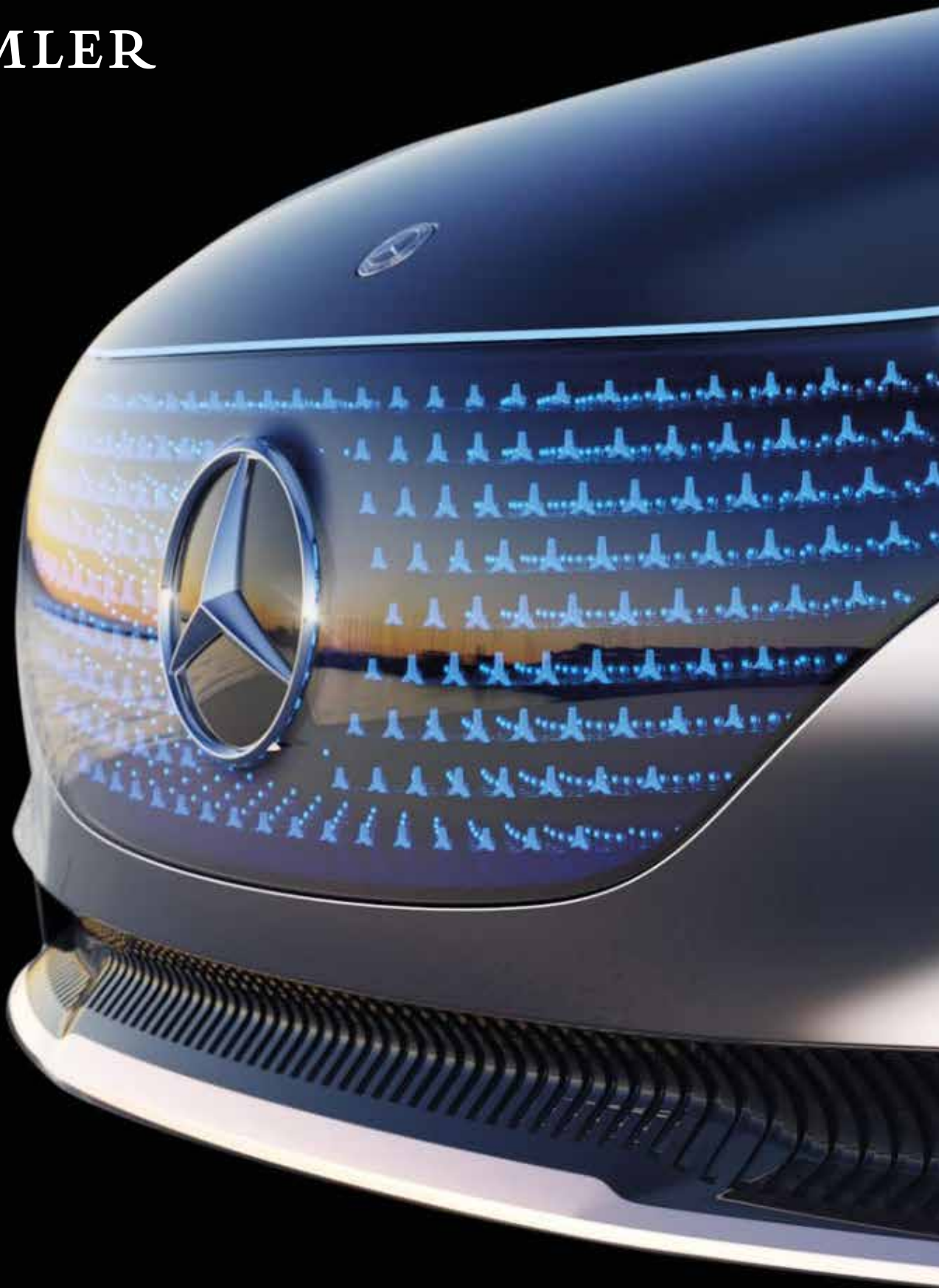


DAIMLER



Annual Financial Statements 2020

Daimler AG

Cover photo

The VISION EQS provides a preview of large electric luxury sedans to come. With this automobile, Mercedes-EQ is making a clear statement for progressive luxury. We are convinced that perfect craftsmanship, emotive design, luxurious materials and individual driving pleasure will continue to be desirable in the future.

Daimler AG

Annual Financial Statements 2020

The Management Report of Daimler AG is combined with the Group Management Report in accordance with Section 315 Subsection 5 of the German Commercial Code (HGB) and is published in the Daimler Group's Annual Report 2020.

The Annual Financial Statements and the combined Management Report for Daimler AG and the Daimler Group for the year 2020 are filed with the operator of the German Federal Gazette and published in the German Federal Gazette.

The Annual Financial Statements of Daimler AG and the Daimler Group's Annual Report 2020 can be found on our website at [🌐 www.daimler.com/investors/reports-news/](https://www.daimler.com/investors/reports-news/).

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Balance Sheet of Daimler AG

Assets

	Notes	Dec. 31, 2020	Dec. 31, 2019
In millions of euros			
Non-current assets			
Intangible assets	(1)	62	58
Property, plant and equipment	(2)	147	230
Financial assets	(3)	55,952	56,926
		56,161	57,214
Current assets			
Trade receivables	(4)	4	69
Receivables from subsidiaries	(5)	22,166	30,644
Other receivables and other assets	(5)	1,397	2,047
Securities	(5)	4,904	6,165
Cash and cash equivalents	(6)	7,658	2,942
		36,129	41,867
Prepaid expenses	(7)	341	285
		92,631	99,366

Equity and liabilities

	Notes	Dec. 31, 2020	Dec. 31, 2019
In millions of euros			
Equity			
Share capital (conditional capital €500 million)	(8a)	3,070	3,070
Capital reserve	(8b)	11,480	11,480
Retained earnings	(8c)	23,230	22,541
Distributable profit	(8d)	1,444	963
		39,224	38,054
Provisions			
Provisions for pensions and similar obligations	(9)	193	94
Other provisions	(10)	1,550	1,511
		1,743	1,605
Liabilities			
Trade payables	(11)	140	227
Liabilities to subsidiaries	(11)	26,511	29,978
Other liabilities	(11)	24,976	29,496
		51,627	59,701
Deferred income	(12)	37	6
		92,631	99,366

Income Statement of Daimler AG

	Notes	2020	2019
In millions of euros			
Revenue	(13)	1,685	2,019
Cost of sales	(14)	-1,641	-1,959
Gross profit		44	60
General administrative expenses	(14)	-928	-964
Other operating income	(15)	407	88
Other operating expenses	(16)	-127	-360
Income/expense from investments in subsidiaries and associated companies, net	(17)	3,119	-426
Interest income/expense, net	(18)	-176	-24
Other financial income/expense, net	(19)	-65	-96
Income taxes	(20)	-141	44
Profit after taxes (previous year: net profit)	(21)	2,133	-1,678
Transfer to retained earnings (previous year: withdrawals from retained earnings)		-689	2,641
Distributable profit		1,444	963

Notes to the Financial Statements of Daimler AG

Accounting policies and methods

Daimler AG is entered in the Commercial Register of the Stuttgart District Court under No. HRB 19360 and its registered office is located at Mercedesstraße 137, 70372 Stuttgart, Germany.

Daimler AG acts as an operational and strategic management holding company and provides services to the Group companies. As the parent company, it also decides on the Group's strategy, decides on matters of major importance for business operations, and ensures regulatory, legal and compliance functions throughout the Group.

The financial statements of Daimler AG have been prepared in accordance with the accounting principles of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG); the amounts shown are in millions of euros (€) and the comparable figures for the year ended December 31, 2019 are also shown.

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

For the sake of clarity, the system of presentation according to Section 266 of the HGB has been modified. Other receivables and other assets comprise receivables from associated companies and other assets. Other provisions comprise provisions for taxes and miscellaneous provisions. Other liabilities comprise liabilities to associated companies, loans and bonds, liabilities to banks and miscellaneous liabilities.

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

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

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

Recognition and measurement

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

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

Property, plant and equipment are measured at cost of acquisition or production, reduced by systematic depreciation.

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

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

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

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

Leased assets are measured at cost of acquisition or production, reduced by systematic straight-line depreciation over their useful lives.

For the sake of better clarity, the item of leased assets has been added to the schedule of non-current assets under property, plant and equipment.

Shares in subsidiaries and associated companies and other financial assets are measured at cost of acquisition, or, if there is an indication of permanent impairment, at the lower fair value. If the reasons for permanent impairment are no longer given, the impairment is reversed. Loans bearing low interest or no interest are measured at their present values. In accounting for non-cash contributions, the exchange principles are generally applied and the newly acquired shares are measured at the carrying amount of the shares contributed.

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

Securities presented under current assets are measured at the lower of cost of acquisition or fair value on the balance sheet date.

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

Deferred taxes are calculated on temporary differences in the measurement of assets, liabilities, accruals and deferrals between the tax basis and financial reporting according to HGB, as well as on tax-loss carryforwards. Tax-loss carryforwards can only be taken into account if they can be offset against taxable income within the statutory period of five years. Deferred taxes are measured based on the combined tax rate of 29.825% for the income-tax fiscal unity of Daimler AG. The combined tax rate includes corporate income tax, trade tax and the solidarity surcharge. Deferred tax assets and deferred tax liabilities are netted. Any resulting tax liability is recorded as a deferred tax liability in the balance sheet. Any resulting tax asset is not recognized, in line with the capitalization option.

Provisions for pensions and similar obligations for pension plans result from the offsetting of pension obligations and assets that are not available to all other creditors and serve exclusively to settle pension obligations (special-purpose assets).

Retirement benefit obligations from pension plans that provide for a predefined benefit in old age are recognized at the settlement amount required according to reasonable business judgment. Measurement is based on the actuarial projected unit credit method. Discounting of pension obligations is based on the average market interest rate of the past ten financial years as published on December 31, 2020 by the German central bank (Deutsche Bundesbank) for an assumed residual period of 15 years.

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

The offset assets are measured at fair value.

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

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

Other provisions also include provisions for taxes. For the case that the amounts stated in the tax returns might not be realized (uncertain tax positions), the provisions are based on the best estimate of the expected tax payments.

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

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

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

The payments received from the German Federal Employment Agency due to short-time working constitute government subsidies. The reimbursed short-time working allowance is a transitory item that is not affected by the prohibition on netting pursuant to Section 246 Subsection 2 Sentence 1 of the HGB. This results in a direct reduction in personnel expenses. The reimbursed social-security contributions are recognized as expense subsidies and reported under other operating income. No other subsidies were received by Daimler AG in connection with the corona pandemic.

Schedule of non-current assets

	Cost of acquisition or production					Depreciation/Amortization/Write-ups					Carrying amount		
	01.01. 2020	Addi- tions	Reclas- sifica- tions	Dis- posals	31.12. 2020	01.01. 2020	Addi- tions	Write- ups	Reclas- sifica- tions	Dis- posals	31.12. 2020	31.12. 2020	31.12. 2019
In millions of euros													
Intangible assets													
Purchased concessions, industrial property rights and similar rights and values, as well as licenses to such rights and values	191	27	-	37	181	133	29	-	-	37	125	56	58
Advance payments made	-	6	-	-	6	-	-	-	-	-	-	6	-
	191	33	-	37	187	133	29	-	-	37	125	62	58
Property, plant and equipment													
Technical equipment and machinery	50	2	3	10	45	24	4	-	-	8	20	25	26
Other equipment, factory and office equipment	487	17	7	74	437	318	60	-	-	54	324	113	169
Leased assets	2	-	-	-	2	2	-	-	-	-	2	-	-
Advance payments made and construction in progress	35	5	-10	21	9	-	-	-	-	-	-	9	35
	574	24	-	105	493	344	64	-	-	62	346	147	230
Financial assets													
Shares in subsidiaries	54,223	8,714	-	8,613	54,324	1,368	83	-	-	12	1,439	52,885	52,855
Loans to subsidiaries	2,382	55	-	878	1,559	-	-	-	-	-	-	1,559	2,382
Shares in associated companies	1,686	287	-	296	1,677	-	290	-	-	-	290	1,387	1,686
Securities presented as non-current assets	-	120	-	-	120	-	-	-	-	-	-	120	-
Other loans	3	-	-	2	1	-	-	-	-	-	-	1	3
	58,294	9,176	-	9,789	57,681	1,368	373	-	-	12	1,729	55,952	56,926
Non-current assets	59,059	9,233	-	9,931	58,361	1,845	466	-	-	111	2,200	56,161	57,214

Notes to the Balance Sheet

Intangible assets

The intangible assets of Daimler AG in an amount of €62 million primarily comprise purchased licenses. Systematic amortization amounts to €29 million (2019: €28 million). No unscheduled amortization was carried out in 2020 (2019: €0 million).

Property, plant and equipment

The property, plant and equipment of Daimler AG primarily consists of other equipment, operating and business equipment and technical equipment and machinery.

Additions in 2020 relate solely to movable assets. Systematic depreciation of property, plant and equipment amounts to €64 million (2019: €65 million). No unplanned depreciation was made in 2020 (2019: €0 million).

Disposals of assets include disposals of €23 million in connection with the transfer of facility-management functions from Daimler AG to Mercedes-Benz AG.

Financial assets

Shares in subsidiaries and associated companies decreased by €269 million to €54,272 million (2019 €54,541 million).

Significant additions to shares in subsidiaries primarily resulted from the increase in the carrying amount of the investment in Daimler Mobility AG from the merger of Leonie FS DVB GmbH into Daimler Mobility AG. Furthermore, the carrying amounts of the investments in Mercedes-Benz AG, Daimler Truck AG and Daimler Mobility AG increased as a result of the non-cash contributions to those companies of numerous subsidiaries within the context of Project Future. In addition, Daimler AG acquired shares in Mercedes-Benz Türk A.S. and Mercedes-Benz do Brasil Ltda. within the Group during 2020. Finally, Daimler AG made capital contributions to Leonie FS DVB GmbH (after the merger: Daimler Mobility AG), Mercedes-Benz India Private Limited and Daimler Truck AG.

Significant disposals of shares in subsidiaries relate in particular to a capital repayment of Daimler Nederland B.V. and the disposal of Daimler Nederland B.V. in the context of a non-cash contribution to Mercedes-Benz AG. In addition, the shares in Mercedes-Benz Türk A.S. and Mercedes-Benz do Brasil Ltda. were transferred to Daimler Truck AG as a non-cash contribution. The merger of Leonie FS DVB GmbH into Daimler Mobility AG also led to a disposal of shares in subsidiaries.

Significant disposals of shares in associated companies relate to the shares in LSH Auto International Limited, which were transferred to Mercedes-Benz AG as a non-cash contribution.

In 2020, shares in subsidiaries and associated companies were impaired by an amount of €373 million (2019: €230 million). This primarily relates to BAIC Motor Corporation Ltd. in an amount of €279 million.

