



Remuneration Report 2023

Mercedes-Benz Group



Dear Shareholders,

On behalf of the Board of Management and Supervisory Board, I am pleased to present the 2023 Mercedes-Benz Group AG Remuneration Report.

2023 was a significant year for remuneration at Mercedes-Benz Group AG, as the Annual General Meeting on May 3, 2023 approved changes to the remuneration system for the Executive Board with an approval rate of 91.00% and for the Supervisory Board with an approval rate of 98.16%.

The aim is to ensure a comprehensive and clear system and hence in the following I would like to highlight the main components of the remuneration system, as well as touch on the key points that affected the target achievement for the financial year 2023.

New remuneration system for the Board of Management

The remuneration system was adjusted in 2023 with the aim of reducing complexity, improving transparency and ensuring anchoring of sustainability goals.

Per the previous system, the main components are: base salary (plus fringe benefits and pension commitments), annual bonus and long-term incentive.

Significant changes to the new remuneration system will affect the transformation targets in the annual bonus from the 2023 financial year, which can have an impact on the level of target achievement of the annual

bonus with an increase/discount of up to 25% points. In addition, the payment amount from the annual bonus is paid out in full after the past financial year and is no longer 50% in the form of a deferral. In the Performance Phantom Share Plan (PPSP), in addition to the relative return on sales and the relative stock performance, ESG goals (environmental/social/governance) are also taken into account as performance criteria. As part of the Stock Ownership Guidelines (SOG), board members are obliged to hold Mercedes-Benz Group shares for up to two years after the end of their employment relationship.

Pay for performance in the financial year 2023

For the Supervisory Board, the concrete link between the remuneration of the members of the Board of Management and performance is of great importance. Performance is measured using financial and strategic targets. Despite the ongoing worldwide economic challenges, 2023 was a year in which the Group continued on its profitable growth path and made substantial achievements in the implementation of its strategic goals.

Annual bonus 2023

The annual bonus overall target is calculated by target achievement across three categories: Financial performance criteria, non-financial performance criteria and transformation targets. If the overall target is achieved, 100% of the base salary is awarded as an annual bonus. The target can also be underachieved or overachieved; it is possible for the annual bonus to be between 0% and 200% of the base salary.

Despite tough headwinds such as inflation and continued global uncertainty in 2023, strong company performance led to a outstanding EBIT and free cash flow and hence a financial target achievement of 184%.

The targets for the non-financial performance criteria focus on corporate cultural and customer-related aspects. An increased focus on employee satisfaction and general integrity within the company was seen in the past year. The target achievement in 2023 is 4% (of a maximum of 10% points).

The transformation targets are especially important against the background of the accelerated switch to becoming more sustainable. The company achievement thus far in this area is demonstrated by the improved sustainability along the value chain - from product development, to production, to remanufacturing and recycling. In the financial year 2023, the efforts of the Board of Management led to a target achievement of 15%.

The Supervisory Board assessed whether there was a need for discretionary target adjustment to account for external factors outside of the normal course of business. There was not deemed to be any reason to intervene with the Board of Management target achievement.

With an overall target achievement of 200%, the annual bonus awarded reflects the exceptionally good results of the past financial year.

Long-term incentive (PPSP 2019)

The LTI rewards long-term company success and is designed in the form of a Performance Phantom Share Plan (PPSP) with a term of four years. The LTI accounts for the largest portion of the Board of Management remuneration, helping to ensure alignment of Board of Management remuneration with shareholders' interests.

Board of Management members receive a preliminary number of shares at the start of the term, which is multiplied by a performance factor at the end of the three-year performance term to define a final number of phantom shares. This factor is based on the company's relative return on sales against its peer group, the relative share performance against the peer group and - from the 2023 grant onwards - specific ESG criteria, and is capped at 200%. The final number of phantom shares is then multiplied by the applicable share price to determine the final PPSP payout.

Compared to its peer group, Mercedes-Benz Group performed exceptionally well with regard to its long-term targets and this is reflected in the PPSP performance factor. The target achievement of the LTI granted in 2019 was 186%.

Revised remuneration system for the Supervisory Board

The revised remuneration system for the supervisory board is intended to reduce complexity, reflect the current trends of a global company and appeal to highly qualified candidates. The changes have resulted in a remuneration system that is transparent and simplifies

the management of global tax and social security regulations; this is particularly important given the international composition of the Supervisory Board.

Significant changes to the compensation system for the Supervisory Board relate to the consideration of several higher-paid functions. Since the financial year 2023, remuneration will only be based on the highest paid function. In addition, attendance fees for supervisory board and committee meetings were canceled.

On behalf of the Supervisory Board, I would like to thank the teams who have worked hard throughout the year to ensure a fair, appropriate and suitable remuneration system, as well as our shareholders for their commitment to this issue.

Remuneration will continue to be a central topic on the agenda of the Supervisory Board and the Executive Committee in the 2024 financial year.

Yours sincerely,



Dr Bernd Pischetsrieder

Chairman of the
Supervisory Board

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. Furthermore, it 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 financial year 2023. The remuneration system furthermore complies with the recommendations and suggestions of the German Corporate Governance Code (Deutsche Corporate Governance Kodex, DCGK), as amended on April 28, 2022.

The remuneration system for members of the Board of Management is from the point of view of the Supervisory Board 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 May 3, 2023 with an approval rate of 91.00%. It can be accessed on the company's website at <https://group.mercedes-benz.com/company/corporate-governance/board-of-management/remuneration/>. 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 3, 2023, with an approval rate of 98.16%. The remuneration system of the Supervisory Board can be accessed on the company's website at <https://group.mercedes-benz.com/company/corporate-governance/supervisory-board/remuneration.html>. The Remuneration Report

2022 was presented to the Annual Shareholders' Meeting for approval pursuant to Section 120a Subsection 4 AktG on May 3, 2023, and was approved with an approval rate of 86.23%. The high approval result encourages the Executive Board and the Supervisory Board in their approach to transparent reporting.

The Remuneration Report 2023 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 2023.

Principles of Board of Management remuneration

The automotive industry is in the midst of the greatest transformation in its history. Sustainability and especially environmental and climate protection are among the most pressing issues of the time. As the inventor of the automobile, Mercedes-Benz Group AG also wants to set standards for sustainable mobility. It has set itself the goal of making the accelerated transformation into a fully electric and software-driven future profitable and has therefore placed a particular focus on profitable growth with its corporate strategy geared towards sustainability and luxury.

From the company's point of view, the Executive Board's remuneration system makes a significant contribution to promoting the business strategy and the long-term and

sustainable development of the company. It incentivizes the achievement of our strategic goals and provides effective incentives for the long-term, value-creating development of the company in the interests of all stakeholders: customers, investors, employees, business partners and society as a whole. Given the central importance of the topics of sustainability, integrity and diversity, which form the basis of the Mercedes-Benz Group's actions, in addition to financial performance criteria, ESG goals are also taken into account to a considerable extent within the variable remuneration.

In the opinion of the Supervisory Board, ensuring the appropriateness of the remuneration with regard to the performance of the Executive Board members is achieved, on the one hand, through a high proportion of variable remuneration components and, on the other hand, through ambitiously set targets in the performance criteria for the variable remuneration components. In addition, standard market practice is used, taking into account the size, complexity and economic situation of the company.

Remuneration guidelines

- The remuneration system as a whole contributes significantly to promoting the business strategy.
- The remuneration system and the performance criteria for its variable components incentivise 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 adequately and ambitiously set performance targets (pay for performance).

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 amount set by the Supervisory Board and, where necessary, prepares suggestions for changes. In the process, the Presidential Committee and the Supervisory Board make use of the advice of external remuneration experts. This was also done in the reporting period.

Based on 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 company. In addition, the Supervisory Board ensures that the target total remuneration is in line with the market. For this purpose, it uses a horizontal as well as 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), the DAX and a group of international competitors consisting of listed automotive manufacturers are used. The composition of the international comparison group for the horizontal comparison corresponds to the group of competitors considered for the performance criteria for the long-term variable remuneration component (Performance Phantom Share Plan).

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, including its development. In addition, a market comparison is carried out of the ratio of the remuneration of the Board of Management to that of the total workforce compared with the DAX 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 horizontal comparison or significant changes of the ratio between the remuneration of the Board of Management and the vertical comparison groups, the Supervisory Board examines the causes and, in the absence of objective reasons, adjusts the remuneration of the Board of Management if necessary.

Overview of the components of the remuneration system

The remuneration system, which was approved by the Annual General Meeting on May 3, 2023, applies to all components of remuneration. Only the PPSP tranches allocated in the past are still measured exclusively on the basis of financial performance criteria based on the remuneration system valid in 2019. Furthermore, the deferred medium-term portion of the 2021 annual bonus ('Deferral 2021') is subject to the the 2020 remuneration system. The remuneration system basically consists of fixed non-performance-related and variable performance-related remuneration components, the sum of which determines the total remuneration of a member of the Management Board.

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 pension commitments of each member of the Board of Management.

The variable performance-related remuneration is divided into a short-term variable remuneration (annual bonus) and a long-term variable remuneration (PPSP). The annual bonus is paid out after the end of the financial year. Previously (up until Financial Year 2022), 50% of the annual bonus was paid out after the end of the financial year and 50% after the end of a further year (deferral), linked to relative share price performance. This was discontinued at the end of the 2022 financial year. The last payout from the deferral will therefore take place in 2024. The amount to be paid out for the long-term variable remuneration component (PPSP) is determined and paid out after the end of the four-year plan period.

