	172	197
Olaf Koch (since 1.10.2021) ¹⁵	36	0	33	0	6	0	75	0
Ergun Lümali ^{16, 31}	144	122	96	61	15	14	255	197
Roman Romanowski (since 6.9.2021) ¹⁷	46	0	0	0	3	0	49	0
Prof. Dr. Helene Svahn (since 1.10.2021) ¹⁸	36	0	0	0	3	0	39	0
Monika Tielsch (since 9.12.2021)	9	0	0	0	0	0	9	0
Elke Tönjes-Werner	144	122	0	0	10	10	154	132
Sibylle Wankel (until 31.7.2021) ^{19, 32}	84	122	33	24	9	12	126	158
Dr. Frank Weber ^{20, 34}	144	122	0	0	10	10	154	132
Marie L. Wieck (until 1.10.2021) ^{21, 35}	108	122	43	24	10	7	161	153
Dr. Sabine Zimmer (until 8.12.2021)	135	122	0	0	10	10	145	132
Roman Zitzelsberger ³⁶	144	122	58	49	14	12	216	183
Raymond Curry (until 31.8.2021)	96	122	0	0	7	8	103	130

1 Additionally in 2021 from subsidiaries KEUR: 94

2 Additionally in 2021 from subsidiaries KEUR: 257

3 Additionally in 2021 from subsidiaries KEUR: 40

4 Additionally in 2021 from subsidiaries KEUR: 24

5 Additionally in 2021 from subsidiaries KEUR: 93

6 Additionally in 2021 from subsidiaries KEUR: 24

7 Additionally in 2021 from subsidiaries KEUR: 140

8 Additionally in 2021 from subsidiaries KEUR: 78

9 Additionally in 2021 from subsidiaries KEUR: 65

10 Additionally in 2021 from subsidiaries KEUR: 39

11 Additionally in 2021 from subsidiaries KEUR: 93

12 Additionally in 2021 from subsidiaries KEUR: 71

13 Additionally in 2021 from subsidiaries KEUR: 23

14 Additionally in 2021 from subsidiaries KEUR: 28

15 Additionally in 2021 from subsidiaries KEUR: 24

16 Additionally in 2021 from subsidiaries KEUR: 224

17 Additionally in 2021 from subsidiaries KEUR: 40

18 Additionally in 2021 from subsidiaries KEUR: 24

19 Additionally in 2021 from subsidiaries KEUR: 53

20 Additionally in 2021 from subsidiaries KEUR: 93

21 Additionally in 2021 from subsidiaries KEUR: 53

22 Additionally in 2020 from subsidiaries KEUR: 262

23 Additionally in 2020 from subsidiaries KEUR: 115

24 Additionally in 2020 from subsidiaries KEUR: 65

25 Additionally in 2020 from subsidiaries KEUR: 65

26 Additionally in 2020 from subsidiaries KEUR: 243

27 Additionally in 2020 from subsidiaries KEUR: 77

28 Additionally in 2020 from subsidiaries KEUR: 104

29 Additionally in 2020 from subsidiaries KEUR: 77

30 Additionally in 2020 from subsidiaries KEUR: 77

31 Additionally in 2020 from subsidiaries KEUR: 253

32 Additionally in 2020 from subsidiaries KEUR: 77

33 Additionally in 2020 from subsidiaries KEUR: 64

34 Additionally in 2020 from subsidiaries KEUR: 77

35 Additionally in 2020 from subsidiaries KEUR: 77

36 Additionally in 2020 from subsidiaries KEUR: 104

Comparative presentation of remuneration and Company performance

The following table provides an overview of the Company's earnings performance, the development of average employee remuneration and the remuneration of the members of the Board of Management and Supervisory Board of the previous five financial years. The Company's earnings performance is presented on the basis of the financial indicators net income of the Company in

accordance with HGB and EBIT and FCF IB of the Group. The average remuneration of employees takes into account the annual personnel expenses in relation to the number of employees on a full-time equivalent (FTE) basis at Mercedes-Benz Group AG. In addition, the remuneration awarded and due to current and former members of the Board of Management and Supervisory Board in the financial year and the previous year is shown in its development.