No write-ups of shares in subsidiaries or associated companies took place in 2020 (2019: €33 million).

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

Receivables from subsidiaries (€22,166 million, 2019: €30,644 million) primarily comprise receivables that originally arose from the Group's internal transactions in connection with central finance and liquidity management (€21,043 million, 2019: €27,600 million), from profit transfers from subsidiaries (€897 million, 2019: €2,843 million) and from the supply of goods and services to German and foreign companies (€226 million, 2019: €201 million).

C.01		
Receivables and other assets		
	Dec. 31, 2020	Dec. 31, 2019
In millions of euros		
Trade receivables	4	69
thereof more than 1 year until maturity	-	-
Receivables from subsidiaries	22,166	30,644
thereof more than 1 year until maturity	5,119	8,444
Receivables from associated companies	23	72
thereof more than 1 year until maturity	-	-
Other assets	1,374	1,975
thereof more than 1 year until maturity	57	23
Receivables and other assets	23,567	32,760
thereof more than 1 year until maturity	5,176	8,467

C.02**Equity**

	Dec. 31, 2020	Dec. 31, 2019
In millions of euros		
Share capital	3,070	3,070
Capital reserve	11,480	11,480
Retained earnings	23,230	22,541
Distributable profit	1,444	963
Equity	39,224	38,054

C.03**Number of shares**

	2020	2019
Shares outstanding/issued at January 1	1,069,837,447	1,069,837,447
Shares reacquired in the context of employee share programs and not cancelled	-1,052,569	-826,535
Sale of treasury shares to employees in the context of employee share programs	1,052,569	826,535
Shares outstanding/issued at December 31	1,069,837,447	1,069,837,447

Receivables from associated companies primarily comprise receivables arising from the Group's internal transactions in connection with central financial and liquidity management with German and foreign associated companies (€18 million, 2019: €70 million).

Other assets include tax-refund claims (€726 million, 2019: €1,118 million), fixed-term deposits (€400 million, 2019: €450 million) and accrued interest (€132 million, 2019: €179 million).

Securities presented as current assets

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

The decrease of €1,261 million to €4,904 million (2019: €6,165 million) is due in particular to the disposal of bonds.

Cash and cash equivalents

Cash and cash equivalents amount to €7,658 million at the end of the year (2019: €2,942 million) and consist of bank balances, cash in hand and checks. As well as cash and cash equivalents, liquidity also includes securities presented as current assets (€4,904 million, 2019: €6,165 million) and fixed-term deposits (€400 million, 2019: €450 million), which are presented under other assets.

Prepaid expenses

Prepaid expenses include discount amounts of €122 million (2019: €117 million). They result from the difference between the settlement amount and the lower issue amount of liabilities.

Equity ↗ C.02**Share capital**

The share capital (authorized capital) is divided into no-par-value shares. All shares are fully paid up. Each share confers the right to one vote at the Annual Shareholders' Meeting of Daimler AG and, if applicable, with the exception of any new shares potentially not entitled to dividends, to an equal portion of the profits as defined by the dividend distribution resolved at the Annual Shareholders' Meeting. Each share represents a proportionate amount of approximately €2.87 of the share capital. The number of shares outstanding/issued at December 31, 2020 is 1,070 million, unchanged from December 31, 2019.

Treasury shares

The authorization to acquire and use treasury shares that was granted by the Annual Shareholders' Meeting on April 1, 2015 expired on March 31, 2020 without being utilized.

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

The authorization to acquire treasury shares was not utilize in the reporting period. As at December 31, 2019, no treasury shares were held by Daimler AG at December 31, 2020.

Employee share purchase plan

In the first quarter of 2020, pursuant to Section 71 Subsection 1 No. 2 of the German Stock Corporation Act (AktG) in connection with the employee share programs, without utilizing the authorization to acquire treasury shares granted by the Annual Shareholders' Meeting on April 1, 2015, 1,052,569 Daimler shares (2019: 826,535 Daimler shares) were purchased and reissued to employees. This includes 14,429 shares (2019: 15,564 shares) provided as health shares in the context of the bonus program for attendance. The employee shares represent €3.02 million or 0.10% of the share capital. Daimler shares were acquired for an average price of €28.32 per share and reissued to employees for an average price of €16.69 per share. The proportionate loss arising for Daimler AG of €12.24 million was recognized through profit and loss as a personnel expense in 2020. The proportionate loss of €11.55 million from the sale of employee shares to entitled employees of Group companies was charged by Daimler AG to the respective companies of the Group.

Approved capital

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

Conditional capital

The authorization granted by the Annual Shareholders' Meeting on April 1, 2015 to issue convertible and/or warrant bonds was limited until March 31, 2020. This authorization was not exercised. The corresponding Conditional Capital 2015 was cancelled by resolution of the Annual Shareholders' Meeting on July 8, 2020.

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

C.04

Other retained earnings

	2020	2019
In millions of euros		
Balance at January 1	22,541	25,182
Purchase of treasury shares	–	–
Allocated by the Annual Shareholders' Meeting	–	–
Transfer from net profit	689	–
Transfer from retained earnings	–	-2,641
Balance at December 31	23,230	22,541
thereof treasury shares	–	–

C.05

Distributable profit

	2020
In millions of euros	
Balance at January 1	963
Dividend distribution	-963
Net profit 2020	2,133
Transfer from retained earnings	-689
Balance at December 31	1,444

Board, to exclude shareholders' subscription rights for the bonds under certain conditions and within defined limits.

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

The new authorization to issue convertible and/or warrant bonds has not yet been utilized.

Capital reserve

The capital reserve amounts to €11,480 million at December 31, 2020 (2019: €11,480 million).

Retained earnings

At December 31, 2020, other retained earnings amount to €23,230 million (2019: €22,541). ↗ **C.04**

Distributable profit

Distributable profit for the 2020 financial year is calculated in accordance with Section 158 Subsection 1 of the German Stock Corporation Act (AktG) and amounts to €1,444 million. ↗ **C.05**

Information on amounts that may not be distributed

The difference between the recognition of the retirement benefit obligations with the average market interest rate of the past ten financial years and the recognition of the retirement benefit obligations with the average market interest rate of the past seven financial years amounts to €162 million and may not be distributed. The measurement at fair value of assets offset against retirement benefit obligations resulted in an amount of €140 million that may not be distributed.

On the other hand, retained earnings exist which may be freely disposed of in the amount of €23,230 million. Therefore, the distributable profit of €1,444 million is in fact fully distributable.

Dividend

Under the German Stock Corporation Act (AktG), the dividend is paid out of the distributable profit reported in the annual financial statements of Daimler AG (parent company only) in accordance with the German Commercial Code (HGB). For the year ended December 31, 2020, the Daimler management will propose to the shareholders at the Annual Shareholders' Meeting the payment of €1,444 million of the distributable profit of Daimler AG as a dividend to the shareholders, equivalent to €1.35 per no-par-value share entitled to a dividend (2019: €963 million and €0.90 per no-par-value share entitled to a dividend, respectively).

Share-based payment

As of December 31, 2020, Daimler AG has Performance Phantom Share Plans (PPSP) 2017 through 2020 in operation. As instruments of share-based payment with cash settlement, the PPSP are measured at their fair values on the balance sheet date. They are paid out at the end of their contractually defined periods; an earlier, proportionate payout is only possible under certain conditions when a beneficiary leaves the company. PPSP 2016 was paid out as planned in the first quarter of 2020.

Performance Phantom Share Plans

In 2020, Daimler AG adopted a Performance Phantom Share Plan similar to that used in prior years, under which eligible board members and employees are granted phantom shares entitling them to receive cash payments provided that pre-defined targets are met in the three-year performance period. The amount of cash paid to eligible persons is based on the number of vested phantom shares (determined depending on target achievement over a three-year performance period) multiplied by the quoted price of Daimler's ordinary shares (calculated as an average price over a specified period at the end of the four-year plan period). For the PPSP issued as of 2014, the determination of target achievement is based on the relative share performance, which measures the development of a share-price index of a group of competitors including Daimler, and the return on sales (RoS) of Daimler compared with the average RoS of a group of competitors.

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

Provisions for pensions and similar obligations

Provisions for pensions and similar obligations amount to €193 million at December 31, 2020 (2019: €94 million). [↗ C.06](#)

The settlement amount for obligations that provide for a defined benefit during retirement is €1,455 million (2019: €1,342 million).

The measurement of the pension obligations is based on an interest rate of 2.30% (2019: 2.71%). Life expectancy is calculated on the basis of the 2018 Heubeck mortality tables. The mortality tables take into account the latest statistics of the statutory pension insurance and the Federal Statistical Office. In addition, the measurement is based on annual increases in the cost of living and annual increases in future entitlements of 1.80% (2019: 1.70%) and expected annual wage and salary increases of 3.00% (2019: 3.00%).

These obligations are offset against the special-purpose assets, which as at December 31, 2020 have a fair value of €1,262 million (2019: €1,248 million) and cost of acquisition of €1,211 million (2019: €1,207 million).

The obligations for the pension plans, the amounts of which are determined by the fair value of securities or comparable assets, are recognized with the fair value of those assets at December 31, 2020 of €92 million (2019: €80 million), as this exceeds the guaranteed minimum value of the obligations at December 31, 2020. There is then an offset with those special-purpose assets that have original cost of acquisition of €89 million (2019: €76 million). As a result, this leads to the full offsetting of the obligations with the related special purpose assets.

The assets offset at December 31, 2020 include the shares shown in [Table ↗ C.07](#) in foreign funds in the form of shares in an investment-fund company with variable equity of more than 10% pursuant to Sections 108 to 123 of the German Capital Investment Act (KAGB). This is a private equity fund with an international focus that reflects individual investor needs. There are no restrictions on the possibility of returning the shares on stock-exchange trading days. The return of shares can be temporarily suspended under unusual circumstances that make suspension seem necessary under consideration of the interests of the investors.

C.06

Provisions for pensions and similar obligations

	Dec. 31, 2020	Dec. 31, 2019
In millions of euros		
Settlement amount of obligations from defined-benefit plans	1,455	1,342
Fair value of related special-purpose assets for obligations from defined-benefit plans	-1,262	-1,248
Settlement amount for obligations from plans with commitments backed by securities	92	80
Fair value of related special-purpose assets for obligations from plans with commitments backed by securities	-92	-80
Provisions for pensions and similar obligations	193	94

C.07

Shares in investment funds at Dec. 31, 2020

	Private equity funds
In millions of euros	
Book value/fair value	88
Cost of acquisition	69
Difference	19
Dividend for the year	-
Daily return possible	yes

C.08

Other provisions

	Dec. 31, 2020	Dec. 31, 2019
In millions of euros		
Provisions for taxes	1,070	835
Miscellaneous provisions	480	676
	1,550	1,511

Other provisions [↗ C.08](#)

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

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

Within the fiscal unity, Daimler AG is the controlling company. All provisions for income taxes are with Daimler AG.

C.09**Liabilities recognized**

	Dec. 31, 2020	Dec. 31, 2019
In millions of euros		
Notes/bonds and commercial paper	24,554	27,615
of which due in less than 1 year	3,172	5,804
of which due in 1 year to 5 years	8,140	10,267
of which due in more than 5 years	13,242	11,544
Liabilities to banks	25	1,498
of which due in less than 1 year	-	1,498
of which due in 1 year to 5 years	25	-
of which due in more than 5 years	-	-
Trade payables	140	227
of which due in less than 1 year	140	227
of which due in 1 year to 5 years	-	-
of which due in more than 5 years	-	-
Liabilities due to subsidiaries	26,511	29,978
of which due in less than 1 year	20,796	21,763
of which due in 1 year to 5 years	5,715	8,215
of which due in more than 5 years	-	-
Liabilities due to associated companies	1	3
of which due in less than 1 year	1	3
of which due in 1 year to 5 years	-	-
of which due in more than 5 years	-	-
Other liabilities	396	380
of which due in less than 1 year	396	380
of which due in 1 year to 5 years	-	-
of which due in more than 5 years	-	-
of which tax liabilities	14	32
of which obligations concerning social security	3	2
Total of liabilities	51,627	59,701
of which due in less than 1 year	24,505	29,675
of which due in 1 year to 5 years	13,880	18,482
of which due in more than 5 years	13,242	11,544

Liabilities recognized ↗ C.09

Notes, bonds and commercial paper are primarily European medium-term notes in the amount of €22,367 million (2019: €23,467 million).

Liabilities to banks of €25 million (2019: €1,498 million) primarily comprise loans of €25 million (2019: €1,100 million).

Liabilities to subsidiaries (€26,511 million, 2019: €29,978 million) are liabilities that originally arose from transactions within the Group in the context of central finance and liquidity management (€26,183 million, 2019: €20,566 million) and from profit/loss transfers with subsidiaries (€297 million, 2019: €9,301 million), as well as the supply of goods and services with German and foreign companies of the Group (€31 million, 2019: €111 million).

Liabilities to associated companies are liabilities that originally arose from transactions within the Group in the context of central finance and liquidity management (€1 million, 2019: €3 million).

Miscellaneous liabilities of €396 million (2019: €380 million) mainly comprise accrued and deferred interest, liabilities from wages and salaries, and tax liabilities.

Deferred income

The deferred income of €37 million existing at December 31, 2020 primarily comprises earnings effects from terminated valuation units with interest-rate swaps due to the early disposal of hedging transactions.

Notes to the Income Statement

Revenue

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

In the past financial year, Daimler AG generated revenue of €1,560 million (2019: €1,950 million) from the provision of internal services of corporate functions. The decrease was the result of a lower volume of services provided to the companies of the Group caused by short-time working and efficiency measures.

Due to legal restrictions, Daimler AG is used for specific sales of Mercedes-Benz AG and Daimler Truck AG. In this respect, Daimler AG generated revenue of €125 million (2019: €69 million) from the sale of vehicles. Daimler AG is not to be involved in this context in the near future.

Domestic revenue (€1,363 million) accounts for 81% of total revenue, with 19% coming from abroad (€322 million). The revenues generated outside Germany are attributable in particular to Africa (€123 million), America (€74 million), Europe (€64 million) and Asia (€60 million).

Functional costs

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

The use of short-time working in Germany as a result of the covid-19 pandemic led to reimbursements of short-time working allowances by the Federal Employment Agency, which are included in personnel expenses in all functional areas in a cost-reducing amount in total of €10 million. In addition to the applicable collective-bargaining wage agreements, Daimler and employee representatives concluded a works agreement specifying percentage-based employer contributions to the short-time working allowances in the respective collective-bargaining areas. Functional costs include employer contributions to short-time working allowances in the amount of €6 million.

Cost of sales includes the expenses incurred to generate sales revenue. These are mainly personnel expenses, the cost of purchased services, IT expenses, depreciation, and rental and lease expenses. The decrease in the cost of sales was primarily due to cost savings.