Fixed remuneration	Base salary	- A fixed contractually agreed remuneration that is paid in twelve monthly installments	
	Fringe benefits	- Mainly expenses for security precautions and the provision of company cars	
	Pension commitment/ pension compensation	- An annual contribution in the amount of 15% of the sum of the base salary and the total annual bonus as determined at the end of the reporting period - Option to grant a pension compensation instead of a pension commitment	
Variable remuneration	Short-term variable remuneration (annual bonus)	Type	- Annual bonus
		Performance criteria	- Financial performance criteria - 50% EBIT - 50% free cash flow (FCF) of the industrial business - Range of possible target achievement: 0% - 200% - Non-financial performance criteria - Range of possible target achievement: -10% - +10% - Transformation targets - Range of possible target achievement: -25% - +25%
		Cap	- 200% of the target amount
		Payout	- After the financial year
	Long-term variable remuneration	Type	- Virtual performance share plan ("Performance Phantom Share Plan")
		Term	- Four years (three-year performance period and one-year holding period)
		Performance criteria	- 40% relative return on sales - 40% relative share performance - 20% ESG criteria
		Cap	- 250% of the grant value
		Payout	- After three-year performance period and one-year holding period
Malus / Clawback		- Reduction or complete abolishment/reclaim of the variable remuneration is possible	
Stock Ownership Guidelines (SOG)		- The number of the shares to be held up to two years after the end of service relationship is set between 20,000 and 75,000 shares - Up to 25% of the gross remuneration out of each PPSP is generally to be used to acquire ordinary shares	

Structure and term of the target remuneration

Target remuneration	in %	€ amounts in thousands	Term			
	approx. 40%	CBM ¹ : 2,717 OMBM ² : 1,358	Performance Phantom Share Plan 3-year performance period			Performance Phantom Share Plan 1-year holding period
	approx. 30%	CBM: 1,770 OMBM: 885-904	Annual bonus Pay out after the financial year			
	approx. 30%	CBM: 1,770 OMBM: 885-904	Base salary			
	Payout, performance or commitment date		Fringe benefits			
			Pension commitment			
			Year 1	Year 2	Year 3	Year 4

1 CBM: Chair of the Board of Management 2 OMBM: Ordinary Member of the Board of Management

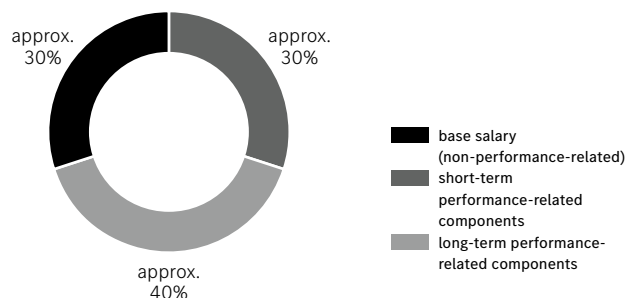
Structure of the target total remuneration of the members of the Board of Management

The base salary and the short-term variable remuneration (annual bonus) each comprise approximately 30% of the target remuneration (excluding the pension commitments and fringe benefits), while the long-term variable remuneration (PPSP) makes up approximately 40% of the target remuneration. Thus, the long-term variable remuneration component exceeds 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 annual bonus and the long-term variable remuneration from the PPSP with its link to additional, in the view of the Supervisory Board, ambitious comparative parameters and to the share price reflect the recommendations of the DCGK, which stipulates that the variable

remuneration that results from the achievement of 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 commitment 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 2023

The Supervisory Board has set the following target total remuneration for members of the Board of Management in the financial year 2023, calculated from

- the 2023 base salary;
- the taxable non-cash benefits and other fringe benefits in the financial year 2023;
- the annual bonus for 2023 payable in the financial year 2024 at the value for target achievement of 100%;
- the allocation value (this corresponds to the target value) of the long-term variable remuneration (PPSP tranche 2023-2026) at the time when granted in the financial year 2023 (payable in financial year 2027); and
- the pension expense in the financial year 2023 (service costs for the financial year 2023).

The target remuneration was increased by the Supervisory board within the framework of the current remuneration system effective from the second half of the financial year 2023. Half of the target remuneration for the 2023 financial year is therefore based on the previous target remuneration and half on the new target remuneration. In the past years - in contrast to the employees - no adjustments were made to the target remuneration. In the opinion of the Supervisory Board,

the increase in remuneration is appropriate due to the extraordinarily good performance of the Board of Management in the transformation process and the associated positive economic development. The increase is reflected in the target remuneration table.

Target remuneration

	Ola Källenius Chair of the Board of Management		Dr Jörg Burzer¹ Production, Quality & Supply Chain Management		Renata Jungo Brüngger Integrity, Governance & Sustainability	
	2023	2022	2023	2022	2023	2022
	in k€	in k€	in k€	in k€	in k€	in k€
Base salary	1,770	1,664	885	832	885	832
Taxable non-cash benefits and fringe benefits	85	70	406	261	82	93
Sum fixed remuneration	1,855	1,734	1,291	1,093	967	925
Short-term variable remuneration						
One-year variable remuneration 2023 (100% of annual bonus 2023)	1,770	-	885	-	885	-
One-year variable remuneration 2022 (50% of annual bonus 2022)	-	832	-	416	-	416
Mid-term variable remuneration						
Deferral 2022 (50% of annual bonus 2022)	-	832	-	416	-	416
Long-term variable remuneration						
PPSP tranche 2023	2,717	-	1,358	-	1,358	-
PPSP tranche 2022	-	2,200	-	1,100	-	1,100
Sum variable remuneration	4,487	3,864	2,243	1,932	2,243	1,932
Pension expense (service costs)	507	510	285	288	250	250
Target total remuneration	6,849	6,108	3,819	3,313	3,460	3,107

1 Dr Jörg Burzer was appointed to the Board of Management effective December 1, 2021. Fringe benefits accordingly include in 2022 and 2023 one-time expenses. In particular, this applies to safety-related modifications to Dr Burzer's residential property.

Target remuneration

	Sabine Kohleisen¹ Human Relations & Labour Director		Markus Schäfer Chief Technology Officer, Development & Purchasing		Britta Seeger Marketing & Sales	
	2023	2022	2023	2022	2023	2022
	in k€	in k€	in k€	in k€	in k€	in k€
Base salary	885	832	885	832	885	832
Taxable non-cash benefits and fringe benefits	590	194	177	91	110	75
Sum fixed remuneration	1,475	1,026	1,062	923	995	907
Short-term variable remuneration						
One-year variable remuneration 2023 (100% of annual bonus 2023)	885	-	885	-	885	-
One-year variable remuneration 2022 (50% of annual bonus 2022)	-	416	-	416	-	416
Mid-term variable remuneration						
Deferral 2022 (50% of annual bonus 2022)	-	416	-	416	-	416
Long-term variable remuneration						
PPSP tranche 2023	1,358	-	1,358	-	1,358	-
PPSP tranche 2022	-	1,100	-	1,100	-	1,100
Sum variable remuneration	2,243	1,932	2,243	1,932	2,243	1,932
Pension expense (service costs)	253	252	250	251	253	254
Target total remuneration	3,971	3,210	3,555	3,106	3,491	3,093

¹ Sabine Kohleisen was appointed to the Board of Management effective December 1, 2021. Fringe benefits accordingly include in 2022 and 2023 one-time expenses. In particular, this applies to safety-related modifications to Sabine Kohleisen's residential property.

Target remuneration

	Hubertus Troska¹ Greater China		Harald Wilhelm Finance & Controlling/ Mercedes-Benz Mobility	
	2023	2022	2023	2022
	in k€	in k€	in k€	in k€
Base salary	885	832	904	850
Taxable non-cash benefits and fringe benefits	687	562	63	65
Sum fixed remuneration	1,572	1,394	967	915
Short-term variable remuneration				
One-year variable remuneration 2023 (100% of annual bonus 2023)	885	-	904	-
One-year variable remuneration 2022 (50% of annual bonus 2022)	-	416	-	425
Mid-term variable remuneration				
Deferral 2022 (50% of annual bonus 2022)	-	416	-	425
Long-term variable remuneration				
PPSP tranche 2023	1,358	-	1,358	-
PPSP tranche 2022	-	1,100	-	1,100
Sum variable remuneration	2,243	1,932	2,262	1,950
Pension expense (service costs)	250	250	263	268
Target total remuneration	4,065	3,576	3,492	3,133

1 Hubertus Troska: In connection with Mr. Troska's activities abroad, taxable non-cash benefits have accrued in arrears for previous years. In addition, costs were incurred with regard to Mr. Troska's deployment location.

Maximum amounts of remuneration and maximum total remuneration

Pursuant to Section 87a Subsection 1 Sentence 2 No. 1 of the German Stock Corporation Act (AktG), the remuneration system for the Board of Management provides for a maximum remuneration (cap) for members of the Board of Management. The maximum remuneration achievable for a financial year, comprising base salary, variable remuneration components, pension expense and fringe benefits, is capped at €12,000,000 gross for the Chair 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 caps on each of the variable remuneration components and a cap on the amount of the cash payments (“cap of cash payments”) for many years. For the Chair 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 for financial year 2023 is

determined with the payment of the PPSP issued in the relevant financial year, i.e., for the financial year 2023, with payment of the PPSP 2023 in the financial year 2027.

In the financial year 2023, the Supervisory Board ensured that the maximum amount of the cash payments 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 2023 can only be made once the targets have been achieved and the PPSP issued in the financial year 2023 has been paid out in the financial year 2027.

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

Base salary		Annual bonus		Performance Phantom Share Plan
Sum of monthly payments	+	Target amount	+	Grant value
		=	Target remuneration	

x 1.7 (Chair of the Board of Management)

x 1.9 (ordinary members of the Board of Management)

=

Maximum amount of remuneration (cash inflow cap)

+

Fringe benefits	+	Pension commitment
-----------------	---	--------------------

=

Maximum remuneration pursuant to Section 87a Subsection 1 Sentence 2 No. 1 AktG

Remuneration components of the Board of Management in financial year 2023 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 connection with Hubertus Troska's activities abroad, for example, subsequent, taxable non-cash benefits for previous years were accrued.

