

Position of the management on the counter-motions for the 2008 Annual Meeting

The Board of Management and the Supervisory Board maintain their motions as presented in the Agenda and state their position on the counter-motions as follows:

Environment and climate protection

On the way towards the further development of mobility into a form that is sustainable for mankind and the environment, Daimler does not focus on singular technologies and vehicles, but on the full spectrum of all possible improvements in terms of powertrains, lightweight construction, energy management and alternative fuels. We aim to offer our customers an optimal overall package at attractive prices. In order to achieve this goal, we have developed the “Roadmap to Sustainable Mobility.” This roadmap consists of the following three-stage approach for conserving resources and minimizing pollutant emissions along the entire value chain:

1. The further development and optimization of our internal combustion engines, including the consideration of all hybrid options.
2. The research, development, and provision of high-quality alternative fuels.
3. Propulsion with emission-free fuel cells and electric drive systems.

We presented our “Road to the Future” program at the Frankfurt International Motor Show (IAA) in 2007 in the form of 19 extremely economical and clean new car models. These vehicles cover the entire range of our modular drive technologies, which in turn represent key milestones on the path to sustainable mobility. Such innovative drive systems include BlueTEC diesel exhaust gas treatment.

The future of the gasoline engine is also on display in our DIESOTTO engine, which combines the best features of diesel and gasoline engines. Our new F 700 research vehicle, which we presented at the IAA, is equipped with this extremely clean and fuel-efficient drive system as well as an additional hybrid module.

The models in our “Road to the Future” program include seven hybrids from five different model series; some of these vehicles combine hybrid drive with BlueTEC diesel exhaust treatment. The specific advantages that diesel engines offer in terms of torque and fuel economy make BlueTEC hybrids much more efficient than any gasoline hybrid built to date.

We are also continuing our efforts to reduce the fuel consumption and exhaust gas emissions of our commercial vehicles. As the world’s leading manufacturer of commercial vehicles, Daimler’s broad-based commitment to these goals is underscored by the “Shaping Future Transportation” initiative, which was launched in November 2007 with the presentation of 16 trucks and buses from the Mercedes-Benz, Freightliner, Mitsubishi Fuso, Orion, and Thomas Built Buses brands, characterized by reduced fuel consumption and emissions. Hybrid technology plays a key role in this environmentally friendly fleet, as our experience shows that such technology can reduce diesel fuel consumption by as much as one third.

Election of new members of the Supervisory Board

At the Annual Meeting, we will propose to the shareholders that Ms. Sari Baldauf (52), formerly Executive Vice President and General Manager of the Network Business Group of Nokia Corporation, and Dr. Jürgen Hambrecht (61), currently Chairman of the Management Board of BASF SE, be elected as members of the Supervisory Board representing the shareholders, each for five years.

Both candidates fulfill all of the requirements arising from applicable law and the company's Articles of Incorporation and they also have the benefits of excellent qualifications. With Ms. Baldauf, we have gained an experienced and competent candidate whose election will make a contribution towards the international orientation of the Supervisory Board. As a distinguished CEO of a chemicals company with international operations, Dr. Hambrecht has the benefit not only of profound knowledge in various industries but also of valuable experience in Asia. His expertise and experience are enhanced by activities in other supervisory boards and by his involvement in industrial associations.

Dividend proposal

The proposal to be made to the Annual Meeting that a dividend of €2.00 be distributed for each share entitled to a dividend, thus increasing the dividend by 33% compared with the prior year, gives full consideration to the interests of the company and the shareholders.

Sales to resellers who do not belong to our sales network, so-called "gray-market transactions"

These matters are neither illegal nor of any relevance for criminal law. The issue of sales to resellers who do not belong to our sales network affects not only Daimler but the entire automobile industry. We want to produce our new vehicles in accordance with our customers' wishes and to deliver them directly to our customers through our efficient authorized sales network. Our policy prohibits the sale of new vehicles from the Group to resellers who do not belong to our authorized sales network. This prohibition is also included in the contracts entered into with our authorized sales partners. Nonetheless, sales to resellers who do not belong to our authorized sales network cannot be entirely ruled out in a worldwide sales network.

Payments to active and former members of the Board of Management

The remuneration of the Board of Management is determined following a careful review and with due consideration of a competitive comparison in Germany, Europe and the United States – also with the involvement of external consultants. All payments and non-cash benefits for active and former members of the Board of Management have been reviewed by the independent auditors and disclosed in accordance with applicable law.

Involvement in South Africa

Daimler is a company that takes its social responsibility very seriously, and also deals openly with all aspects of its history.

We have made several statements about our involvement in South Africa at previous annual meetings. We accept responsibility for thousands of employees and their dependents in that country. Our extensive activities for the occupational training of young people and our HIV/AIDS project are clear evidence of this. All in all, we are a recognized and respected partner in business and society in South Africa, and we are doing everything we can to ensure that this continues in the future.

Defense technology

Although none of the facts have changed, the same claims have been made with regard to the activities of EADS in the field of defense technology for many years. We have made statements on these claims at previous annual meetings.

Stuttgart, March 2008

Daimler AG