General administrative expenses primarily comprise personnel expenses, IT costs and fees for expertise and consulting. The decrease in administrative expenses primarily resulted from lower expenses in connection with “Project Future” in the amount of €18 million (2019: €186 million). On the other hand, there were expenses of €86 million for cost-optimization programs resulting from a general works agreement concluded in January 2020. This agreement includes voluntary termination agreements for employees working in administrative and production-related areas.

The expenses for consulting include auditor fees. The shareholders of Daimler AG elected KPMG AG Wirtschaftsprüfungsgesellschaft as the external auditor at the Annual Shareholders’ Meeting held on July 8, 2020.

Table **7 C.10** shows the fees of KPMG AG Wirtschaftsprüfungsgesellschaft recognized as expenses for the services provided to Daimler AG and its subsidiaries in the respective financial year. Audit services relate to the audit of the consolidated financial statements and the company financial statements, as well as all services required for the audit, including the auditors’ review of the interim financial statements, the audit of the accounting-related internal control system and the accounting-related IT and process audits.

Other attestation services were primarily provided for voluntary project-supporting audits of IT systems and processes, audits in connection with compliance management systems, and the issuing of comfort letters. Tax advisory services primarily comprise tax advice in conjunction with value-added tax. Other services in connection with auditor fees were mainly commissioned in connection with IT and process consulting and quality assurance not relevant to accounting. The decrease in auditor fees compared to the previous year is partially due to the expenses in 2019 in connection with “Project Future.”

C.10

Auditor fees

	2020	2019
In millions of euros		
Audit services	23	28
Other attestation services	5	12
Tax services	.	1
Other services	1	4
	29	45

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

	2020	2019
In millions of euros		
Income from profit transfers	914	2,855
Expenses from loss transfers	-310	-9,326
Income from subsidiaries	1,559	5,370
Income from associated companies	1,367	914
Impairments of investments in subsidiaries and associated companies	-373	-230
Write-ups on investments in subsidiaries and associated companies	-	33
Gains on disposals of investments in subsidiaries and associated companies	-	10
Losses on the disposal of shares in subsidiaries and associated companies	-16	-
Other expenses from investments in subsidiaries and associated companies	-22	-52
	3,119	-426

Other operating income

Of the other operating income of €407 million (2019: €88 million), €239 million (2019: €13 million) is attributable to the period under review. The use of short-time working in Germany resulted in claims for the reimbursement of social-security contributions, which are included in other operating income in the amount of €10 million.

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

Other operating income of €168 million (2019: €75 million) is attributable to other reporting periods and relates mostly to income from the release of provisions and accruals and deferrals. The increase was primarily the result of the release of provisions for derivatives in the vehicle business, of which €91 million resulted from the release of provisions for Group-internal derivatives which had been recognized in connection with the "Project Future" hive-down.

Other operating expenses

Other operating expenses amount to €127 million (2019: €360 million). The change primarily results from the provisions recognized as expenses in the previous year for derivatives of the vehicle business outside the Group.

Other operating expenses include expenses relating to legal proceedings. Other operating expenses of €14 million (2019: €16 million) are attributable to other periods.

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

Income from subsidiaries increased primarily due to lower expenses from loss transfers. On the other hand, there were reductions in income from profit transfers and in income from subsidiaries.

Expenses from loss transfers in 2019 primarily reflect the high loss transfer from Mercedes-Benz AG.

The decreased income from profit transfers resulted in particular from the numerous companies of the Group which were transferred in 2019 in the context of "Project Future" to Mercedes-Benz AG and Daimler Truck AG, and which concluded profit-and-loss-transfer agreements with their new controlling company with economic effect as of January 1, 2020. Whereas the profit transfers from these companies in 2019 were presented under the item "Income from profit transfers," profit-and-loss transfers from these companies in 2020 are reported at the level of Mercedes-Benz AG and Daimler Truck AG and are offset against the profit-and-loss transfers of Mercedes-Benz AG and Daimler Truck AG.

The profit transfers include positive earnings effects from the disclosure of hidden reserves in connection with the Group-wide combining of fuel-cell activities at Daimler Truck Fuel Cell GmbH & Co. KG, a wholly-owned sub-subsidiary of Daimler Truck AG.

The lower income from subsidiaries resulted from lower dividends paid to Daimler AG by the subsidiaries. An increased dividend from Daimler Nederland B.V. (€830 million; 2019: €0 million) was offset by lower dividends or no dividends from Daimler International Nederland B.V. (€0 million; 2019: €2,500 million), Daimler Trucks & Buses US Holding Inc. (€0 million; 2019: €988 million) and many other subsidiaries. Dividends from subsidiaries that were transferred to Mercedes-Benz AG, Daimler Truck AG and Daimler Mobility AG in the context of "Project Future" are included in the profit transfers to Daimler AG and thus in the line items "Income from profit transfers" and/or "Expenses from loss transfers."

Impairments of investments in subsidiaries and associated companies primarily relate to BAIC Motor Corporation Ltd. (€279 million). In the previous year, impairments of investments in subsidiaries and associated companies primarily related to Mercedes-Benz Argentina S.A.U. (€222 million).

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

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

The interest expense from the measurement of retirement benefit obligations amounts to €120 million (2019: €133 million). The income from the special-purpose assets amounts to €29 million (2019: €147 million).

The compounding of provisions with an original maturity of more than one year results in an interest expense of €14 million (2019: €23 million).

Other financial income/expense, net

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

Other financial income/expense, net includes currency gains of €95 million (2019: losses of €202 million) from the ongoing Group financing.

Miscellaneous income includes the Group's internal provisions for warranty and guarantee obligations of €118 million (2019: €128 million). Miscellaneous expenses include expenses for Group financing of €196 million (2019: €23 million). The increase is primarily the result of the transfer of bonds to Daimler International Finance B.V. and the conclusion of an additional credit line. [↗ C.13](#)

Income taxes

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

The expense from taxes on income amounts to €141 million (2019: income of €44 million). It comprises an expense of €111 million for the year 2020 (2019: expense of €114 million) as well as an expense of €30 million for previous years (2019: income of €158 million).

In the 2020 financial year, the Daimler AG fiscal unity had a taxable profit, whereas it incurred a tax loss in the previous year. There is thus a tax expense of €24 million for corporate income tax and solidarity surcharge for the current year. In addition, withholding taxes were to be paid for 2020 and 2019, mainly from dividend distributions from foreign subsidiaries and from payments in connection with interest and the use of rights. In 2019, tax income from other periods more than offset this tax expense.

C.12

Interest income/expense, net

	2020	2019
In millions of euros		
Income from other securities and loans of financial assets	36	22
thereof from subsidiaries	36	22
Other interest and similar income	815	887
thereof from subsidiaries	357	411
Interest and similar expenses	-1,027	-933
thereof to subsidiaries	-200	-214
	-176	-24

C.13

Other financial income/expense, net

	2020	2019
In millions of euros		
Currency income/expense, net	95	-202
Miscellaneous income	120	133
Miscellaneous expenses	-280	-27
	-65	-96

Deferred taxes are not included in this item because the capitalization of deferred tax assets is optional. Future tax relief mainly arises from temporary accounting differences in connection with pensions and other provisions, and from the tax-loss carryforwards.

Net profit (previous year: net loss)

Net profit for the year 2020 amounts to €2,133 million (2019: net loss of €1,678 million). Following the transfer to retained earnings of €689 million pursuant to Section 58 Subsection 2 of the Stock Corporation Act (AktG), the distributable profit of Daimler AG amounts to €1,444 million.

Other Notes

C.14

Personnel expenses

	2020	2019
In millions of euros		
Wages and salaries	690	683
Social security contributions	91	102
Pension costs	55	36
	836	821

Employees

	2020	2019
Annual average numbers		
Manual workers	80	67,587
Salaried employees	6,166	52,945
	6,246	120,532
Trainees/apprentices/interns	382	7,741
Total (average for the year)	6,628	128,273
Total (at end of year)	6,403	6,887

C.15

Cost of materials

	2020	2019
In millions of euros		
Cost of raw materials, manufacturing supplies and purchased goods	159	93
Cost of purchased services	850	1,123
	1,009	1,216

C.16

Derivative financial instruments: nominal amounts

	Dec. 31, 2020	Dec. 31, 2019
In millions of euros		
Foreign exchange contracts	64,986	79,696
Interest rate contracts	57,709	59,618
Commodity forward contracts	456	821
	123,151	140,135

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

Wages and salaries include salaries, severance payments, holiday bonuses, special bonuses and expenses resulting from personnel provisions. Social-security contributions primarily comprise the employer's share of contributions to pension, unemployment, nursing-care and medical insurance plans.

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

The use of short-time working in Germany as a result of the covid-19 pandemic led to reimbursements of short-time working allowances by the German Federal Employment Agency, which are included in personnel expenses in all functional areas in a cost-reducing amount in total of €10 million. In addition to the applicable collective-bargaining agreements, Daimler and employee representatives concluded a works agreement specifying percentage-based employer contributions to short-time allowances in the respective collective-bargaining areas. Functional costs include employer contributions to short-time working allowances in the amount of €6 million.

The average number of employees of 6,628 (2019: 128,273) as shown in Table [↗ C.14](#) reflects the entire financial year. In the previous year, in the period from January 1, 2019 to October 31, 2019, Daimler AG had an average of 152,546 employees (thereof 81,086 manual workers, 62,274 office workers and 9,186 apprentices/interns). Following the transfer of operations effective November 1, 2019, Daimler AG had an average of 6,905 employees (thereof 88 manual workers, 6,304 office workers and 513 apprentices/interns). At December 31, 2020, Daimler AG had 6,403 employees (2019: 6,887).

Cost of materials [↗ C.15](#)

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

Derivative financial instruments and valuation units

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

With the transfer of operating activities in the hive-down of Mercedes-Benz AG and Daimler Truck AG, the currency and commodity price risks associated with the business activities were transferred from Daimler AG to those companies with economic effect as of January 1, 2019. As the currency and commodity-price hedging contracts existing at that date were no longer matched by underlying transactions, the existing accounting valuation units at Daimler AG for these hedging relationships were dissolved and a provision was recognized for those contracts that had a negative fair value at the hive-down date in the amount of that negative fair value.

In order to transfer the economic effects of currency and commodity hedging to Mercedes-Benz AG and Daimler Truck AG, inverse intra-Group derivatives were concluded with these two companies for the external derivatives existing at the hive-down date of January 1, 2019, based on the same hedging rates as the external derivatives. At December 31, 2020, provisions recognized in the context of the hive-down have a carrying amount of €28 million (2019: €276 million).

Since the hive-down date of January 1, 2019, Daimler AG continues to enter into external derivatives for currency and com-

modity hedging. In addition, inverse intra-Group hedging contracts are entered into with subsidiaries that are based on the same hedging rates as the external derivatives. These external and internal derivatives are combined to form valuation units (microhedges). In economic terms, the positive or negative effects from currency and commodity hedging thus occur at other companies of the Group. In the future, these transactions will no longer have a financial impact on Daimler AG, as the derivatives outside and inside the Group will offset each other.

The derivative financial instruments held by Daimler AG have the nominal values at the end of the reporting year and the prior year as shown in table [7 C.16](#). The nominal values are the totals of the basic values of all purchase and sale contracts without offsetting.

The currency hedging contracts primarily comprise currency forwards, most of which are charged on to companies of the Group through internal derivatives. In addition, forward exchange contracts and currency swaps are held to hedge financial receivables and liabilities from Group financing. They mainly serve to hedge the foreign-exchange risks of the companies of the Group from the cash flows expected with a high degree of certainty from the automotive business. Currency forwards are also held to hedge the risks connected with financial receivables and liabilities from the Group's financing. Interest-rate contracts include interest-rate swaps as well as interest/currency swaps. They are primarily used to minimize the risk of changes in interest rates. The commodity forwards currently comprise commodity swaps and are charged on to companies of the Group through internal derivatives.

The carrying amounts and fair values of derivative financial instruments at the end of the reporting year and the prior year are shown in table [7 C.17](#).

C.17

Derivative financial instruments: carrying amounts/fair values

	Dec. 31, 2020		Dec. 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
In millions of euros				
Assets				
Foreign exchange contracts	18	836	158	1,112
Interest rate contracts	60	935	6	893
Commodity forward contracts	5	39	18	54
	83	1,810	182	2,059
Liabilities				
Foreign exchange contracts	-58	-859	-331	-1,143
Interest rate contracts	-118	-499	-12	-309
Commodity forward contracts	-5	-39	-18	-54
	-181	-1,397	-361	-1,506
Balance	-98	413	-179	553

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

Type of risk	Type of hedge	Hedged volume	Dec. 31, 2020	
			Positive fair value	Negative fair value
In millions of euros				
Exchange-rate risk / interest-rate risk	Liability hedges	10,611	44	-428
	Opposing derivative hedges	13,417	74	-254
	Macrohedged	2,456 ¹	0	-33
Exchange-rate risk	Asset and liability hedges	249	1	0
	Opposing derivative hedges	29,056	141	-681
Commodity-price risk	Opposing derivative hedges	228	2	-37
		56,017	262	-1,433

¹ Hedges in a total nominal amount of €7,026 million are designated in macrohedged.

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

Currency and commodity hedges result in other assets from intra-Group derivatives with positive fair values. Other provisions include derivatives with financial institutions outside the Group as well as intra-Group derivatives between Daimler AG and Mercedes-Benz AG and Daimler Truck AG with negative fair values at the date of the hive-down. When they become due, the provisions for derivatives outside and inside the Group are used up, and the other assets for the derivatives within the Group are reversed. The financial effects of the intra-Group derivatives with positive fair values and the matching external derivatives with negative fair values fully offset each other at maturity. In addition, other provisions also include derivatives with negative fair values that are not included in valuation units.

Interest-rate hedges result in other assets from prematurely terminated valuation units. In addition, other assets and other liabilities result from advance payments made and received for interest-rate/currency swaps. Other provisions also include negative fair values and fair-value changes of derivatives not included in valuation units as well as negative ineffectiveness from valuation units. Prepaid expenses and deferred income include earnings effects from prematurely terminated valuation units with interest-rate swaps through the early disposal of the underlying or hedging transactions.

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

Of the derivative financial instruments held on the balance sheet date in a nominal amount of €123,151 million, financial instruments in a total amount of €56,017 million serve as hedging instruments in valuation units. Of that total, €29,305 million is accounted for by foreign-exchange contracts, €26,484 million by interest-rate contracts and €228 million by commodity forward contracts.

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

If derivative financial instruments are included in valuation units with the related underlying transactions, an effectiveness measurement is carried out both at the beginning of the hedging period and on each following balance sheet date upon which the hedge exists. This does not apply if the underlying transactions are also derivative financial instruments, as in this case, effectiveness is automatically ensured due to mirroring. In connection with the hedging of exchange-rate risks of assets and liabilities, the conditions and parameters of the underlying transaction and the hedging transaction are compared with each other. With the hedging of mirror derivatives, effectiveness is automatically ensured due to the mirroring. The risk management system at the Daimler Group monitors the effectiveness of hedges.