In the reporting period, the members of the Board of Management were also included in a financial loss and liability insurance policy in an adequate amount for executive bodies and certain executives (Directors & Officers insurance) taken out by the company in the interest of the company with a corresponding deductible in accordance with Section 93 Subsection 2 AktG. The insurance 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 in the area of collective bargaining agreements as well as for executives: the Mercedes-Benz Pensions Plan (MBPP). 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 pension-oriented 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 end of the reporting period. This percentage in the financial year 2023 is 15%. Contributions to the retirement benefit plan are granted until the age of 62. The benefit from the MBPP is payable to living Board of Management members at the earliest at the age of 62, irrespective of an earlier termination of the service relationship. If a member of the Board of Management terminates the service relationship due to the member being unfit for service, the benefit is paid as a limited capacity benefit, even before the age of 62.

Three options exist for the payout of the MBPP retirement benefit system:

- as a one-time payment;
- in twelve annual installments, whereby interest accrues on each partial amount as of commencement of the insured event (at least 1% p.a., including any profit shares according to the insurance tariff defined in the pension commitment);
- or as a pension with annual increases (at least 1% p.a., including any profit shares according to the insurance tariff defined in the pension commitment)

The service agreements of Board of Management members contain provisions, according to which in the event of the passing of the Board of Management member before age-related retirement, the spouse/registered civil partner/named life partner or legally dependent children pursuant to Section 32 of the Income Tax Act (EStG) are entitled to receive the accumulated MBPP credit amount plus an imputed amount for the remaining period until the calculated age of the Board of Management member would have reached 62.

If a Board of Management member passes away after retiring for reasons of age, the heirs are entitled to receive the benefits in the case of the payout option in twelve annual installments. For the pension payout option with survivor benefits, the spouse/named life partner/registered civil partner are entitled to receive 60% of the actual pension amount.

The »Pension Capital« (PC) system, where a capital component was credited annually, was used from the

beginning of 2006 until the end of 2011. The Board of Management members active in 2023 still have – except for Harald Wilhelm – legacy commitments from this model that are payable. PC is paid out, regardless of an early termination of service, at the earliest at the age of 60 (amount paid is the total of the capital components including interest). If the service relationship ends due to the member being unfit for service, the pension is paid out as a limited capacity benefit up to the age of 60.

Payments under the PC retirement benefit system can also be made in three ways:

- as a one-time payment;
- in twelve annual installments, whereby interest accrues on each partial amount from the time payments commence until the payout is complete (6% or 5% p.a.);
- as an annuity with annual increases (3.5% p.a.).

The arrangements made for leaving the company prior to the appointment to the Board of Management – except for Harald Wilhelm – provide for a bridging allowance until the statutory retirement age is reached, which is based on the age at the time of leaving the company. The Supervisory Board reserves the right to revise this regulation under certain circumstances.

Departing Board of Management members are furthermore 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 €2,3 million in the financial year 2023 (2022: €2.3 million). The present value of the total defined benefit obligation according to IAS 19 amounted to €21.4 million as at December 31, 2023 (2022: €17.0 million). Taking age and period of service into account, the following tables shows the resulting service costs and present values:

Service costs and present value for members of the Board of Management

in k€	Year	Service costs	Present value of obligations
	2023	507	6,026
Ola Källenius	2022	510	4,767
	2023	285	693
Dr Jörg Burzer ¹	2022	288	191
	2023	250	2,693
Renata Jungo Brügger	2022	250	2,240
	2023	253	556
Sabine Kohleisen ¹	2022	252	158
	2023	250	3,311
Markus Schäfer	2022	251	2,716
	2023	253	3,097
Britta Seeger	2022	254	2,389
	2023	250	3,606
Hubertus Troska	2022	250	3,554
	2023	263	1,424
Harald Wilhelm	2022	268	951

Note: Some of the obligations relate to entitlements that were earned before the Board member joined the Board of Management.

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 by means of the annual bonus as short-term variable remuneration. In addition, there is the long-term-oriented variable remuneration – the PPSP – which puts emphasis on 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. Moreover, strategically-relevant and demanding, according to the opinion of the Supervisory Board, ESG targets were integrated into the PPSP for the first time in the Financial Year 2023.

Annual bonus

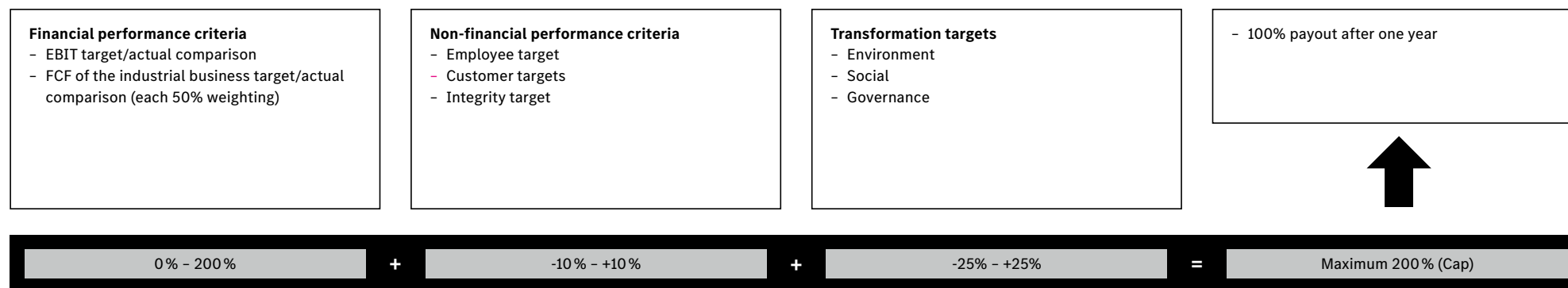
The annual bonus is a short-term variable remuneration component and is intended to incentivise for the contribution made in the financial year to the operational implementation of the corporate strategy, in particular the future-proof transformation through sustainable and technological development. 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

Components of the annual bonus	Overview: Relation of the annual bonus to the business strategy
Financial performance criteria - EBIT	Strong operational focus on strengthening the global core business and providing the financial means to achieve the corporate strategy objectives.
Financial performance criteria - FCF IB	Alignment of remuneration with the extensive investment requirements arising from the Group transformation and incentivisation 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 sustainability and ESG aspects as part of the corporate strategy.
Consideration of competitors	Integration of a relative success measurement and creation of incentives for an outperformance of relative competitors.

The target amount of the annual bonus, which is paid if target achievement is 100%, is currently set at 100% of the base salary. The total payout amount for the annual bonus is calculated as follows:



100% of the calculated annual bonus is paid out as a general rule in March of the following financial year.

Value at 100% target achievement (target annual bonus)

In the financial year 2023, it corresponds to the respective base salary.

Maximum annual bonus

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

Financial performance criteria

The structure of the financial performance criteria is to promote 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 is to effectively ensure 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 2023:

- 50% comparison EBIT actual value 2023 to target value 2023;
- 50% comparison FCF IB actual value 2023 to target value 2023.

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 EBIT target value for each financial year is derived by the Supervisory Board based on the set medium-term return, which is ambitious and aligned with the competitive environment, and the growth targets. The starting point of the calculation is the revenue of the previous year.

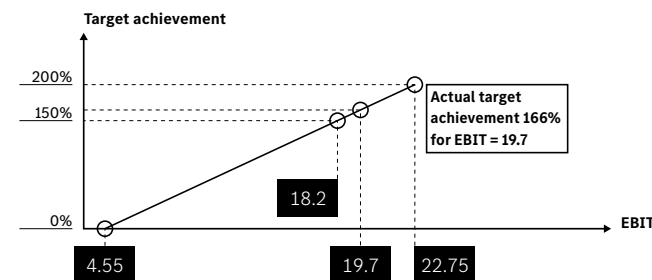
In addition to the cash flows of the automotive divisions, FCF IB also includes cash flows from taxes and other reconciliation items not attributable to the divisions and is of particular importance for the financial strength of the Group. The target value for FCF IB in the respective financial year is based on the defined EBIT target 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 2023 FCF IB 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 2022 or earlier.

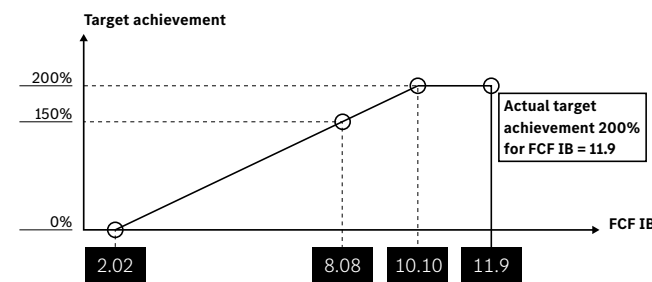
The range of possible target achievement for the two financial targets EBIT and FCF IB is between 0% and 200%. The lower limit of this range represents 25% of the target value; the upper limit 125% of the target value. If the value actually achieved is at or below the lower limit of the range, the degree 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. Within the range, target achievement develops in a linear way.

For the financial year 2023, the Supervisory Board set the following financial targets, which were achieved as follows:

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 Supervisory Board has selected non-financial performance criteria for the 2023 financial year from the four categories provided for in the compensation system: integrity and compliance, quality, employee engagement and customer surveys.