Comparative presentation

	2021	2020	Change 2021/ 2020	2019	Change 2020/ 2019	2018	Change 2019/ 2018	2017	Change 2018/ 2017
	in k€	in k€	in %	in T€	in %	in T€	in %	in T€	in %
Earnings development									
Net income of the Company (HGB) in Mio. €	9,538	2,133	347%	-1,678	-227%	5,022	-133%	4,982	1%
EBIT of the Group in Mio. € ¹	29,069	6,603	340%	4,313	53%	11,132	-61%	14,348	-22%
FCF IB of the Group in Mio. €	8,606	8,259	4%	1,368	504%	2,898	-53%	2,005	45%
Employees									
Relative change of remuneration of employees of Mercedes-Benz Group AG ²	-	-	6%	-	-	-	-	-	-
Members of the Board of Management active in the financial year³									
Ola Källenius	4,284	3,623	18%	3,335	9%	2,405	39%	3,179	-24%
Dr. Jörg Burzer (since 1.12.2021)	141	-	-	-	-	-	-	-	-
Martin Daum (until 9.12.2021)	2,328	1,967	18%	2,126	-7%	1,875	13%	1,687	11%
Renata Jungo Brüngger	2,469	2,288	8%	2,089	10%	2,097	0%	2,327	-10%
Sabine Kohleisen (since 1.12.2021)	142	-	-	-	-	-	-	-	-
Wilfried Porth (until 30.12.2021)	2,326	2,309	1%	2,756	-16%	3,389	-19%	5,298	-36%
Markus Schäfer ⁴	2,100	1,649	27%	736	124%	-	-	-	-
Britta Seeger ⁴	2,462	1,772	39%	1,969	-10%	1,431	38%	2,160	-34%
Hubertus Troska	3,103	2,940	6%	3,019	-3%	3,721	-19%	5,612	-34%
Harald Wilhelm	1,928	1,465	32%	834	76%	-	-	-	-
Average	2,128	2,252	-5%	2,108	7%	2,486	-15%	3,377	-26%
Former members of the Board of Management									
Dr. Manfred Bischoff	814	828	-2%	797	4%	764	4%	742	3%
Dr. Dieter Zetsche ⁵	3,539	3,878	-9%	6,580	-41%	8,264	-20%	13,043	-37%
Bodo Uebber ⁶	1,087	9,834	-89%	3,135	214%	3,982	-21%	6,201	-36%
Prof. Dr. Thomas Weber ⁷	798	763	5%	1,175	-35%	2,453	-52%	4,047	-39%
Wilfried Porth (since 1.12.2021)	73	-	-	-	-	-	-	-	-
Sum of other members of the Board of Management (left for more than 10 years)	15,266	15,065	1%	15,419	-2%	15,148	2%	17,847	-15%

Comparative presentation

	2021	2020	Change 2021/ 2020	2019	Change 2020/ 2019	2018	Change 2019/ 2018	2017	Change 2018/ 2017
	in k€	in k€	in %	in T€	in %	in T€	in %	in T€	in %
Average	744	1,047	-29%	904	16%	1,093	-17%	1,496	-27%
Members of the Supervisory Board active in the financial year⁷									
Dr. Manfred Bischoff (until 31.3.2021)	138	483	-71%	603	-20%	534	13%	536	0%
Dr. Bernd Pischetsrieder	449	144	212%	176	-18%	154	14%	153	1%
Bader M. Al Saad	154	128	20%	165	-22%	153	8%	115	33%
Sari Baldauf	227	154	47%	195	-21%	185	5%	185	0%
Ben van Beurden (since 31.3.2021)	186	-	-	-	-	-	-	-	-
Michael Bettag	154	132	17%	153	-14%	154	-1%	154	0%
Dr. Clemens Börsig	420	284	48%	331	-14%	302	10%	302	0%
Nadine Boguslawski (since 1.8.2021)	63	-	-	-	-	-	-	-	-
Michael Brecht	494	398	24%	499	-20%	435	15%	436	0%
Dr. Martin Bruder Müller (since 31.3.2021)	116	-	-	-	-	-	-	-	-
Elizabeth Centoni (since 31.3.2021)	117	-	-	-	-	-	-	-	-
Michael Häberle	216	158	37%	185	-15%	-	-	-	-
Dr. Jürgen Hambrecht (until 31.3.2021)	53	181	-71%	237	-24%	215	10%	216	-1%
Petraea Heynike (until 31.3.2021)	38	128	-70%	167	-23%	154	9%	154	0%
Timotheus Höttges	154	62	148%	-	-	-	-	-	-
Joe Kaeser (until 1.10.2021)	172	197	-13%	240	-18%	229	5%	230	0%
Olaf Koch (since 1.10.2021)	75	-	-	-	-	-	-	-	-
Ergun Lümali	255	197	29%	280	-30%	230	21%	230	0%
Roman Romanowski (since 6.9.2021)	49	-	-	-	-	-	-	-	-
Prof. Dr. Helene Svahn (since 1.10.2021)	39	-	-	-	-	-	-	-	-
Monika Tielsch (since 9.12.2021)	9	-	-	-	-	-	-	-	-
Elke Tönjes-Werner	154	132	17%	153	-14%	154	-1%	154	0%
Sibylle Wankel (until 31.7.2021)	126	158	-20%	185	-14%	154	20%	154	0%
Dr. Frank Weber	154	132	17%	168	-21%	154	9%	154	0%
Marie L. Wieck (until 1.10.2021)	161	153	5%	184	-17%	114	62%	-	-
Dr. Sabine Zimmer (until 8.12.2021)	145	132	10%	153	-14%	114	35%	-	-
Roman Zitzelsberger	216	183	18%	236	-22%	214	11%	217	-2%
Raymond Curry (until 31.8.2021)	103	130	-22%	151	-13%	114	33%	-	-
Average	166	183	-10%	235	-22%	209	12%	226	-8%

1 EBIT and FCF IB 2021: incl. discontinued operations. EBIT 2017: adjusted on account of implementation of IFRS 15 and IFRS 9.