Foreign exchange contracts

To transfer the economic effects of currency hedging to Mercedes-Benz AG and Daimler Truck AG, inverse intra-Group derivatives were concluded with these two companies for the external derivatives existing at the hive-down date of January 1, 2019, which are based on the same hedging rates as the external derivatives. Since the hive-down date of January 1, 2019, Daimler AG continues to enter into external derivatives for currency hedging purposes. In addition, inverse intra-Group hedging contracts are entered into with subsidiaries based on the same hedging rates as the external derivatives. These external and internal derivatives are combined to form valuation units (microhedged). In economic terms, the positive or negative effects from currency hedging thus occur at Mercedes-Benz AG and Daimler Truck AG. In the future, these transactions will no longer have a financial impact on Daimler AG, as the derivatives outside and inside the Group will offset each other.

External currency hedging contracts of the financing activities are combined with inverse intra-Group hedging contracts to form valuation units (microhedged). Provided that the documentation requirements are fulfilled, currency forwards with Group-external counterparties that are not matched by corresponding hedges within the Group are included in valuation units (microhedged) with the allocated financial receivables and liabilities. Provided that negative fair values from the valuation of hedges are offset by currency gains from the underlying transactions, these derivatives are not accounted for (freezing method); in this case, the corresponding losses are recognized in profit and loss only in the period when the derivatives mature, at the same time as the currency gains from the underlying transactions. Provisions are recognized for any amounts in excess of that. The hedging period is generally one to four years.

Interest rate contracts

Valuation units (micro hedges) are formed for interest swaps and interest/currency swaps with Group-external counterparties, which have opposing hedges concluded with subsidiaries. Interest-rate contracts with Group-external counterparties that are not opposed by any corresponding hedges within the Group are included in valuation units with the related financial receivables and liabilities, provided that the documentation requirements are fulfilled. If groups of derivatives are in an economic relationship with a risk-offsetting effect, they are combined in valuation units (macrohedged), for example, in the case of volume- or time-proportionate smoothing of existing derivatives.

If negative fair values from the valuation of pending hedges are offset by valuation gains from the underlying transactions, these derivatives are not accounted for (freezing method). Provisions are recognized for any amounts in excess of that. The hedging period is one to a maximum of eleven years.

Commodity forward contracts

To transfer the economic effects of commodity hedging to Mercedes-Benz AG and Daimler Truck AG, mirrored intra-Group derivatives were concluded with these two companies for the external derivatives existing at the hive-down date of January 1, 2019, which are based on the same hedging rates as the external derivatives. Since the hive-down date of January 1, 2019, Daimler AG continues to enter into external derivatives for commodity hedging purposes. In addition, inverse intra-Group hedging contracts are entered into with subsidiaries based on the same hedging rates as the external derivatives. These external and internal derivatives are combined to form valuation units (microhedged). In economic terms, the positive or negative effects from commodity hedging thus occur at other companies of the Group. In the future, these transactions will no longer have a financial impact on Daimler AG, as the derivatives outside and inside the Group will offset each other.

Contingent liabilities

Contingent liabilities relate to potential future events, the occurrence of which would lead to an obligation. At the balance sheet date, the contingent liabilities of Daimler AG were reviewed with consideration of available knowledge about the financial position, cash flows and profitability of business partners with regard to the risk situation. Daimler AG assesses the risk of possible claims on all the listed obligations as unlikely. At December 31, 2020, contingent liabilities amount to €86,813 million (2019: €94,611 million), primarily consisting of guarantees. They include guarantees to domestic and foreign subsidiaries amounting to €86,773 million (2019: €94,569 million), which primarily comprise guarantees provided to creditors of subsidiaries of Daimler AG, for example for loans they have taken out and bonds they have issued and liabilities to banks.

Daimler AG has a commitment to provide a subsidiary with financial resources that will enable the subsidiary to meet all of its payment obligations that are due by March 31, 2021.

Guarantees were issued for the benefit of third parties in a total amount of €41 million (2019: €42 million).

C.19**Business between Daimler AG and related parties**

	Subsidiaries	Associated companies
In millions of euros		
Sales of services and other income in 2020	76	18
Purchases of goods and services and other expenses in 2020	152	2
Receivables at December 31, 2020	510	23
Payables at December 31, 2020	234	1

Subsequent liability

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

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

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

The potential obligations from subsequent liability pursuant to Section 133 of the German Transformation Act (UmwG) and from the risks from the internal settlement between Daimler AG and Mercedes-Benz AG and Daimler Truck AG amount to €14,301 million for Daimler AG (thereof due in 2021: €5,202 million).

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

Other financial obligations

Other financial obligations total €4,638 million (thereof due in 2021: €3,571 million). Such obligations to subsidiaries amount to €2,897 million (thereof due in 2021: €2,814 million).

Other financial obligations resulting from rental and leasing agreements amount to €537 million (thereof due in 2021: €123 million). Of that total, €125 million relates to subsidiaries (thereof due in 2021 €59 million). Rental obligations to property management companies amount to €106 million (thereof due in 2021: €53 million).

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

Related party disclosures pursuant to Section 285 No. 21 of the German Commercial Code (HGB)**Subsidiaries and associated companies**

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

Receivables and liabilities from related parties primarily comprise receivables and liabilities arising from the Group's internal transactions in connection with central financial and liquidity management.

Board members

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

Events after the reporting period**Joint venture between Volvo Group and Daimler Trucks AG**

In November 2020, the Volvo Group and Daimler Truck AG signed an agreement to establish a joint venture for fuel-cell activities. The Volvo Group will hold 50% of the shares in Daimler Truck Fuel Cell GmbH & Co. KG, a wholly owned subsidiary of Daimler Truck AG, for a price of approximately €0.6 billion on a cash and debt-free basis. The transaction is expected to be completed in the first half of 2021. In preparation for the transaction, the Group placed the assets and liabilities of the Group's fuel-cell activities into Daimler Truck Fuel Cell GmbH & Co. KG in 2020. The transfers of patents within the Group resulted in other operating income of approximately €0.2 billion at Daimler AG in the year 2020. In addition, further transactions at the subsidiaries Mercedes-Benz AG and Daimler Truck AG had positive effects on their profit for the year of €0.6 billion and €0.5 billion respectively. Due to the restrictions on profit transfers at the two companies, these earnings had no simultaneous effect on the net profit of Daimler AG. Completion of the sale of 50% of the shares of Daimler Truck Fuel Cell GmbH & Co. KG in the first half of 2021 is not expected to have a significant impact on earnings in the company financial statements of Daimler AG.

Transfer of administrative functions

Within the context of the operational reorganization of Daimler AG as an operational and strategic management holding company, administrative functions are being transferred from Daimler AG to the subsidiaries Mercedes-Benz AG, Daimler Truck AG and Daimler Mobility AG. As a result, assets were sold to Mercedes-Benz AG effective December 31, 2020 (👁️ “non-current assets”). Effective January 1, 2021, approximately 300 employees were transferred to Mercedes-Benz AG and Daimler Truck AG in the course of a transfer of operations pursuant to Section 613a of the German Civil Code (BGB). Further employees will be transferred on April 1, 2021. All personnel obligations as well as existing receivables from and liabilities to the transferred employees have also been or will be transferred to the subsidiaries. Mercedes-Benz AG, Daimler Truck AG and Daimler Mobility AG will receive compensation payments from Daimler AG for assuming these obligations.

Non-cash contribution of Mercedes-Benz France S.A.S. to Mercedes-Benz AG

During an Extraordinary Shareholders' Meeting of Mercedes-Benz AG on January 21, 2021, Daimler AG resolved to increase the subscribed capital and the capital reserve of Mercedes-Benz AG by means of the non-cash contribution of the company Mercedes-Benz France S.A.S. The carrying amount at Daimler AG of the investment in Mercedes-Benz AG was increased by €195 million in line with the carrying amount of the contribution.

Examination of a spin-off and separate listing of Daimler Truck

On February 3, 2021, the Board of Management of Daimler AG decided, with the consent of the Supervisory Board, to examine the spin-off of Daimler Trucks & Buses including significant parts of the related financial services business (Daimler Truck), and to begin preparations for a separate listing of Daimler Truck before the end of 2021. Within the framework of the proposed transaction, Daimler intends to transfer a majority interest in Daimler Truck to its shareholders. Shareholder approval could be granted at an Extraordinary Shareholders' Meeting of Daimler AG at the end of the third quarter of 2021. Daimler intends to maintain a minority interest in Daimler Truck.

Legal proceedings

Daimler AG and its subsidiaries are confronted with various legal proceedings, claims as well as governmental investigations and orders (legal proceedings) on a large number of topics, including vehicle safety, emissions, fuel economy, financial services, dealer, supplier and other contractual relationships, intellectual property rights (including but not limited to patent infringement actions), warranty claims, environmental matters, antitrust matters (including actions for damages) as well as investor litigation. Product-related litigation involves claims alleging faults in vehicles. Some of these claims are asserted by way of class actions. If the outcome of such legal proceedings is detrimental to Daimler or such legal proceedings are settled, Daimler may be required to pay substantial compensatory and punitive damages or monetary penalties. Furthermore, service actions, recall campaigns and other costly actions may be necessary, which, in the case of subsidiaries, would have an adverse effect on the earnings of Daimler AG through profit-and-loss-transfer agreements. Legal proceedings and related settlements may have an impact on the company's reputation.

Diesel emission behavior: governmental proceedings

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

In the United States, Daimler AG and Mercedes-Benz USA, LLC (MBUSA) reached agreements in the third quarter of 2020 with various authorities to settle civil and environmental claims regarding emission control systems of certain diesel vehicles. The involved US authorities are the environmental agencies Environmental Protection Agency (»EPA«) and California Air Resources Board (»CARB«), the Environmental and Natural Resources Division of the U.S. Department of Justice (»DOJ«), the California Attorney General's Office as well as the U.S. Customs and Border Protection (»CBP«).

The authorities take the position that Daimler failed to disclose Auxiliary Emission Control Devices (AECs) in certain of its US diesel vehicles and that several of these AECs are illegal defeat devices. As part of these settlements, Daimler denies the allegations by the authorities and does not admit liability, but has agreed to, among other things, pay civil penalties, conduct an emission modification program for affected vehicles, provide extended warranties, undertake a nationwide mitigation project, take certain corporate compliance measures and make other payments. The company has cooperated fully with the US authorities. The settlements are subject to final court approval. Upon approval, they will be final and effective. Daimler expects costs of the settlements with the US authorities of approximately USD 1.5 billion. The estimated cost for the US consumer class action mentioned below amounts to around USD 700 million. In addition, Daimler estimates further expenses of a mid three-digit-million Euro amount to fulfill requirements of these settlements.

As already reported, in April 2016, the DOJ requested that Daimler conduct an internal investigation. While Daimler has conducted such internal investigation as part of DOJ's investigation, DOJ's investigation is ongoing. In Canada, the Canadian environmental regulator Environment and Climate Change Can-

ada («ECCC») is conducting an investigation in connection with Diesel exhaust emissions. Daimler continues to cooperate with the investigating authorities.

In Germany, the Stuttgart district attorney's office is conducting criminal investigation proceedings against Daimler employees on the suspicion of fraud and criminal advertising. In February 2019, the Stuttgart district attorney's office also initiated a formal investigation proceeding against Daimler AG with respect to an administrative offense. In September 2019, it issued a fine notice against Daimler based on a negligent violation of supervisory duties in the amount of €870 million which has become legally binding, thereby concluding the administrative offense proceedings against Daimler.

Since 2018, the German Federal Motor Transport Authority ("KBA") has repeatedly issued subsequent auxiliary provisions for the EC type approvals of certain Mercedes-Benz diesel vehicles, and has ordered mandatory recalls as well as, in some cases, stops of the first registration. In each of those cases, it held that certain calibrations of specified functionalities in certain Mercedes-Benz diesel vehicles are to be qualified as impermissible defeat devices. Daimler has a contrary legal opinion on this question. Since 2018, however, it has (in view of KBA's interpretation of the law as a precautionary measure) implemented a temporary delivery and registration stop with respect to certain models, also covering the used car, leasing and financing businesses, and is constantly reviewing whether it can lift this delivery and registration stop in whole or in part. Daimler has filed timely objections against the KBA's administrative orders mentioned above. In early 2021, the KBA issued objection orders ("Widerspruchsbescheide") in certain of the proceedings not following the arguments brought forward by Daimler. Since Daimler still does have a different understanding of the relevant legal provisions it currently analyzes, whether the controversial questions at issue should be clarified in a court of law. Irrespective of such objections and possibly following lawsuits, Daimler continues to cooperate fully with the KBA. The new calibrations requested by KBA are being processed, and for a substantial proportion of the vehicles, the relevant software has already been approved by KBA; the related recalls have insofar been initiated. It cannot be ruled out that under certain circumstances, software updates may have to be reworked, or further delivery and registration stops may be ordered or resolved by the Company as a precautionary measure, also with regard to the used car, leasing and financing businesses. In the course of its regular market supervision, the KBA is routinely conducting further reviews of Mercedes-Benz vehicles and is asking questions about technical elements of the vehicles. In addition, Daimler continues to be in a dialogue with the German Ministry for Transport and Digital Infrastructure (BMVI) to conclude the analysis of the diesel-related emissions matter and to further the update of affected customer vehicles. In light of the aforementioned administrative orders issued by the KBA, and continued discussions with, the KBA and the BMVI, it cannot be ruled out completely that additional administrative orders may be issued in the course of the ongoing and/or further investigations. Since September 1, 2020, this also applies to other responsible authorities of other Member States and the European Commission which conduct market surveillance under the new European Type Approval Regulation and can take measures upon assumed non-compliance, irrespective of the place of the original type approval.

In the course of its formal investigation into possible collusion on clean emission technology, the European Commission sent a statement of objections to Daimler and other automobile manufacturers in April 2019. In this context, Daimler filed an application for immunity from fines (leniency application) with the European Commission some time ago.

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

Daimler continues to fully cooperate with the authorities and institutions.

Diesel emission behavior: consumer actions and other lawsuits in the United States, Canada, Germany and other States

Since the beginning of 2016, several consumer class actions in U.S. federal district courts have been pending in the U.S., which have been consolidated into a consolidated class action against Daimler AG and MBUSA before the US District Court for New Jersey. In the class action, plaintiffs alleged that Daimler AG and MBUSA used devices that impermissibly impair the effectiveness of emission control systems in reducing nitrogen-oxide (NO_x) emissions and which cause excessive emissions from vehicles with diesel engines. In addition, plaintiffs alleged that consumers were deliberately deceived in connection with the advertising of Mercedes-Benz diesel vehicles.