The non-financial performance criteria, which focus on sustainability and corporate cultural aspects, are assigned to four categories and, like the financial targets, apply uniformly to the entire Board of Management. These categories represent further building

blocks of the corporate strategy and are thus intended to promote the sustainable and long-term development of the company: for example, integrity and employee satisfaction as indispensable components of an agile, future-oriented corporate culture committed to social values, or quality and customer satisfaction as indispensable prerequisites for long-term and sustainable sales success.

For the 2023 financial year 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 performance criteria. 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 for the financial performance criteria. The addition or deduction is calculated based on measurable criteria, 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 commercially rounded to two significant figures. For the 2023 financial year this results in an addition of 4.0 percentage points (rounded).

Overview: Relation of the annual bonus to the business strategy

Non-financial performance criteria	Design	Target achievement 2023
Integrity	<ul style="list-style-type: none"> - Achievement of the Group-level targets regarding the further development and permanent establishment of the topic integrity was measured based on certain standardised questions in a global employee survey. - This measurement was based on the achieved approval rate of any question, on the one hand, and the average approval rate achieved across all questions (Integrity indicator), on the other. - Target achievement is derived at Group level at the end of the financial year. 	2%
Customer target: quality	<ul style="list-style-type: none"> - Quality (quality KPIs of all divisions) were defined by the individual divisions for the financial year. - With regard to vehicles, a comparison was carried out of the target number and the actual number of claims during a predefined period of time, MIS (Months in Service). - The level of target achievement at the Group level is derived as a weighted average of the individual divisional levels of target achievement at the end of the financial year. 	-2.5%
Customer target: customer satisfaction	<ul style="list-style-type: none"> - Customer satisfaction targets were measured using indices such as Net Promoter Score and Customer Retention Rate. - The level of target achievement at the Group level is derived as a weighted average of the individual divisional levels of target achievement at the end of the financial year. 	2%
Employee engagement	<ul style="list-style-type: none"> - Employee engagement to the Group was calculated based on their answers to certain standardized questions in our global employee survey. - These answers, together with the participation rate achieved in the employee survey, are used to derive a level of target achievement at the Group level at the end of the financial year for the maintenance and enhancement of a high level of satisfaction and motivation among the employees. 	2.5%

The following criteria are used for the evaluation:

Integrity

Degree of target achievement	Addition/ deduction	Integrity Indicator	+ Approval rate of any question
Maximum	2.5 %	> 80 %	> 74 %
High	2.0 %	71-80 %	65-74 %
Low	1.0 %	61-70 %	60-64 %
Minimum	-2.5 %	≤ 60 %	≤ 59 %

Customer targets/quality

Degree of target achievement	Addition/ deduction	Quality KPIs across all divisions
Maximum	2.5 %	The addition/deduction depends on the respective target value of the respective division or product.
High	2.0 %	
Low	1.0 %	
Minimum	-2.5 %	

Customer targets/customer satisfaction

Degree of target achievement	Addition/ deduction	Customer satisfaction KPIs across all divisions
Maximum	2.5 %	The addition/deduction depends on the respective target value of the respective division or product.
High	2.0 %	
Low	1.0 %	
Minimum	-2.5 %	

Employee engagement

Degree of target achievement	Addition/ deduction	Employee engagement	+ Participation rate
Maximum	2.5 %	> 35 %	> 70 %
High	2.0 %	31-35 %	66-70 %
Low	1.0 %	26-30 %	61-65 %
Minimum	-2.5 %	≤ 25 %	≤ 60 %

Transformation targets

In order to take into account the implementation of the future-oriented measures for the technological and sustainable realignment of the Group, performance criteria and key performance indicators from the most important future-oriented fields were defined at the beginning of the financial year 2023. Here, as an integral component of the corporate strategy, sustainability/ environmental, social and governance (ESG) aspects have an explicit significance for the business dealings of Mercedes-Benz Group AG.

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

For the financial year 2023, the Supervisory Board set transformation targets in the following topic areas of Environment / Social / Governance. These include the following aspects:

- CO₂-emissions;
- Safety innovation;
- ESG stakeholder engagement.

The Supervisory Board has a common level of target achievement based on the degree of target achievement for the transformation goals and the strategic, organizational and structural contribution of the entire Executive Board, taking into account the economic

environment and the competitive situation/positioning for the Board of Management that takes into account the economic environment and the competitive situation and positioning of the Group. This leads to the addition of 15 percentage points to the degree of target achievement for the financial performance criteria for the financial year 2023.

The achievement was discussed and evaluated both in the Presidential Committee and in the Supervisory Board itself, taking into account the quantitative and qualitative aspects of this category, which led to the aforementioned achievement.

The CO₂ emissions were calculated and compared with the target set. In Europe, the average CO₂ emissions of the Mercedes-Benz new car fleet, applying the statutory regulations, totalled 111 g/km¹ and were therefore lower than in the previous year. In the USA the fleet value for model year 2023 is 170 g CO₂/mi for passenger cars and 259 g CO₂/mi for vans and SUVs registered as light commercial vehicles. In Europe and in the USA, Mercedes-Benz has achieved its fleet targets by increasing the proportion of electrified vehicles in the fleet. In China, domestically produced cars and cars imported into the country are reported separately and according to fleet consumption. The target was exceeded with 8.46 l/100km.

¹ excluding the vehicles of the joint venture smart Automobile Co., Ltd.

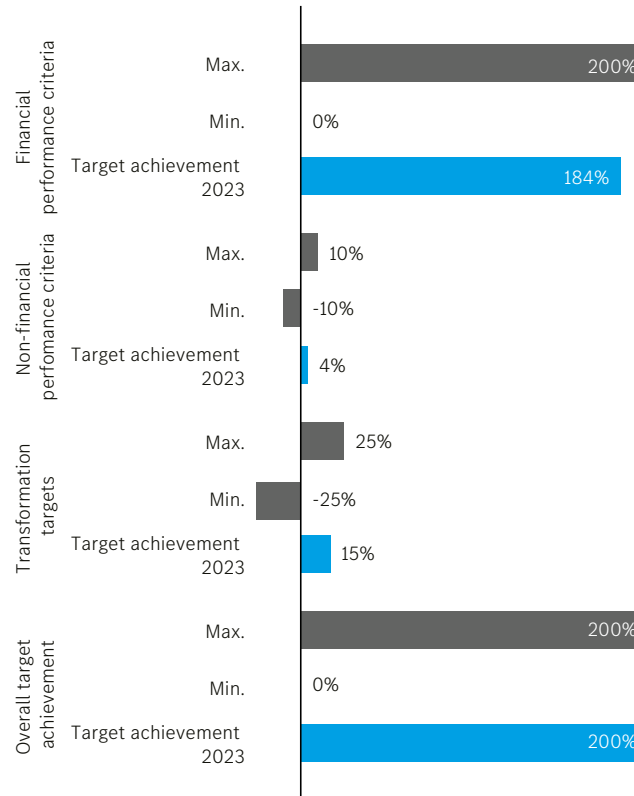
The safety innovations pursue the goal of our “Zero Accidents” vision. The main initiatives in 2023 included road safety events in China and India and above-average results in relevant safety ratings.

In terms of stakeholder relations, events such as the ESG conference were included in the evaluation. Furthermore, events were organised between the Executive Board, the Supervisory Board and senior managers on sustainability topics. There were also similar formats in India, China and the USA. In addition, the Climate Policy Report was updated and published in March 2023.

Overall target achievement for the annual bonus 2023

The overall target achievement for the 2023 annual bonus 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 2023.

For the members of the Board of Management, this results in the following payout amount for the annual bonus 2023. 100% of this amount is to be paid out in March in the financial year 2024.



Total target achievement annual bonus 2023

	Target amount	Financial performance criteria	Non-financial 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	1,770					3,540
Dr Jörg Burzer	885					1,770
Renata Jungo Brüngger	885					1,770
Sabine Kohleisen	885	184%	4%	15%	200%	1,770
Markus Schäfer	885					1,770
Britta Seeger	885					1,770
Hubertus Troska	885					1,770
Harald Wilhelm	904					1,808

¹ Maximum target achievement 200%

Deferral 2021

Previously (up until financial year 2022), 50% of the annual bonus was paid out after the end of the financial year and 50% after the end of a further year (deferral), linked to relative share price performance. This was terminated at the end of the 2022 financial year.

In the financial year 2023, the deferral from the annual bonus 2021 was paid out. The relative share performance of the company compared to the STOXX Europe Auto Index for the 2021 deferral was 114% for the period from December 31, 2021, to December 31, 2022.

If the target achievement of the annual bonus of a financial year is already 200%, the deferral is paid out at its nominal value, as is the case for the 2021 deferral.

Performance Phantom Share Plan (PPSP)

The PPSP is a long-term variable remuneration component that is intended to put the focus on 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.

The target achievement for the PPSP up to and including financial year 2022 was measured based on two performance criteria weighted at 50% each:

- First, the ‘relative return on sales’ in a three-year comparison with competitors is used as a performance criterion that is to 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.

The target achievement for the PPSP from financial year 2023 onwards includes ESG performance criteria with a weighting of 20%.

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

PPSP components	Relation to the business strategy/incentive effect
Relative return on sales	Integrates a main internal key performance measure of the Group and ensures sustainable and profitable growth.
Relative share 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.
ESG targets (from Financial Year 2023 onwards)	Establishes the anchoring of sustainability goals into long-term variable remuneration.
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.

At the beginning of the plan, the Supervisory Board sets a grant value in euro for every financial year in the context of setting the individual annual total target remuneration. This amount is divided by the relevant average Mercedes-Benz share price that was determined during a previously specified longer time period, which results in the number of the preliminary allocated phantom shares.

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%, the phantom shares allocated at the beginning of the plan are then converted into the final number of phantom shares allocated after three years.