2 Remuneration of employees of the Company: adjusted for special items and without Long Term Incentive.

3 2020: Taking into account the voluntary waiver of the Board of Management of 20% of the base salary for the period April 1 to December 31, 2020.

4 2020: The payments from the long-term oriented variable remuneration also include amounts issued before the appointment as a member of the Board of Management.

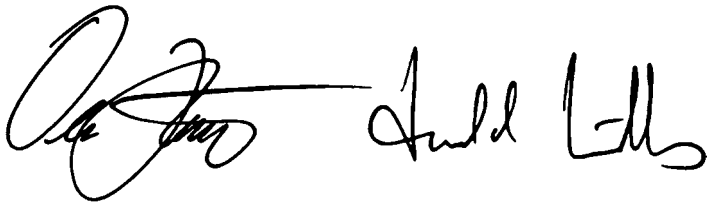
5 From 1.1.2019-22.5.2019 payments out of active duty, from 23.5.2019 onwards payments out of pension agreements as well as ongoing payments.

6 2020: includes one-time payments from pension commitments. From 1.1.2019-22.5.2019 payments out of active duty, from 23.5.2019 onwards payments out of pension agreements as well as ongoing payments.

7 Payments from pension agreements as well as ongoing payments.

8 2020: Taking into account the voluntary waiver of the Supervisory Board of 20% of the fixed remuneration and the attendance fee for the period April 1 to December 31, 2020. Supervisory Board: without remuneration from subsidiaries. 2019: incl. remuneration from subsidiaries.

For the Board of Management

The image shows two handwritten signatures in black ink. The first signature on the left is for Ola Källenius, and the second signature on the right is for Harald Wilhelm.

Ola Källenius
Chairman of the Board
of Management

Harald Wilhelm
Finance & Controlling
Mercedes-Benz Mobility

For the Supervisory Board

The image shows a single handwritten signature in black ink for Dr. Bernd Pischetsrieder.

Dr. Bernd Pischetsrieder
Chairman of the
Supervisory Board

Independent Auditor's Assurance Report on the Examination of the Remuneration Report

To Mercedes-Benz Group AG, Stuttgart

REPORT ON THE EXAMINATION OF THE REMUNERATION REPORT

We have examined the attached remuneration report of Mercedes-Benz Group AG, Stuttgart, for the financial year from January 1 to December 31, 2021, including the related disclosures, which was prepared in accordance with the requirements of Section 162 AktG [German Stock Corporations Act].

Responsibilities of the Legal Representatives and the Supervisory Board

The legal representatives and the Supervisory Board of Mercedes-Benz Group AG are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The legal representatives and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our objectives are to render an opinion on the basis of our examination on this remuneration report, including the related disclosures. We performed our examination in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). In accordance therewith, we have to comply with the professional obligations and plan and perform the examination so as to obtain reasonable assurance on whether the remuneration report, including the related disclosures, is free from material misstatement.

An examination includes the performance of audit procedures in order to obtain audit evidence for the amounts included in the remuneration report, including the related disclosures. The election of audit procedures lies in the dutiful discretion of the auditor. This includes the evaluation of the risks of material misstatement in the remuneration report, including the related disclosures, whether due to fraud or error. In evaluating these risks, the auditor takes into account the internal control system that is relevant for the preparation of the remuneration report, including the related disclosures. Our objective in this connection is to plan and perform audit procedures that are appropriate under the given circumstances, but not to render an opinion on the effectiveness of the company's internal

control system. An audit also includes the assessment of the accounting methods applied, the reasonableness of the estimated amounts in the accounting determined by the legal representatives and the Supervisory Board and the evaluation of the overall presentation of the remuneration report, including the related disclosures.

We believe that the audit evidence obtained by us is sufficient and appropriate to serve as a basis for our opinion.

Opinion

In our opinion based on our audit findings, the remuneration report for the financial year from January 1 to December 31, 2021, including the related disclosures, complies, in all material respects, with the disclosure requirements pursuant to Section 162 AktG.

Other matter – formal examination of the remuneration report

The examination of the content of the remuneration report described in this audit report includes the formal examination of the remuneration report required by Section 162 paragraph 3 AktG, including the issuance of a report on this audit. Since we are rendering an unqualified opinion on the examination of the content of the remuneration report, this opinion includes the fact that the disclosures required by Section 162 paragraphs 1 and 2 AktG have been made in all material respects in the remuneration report.

Indication of a limitation of our liability

The engagement, in the fulfilment of which we have performed the aforementioned services on behalf of Mercedes-Benz Group AG, was based on the General Engagement Terms (GET) for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [*German Public Auditors and Public Audit Firms*] as amended on January 1, 2017, which are attached to this report as Appendix 2. By taking note of and using the information included in this report, every recipient confirms that they are aware of the arrangements made there, including the limitation of our liability for negligence to million € 4 million included in Clause 9 GET) and acknowledges their validity in relation to us.

Stuttgart, March 10, 2022

KPMG AG

Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Bock
Wirtschaftsprüfer
[German Public Auditor]

Engelmann
Wirtschaftsprüfer
[German Public Auditor]