In the third quarter of 2020, Daimler AG and MBUSA reached a settlement with plaintiffs' counsel of this consumer class action. As part of the settlement, Daimler AG and MBUSA deny the material factual allegations and legal claims asserted by the class action plaintiffs, but have agreed to provide payments to certain current and former diesel vehicle owners and lessees. The estimated cost of the class action settlement is approximately USD 700 million. Daimler expects costs of the settlements with the US authorities mentioned above in the amount of approximately USD 1.5 billion. In addition, Daimler estimates further expenses of a mid three-digit-million Euro amount to fulfill requirements of these settlements. The settlement with the US consumer class action plaintiffs is still subject to final court approval.

In a separate lawsuit filed by the State of Arizona in January 2019, the plaintiff claims that, amongst others, Daimler AG and MBUSA deliberately deceived consumers in connection with advertising Mercedes-Benz diesel vehicles. Consumer class actions containing similar allegations were filed against Daimler AG and further Group companies in Canada in April 2016 and in the United Kingdom since May 2020 as well as against Daimler AG in Israel in February 2019. In a separate lawsuit filed by the Environmental Protection Commission of Hillsborough County, Florida in September 2020, the plaintiff claims that, amongst others, Daimler AG and MBUSA violated municipal regulations prohibiting vehicle tampering and other conduct by using alleged devices claimed to impair the effectiveness of emissions control systems.

In Germany, a large number of customers of diesel vehicles have filed lawsuits for damages or rescission of sales contracts. They assert that the vehicles contained inadmissible defeat devices and/or showed impermissibly high emission or consumption values. They refer to, in particular, the German Federal Motor Transport Authority's recall orders (see above). Given the current development of case numbers, we expect a continued high number of lawsuits being filed in this respect.

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

Daimler AG and the respective other affected companies of the Group regard the lawsuits set out before as being without merit and will – except for the US consumer class action settlement – defend against the claims.

In Germany, a multitude of lawsuits by investors alleging the violation of disclosure requirements is pending against Daimler AG. In addition, some investors have raised out-of-court claims for damages. The investors contend that Daimler AG did not immediately disclose inside information in connection with the emission behavior of its diesel vehicles and that it had made false and misleading public statements. They further claim that the purchase price of the financial instruments acquired by them (in particular Daimler shares) would have been lower if Daimler AG had complied with its disclosure duties. Daimler AG regards these allegations and claims as being without merit and will defend itself against them. In this context, both investors as well as Daimler AG have filed motions to initiate model proceedings in accordance with the Act on Model Proceedings in Capital Markets Disputes (KapMuG). On January 14, 2021, the Stuttgart Regional Court issued an order for reference to commence such model case proceedings before the Stuttgart Higher Regional Court. Daimler AG will continue to defend against the investors' allegations also in these model case proceedings.

Antitrust law proceedings (including actions for damages)

Starting on July 25, 2017, a number of class actions were filed in the United States and Canada against Daimler AG and other manufacturers of automobiles as well as various of their North American subsidiaries. Plaintiffs allege to have suffered damages because defendants engaged in anticompetitive behavior relating to vehicle technology, costs, suppliers, markets, and other competitive attributes, including diesel emissions control technology, since the 1990s. On October 4, 2017, all pending US class actions were centralized in one proceeding by the Judicial Panel on multidistrict litigation and transferred to the U.S. District Court for the Northern District of California. On March 15, 2018, plaintiffs in the US antitrust class action amended and consolidated their complaints into two pleadings, one on behalf of consumers and the other on behalf of dealers. On June 17, 2019, the court granted motions to dismiss in the consolidated US class action proceedings, albeit with leave to amend, and on August 15, 2019, the plaintiffs filed amended complaints making similar allegations. On March 31, 2020, the court granted motions to dismiss these first amended US class action complaints, albeit with leave to amend. On June 26, 2020, the plaintiffs filed second amended complaints. On October 23, 2020, the court granted motions to dismiss these second amended complaints in their entirety, with prejudice, ending the litigation in the US district court. Plaintiffs have appealed the dismissal. Daimler AG and MBUSA regard the US and Canadian lawsuits as being without merit, and will defend against the claims. This contingent liability cannot currently be measured.

In late October 2017, the European Commission conducted preannounced inspections with Daimler in Stuttgart (as well as further inspections with other manufacturers). In this context, Daimler AG has filed a leniency application with the European Commission some time ago. In the third quarter of 2018, the European Commission opened a formal investigation into possible collusion on clean emission technology. In the course of such investigation, the European Commission, in April 2019, sent a statement of objections to Daimler and other automobile manufacturers to which Daimler responded in good time. At present, Daimler does not expect this issue to have any material impact on the Group's profitability, cash flow and financial situation.

Following the settlement decision by the European Commission adopted on July 19, 2016, concluding the trucks antitrust proceedings, Daimler AG and Daimler Truck AG are facing customers' claims for damages to a considerable degree. Respective legal actions, class actions and other forms of legal redress have been initiated in various states in and outside of Europe and should further be expected. Daimler is taking appropriate legal remedies to defend itself.

Class-action lawsuits Takata airbag inflators

As already reported, class actions in connection with Takata airbags are pending in Canada, the United States and Israel, and a new collective action lawsuit was recently filed in Argentina. The lawsuits are based on the allegation that, along with Takata entities and many other companies that sold vehicles equipped with Takata airbag inflators, Daimler entities were allegedly negligent in selling such vehicles, purportedly not recalling them quickly enough, and failing to provide an adequate replacement airbag inflator. In detail: In August 2016, Mercedes-Benz Canada (MB Canada) was added as a defendant to a putative nationwide class action that remains pend-

ing in Ontario Superior Court. In addition, Daimler AG and MBUSA were named as defendants along with Takata companies in June 2017, in a US nationwide class action, which was filed in New Jersey Federal Court. In the third quarter of 2017, such lawsuit was transferred to federal court in the Southern District of Florida for consolidation with other multidistrict litigation proceedings. Further class action lawsuits in the USA were integrated into the multiple district proceedings. One of the multidistrict litigation complaints also asserts claims by automotive recyclers who allege injury because they are not able to re-sell salvaged airbag inflators that are subject to the Takata recall. In February 2019, Daimler AG and its non-subsidiary Israeli distributor (Colmobil) were named as defendants in an Israel-wide class action alleging inadequacy of Takata recall efforts in Israel and that action remains pending. In September 2020, Mercedes-Benz Argentina S.A. was named as a defendant in an Argentine class action alleging inadequacy of Takata recall efforts in Argentina as well as a failure to warn consumers about a potential defect. Daimler AG continues to regard all these lawsuits brought with regard to Mercedes-Benz vehicles as being without merit, and the Daimler Group affiliates respectively affected will further defend themselves against the claims.

Accounting estimates and management judgments relating to all legal proceedings

Daimler AG and its subsidiaries recognize provisions in connection with pending or threatened proceedings to the extent a loss is probable and can be reasonably estimated. Such provisions are recognized in the financial statements and are based on estimates. Risks resulting from legal proceedings sometimes cannot be assessed reliably or only to a limited extent. Consequently, provisions recognized for some legal proceedings may turn out to be insufficient once such proceedings have ended and Daimler may also become liable for payments in legal proceedings for which no provisions were recognized, which in the case of subsidiaries, would have an adverse effect on the earnings of Daimler AG through profit-and-loss-transfer agreements. Uncertainty exists with regard to the amounts or due dates of possible cash outflows. Although the final result of any such proceedings could materially affect Daimler's operating results and cash flows for a particular reporting period, Daimler believes that it should not exert a sustained influence on its financial position.


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

The following information regarding the remuneration of the members of the Board of Management and of the Supervisory Board is disclosed on an individual basis in the Remuneration Report. The Remuneration Report is a component of the Combined Management Report for Daimler AG and the Daimler Group.

Board of Management remuneration

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

- the base salary in 2020,
- the half of the annual bonus for 2020 payable in 2021 with its value at the balance sheet date,
- the half of the medium-term share-based component of the annual bonus for 2020 ("deferral") payable in 2022 with its value at the balance sheet date (entitlement depending on the development of Daimler's share price compared with the STOXX Europe Auto Index),
- the value of the long-term share-based remuneration (Performance Phantom Share Plan – PPSP) at the time when granted in 2020 (payable in 2024), and
- taxable non-cash benefits in 2020 and other fringe benefits.

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

In 2020, taking into account the voluntary waiver by the Board of Management of 20% of basic salary during the period of April 1 to December 31, 2020, €7.6 million was fixed, that is, non-performance-related remuneration (2019: €8.8 million), €11.1 million (2019: €2.0 million) was short- and medium-term performance-related variable remuneration (annual bonus with deferral) and €9.2 million was variable performance-related remuneration granted in 2020 with a long-term incentive effect (PPSP: 215,743 phantom shares at €42.73) (2019: €13.3 million, 266,128 phantom shares at €50.00). This adds up to a total of €27.9 million for 2020 (2019: €24.1 million). The members of the Board of Management are entitled to a company pension. The system upon which that pension is based was last adjusted by the Supervisory Board for members newly appointed as of 2012. Service cost and present value have been calculated with consideration of the parameters used to calculate the pension obligation. The service cost of the pension obligation in 2020 was €2.1 million (2019: €2.0 million). The present value of the total obligation at December 31, 2020 was €26.9 million (2019: €27.7 million).

C.20

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

		Annual pension (as regulated until 2005 as of age 60)	Service cost (for pension, pension capital and Daimler Pensions Plan)	Present value ¹ of obligations (for pension, pension capital and Daimler Pensions Plan)
In thousands of euros				
	2020	-	518	3,821
Ola Källenius	2019	-	260	3,537
	2020	-	250	3,657
Martin Daum	2019	-	250	3,429
	2020	-	252	1,750
Renata Jungo Brüngger	2019	-	254	1,567
	2020	156	-	9,895
Wilfried Porth	2019	156	-	9,593
	2020	-	254	2,304
Markus Schäfer ²	2019	-	155	2,025
	2020	-	256	1,943
Britta Seeger	2019	-	254	1,724
	2020	-	250	3,162
Hubertus Troska	2019	-	250	5,647
	2020	-	289	319
Harald Wilhelm ³	2019	-	217	131
	2020	-	-	-
Bodo Uebber ⁴	2019	-	312	-
	2020	156	2,069	26,851
Total	2019	156	1,952	27,653

1 The amounts of the present values are mainly the result of the low level of the underlying interest rates.

2 2019: Markus Schäfer pro rata as of May 22, 2019

3 2019: Harald Wilhelm pro rata as of April 1, 2019

4 2019: Bodo Uebber pro rata until May 22, 2019

Taking age and years of service into consideration, the individual pensions, service costs and present values are as shown in table [7 C.20](#).

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

Payments made in 2020 to former members of the Board of Management of Daimler AG and their survivors amounted to a total of €26.0 million (2019: €19.5 million). Pension obligations for former members of the Board of Management and their survivors amounted to €291.8 million at December 31, 2020 (2019: €292.6 million).

In 2020, no advances or loans were made to members of the Board of Management of Daimler AG.

Supervisory Board remuneration

Total remuneration for the members of the Supervisory Board of Daimler AG, taking into account the voluntary waiver of 20% of fixed remuneration and meeting fees in the period of April 1 to December 31, 2020, amounted to €3.7 million in 2020 (2019: €4.3 million). The remuneration of the members of the Supervisory Board does not include a performance-related variable component.

With the exception of the remuneration paid to the members of the Supervisory Board representing the employees in accordance with their contracts of employment, no remuneration was paid to the members of the Supervisory Board for services provided personally beyond their board and committee activities in 2020, in particular for advisory or agency services.

In 2020, no advances or loans were made to members of the Supervisory Board of Daimler AG.

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

At the balance sheet date of December 31, 2020, shareholdings in the Company exist that were communicated pursuant to Section 33 Subsection 1 and Section 21 Subsection 1 [old version] of the German Securities Trading Act (WpHG) and disclosed pursuant to Section 40 Subsection 1 and Section 26 Subsection 1 [old version] of the WpHG as follows:

Bank of America Corporation, Wilmington, Delaware, USA, notified us on January 6, 2021 pursuant to Section 33 Subsection 1 of the German Securities Trading Act (WpHG) that its percentage of voting rights in Daimler AG, Mercedesstr. 120, 70372 Stuttgart, Germany, exceeded the threshold of 3% on December 31, 2020 and amounts to 3.08% (equal to 32,986,236, thereof 163,814 equal to 0.02% from American Depositary Receipts, out of a total of 1,069,837,447 voting rights) as of that date. Of these voting rights, 3.08% (equal to 32,986,236 voting rights) are attributable to Bank of America, Wilmington, Delaware, USA, pursuant to Section 34 WpHG.

Harris Associates L.P., Wilmington, Delaware, USA, notified us on October 6, 2020 pursuant to Section 33 Subsection 1 of the German Securities Trading Act (WpHG) that its percentage of voting rights in Daimler AG, Mercedesstr. 120, 70372 Stuttgart, Germany, fell below the threshold of 3% on October 1, 2020 and amounts to 2.98% (equal to 31,884,698 out of a total of 1,069,837,447 voting rights) as of that date. Of these voting rights, 2.98% (equal to 31,884,698 voting rights) are attributable to Harris Associates L.P., Wilmington, Delaware, USA, pursuant to Section 34 WpHG.

Black Rock, Inc., Wilmington, Delaware, USA, notified us on December 2, 2019 pursuant to Section 33 Subsection 1 of the German Securities Trading Act (WpHG) that its percentage of voting rights in Daimler AG, Mercedesstr. 120, 70372 Stuttgart, Germany, fell below the threshold of 5% on November 27, 2019 and amounts to 4.47% (equal to 47,859,628, thereof 978 equal to 0.0001% from American Depositary Receipts, out of a total of 1,069,837,447 voting rights) as of that date. Of these voting rights, 4.47% (equal to 47,859,628 voting rights) are to be attributed to BlackRock, Inc. Wilmington, Delaware, USA, pursuant to Section 34 of the WpHG.

The People's Republic of China, Beijing, China, notified us on August 9, 2019 pursuant to Section 33 Subsection 1 of the German Securities Trading Act (WpHG) that its percentage of voting rights in Daimler AG, [at that time] Mercedesstr. 137, 70372 Stuttgart, Germany, reached the threshold of 5% on August 7, 2019 and amounts to 5.00% (equal to 53,491,873 out of a total of 1,069,837,447 voting rights) as of that date. 3% or more of the voting rights are held directly by Investment Global Co., Ltd. The notification was made on the occasion of touching the threshold of 5% of the voting rights in Daimler AG by Investment Global Co., Ltd., an indirect subsidiary of the Beijing Automotive Group Co., Ltd.