After another year has elapsed (retention period), the amount to be paid out is calculated from this final number of phantom shares multiplied by the applicable

Mercedes-Benz share price at that time. The share price relevant for the payout under this plan is also relevant for the allocation of the preliminary number of phantom shares for the newly issued plan 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 when granted

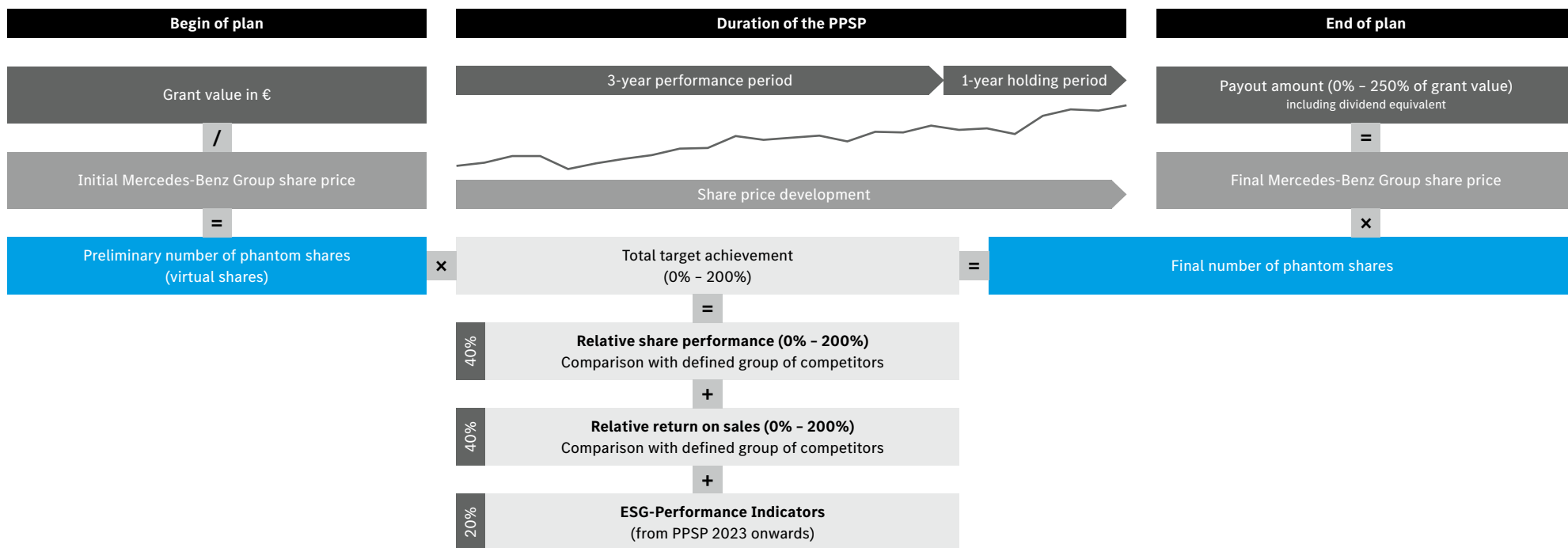
Determined annually by the Supervisory Board; for the financial year 2023 approximately 1.5 times the base salary.

Range of possible target achievement

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

Value of the 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. The total for the dividend equivalent is the addition of the dividend equivalent payments of EUR 5.20 per virtual share, paid out for the 2020 - 2023 plans in the 2023 financial year.



Performance criteria for the PPSP 2023

Relative return on sales (40%):

The achieved return on sales is determined in a three-year comparison with the competitive group consisting of listed vehicle manufacturers with an automotive component of more than 70% by revenue and an investment-grade credit rating (BMW, GM, Honda, Hyundai, Kia, Nissan, Porsche, Stellantis, Tesla, Toyota and VW). To measure the 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 AG’s return on sales

deviates by a maximum of +/-2 percentage points from 100% of the calculated average of the competitors.

- Maximum target achievement of 200% occurs if the return on sales of the Group exceeds 100% of the revenue-weighted average of the competitors by 2 percentage points or more.
- 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 develops in a linear way.

Relative share performance (40%):

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 %) is the same as that of the group of competitors (in %), target achievement is deemed to be 100%. If the performance of the share price (in %) is 50 percentage points or more above (below) the performance of the group of competitors, target achievement is deemed to be 200% (0%). In the deviation range of +/- 50 percentage points, target achievement develops in a linear way.

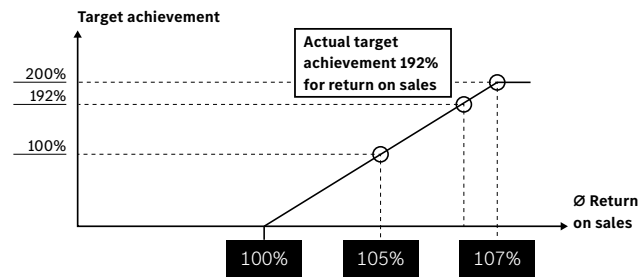
ESG targets (20%):

Based on the target ranges defined by the Supervisory Board, a target achievement of 0% to 200% is possible for each ESG goal. For each ESG goal, the Supervisory Board sets a value for the 3-year performance period that corresponds to 100% target achievement, as well as a value that corresponds to 0% target achievement and a value that corresponds to 200% target achievement. To determine the target achievement per ESG goal after the 3-year performance period, the actual value achieved per ESG goal is compared to the values set per ESG goal. Subsequently, the target achievement for ESG goals is calculated based on the target achievement per ESG goal multiplied by its respective weighting. The results are then added up to determine the target achievement of the ESG goals.

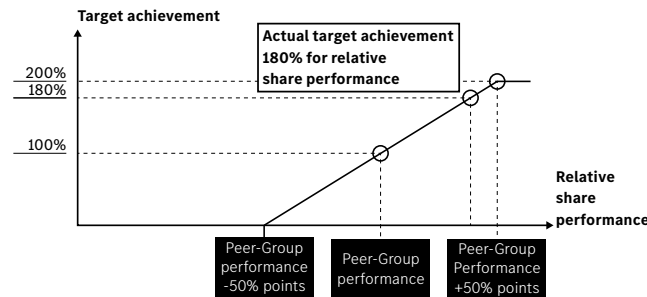
Target achievement for the PPSP 2019

For the PPSP 2019, which was paid out in the financial year 2023 at the end of the four-year plan period, the following target achievement was calculated:

Financial targets for PPSP: relative return on sales



Financial targets for PPSP: relative share performance

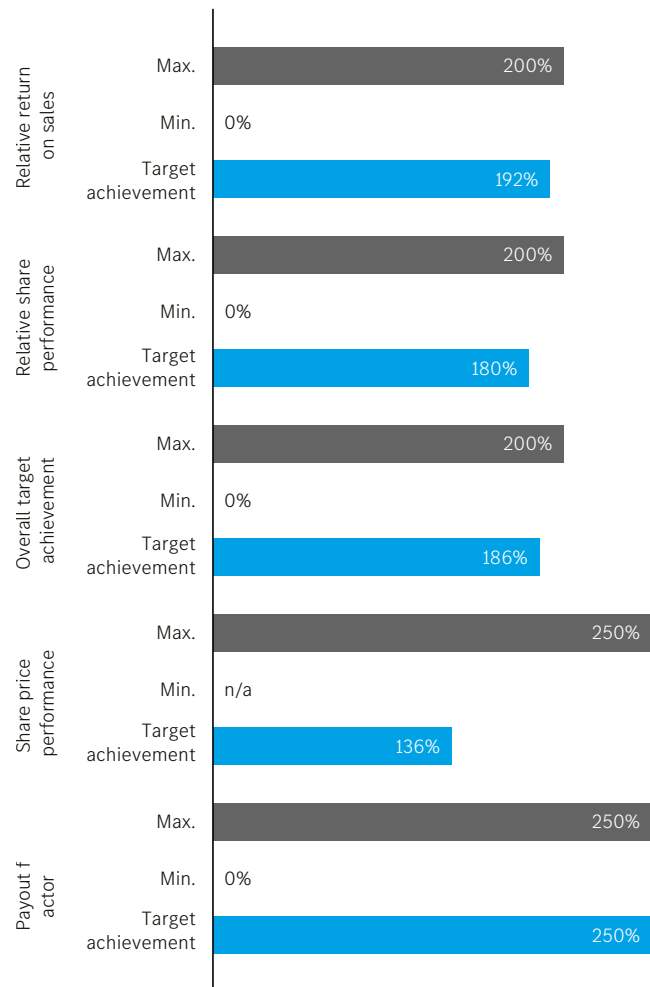


The spin-off of the commercial vehicle business, which was completed at the end of the financial year 2021, had an impact on the PPSP 2019. The payout of the PPSP 2019 was based on a combined closing price of the Daimler-/Mercedes-Benz Group share and the

Daimler Truck share. The PPSPs 2019 to 2021 continued as Group-specific plans following the successful spin-off of the commercial vehicle business. On the basis of the allocation ratio of 1:2 defined for the shareholders and the share prices of 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 (to determine the adjusted number of preliminary phantom shares after the spin-off of the truck business took effect, a conversion factor of 1.2199 was applied to the PPSPs 2019-2021).

In 2019, the maximum target achievement of 200% for the performance criteria of relative revenue return and relative stock performance was not reached by the PPSP. The limit for the payout-relevant stock price, which was set at 2.5 times the stock price at the start of the plan, was also not achieved. However, the cap for the final payout amount (including the dividend equivalents paid out during the four-year plan period) at 2.5 times the allocation value at the start of the plan (payout factor) was reached for the PPSP 2019. Therefore, a cap was applied.