Li Shufu, notified us on December 5, 2018 pursuant to Section 33 Subsection 1 in conjunction with Section 37 of the German Securities Trading Act (WpHG) that its percentage of voting rights in Daimler AG, [at that time] Mercedesstr. 137, 70372 Stuttgart, Germany, exceeded the threshold of 5% on December 3, 2018 and amounts to 9.69% (equal to 103,619,340 out of a total of 1,069,837,447 voting rights) as of that date. Of these voting rights, 9.69% (equal to 103,619,340 voting rights) are to be attributed to Li Shufu pursuant to Section 34 of the WpHG. 3% or more of the voting rights (9,69%) are held directly by Tenaciou3 Prospect Investment Limited as of that date. The notification was made on the occasion of touching a threshold at subsidiary level as a result of a change in the holding structure.

Renault S. A., Boulogne-Billancourt, France, has notified us pursuant to Section 21 Subsection 1 of the German Securities Trading Act (WpHG) [old version] that its percentage holding of the voting rights in Daimler AG, [at that time] Mercedesstr. 137, 70372 Stuttgart, Germany, exceeded the threshold of 3% on April 28, 2010 and amounts to 3.10% (32,896,756 voting rights) on that day. Thereof 16,448,378 voting rights (representing 1.55% of the voting rights in Daimler AG) directly held by Nissan Motor Co. Ltd. are attributable to Renault S. A. pursuant to Section 22 Subsection 2 of the WpHG [old version].

Nissan Motor Co. Ltd., Yokohama, Japan, has notified us pursuant to Section 21 Subsection 1 of the German Securities Trading Act (WpHG) [old version] that its percentage holding of the voting rights in Daimler AG, [at that time] Mercedesstr. 137, 70372 Stuttgart, Germany, exceeded the threshold of 3% on April 28, 2010 and amounts to 3.10% (32,896,756 voting rights) on that day. Thereof 16,448,378 voting rights (representing 1.55% of the voting rights in Daimler AG) directly held by Renault S. A. are attributable to Nissan Motor Co. Ltd. pursuant to Section 22 Subsection 2 of the WpHG [old version].

The **Kuwait Investment Authority** as Agent for the Government of the State of Kuwait, Kuwait City, State of Kuwait, has notified us pursuant to Section 21 Subsection 1 of the German Securities Trading Act [old version] that the voting rights of the State of Kuwait in Daimler AG, [at that time] Mercedesstr. 137, 70372 Stuttgart, Germany, exceeded the threshold of 5% on April 22, 2010 and that it held 5.33% (56,589,320 voting rights) on that day. According to the notification, all voting rights are directly held.

After the balance sheet date of December 31, 2020, the company received a further notification which pursuant to Section 40 Subsection 1 of the WpHG was disclosed as follows:

Bank of America Corporation, Wilmington, Delaware, USA, notified us on February 12, 2021 pursuant to Section 33 Subsection 1 of the German Securities Trading Act (WpHG) that its percentage of voting rights in Daimler AG, Mercedesstr. 120, 70372 Stuttgart, Germany, exceeded the threshold of 3% on February 9, 2021 after previously falling below this threshold and amounts to 3.07% (equal to 32,842,421, thereof 165,510 equal to 0.02% from American Depositary Receipts, out of a total of 1,069,837,447 voting rights) as of that date. Thereof, 3.07% (equal to 32,842,421 voting rights) is attributable to Bank of America, Wilmington, Delaware, USA, pursuant to Section 34 of the WpHG. 3% or more of the voting rights (3.04%) are held directly by Merrill Lynch International as of the date.

Declaration of Compliance with the German Corporate Governance Code

The mandatory statement pursuant to Section 161 of the German Stock Corporation Act (AktG) has been issued by the Board of Management and the Supervisory Board and is permanently accessible at <https://www.daimler.com/dai/dcgk/>.

Members of the Board of Management and their mandates

Members of the Board of Management**Supervisory board memberships/directorships****Ola Källenius**

Chairman of the Board of Management Daimler AG/
Mercedes-Benz Cars & Vans
Appointed until May 2024

Internal directorships

Daimler Truck AG – Chairman

External directorships

Tetra Laval Group

Martin Daum

Daimler Trucks & Buses
Appointed until February 2022

Internal directorships

None

External directorships

Beijing Foton Daimler Automotive Co., Ltd.

Renata Jungo Brüngger

Integrity and Legal Affairs
Appointed until December 2023

Internal directorships

None

External directorships

Münchener Rückversicherungs-Gesellschaft
Aktiengesellschaft in München

Wilfried Porth

Human Resources and Director of Labor Relations
Appointed until April 2022

Internal directorships

Mercedes-Benz AG

Daimler Truck AG

External directorships

VfB Stuttgart 1893 AG – Vice Chairman

Markus Schäfer

Group Research and Mercedes-Benz Cars Chief Operating
Office
Appointed until May 2024

Internal directorships

Mercedes AMG High Performance Powertrains Ltd.

Mercedes-Benz Grand Prix Ltd. – Chairman

Mercedes-Benz Formula E Ltd. – Chairman

External directorships

Shenzhen DENZA New Energy Automotive Co., Ltd.
smart Automobile Co., Ltd.

Britta Seeger

Mercedes-Benz Cars Marketing & Sales
Appointed until December 2024

Internal directorships

Daimler Mobility AG

Mercedes-Benz (China) Ltd. – Vice Chairman

Mercedes-Benz Formula E Ltd.

Mercedes-Benz Grand Prix Ltd.

Mercedes-Benz South Africa Ltd.

External directorships

Beijing Mercedes-Benz Sales Service Co., Ltd.

Laureus World Sports Awards Ltd.

smart Automobile Co., Ltd.

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

Greater China

Appointed until December 2025

Supervisory board memberships/directorships*Internal directorships*

Daimler Truck AG

Daimler Greater China Ltd. – Chairman

Daimler Truck China Limited – Chairman

Daimler Trucks and Buses (China) Ltd. – Chairman

Daimler Vans Hong Kong Ltd. – Chairman

Mercedes-Benz Auto Finance Ltd. (until July 1, 2020)

Mercedes-Benz Leasing Co., Ltd.

Mercedes-Benz (China) Ltd.

Mercedes-Benz Hong Kong Ltd.

Mercedes-Benz Taiwan Ltd.

External directorships

BAIC Motor Corporation Ltd.

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

Beijing Benz Automotive Co., Ltd. – Vice Chairman

Beijing Foton Daimler Automotive Co., Ltd. – Vice Chairman

Fujian Benz Automotive Co., Ltd. – Vice Chairman

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

smart Automobile Co., Ltd. – Vice Chairman

Harald Wilhelm

Finance & Controlling/Daimler Mobility

Appointed until March 22

Internal directorships

Daimler Mobility AG – Chairman

Mercedes-Benz AG (until March 31, 2020)

Daimler Truck AG

External directorships

BAIC Motor Corporation Ltd.

Members of the Supervisory Board and their mandates

Members of the Supervisory Board	Other supervisory board memberships/directorships
Dr. Manfred Bischoff Chairman of the Supervisory Board of Daimler AG Elected until 2021	Mercedes-Benz AG – Chairman**
Michael Brecht* Deputy Chairman of the Supervisory Board of Daimler AG; Chairman of the General Works Council, Daimler Group and Daimler AG; Chairman of the Works Council at the Mercedes-Benz plant in Gaggenau Elected until 2023	Mercedes-Benz AG** Daimler Truck AG**
Bader M. Al Saad Member of the Executive Committee of the Board of Directors of Kuwait Investment Authority Elected until 2022	Daimler Truck AG** Kuwait Investment Authority Kuwait Fund for Arab Economic Development BlackRock Inc.
Sari Baldauf Former Executive Vice President and General Manager of the Networks Business Group of Nokia Corporation Elected until 2023	Daimler Truck AG** Vexve Armatury Group – Chairwoman Nokia Oyj – Chairwoman
Michael Bettag* Chairman of the Works Council at the Mercedes-Benz sales and service center in Nuremberg Elected until 2023	
Dr. Clemens Börsig Former Chairman of the Supervisory Board of Deutsche Bank AG Elected until 2022	Daimler Truck AG** Linde plc Emerson Electric Co.
Raymond Curry* Secretary-Treasurer United Auto Workers (UAW) Elected until 2023	
Dr. Jürgen Hambrecht Former Chairman of the Supervisory Board of BASF SE Elected until 2023	Daimler Truck AG** BASF SE – Chairman (until June 18, 2020) Trumpf GmbH + Co. KG – Chairman Aya Gold & Silver Inc. (since July 2, 2020) Nyxoah S.A. (since August 26, 2020)
Michael Häberle* Chairman of the Works Council at the Mercedes-Benz plant in Untertürkheim Elected until 2023	Mercedes-Benz AG**
Petraea Heynike Former Executive Vice President of the Executive Board of Nestlé S. A. Elected until 2021	Mercedes-Benz AG**

* Representative of the employees; **Group Mandate

Members of the Supervisory Board**Other supervisory board memberships/directorships****Timotheus Höttges**

Chairman of the Board of Management of Deutsche Telekom AG
Elected until 2025
(since July 8, 2020)

Henkel AG & Co. KGaA
FC Bayern AG
Telekom Deutschland GmbH – Chairman
T-Mobile US, Inc., USA – Chairman
BT Group plc (until May 15, 2020)

Joe Kaeser

Chairman of the Supervisory Board of Siemens Energy AG
Elected until 2024

Mercedes-Benz AG**
Allianz Deutschland AG (until March 19, 2020)
NXP Semiconductors N.V.
Siemens Ltd. India
Siemens Energy Management GmbH – Chairman (since September 25, 2020)

Ergun Lümali*

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

Mercedes-Benz AG**
Daimler Truck AG**

Dr. Bernd Pischetsrieder

Former Chairman of the Supervisory Board of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München
Elected until 2024

Mercedes-Benz AG**
Tetra Laval Group (until December 31, 2020)

Elke Tönjes-Werner*

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

Sibylle Wankel*

General Legal Counsel of the German Metalworkers' Union (IG Metall)
Elected until 2023

Mercedes-Benz AG**

Dr. Frank Weber*

Head of BodyTEC Center, Mercedes-Benz AG;
Chairman of the Management Representatives Committee at the Daimler Group
Elected until 2023

Mercedes-Benz AG**

Marie Wieck

Former General Manager IBM Blockchain
Elected until 2023

Mercedes-Benz AG**

Dr. Sabine Zimmer*

Manager Vocational Training Policies, Germany, Daimler Group
Elected until 2023

Roman Zitzelsberger

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

Daimler Truck AG**
ZF Friedrichshafen AG
MTU Friedrichshafen GmbH (until January 31, 2020)
Rolls-Royce Power Systems AG (until January 31, 2020)

* Representative of the employees; ** Group mandate

Stepped down from the Supervisory Board:

Dr. Paul Achleitner
Chairman of the Supervisory Board of Deutsche Bank AG
(stepped down on July 8, 2020)

Committees of the Supervisory Board:

Committee pursuant to Section 27 Subsection 3 of the German Codetermination Act (MitbestG)

Dr. Manfred Bischoff – Chairman
Michael Brecht*
Dr. Jürgen Hambrecht
Roman Zitzelsberger*

Presidential Committee

Dr. Manfred Bischoff – Chairman
Michael Brecht*
Dr. Jürgen Hambrecht
Roman Zitzelsberger*

Audit Committee

Dr. Clemens Börsig – Chairman
Michael Brecht*
Joe Kaeser
Ergun Lümali*

Nomination Committee

Dr. Manfred Bischoff – Chairman
Dr. Paul Achleitner (until July 8, 2020)
Dr. Bernd Pischetsrieder (since July 9, 2020)
Sari Baldauf

Legal Affairs Committee

Dr. Clemens Börsig – Chairman
Dr. Manfred Bischoff
Michael Brecht*
Michael Häberle*
Sibylle Wankel*
Marie Wieck

* Representative of the employees

Statement of Investments

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

The statement of investments of Daimler AG pursuant to Section 285 of the German Commercial Code (HGB) is presented as follows. For information regarding equity and earnings, IFRS values are generally used for fully consolidated companies. Information on equity, earnings and other investments is

omitted pursuant to Section 286 Subsection 3 Sentence 1 No. 1 of the HGB if such information is of minor relevance for a fair presentation of the financial position, cash flows and profitability of Daimler AG.

C.21

Name of the Company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
I. Subsidiaries (consolidated in the Consolidated Financial Statements)					
Accumotive GmbH & Co. KG	Kamenz, Germany	100.00	193	42	
Athlon Beheer International B.V.	Schiphol, Netherlands	100.00	-	-	
Athlon Beheer Nederland B.V.	Schiphol, Netherlands	100.00	315	.	
Athlon Car Lease Belgium N.V.	Machelen, Belgium	100.00	-	-	
Athlon Car Lease International B.V.	Schiphol, Netherlands	100.00	514	-1	
Athlon Car Lease Italy S.R.L.	Rome, Italy	100.00	-	-	
Athlon Car Lease Nederland B.V.	Schiphol, Netherlands	100.00	-	-	
Athlon Car Lease Polska Sp. z o.o.	Warsaw, Poland	100.00	-	-	
Athlon Car Lease Portugal, Ida	Oeiras, Portugal	100.00	-	-	
Athlon Car Lease Rental Services B.V.	Schiphol, Netherlands	100.00	-	-	
Athlon Car Lease Rental Services Belgium N.V.	Machelen, Belgium	100.00	-	-	
Athlon Car Lease S.A.S.	Le Bourget, France	100.00	-	-	
Athlon Car Lease Spain, S.A.	Alcobendas, Spain	100.00	-	-	
Athlon Dealerlease B.V.	Hoofddorp, Netherlands	100.00	-	-	
Athlon France S.A.S.	Le Bourget, France	100.00	-	-	
Athlon Germany GmbH	Düsseldorf, Germany	100.00	-	-	
Athlon Mobility Consultancy B.V.	Schiphol, Netherlands	100.00	-	-	
Athlon Mobility Consultancy N.V.	Machelen, Belgium	100.00	-	-	
Athlon Mobility Services UK Limited	Milton Keynes, United Kingdom	100.00	-	-	
Athlon Rental Germany GmbH	Düsseldorf, Germany	100.00	-	-	
Athlon Sweden AB	Malmö, Sweden	100.00	-	-	
Athlon Switzerland AG	Schlieren, Switzerland	100.00	-	-	
Atlantis Foundries (Pty.) Ltd.	Atlantis Industria, South Africa	100.00	-	-	
Banco Mercedes-Benz do Brasil S.A.	São Paulo, Brazil	100.00	331	33	4
Brooklands Estates Management Limited	Milton Keynes, United Kingdom	100.00	-	-	
Campo Largo Comercio de Veiculos e Peças Ltda.	Campinas, Brazil	100.00	-	-	
CARS Technik & Logistik GmbH	Wiedemar, Germany	100.00	-	-	3
CLIDET NO 1048 (Proprietary) Limited	Centurion, South Africa	100.00	-	-	
DA Investments Co. LLC	Wilmington, USA	100.00	-	-	
DAF Investments, Ltd.	Wilmington, USA	100.00	-	-	
Daimler AG & Co. Anlagenverwaltung OHG	Schönefeld, Germany	100.00	-	-	
Daimler Australia/Pacific Pty. Ltd.	Melbourne, Australia	100.00	-	-	
Daimler Brand & IP Management GmbH & Co. KG	Stuttgart, Germany	100.00	-	-	
Daimler Buses North America Inc.	Oriskany, USA	100.00	-	-	
Daimler Canada Finance Inc.	Montreal, Canada	100.00	243	3	
Daimler Canada Investments Company	Halifax, Canada	100.00	153	68	
Daimler Capital Services LLC	Wilmington, USA	100.00	-	-	4
Daimler Česká republika Holding s.r.o.	Prague, Czech Republic	100.00	-	-	