The following figure shows the target achievements, the share price performance and the payout factor of the PPSP 2019 in total:



The following table shows the grant value per Board of Management member and the payout amount of the PPSP 2019 resulting from overall target achievement and share performance:

Total target achievement PPSP 2019

	Value when granted	Share price when granted	Preliminary number of phantom shares ²	Overall target achievement	Final number of phantom shares	Share price at payout	Payout amount ³
	in k€	in €		in %		in €	in k€
Ola Källenius	1,835		45,115	186 %	83,914		3,965
Dr Jörg Burzer ¹	250		6,148	190 %	11,682		788
Renata Jungo Brüngger	1,100		27,044	186 %	50,302		2,377
Sabine Kohleisen ¹	135	49.62	3,320	190 %	6,308	67.42	425
Markus Schäfer	880		21,635	190 %	40,242		1,901
Britta Seeger	1,100		27,044	186 %	50,302		2,377
Hubertus Troska	1,100		27,044	186 %	50,302		2,377
Harald Wilhelm	825		20,284	186 %	37,729		1,782

¹ Allocation as a manager below the Board of Management. Plans for the level below the Board of Management differ in terms of target achievement and in the cap. Plans assigned to the Board of Management have an increased level of target aspiration.

² A conversion factor of 1.2199 was used for PPSP 2019-2021 to determine the adjusted number of preliminary phantom shares after the spin-off of the Truck division.

³ The payout amount is limited to 2.5 times the allocation value, including dividend equivalent payments.

Guidelines for share ownership

As a supplement to the remuneration components of the Board of Management, stock 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 two years after the end of their employment have passed. Depending on the functional responsibility of the respective Board of Management member, the number of shares to be held is between 20,000 and 75,000. In fulfillment of the policies, up to 25% of the gross remuneration out of each Performance Phantom Share Plan is generally to be used to purchase shares in the company, but the required shares can also be purchased in other ways.

As at December 31, 2023, the following status for the Stock Ownership Guidelines and their implementation resulted for the members of the Board of Management:

Stock Ownership Guidelines

	SOG target		Status quo
	Number	Number	in % of the SOG target
Ola Källenius	75,000	31,752	42 %
Dr Jörg Burzer	20,000	4,511	23 %
Renata Jungo Brüngger	20,000	19,911	99 %
Sabine Kohleisen	20,000	3,052	15 %
Markus Schäfer	20,000	16,278	81 %
Britta Seeger	20,000	14,337	72 %
Hubertus Troska	20,000	20,000	100 %
Harald Wilhelm	25,000	5,890	24 %

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 from already paid bonuses. 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 2023, 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 4 of the German Stock Corporation Act (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 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 determined by the conditions of the respective plans. In the event of retirement for age reasons, for example, or if mutually agreed, the plans are paid out in arrears. Already allocated plans are lost in the event of a unilateral resignation from the Board of Management position.

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 the section 'Retirement benefits.'

Secondary activities of Board of Management members

The members of the Board of Management should accept management board or supervisory board positions and/or any other administrative or honorary functions outside the Group only to a limited extent.

Furthermore, they require the consent of the Supervisory Board before commencing any sideline activities. In the opinion of the Supervisory Board, 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. Up to a certain amount, the remuneration for mandates in listed companies in which Mercedes-Benz Group holds a direct or indirect interest is not offset. If the remuneration exceeds this set amount, it is partially offset against the Board of Management remuneration. When accepting mandates in companies in which Mercedes-Benz Group AG holds no direct or indirect interest, the remuneration for these mandates is not offset. In the financial year 2023, Renata Jungo Brüngger and Harald Wilhelm were members of the Supervisory Board of Daimler Truck Holding AG. The remuneration due by Daimler Truck Holding AG (payout in 2024) will be offset pro rata against the annual bonus for 2023 (payout also in 2024) in accordance with the applicable provisions. The approach is also described in the table 'Remuneration awarded and due.'

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 2023.

Remuneration of the members of the Board of Management in office in the financial year 2023

The following tables show the remuneration awarded and due for each individual member of the Mercedes-Benz Group AG Board of Management in the financial year 2023 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 as follows:

The one-year variable remuneration 2023 is disclosed in accordance with a vesting-oriented interpretation. This means that the one-year variable remuneration is disclosed for the financial year in which the performance measurement is completed and is therefore vested. The one-year variable remuneration is therefore disclosed for the financial year 2023, although the actual payout will not take place until the financial year 2024. For the deferral and the PPSP, 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 2023 is calculated as the total of¹:

- the 2023 base salary;
- the taxable non-cash benefits and other fringe benefits in the financial year 2023;

- the annual bonus 2023 determined for the financial year 2023 and paid in the financial year 2024 (one-year variable remuneration 2023);
- the half share of the medium-term-oriented component of the annual bonus 2021 (deferral 2021) measured at the end of the financial year 2022 and paid in the financial year 2023;
- the value of the long-term share-based remuneration (PPSP 2019) paid in the financial year 2023;
- the dividend equivalents of the current PPSP (2020, 2021, 2022 and 2023) paid in the financial year 2023.

Furthermore, the pension expense in the financial year 2023 (service costs in the financial year 2023) is shown.

¹ In the remuneration component "annual bonus", the change in method in the remuneration system with regard to the abolition of the deferral in the 2023 reporting period results in a disclosure-related special effect (the annual bonus for the 2023 financial year will be paid out at 100% for the first time in the following year).

Remuneration awarded and due

	Ola Källenius				Dr Jörg Burzer			
	Chair of the Board of Management		Production, Quality and Supply Chain Management					
	2023	2022	2023	2022				
	in k€	in %	in k€	in %	in k€	in %	in k€	in %
Base salary	1,770	14 %	1,664	25%	885	21%	832	37%
Taxable non-cash benefits and fringe benefits	85	1%	70	1%	406	10%	261	11%
Sum fixed remuneration	1,855		1,734		1,291		1,093	
Short-term variable remuneration ¹								
One-year variable remuneration 2023 (100% of annual bonus 2023)	3,540	29%	-	-	1,770	41%	-	-
One-year variable remuneration 2022 (50% of annual bonus 2022)	-	-	1,664	25%	-	-	832	37%
Offsets from mandate remuneration	-	-	-	-	-	-	-	-
Mid-term variable remuneration ²								
Deferral 2021 (50% of annual bonus 2021)	1,664	14%	-	-	69	2%	-	-
Deferral 2020 (50% of annual bonus 2020)	-	-	1,379	23%	-	-	-	-
Long-term variable remuneration ³								
PPSP 2019	3,965	32%	-	-	788	18%	-	-
PPSP 2018	-	-	710	11%	-	-	88	4%
Dividend equivalent PPSP 2023	210	2%	-	-	105	2%	-	-
Dividend equivalent PPSP 2022	159	1%	153	2%	80	2%	76	3%
Dividend equivalent PPSP 2021	239	2%	230	3%	54	1%	52	2%
Dividend equivalent PPSP 2020	605	5%	291	4%	138	3%	66	3%
Dividend equivalent PPSP 2019	-	-	420	6%	-	-	58	3%
Sum variable remuneration	10,382		4,847		3,004		1,172	
Total remuneration in terms of Sect. 162 AktG	12,237	100%	6,581	100%	4,295	100%	2,265	100%
Pension expense (service costs)	507	-	510	-	285	-	288	-
Total remuneration (incl. service costs)	12,744		7,091		4,580		2,553	

1 100% of the annual bonus is paid out in March of the following financial year. 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. The one-year variable remuneration is therefore disclosed for the financial year 2023, although the actual payout will not take place until the financial year 2024. 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 2020 and 2021 shown in the table, one further deferral is outstanding. That is the deferral 2022 for Ola Källenius and Dr Jörg Burzer with a deferred amount of k€ 1,664 and k€832.

3 Dr Jörg Burzer: the PPSP grants for 2021 and earlier were awarded prior to his appointment to the Board of Management.

Remuneration awarded and due

	Renata Jungo Brüngger Integrity, Governance & Sustainability				Sabine Kohleisen Human Relations & Labour Director			
	2023		2022		2023		2022	
	in k€	in %	in k€	in %	in k€	in %	in k€	in %
Base salary	885	14 %	832	23%	885	22 %	832	39%
Taxable non-cash benefits and fringe benefits	82	1 %	93	3%	590	14 %	194	9%
Sum fixed remuneration	967		925		1,475		1,026	
Short-term variable remuneration ¹								
One-year variable remuneration 2023 (100% of annual bonus 2023)	1,770	27 %	-	-	1,770	44 %	-	-
One-year variable remuneration 2022 (50% of annual bonus 2022)		-	832	23%	-	-	832	39%
Offsets from mandate remuneration	-51	-1%	-51	-1%	-	-	-	-
Mid-term variable remuneration ²								
Deferral 2021 (50 % of annual bonus 2021)	832	13 %	-	-	69	2 %	-	-
Deferral 2020 (50 % of annual bonus 2020)	-	-	690	19%	-	-	-	-
Long-term variable remuneration ³								
PPSP 2019	2,377	37 %	-	-	425	10 %	-	-
PPSP 2018	-	-	710	17%	-	-	67	3%
Dividend equivalent PPSP 2023	105	1 %	-	-	105	3 %	-	-
Dividend equivalent PPSP 2022	80	1 %	76	2%	80	2 %	76	4%
Dividend equivalent PPSP 2021	120	2 %	115	3%	44	1 %	42	2%
Dividend equivalent PPSP 2020	303	5 %	145	4%	83	2 %	40	2%
Dividend equivalent PPSP 2019	-	-	252	7%	-	-	32	2%
Sum variable remuneration	5,536		2,769		2,576		1,089	
Total remuneration in terms of Sect.162 AktG	6,503	100 %	3,694	100%	4,051	100 %	2,115	100 %
Pension expense (service costs)	250	-	250	-	253	-	252	-
Total remuneration (incl. service costs)	6,753		3,944		4,304		2,367	

1 100% of the annual bonus is paid out in March of the following financial year. 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. The one-year variable remuneration is therefore disclosed for the financial year 2023, although the actual payout will not take place until the financial year 2024. 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 2020 and 2021 shown in the table, one further deferral is outstanding. That is the deferral 2022 for Renata Jungo Brüngger and Sabine Kohleisen with a deferred amount of k€832each.

3 Sabine Kohleisen: the PPSP grants for 2021 and earlier were awarded prior to her appointment to the Board of Management.

Remuneration awarded and due

	Markus Schäfer Chief Technology Officer, Development & Purchasing				Britta Seeger Marketing & Sales			
	2023		2022		2023		2022	
	in k€	in %	in k€	in %	in k€	in %	in k€	in %
Base salary	885	14 %	832	25 %	885	13 %	832	22 %
Taxable non-cash benefits and fringe benefits	177	3 %	91	3 %	110	2 %	75	2 %
Sum fixed remuneration	1,062		923		995		907	
Short-term variable remuneration ¹								
One-year variable remuneration 2023 (100% of annual bonus 2023)	1,770	29 %	-	-	1,770	27 %	-	-
One-year variable remuneration 2022 (50% of annual bonus 2022)	-	-	832	25 %	-	-	832	22 %
Offsets from mandate remuneration	-	-	-	-	-	-	-	-
Mid-term variable remuneration ²								
Deferral 2021 (50 % of annual bonus 2021)	832	13 %	-	-	832	12 %	-	-
Deferral 2020 (50 % of annual bonus 2020)	-	-	690	22 %	-	-	690	19 %
Long-term variable remuneration								
PPSP 2019	1,901	31 %	-	-	2,377	36 %	-	-
PPSP 2018	-	-	303	9 %	-	-	710	19 %
Dividend equivalent PPSP 2023	105	2 %	-	-	105	2 %	-	-
Dividend equivalent PPSP 2022	80	1 %	76	2 %	80	1 %	76	2 %
Dividend equivalent PPSP 2021	120	2 %	115	4 %	120	2 %	115	3 %
Dividend equivalent PPSP 2020	303	5 %	145	4 %	303	5 %	145	4 %
Dividend equivalent PPSP 2019	-	-	201	6 %	-	-	252	7 %
Sum variable remuneration	5,111		2,362		5,587		2,820	
Total remuneration in terms of Sect. 162 AktG	6,173	100 %	3,285	100 %	6,582	100 %	3,727	100 %
Pension expense (service costs)	250	-	251	-	253	-	254	-
Total remuneration (incl. service costs)	6,423		3,536		6,835		3,981	

1 100% of the annual bonus is paid out in March of the following financial year. 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. The one-year variable remuneration is therefore disclosed for the financial year 2023, although the actual payout will not take place until the financial year 2024. 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 2020 and 2021 shown in the table, one further deferral is outstanding. That is the deferral 2022 for Markus Schäfer and Britta Seeger with a deferred amount of k€832 each.

Remuneration awarded and due

	Hubertus Troska				Harald Wilhelm			
	Greater China		Finance & Controlling / Mercedes-Benz Mobility		Greater China		Finance & Controlling / Mercedes-Benz Mobility	
	2023		2022		2023		2022	
	in k€	in %	in k€	in %	in k€	in %	in k€	in %
Base salary	885	12 %	832	20 %	904	15 %	850	29 %
Taxable non-cash benefits and fringe benefits ¹	687	10 %	562	13 %	63	1 %	65	2 %
Sum fixed remuneration	1,572		1,394		967		915	
Short-term variable remuneration ²								
One-year variable remuneration 2023 (100% of annual bonus 2023)	1,770	25 %	-	-	1,808	30 %	-	-
One-year variable remuneration 2022 (50% of annual bonus 2022)	-	-	832	20 %	-	-	850	29 %
Offsets from mandate remuneration	-	-	-	-	-71	-1 %	-71	-2 %
Mid-term variable remuneration ³								
Deferral 2021 (50 % of annual bonus 2021)	832	12 %	-	-	850	14 %	-	-
Deferral 2020 (50 % of annual bonus 2020)	-	-	690	16 %	-	-	704	24 %
Long-term variable remuneration								
PPSP 2019	2,377	33 %	-	-	1,782	30 %	-	-
PPSP 2018	-	-	710	17 %	-	-	-	-
Dividend equivalent PPSP 2023	105	1 %	-	-	105	2 %	-	-
Dividend equivalent PPSP 2022	80	1 %	76	2 %	80	1 %	76	3 %
Dividend equivalent PPSP 2021	120	2 %	115	3 %	120	2 %	115	4 %
Dividend equivalent PPSP 2020	303	4 %	145	3 %	303	6 %	145	5 %
Dividend equivalent PPSP 2019	-	-	252	6 %	-	-	189	6 %
Sum variable remuneration	5,587		2,820		4,977		2,008	
Total remuneration in terms of Sect. 162 AktG	7,159	100 %	4,214	100 %	5,944	100 %	2,923	100 %
Pension expense (service costs)	250	-	250	-	263	-	268	-
Total remuneration (incl. service costs)	7,409		4,464		6,207		3,191	

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

2 100% of the annual bonus is paid out in March of the following financial year. 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. The one-year variable remuneration is therefore disclosed for the financial year 2023, although the actual payout will not take place until the financial year 2024. 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 2020 and 2021 shown in the table, one further deferral is outstanding. That is the deferral 2022 for Hubertus Troska and Harald Wilhelm with a deferred amount of k€832 and k€850.

Remuneration of former Board of Management members in the financial year 2023

Dr Manfred Bischoff received pension payments in the amount of €857,774 in the financial year 2023. In addition, Dr Manfred Bischoff received fringe benefit payments in the amount of €22,615. The fixed remuneration components therefore account for 100% of the remuneration.

Wilfried Porth received in the financial year 2023 the mid-term variable remuneration (deferral) from the annual bonus 2021 in the amount of €832,218. Furthermore he received the annual bonus for FY 2022 for the remainder of his time of service in the amount of €277,406. In addition, he received payments from the PPSP 2019 in the amount of €2,484,577, dividend equivalents in the amount of €469,206 from the current PPSP (2020-2022) and pension payments in the amount of €155,748. In addition, Wilfried Porth received fringe benefit payments in the amount of €18,742. The fixed remuneration components accordingly account for 4% and the variable remuneration components for 96% of the remuneration.

Martin Daum received €762,887 as the medium-term variable remuneration (Deferral) from the 2021 annual bonus for the partial FY 2021. The fixed compensation components account for 0% and the variable compensation components account for 100% of the total compensation.

In financial year 2023, Bodo Uebber received payments from the PPSP 2019 in the amount of €2,841,069 and pension payments in the amount of €327,855. In addition, he received fringe benefit payments in the amount of €20,465. The fixed remuneration components accordingly account for 11% and the variable remuneration components for 89% of the remuneration.

Prof Dr Thomas Weber received pension payments in the amount of €396,159 in the financial year 2023. Furthermore, Prof Dr Thomas Weber received a payment in the amount of €491,512 from the company pension plans. In addition, he received fringe benefit payments in the amount of €14,844. The fixed remuneration components therefore account for 100% of the remuneration.

Andreas Renschler received pension payments in the amount of €158,507 in the financial year 2023. In addition, he received fringe benefit payments in the amount of €1,098. The fixed remuneration components therefore account for 100% of the remuneration.

In the financial year 2023, Dr Dieter Zetsche received payments from the PPSP 2019 in the amount of €6,049,446, and pension payments in the amount of €1,244,216. Furthermore, Dr Dieter Zetsche received a payment in the amount of €848,508 from the company pension plan. In addition, Dr Dieter Zetsche received fringe benefit payments in the amount of €30,771. The fixed remuneration components accordingly account for 26% and the variable remuneration components for 74% of the remuneration.

The remuneration awarded and due in the financial year 2023 to the former members of the Board of Management of Mercedes-Benz Group AG, who resigned more than 10 years ago, amounted to €11.3 million (prev. year: €11.8 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. The Supervisory Board new remuneration resolution was adopted by the 2023 Annual Shareholders' Meeting with an approval rate of 98.16%. Article 10 of the Articles of Incorporation of Mercedes-Benz Group AG was adjusted accordingly. The new rules for Supervisory Board remuneration were applicable for the first time for the financial year 2023.

The remuneration of the Supervisory Board members is set, in the view of the company, in an appropriate 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. An appropriate and relevant remuneration makes an important contribution to the competition for outstanding talent for composition of the Supervisory Board and as a result for the best possible supervision and advice of the Board of Management. This in turn is a precondition for the long-term success of the company.

The members of the Supervisory Board receive a function-related, fixed remuneration without variable components, in the opinion of the company, 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.

Furthermore, the members of the Supervisory Board are reimbursed for expenses incurred for Supervisory Board activities.

Fixed remuneration		
Chairman	Deputy Chairman	Audit Committee Chairman
€600,000	€475,000	€450,000
Ordinary member	Other committee member	Audit committee member
€200,000	€300,000	€400,000

Committee compensation

No additional remuneration is granted for chairing the committees of the Supervisory Board, with the exception of the Audit Committee, as this activity is generally included in the remuneration of the Chairman of the Supervisory Board, who also assumes these functions by law or in accordance with the rules of procedure of the Supervisory Board and its committees.

If a member of the Supervisory Board performs several higher-paid functions, the remuneration is based exclusively on the highest-paid function. Remuneration for committee activities for a financial year requires that the committee in question met at least twice in the financial year during this period in order to fulfill its tasks.