Name of the Company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Daimler Colombia S. A.	Bogota D.C., Colombia	100.00	-	-	
Daimler Commercial Vehicles South East Asia Pte. Ltd.	Singapore, Singapore	100.00	-	-	
Daimler Compra y Manufactura Mexico S. de R.L. de C.V.	Mexico City, Mexico	100.00	341	57	
Daimler Export and Trade Finance GmbH	Berlin, Germany	100.00	-	-	3
Daimler Finance North America LLC	Wilmington, USA	100.00	-	-	
Daimler Financial Services Africa & Asia Pacific Ltd.	Singapore, Singapore	100.00	-	-	4
Daimler Financial Services India Private Limited	Chennai, India	100.00	165	-35	
Daimler Financial Services Investment Company LLC	Wilmington, USA	100.00	127	-38	
Daimler Financial Services México, S. de R.L. de C.V.	Mexico City, Mexico	100.00	56	-87	4
Daimler Financial Services, S.A. de C.V., S.O.F.O.M., E.N.R.	Mexico City, Mexico	100.00	-	-	
Daimler Fleet Management GmbH	Stuttgart, Germany	100.00	14	-	3
Daimler Fleet Management Singapore Pte. Ltd.	Singapore, Singapore	100.00	-	-	
Daimler Fleet Management South Africa (Pty.) Ltd. i. l. l.	Centurion, South Africa	65.00	-	-	2
Daimler Fleet Services A.S.	Istanbul, Turkey	100.00	-	-	
Daimler Greater China Ltd.	Beijing, China	100.00	3,886	1,237	
Daimler Grund Services GmbH	Schönefeld, Germany	100.00	-	-	3
Daimler India Commercial Vehicles Private Limited	Chennai, India	100.00	65	-41	
Daimler Insurance Agency LLC	Wilmington, USA	100.00	-	-	
Daimler Insurance Services GmbH	Stuttgart, Germany	100.00	18	-	3
Daimler Insurance Services UK Limited	Milton Keynes, United Kingdom	100.00	-	-	
Daimler International Finance B.V.	Utrecht, Netherlands	100.00	603	132	
Daimler International Nederland B.V.	Utrecht, Netherlands	100.00	15,043	2,576	
Daimler Investments US LLC	Wilmington, USA	100.00	-	-	
Daimler Ladungsträger GmbH	Böblingen, Germany	100.00	61	-	3
Daimler Manufactura, S. de R.L. de C.V.	Mexico City, Mexico	100.00	-	-	
Daimler Mexico, S.A. de C.V.	Mexico City, Mexico	100.00	525	44	
Daimler Mobility & Technology Service Co., Ltd.	Beijing, China	100.00	-	-	
Daimler Mobility AG	Stuttgart, Germany	100.00	2,875	-	3, 4
DAIMLER MOBILITY AUSTRALIA PTY LTD	Melbourne, Australia	100.00	62	23	
Daimler Mobility Brasil Holding S.A.	São Paulo, Brazil	100.00	150	12	
Daimler Mobility Services GmbH	Leinfelden-Echterdingen, Germany	100.00	260	-	3
Daimler Nederland B.V.	Utrecht, Netherlands	100.00	963	401	
Daimler Nederland Holding B.V.	Utrecht, Netherlands	100.00	495	100	
Daimler North America Corporation	Wilmington, USA	100.00	5,621	646	4
Daimler North America Finance Corporation	Newark, USA	100.00	-	-	
Daimler Northeast Asia Parts Trading and Services Co., Ltd.	Beijing, China	100.00	182	158	
Daimler Parts Brand GmbH	Stuttgart, Germany	100.00	-	-	3
Daimler Re Brokers GmbH	Bremen, Germany	74.90	-	-	3
Daimler Re Insurance S.A. Luxembourg	Luxembourg, Luxembourg	100.00	89	14	
Daimler Real Estate GmbH	Berlin, Germany	100.00	-	-	
Daimler Retail Receivables LLC	Farmington Hills, USA	100.00	-	-	
DAIMLER SERVICIOS CORPORATIVOS MEXICO S. DE R.L. DE C.V.	Mexico City, Mexico	100.00	-	-	
Daimler South East Asia Pte. Ltd.	Singapore, Singapore	100.00	86	47	
Daimler Truck AG	Stuttgart, Germany	100.00	6,010	-	3, 4
Daimler Truck and Bus Australia Pacific Pty. Ltd.	Mulgrave, Australia	100.00	-	-	
DAIMLER TRUCK AND BUS HOLDING AUSTRALIA PACIFIC PTY LTD	Melbourne, Australia	100.00	-	-	
Daimler Truck China Limited	Beijing, China	100.00	312	-2	
Daimler Truck Fuel Cell GmbH & Co. KG	Kirchheim unter Teck, Germany	100.00	-	-	
Daimler Truck Vermögens- und Beteiligungsgesellschaft mbH	Stuttgart, Germany	100.00	-	-	3
Daimler Trucks & Buses US Holding LLC	Wilmington, USA	100.00	2,185	703	
Daimler Trucks and Buses (China) Ltd.	Beijing, China	100.00	-	-	
Daimler Trucks and Buses Southern Africa (Pty) Ltd	Zwartkop, South Africa	100.00	-	-	
Daimler Trucks Canada Ltd.	Mississauga, Canada	100.00	63	31	
Daimler Trucks Korea Ltd.	Seoul, South Korea	100.00	-	-	

Name of the Company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Daimler Trucks North America LLC	Portland, USA	100.00	3,288	666	
Daimler Trucks Remarketing Corporation	Portland, USA	100.00	-12	-95	
Daimler Trust Holdings LLC	Farmington Hills, USA	100.00	-	-	
Daimler Trust Leasing Conduit LLC	Wilmington, USA	100.00	-	-	
Daimler Trust Leasing LLC	Farmington Hills, USA	100.00	-	-	
Daimler UK Limited	Milton Keynes, United Kingdom	100.00	600	121	
Daimler Vans Hong Kong Limited	Hong Kong, China	67.55	144	36	
Daimler Vans USA, LLC	Wilmington, USA	100.00	-	-	
Daimler Vehículos Comerciales Mexico S. de R.L. de C.V.	Mexico City, Mexico	100.00	537	-4	
Daimler Vermögens- und Beteiligungsgesellschaft mbH	Stuttgart, Germany	100.00	1,169	-	3
Daimler Verwaltungsgesellschaft für Grundbesitz mbH	Schönefeld, Germany	100.00	3,861	-	3
Daimler Vorsorge und Versicherungsdienst GmbH	Berlin, Germany	100.00	-	-	3
Detroit Diesel Corporation	Detroit, USA	100.00	299	196	
Detroit Diesel Remanufacturing LLC	Detroit, USA	100.00	33	12	
DTFC Holding GmbH	Stuttgart, Germany	100.00	-	-	3
EHG Elektroholding GmbH	Stuttgart, Germany	100.00	1,146	-	3
EvoBus (Schweiz) AG	Winterthur, Switzerland	100.00	-	-	
EvoBus (U.K.) Ltd.	Coventry, United Kingdom	100.00	-	-	
EvoBus Austria GmbH	Wiener Neudorf, Austria	100.00	-	-	
EvoBus Belgium N.V.	Kobbege-Asse, Belgium	100.00	-	-	
EvoBus Česká republika s.r.o.	Prague, Czech Republic	100.00	-	-	
EvoBus Danmark A/S	Koege, Denmark	100.00	-	-	
EvoBus France S.A.S.U.	Sarcelles, France	100.00	49	12	
EvoBus GmbH	Stuttgart, Germany	100.00	69	-	3
EvoBus Ibérica, S.A.U.	Sámano, Spain	100.00	-	-	
EvoBus Italia S.p.A.	Bomporto, Italy	100.00	-	-	
EvoBus Nederland B.V.	Nijkerk, Netherlands	100.00	-	-	
EvoBus Polska Sp. z o.o.	Wolica, Poland	100.00	-	-	
EvoBus Portugal, S.A.	Mem Martins, Portugal	100.00	-	-	
EvoBus Sverige AB	Vetlanda, Sweden	100.00	-	-	
Freightliner Custom Chassis Corporation	Gaffney, USA	100.00	97	64	
Friesland Lease B.V.	Drachten, Netherlands	51.11	-	-	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 1 OHG	Schönefeld, Germany	100.00	3,726	360	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 2 OHG	Schönefeld, Germany	100.00	-	-	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 3 OHG	Schönefeld, Germany	100.00	-	-	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 4 OHG	Schönefeld, Germany	100.00	645	51	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 5 OHG	Schönefeld, Germany	100.00	618	31	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 6 OHG	Schönefeld, Germany	100.00	205	12	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Alpha 7 OHG	Schönefeld, Germany	100.00	-	-	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Beta OHG	Schönefeld, Germany	100.00	90	15	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Delta OHG	Schönefeld, Germany	100.00	221	21	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Epsilon OHG	Schönefeld, Germany	100.00	245	16	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Gamma 1 OHG	Schönefeld, Germany	100.00	466	62	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Gamma 2 OHG	Schönefeld, Germany	100.00	232	25	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Gamma 3 OHG	Schönefeld, Germany	100.00	-	-	
Grundstücksverwaltungsgesellschaft Daimler AG & Co. Gamma 4 OHG	Schönefeld, Germany	100.00	-	-	

Name of the Company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Grundstücksverwaltungsgesellschaft EvoBus GmbH & Co. OHG	Schönefeld, Germany	100.00	132	22	
Interleasing Luxembourg S.A.	Windhof, Luxembourg	100.00	-	-	
Koppieview Property (Pty) Ltd	Zwartkop, South Africa	100.00	-	-	
LEONIE FSM DVB GmbH	Stuttgart, Germany	100.00	-	-	3
Mascot Truck Parts Canada Ltd (2017)	Mississauga, Canada	100.00	-	-	
Mascot Truck Parts USA LLC	Wilmington, USA	100.00	-	-	
MBarc Credit Canada Inc.	Mississauga, Canada	100.00	-	-	
MBLD Mercedes-Benz Leasing Deutschland GmbH	Stuttgart, Germany	100.00	-	-	3
MDC Power GmbH	Kölleda, Germany	100.00	91	-	3
Mercedes AMG High Performance Powertrains Ltd	Brixworth, United Kingdom	100.00	-	-	
Mercedes Benz Otomotiv Ticaret ve Hizmetler A.S.	Istanbul, Turkey	66.91	124	41	
Mercedes pay AG	Zug, Switzerland	100.00	5	-53	
Mercedes pay S.A. - in liquidation	Luxembourg, Luxembourg	100.00	-	-	2
Mercedes-AMG GmbH	Affalterbach, Germany	100.00	1,094	-	3
Mercedes-Benz - Aluguer de Veículos, Lda.	Mem Martins, Portugal	100.00	-	-	
Mercedes-Benz (China) Ltd.	Beijing, China	75.00	822	633	
Mercedes-Benz (Thailand) Limited	Bangkok, Thailand	100.00	96	16	4
Mercedes-Benz AG	Stuttgart, Germany	100.00	22,707	-	3
Mercedes-Benz Antwerpen N.V.	Antwerp, Belgium	100.00	-	-	
Mercedes-Benz Argentina S.A.U.	Buenos Aires, Argentina	100.00	200	-18	
Mercedes-Benz Asia GmbH	Stuttgart, Germany	100.00	223	-	3
Mercedes-Benz Assuradeuren B.V.	Utrecht, Netherlands	100.00	-	-	
Mercedes-Benz Australia/Pacific Pty Ltd	Melbourne, Australia	100.00	454	39	
Mercedes-Benz Auto Finance Ltd.	Beijing, China	100.00	2,137	314	4
Mercedes-Benz Bank AG	Stuttgart, Germany	100.00	3,261	-	3
Mercedes-Benz Bank GmbH	Eugendorf, Austria	100.00	-	-	
Mercedes-Benz Bank Polska S.A.	Warsaw, Poland	100.00	-	-	
Mercedes-Benz Bank Rus OOO	Moscow, Russian Federation	100.00	-	-	
Mercedes-Benz Bank Service Center GmbH	Berlin, Germany	100.00	-	-	3
Mercedes-Benz Banking Service GmbH	Saarbrücken, Germany	100.00	-	-	3
Mercedes-Benz Belgium Luxembourg S.A.	Brussels, Belgium	100.00	87	25	
Mercedes-Benz Bordeaux S.A.S.	Begles, France	100.00	-	-	
Mercedes-Benz Broker Argentina S.A.	Buenos Aires, Argentina	99.00	-	-	
Mercedes-Benz Broker Biztosítási Alkusz Hungary Kft.	Budapest, Hungary	100.00	-	-	
Mercedes-Benz Brooklands Limited	Milton Keynes, United Kingdom	100.00	-	-	
Mercedes-Benz Camiones y Buses Argentina SAU.	Buenos Aires, Argentina	100.00	-	-	
Mercedes-Benz Canada Inc.	Toronto, Canada	100.00	2	91	
Mercedes-Benz Capital Rus OOO	Moscow, Russian Federation	100.00	-	-	
Mercedes-Benz Cars & Vans Brasil - Indústria e Comércio De Veículos Ltda.	São Bernardo do Campo, Brazil	100.00	-149	-178	
Mercedes-Benz Cars Česká republika s.r.o.	Prague, Czech Republic	100.00	-	-	
Mercedes-Benz Cars UK Limited	Milton Keynes, United Kingdom	100.00	87	73	4
Mercedes-Benz CharterWay S.A.S.	Montigny-le-Bretonneux, France	100.00	-	-	
Mercedes-Benz CharterWay S.r.l.	Trent, Italy	100.00	-	-	
Mercedes-Benz Compañía Financiera Argentina S.A.	Buenos Aires, Argentina	100.00	-	-	
Mercedes-Benz Connectivity Services GmbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz Corretora de Seguros Ltda	São Paulo, Brazil	100.00	-	-	
Mercedes-Benz CPH A/S	Horsholm, Denmark	100.00	-	-	
Mercedes-Benz Credit Pénzügyi Szolgáltató Hungary Zrt.	Budapest, Hungary	100.00	-	-	
Mercedes-Benz Customer Solutions GmbH	Stuttgart, Germany	100.00	1	-	3
Mercedes-Benz Danmark A/S	Copenhagen, Denmark	100.00	183	18	4
Mercedes-Benz Dealer Bedrijven B.V.	The Hague, Netherlands	100.00	-	-	
Mercedes-Benz do Brasil Assessoria Comercial Ltda.	São Paulo, Brazil	100.00	-	-	
Mercedes-Benz do Brasil Ltda.	São Bernardo do Campo, Brazil	100.00	40	-117	4