Additional benefits

No remuneration was paid in the financial year 2023 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.

The members of the Supervisory Board were also covered in the year under review by a financial loss and liability insurance policy for executive bodies and certain executives (Directors & Officers insurance) taken out by and in the interest of the company. The insurance premiums were paid by the company. This approach is in line with market practice and appropriate, in the view of the company.

Remuneration of Supervisory Board members in the financial year 2023

The individual remuneration awarded and due to Supervisory Board members, which consists of 100% fixed remuneration components, is shown in the table below as vested remuneration for 2023 because the underlying activities have been fully performed.

The total remuneration for the activities of the members of the Supervisory Board of Mercedes-Benz Group AG in the financial year 2023 amounted to €5.9 million (prev. year: €6.6 million).

Supervisory Board remuneration

	Total remuneration	
	2023	2022
in k€		
Dr Bernd Pischetsrieder (Chair)	600	532
Ergun Lümali (Deputy Chair)	475	429
Sari Baldauf (until 03.05.2023)	67	182
Michael Bettag	200	152
Ben van Beurden	300	240
Nadine Boguslawski	200	151
Michael Brecht (until 03.05.2023)	135	316
Dr Martin Bruder Müller	267	151
Elizabeth Centoni	300	209
Dame Polly Courtice	300	143
Marco Gobbetti	200	102
Michael Häberl	300	213
Timotheus Höttges	400	204
Olaf Koch	450	378
Gabriela Neher (since 03.05.2023)	133	0
Michael Peters (since 03.05.2023)	133	0
Stefan Pierer (since 03.05.2023)	133	0
Roman Romanowski	367	193
Prof Dr Helene Svahn	200	152
Monika Tielsch	200	152
Elke Tönjes-Werner (until 03.05.2023)	67	152
Dr Frank Weber	200	152
Roman Zitzelsberger	300	210

Note: The table represents the members of the supervisory board who were active in 2023.

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 based on the financial indicators of 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 (employees, apprentices and interns) 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

	2023	2022	Change 2023/2022	2021	Change 2022/2021	2020	Change 2021/2020	2019	Change 2020/2019
	in k€	in k€	in %	in k€	in %	in k€	in %	in k€	in %
Earnings performance									
Net income of the company (HGB) in € million	12,098	8,877	36 %	9,538	-7 %	2,133	347 %	-1,678	-227 %
EBIT of the Group in € million ¹	19,660	20,458	-4 %	29,069	-30 %	6,603	340 %	4,313	53 %
FCF IB of the Group in €million ¹	11,881	9,156	30 %	8,606	6 %	8,259	4 %	1,368	504 %

Employees

Relative change of remuneration of employees of Mercedes-Benz Group AG ²	-	5 %	-	5 %	-	6 %	-	-
---	---	-----	---	-----	---	-----	---	---

Members of the Board of Management active in the financial year³

Ola Källenius	12,237	6,581	86 %	4,284	54 %	3,623	18 %	3,335	9 %
Dr Jörg Burzer	4,295	2,265	90 %	141	1506 %	-	-	-	-
Renata Jungo Brüngger	6,503	3,694	76 %	2,469	50 %	2,288	8 %	2,089	10 %
Sabine Kohleisen	4,051	2,115	92 %	142	1389 %	-	-	-	-
Markus Schäfer ⁴	6,173	3,285	88 %	2,100	56 %	1,649	27 %	736	124 %
Britta Seeger ⁴	6,582	3,727	77 %	2,462	51 %	1,772	39 %	1,969	-10 %
Hubertus Troska	7,159	4,214	70 %	3,103	35 %	2,940	6 %	3,019	-3 %
Harald Wilhelm	5,944	2,923	103 %	1,928	52 %	1,465	32 %	834	76 %

Former members of the Board of Management

Dr Manfred Bischoff (until 16.12.2003)	880	787	12 %	814	-3 %	828	-2 %	797	4 %
Wilfried Porth (until 30.11.2021)	4,238	2,406	76 %	2,399	0 %	2,309	4 %	2,756	-16 %
Martin Daum (until 9.12.2021)	763	690	11 %	2,328	-70 %	1,967	18 %	2,126	-7 %
Bodo Uebber (until 22.05.2019) ⁵	3,189	2,652	20 %	1,087	144 %	9,834	-89 %	3,135	214 %
Prof Dr Thomas Weber (until 31.12.2016)	903	835	8 %	798	5 %	763	5 %	1,175	-35 %
Andreas Renschler (until 28.1.2014)	160	71	125 %	-	-	-	-	-	-
Dr Dieter Zetsche (until 22.05.2019) ⁶	8,173	4,394	86 %	3,539	24 %	3,878	-9 %	6,580	-41 %
Sum of other former members of the Board of Management (left more than 10 years ago)	11,303	11,752	-4 %	15,266	-23 %	15,065	1 %	15,419	-2 %

Comparative presentation

	2023	2022	Change 2023/2022	2021	Change 2022/2021	2020	Change 2021/2020	2019	Change 2020/2019
	in k€	in k€	in %	in k€	in %	in k€	in %	in k€	in %
Members of the Supervisory Board active in the financial year⁷									
Dr Bernd Pischetsrieder (Chair)	600	532	13%	449	19%	144	212%	176	-18%
Ergun Lümali (Deputy Chair)	475	429	11%	255	68%	197	29%	280	-30%
Sari Baldauf (until 03.05.2023)	67	182	-63%	227	-20%	154	47%	195	-21%
Michael Bettag	200	152	32%	154	-1%	132	16%	153	-14%
Ben van Beurden	300	240	25%	186	29%	-	-	-	-
Nadine Boguslawski	200	151	33%	63	138%	-	-	-	-
Michael Brecht (until 03.05.2023)	135	316	-57%	494	-36%	398	24%	499	-20%
Dr Martin Bruder Müller	267	151	77%	116	29%	-	-	-	-
Elizabeth Centoni	300	209	43%	117	80%	-	-	-	-
Dame Polly Courtice	300	143	110%	-	-	-	-	-	-
Marco Gobetti	200	102	96%	-	-	-	-	-	-
Michael Häberle	300	213	41%	216	-2%	158	37%	185	-15%
Timotheus Höttges	400	204	96%	154	32%	62	148%	-	-
Olaf Koch	450	378	19%	75	401%	-	-	-	-
Gabriela Neher (since 03.05.2023)	133	-	-	-	-	-	-	-	-
Michael Peters (since 03.05.2023)	133	-	-	-	-	-	-	-	-
Stefan Pierer (since 03.05.2023)	133	-	-	-	-	-	-	-	-
Roman Romanowski	367	193	90%	49	290%	-	-	-	-
Prof Dr Helene Svahn	200	152	32%	39	293%	-	-	-	-
Monika Tielsch	200	152	32%	9	1.572%	-	-	-	-
Elke Tönjes-Werner (until 03.05.2023)	67	152	-56%	154	-1%	132	17%	153	-14%
Dr Frank Weber	200	152	32%	154	-1%	132	16%	168	-21%
Roman Zitzelsberger	300	210	43%	216	-3%	183	18%	236	-22%


- 1 EBIT and FCF IB 2021: incl. discontinued operations. Note: EBIT and FCF IB may be standardised for the purpose of remuneration.
- 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 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.
- 6 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 2020: Taking into account the voluntary waiver of the Supervisory Board of 20% of the fixed remuneration for the period April 1 to December 31, 2020. Supervisory Board: in general not including remuneration of subsidiaries. 2019: incl. remuneration of subsidiaries.

Note: In addition to his activities as member of the Board of Management, Dr Manfred Bischoff was also Chair of the Supervisory Board.

For the Board of Management



Ola Källenius
Chairman of the Board
of Management



Harald Wilhelm
Finance & Controlling /
Mercedes-Benz Mobility

For the Supervisory Board



Dr Bernd Pischetsrieder
Chairman of the
Supervisory Board

Independent Auditor's Report

To Mercedes-Benz Group AG, Stuttgart

Report on the audit of the remuneration report

We have audited the attached remuneration report of Mercedes-Benz Group AG, Stuttgart, for the financial year from January 1 to December 31, 2023, including the related disclosures, prepared to meet the requirements of Section 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of Management and the Supervisory Board

The management 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 management and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of the remuneration report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts, including the related disclosures, in the remuneration report. The procedures selected depend on the auditor's professional judgment. This includes an assessment of the risks of material misstatement, whether due to fraud or error, in the remuneration report, including the related disclosures. In assessing these risks, the auditor considers the internal control system relevant for the preparation of the remuneration report, including the related disclosures. The objective is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also

includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the Supervisory Board, as well as evaluating the overall presentation of the remuneration report, including the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the financial year from January 1 to December 31, 2023, including the related disclosures, complies in all material respects with the financial reporting requirements of Section 162 AktG.

Other matter – formal examination of the remuneration report

The substantive audit of the remuneration report described in this independent auditor's report includes the formal examination of the remuneration report required by Section 162 (3) AktG, including issuing an assurance report on this examination. As we have issued an unqualified opinion on the substantive audit of the remuneration report, this opinion includes the conclusion that the disclosures pursuant to Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report.

Limitation of liability

The terms governing this engagement, which we fulfilled by rendering the aforesaid services to Mercedes-Benz Group AG, are set out in the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on 1 January 2017. By taking note of and using the information as contained in this auditor's report, each recipient confirms to have taken note of the terms and conditions laid down therein (including the limitation of liability of EUR 4 million for negligence under Clause 9 of the General Engagement Terms) and acknowledges their validity in relation to us.

Stuttgart, 15 March 2024

KPMG AG
Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Bock	Engelmann
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]