Name of the Company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Mercedes-Benz Drogenbos N.V.	Drogenbos, Belgium	100.00	-	-	
Mercedes-Benz Espana, S.A.U.	Alcobendas, Spain	100.00	495	42	
Mercedes-Benz Europa NV/SA	Woluwe-Saint-Lambert, Belgium	100.00	-	-	
Mercedes-Benz ExTra LLC	Wilmington, USA	100.00	-	-	
Mercedes-Benz Finance Co., Ltd.	Tokyo, Japan	95.11	568	70	4
Mercedes-Benz Financial Services Australia Pty. Ltd.	Melbourne, Australia	100.00	225	38	4
Mercedes-Benz Financial Services Austria GmbH	Eugendorf, Austria	100.00	-	-	
Mercedes-Benz Financial Services BeLux NV	Brussels, Belgium	100.00	98	19	
Mercedes-Benz Financial Services Canada Corporation	Mississauga, Canada	100.00	309	73	4
Mercedes-Benz Financial Services Česká republika s.r.o.	Prague, Czech Republic	100.00	-	-	
Mercedes-Benz Financial Services España, E.F.C., S.A.	Alcobendas, Spain	100.00	201	24	
Mercedes-Benz Financial Services France S.A.	Montigny-le Bretonneux, France	100.00	546	44	4
Mercedes-Benz Financial Services Hong Kong Ltd.	Hong Kong, China	80.00	-	-	
Mercedes-Benz Financial Services Italia S.p.A.	Rome, Italy	100.00	421	15	4
Mercedes-Benz Financial Services Korea Ltd.	Seoul, South Korea	80.00	405	45	4
Mercedes-Benz Financial Services Nederland B.V.	Nieuwegein, Netherlands	100.00	109	16	4
Mercedes-Benz Financial Services New Zealand Ltd	Auckland, New Zealand	100.00	-	-	
Mercedes-Benz Financial Services Portugal - Sociedade Financeira de Crédito S.A.	Mem Martins, Portugal	100.00	92	11	4
Mercedes-Benz Financial Services Rus OOO	Moscow, Russian Federation	100.00	77	16	
Mercedes-Benz Financial Services Schweiz AG	Schlieren, Switzerland	100.00	140	34	
Mercedes-Benz Financial Services Slovakia s.r.o.	Bratislava, Slovakia	75.00	-	-	
Mercedes-Benz Financial Services South Africa (Pty) Ltd	Centurion, South Africa	100.00	-	-	4
Mercedes-Benz Financial Services Sp. zo.o.	Warsaw, Poland	100.00	-	-	
Mercedes-Benz Financial Services Taiwan Ltd.	Taipei, Taiwan	51.00	64	11	4
Mercedes-Benz Financial Services UK Limited	Milton Keynes, United Kingdom	100.00	553	34	4
Mercedes-Benz Financial Services USA LLC	Wilmington, USA	100.00	2,177	536	4
Mercedes-Benz Finans Danmark A/S	Copenhagen, Denmark	100.00	36	11	
Mercedes-Benz Finans Sverige AB	Malmö, Sweden	100.00	-	-	
Mercedes-Benz Finansal Kiralama Türk A.S.	Istanbul, Turkey	100.00	-	-	
Mercedes-Benz Finansman Türk A.S.	Istanbul, Turkey	100.00	131	24	4
Mercedes-Benz Formula E Limited	Brackley, United Kingdom	100.00	-	-	
Mercedes-Benz Försäljnings AB	Malmö, Sweden	100.00	-	-	
Mercedes-Benz France S.A.S.	Montigny-le Bretonneux, France	100.00	368	49	
Mercedes-Benz Fuel Cell GmbH	Kirchheim unter Teck, Germany	100.00	-	-	
Mercedes-Benz Grand Prix Ltd.	Brackley, United Kingdom	100.00	76	16	
Mercedes-Benz Hellas Single-Member S.A.	Kifissia, Greece	100.00	-	-	
Mercedes-Benz Hong Kong Limited	Hong Kong, China	100.00	-	-	
Mercedes-Benz India Private Limited	Pune, India	100.00	315	-12	
Mercedes-Benz Insurance Agency (Beijing) Co., Ltd.	Beijing, China	100.00	-	-	
Mercedes-Benz Insurance Broker S.R.L.	Voluntari, Romania	100.00	-	-	
Mercedes-Benz Insurance Services Nederland B.V.	Utrecht, Netherlands	100.00	-	-	
Mercedes-Benz Insurance Services Taiwan Ltd.	Taipei, Taiwan	100.00	-	-	
Mercedes-Benz Investment Company LLC	Wilmington, USA	100.00	195	-12	
Mercedes-Benz Italia S.p.A.	Rome, Italy	100.00	330	12	
Mercedes-Benz Japan Co., Ltd.	Tokyo, Japan	100.00	399	87	
Mercedes-Benz Korea Limited	Seoul, South Korea	51.00	302	88	
Mercedes-Benz Leasing (Thailand) Co., Ltd.	Bangkok, Thailand	100.00	122	15	
Mercedes-Benz Leasing Co., Ltd.	Beijing, China	65.00	955	162	4
Mercedes-Benz Leasing do Brasil Arrendamento Mercantil S.A.	Barueri, Brazil	100.00	-	-	
Mercedes-Benz Leasing GmbH	Stuttgart, Germany	100.00	-42	-	3
Mercedes-Benz Leasing Hrvatska d.o.o.	Zagreb, Croatia	100.00	-	-	
Mercedes-Benz Leasing IFN S.A.	Bucharest, Romania	100.00	-	-	4
Mercedes-Benz Leasing Kft.	Budapest, Hungary	100.00	-	-	4
Mercedes-Benz Leasing Polska Sp. z o.o.	Warsaw, Poland	100.00	130	13	4

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Mercedes-Benz Leasing Taiwan Ltd.	Taipei, Taiwan	100.00	-	-	
Mercedes-Benz Leasing Treuhand GmbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz Ludwigsfelde GmbH	Ludwigsfelde, Germany	100.00	-	-	3
Mercedes-Benz Malaysia Sdn. Bhd.	Puchong, Malaysia	100.00	42	-26	
Mercedes-Benz Manhattan, Inc.	Wilmington, USA	100.00	-	-	
Mercedes-Benz Manufacturing (Thailand) Limited	Bangkok, Thailand	100.00	-	-	
Mercedes-Benz Manufacturing Hungary Kft.	Kecskemét, Hungary	100.00	476	38	
Mercedes-Benz Manufacturing Poland sp. z o. o.	Jawor, Poland	100.00	159	23	
Mercedes-Benz Mechelen N.V.	Mechelen, Belgium	100.00	-	-	
Mercedes-Benz Mexico, S. de R.L. de C.V.	Mexico City, Mexico	100.00	30	10	
Mercedes-Benz Minibus GmbH	Dortmund, Germany	100.00	-	-	3
Mercedes-Benz Mitarbeiter-Fahrzeuge Leasing GmbH	Stuttgart, Germany	100.00	4	-	3
Mercedes-Benz Mobility Korea Ltd.	Seoul, South Korea	100.00	-	-	
Mercedes-Benz Nederland B.V.	Utrecht, Netherlands	100.00	34	16	
Mercedes-Benz New Zealand Ltd	Auckland, New Zealand	100.00	-	-	
Mercedes-Benz Österreich GmbH	Eugendorf, Austria	100.00	-	-	
Mercedes-Benz Paris SAS	Port-Marly, France	100.00	17	-11	4
Mercedes-Benz Parts Logistics Eastern Europe s.r.o.	Prague, Czech Republic	100.00	-	-	
Mercedes-Benz Parts Logistics Ibérica, S.L.U.	Azuqueca de Henares, Spain	100.00	-	-	
Mercedes-Benz Parts Logistics UK Limited	Milton Keynes, United Kingdom	100.00	-	-	
Mercedes-Benz Parts Manufacturing & Services Ltd.	Shanghai, China	100.00	-	-	
Mercedes-Benz Polska Sp. z.o.o	Warsaw, Poland	100.00	61	19	
Mercedes-Benz Portugal, S.A.	Mem Martins, Portugal	100.00	-	-	
Mercedes-Benz PRAHA s.r.o.	Prague, Czech Republic	100.00	-	-	
Mercedes-Benz Renting, S.A.	Alcobendas, Spain	100.00	-	-	
Mercedes-Benz Research & Development North America, Inc.	Wilmington, USA	100.00	33	12	
Mercedes-Benz Retail Belgium NV/SA	Woluwe-Saint-Lambert, Belgium	100.00	-	-	4
Mercedes-Benz Retail Group UK Limited	Milton Keynes, United Kingdom	100.00	49	-18	
Mercedes-Benz Retail, S.A.	Madrid, Spain	100.00	-	-	
Mercedes-Benz Retail, Unipessoal Lda.	Mem Martins, Portugal	100.00	-	-	
Mercedes-Benz Risk Solutions South Africa (Pty.) Ltd.	Centurion, South Africa	100.00	-	-	
Mercedes-Benz Roma S.p.A.	Rome, Italy	100.00	-	-	
Mercedes-Benz Romania S.R.L.	Bucharest, Romania	100.00	-	-	
Mercedes-Benz Russia AO	Moscow, Russian Federation	100.00	305	96	
Mercedes-Benz Schweiz AG	Schlieren, Switzerland	100.00	-	-	
Mercedes-Benz Service Leasing S.R.L.	Bucharest, Romania	100.00	-	-	
Mercedes-Benz Services Correduria de Seguros, S.A.	Alcobendas, Spain	100.00	-	-	
Mercedes-Benz Services Malaysia Sdn Bhd	Selangor, Malaysia	100.00	-	-	
Mercedes-Benz Servicios S.A.U	Buenos Aires, Argentina	100.00	-	-	
Mercedes-Benz Sigorta Aracilik Hizmetleri A.S.	Istanbul, Turkey	100.00	-	-	
Mercedes-Benz Sosnowiec Sp. z o.o.	Sosnowiec, Poland	100.00	-	-	
Mercedes-Benz South Africa Ltd	Pretoria, South Africa	100.00	912	9	
Mercedes-Benz Sverige AB	Malmö, Sweden	100.00	-	-	4
Mercedes-Benz Taiwan Ltd.	Taipei, Taiwan	51.00	121	54	
Mercedes-Benz Trucks & Buses Romania S.R.L.	Bucharest, Romania	100.00	-	-	
Mercedes-Benz Trucks Belgium Luxembourg NV/SA	Brussels, Belgium	100.00	-	-	
Mercedes-Benz Trucks Center Sint-Pieters-Leeuw NV/SA	Sint-Pieters-Leeuw, Belgium	100.00	-	-	
Mercedes-Benz Trucks Ceská republika s.r.o.	Prague, Czech Republic	100.00	-	-	
Mercedes-Benz Trucks España S.L.U.	Alcobendas, Spain	100.00	-	-	
Mercedes-Benz Trucks France S.A.S.U	Montigny-le-Bretonneux, France	100.00	-	-	
Mercedes-Benz Trucks Italia S.r.l.	Rome, Italy	100.00	-	-	
Mercedes-Benz Trucks Molsheim	Molsheim, France	100.00	-	-	
Mercedes-Benz Trucks Nederland B.V.	Utrecht, Netherlands	100.00	-	-	
Mercedes-Benz Trucks Österreich GmbH	Eugendorf, Austria	100.00	-	-	

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MERCEDES-BENZ TRUCKS POLSKA SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA	Warsaw, Poland	100.00	-	-	
Mercedes-Benz Trucks Portugal S.A.	Sintra, Portugal	100.00	-	-	
Mercedes-Benz Trucks Schweiz AG	Schlieren, Switzerland	100.00	-	-	
Mercedes-Benz Trucks UK Limited	Milton Keynes, United Kingdom	100.00	28	15	
Mercedes-Benz Türk A.S.	Istanbul, Turkey	66.91	734	32	
Mercedes-Benz U.S. International, Inc.	Vance, USA	100.00	384	78	
Mercedes-Benz Ubezpieczenia Sp. z o.o.	Warsaw, Poland	100.00	-	-	
Mercedes-Benz USA, LLC	Wilmington, USA	100.00	360	335	4
Mercedes-Benz V.I. Lyon SAS	Genas, France	100.00	-	-	4
Mercedes-Benz V.I. Paris Ile de France SAS	Wissous, France	100.00	-	-	
Mercedes-Benz Vans Česká republika s.r.o	Prague, Czech Republic	100.00	-	-	
Mercedes-Benz Vans España, S.L.U.	Madrid, Spain	100.00	-	-	
Mercedes-Benz Vans Mobility GmbH	Berlin, Germany	100.00	-	-	3
Mercedes-Benz Vans Nederland B.V.	Utrecht, Netherlands	100.00	-	-	
Mercedes-Benz Vans UK Limited	Milton Keynes, United Kingdom	100.00	49	15	
Mercedes-Benz Vans, LLC	Wilmington, USA	100.00	83	11	
Mercedes-Benz Vermögens- und Beteiligungsgesellschaft mbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz Versicherung AG	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz Vietnam Ltd.	Ho Chi Minh City, Vietnam	70.00	106	37	
Mercedes-Benz Warszawa Sp. z o.o.	Warsaw, Poland	100.00	-	-	4
Mercedes-Benz Waterloo S.A.	Braine-L'Alleud, Belgium	100.00	-	-	
Mercedes-Benz Wavre S.A.	Wavre, Belgium	100.00	-	-	
Mercedes-Benz Wemmel N.V.	Wemmel, Belgium	100.00	-	-	
Mercedes-Benz Wholesale Receivables LLC	Wilmington, USA	100.00	-	-	
MFTA Canada, Inc.	Toronto, Canada	100.00	-	-	
Mitsubishi Fuso Bus Manufacturing Co., Ltd.	Toyama, Japan	100.00	-	-	
Mitsubishi Fuso Truck and Bus Corporation	Kawasaki, Japan	89.29	2,238	22	
MITSUBISHI FUSO TRUCK EUROPE – Sociedade Europeia de Automóveis, S.A.	Tramagal, Portugal	100.00	-	-	
Mitsubishi Fuso Truck of America, Inc.	Logan Township, USA	100.00	-	-	4
Multifleet G.I.E	Le Bourget, France	50.10	-	-	
P.T. Mercedes-Benz Indonesia	Bogor, Indonesia	100.00	-	-	
PABCO Co., Ltd.	Ebina, Japan	100.00	-	-	
PT Daimler Commercial Vehicles Indonesia	Jakarta, Indonesia	100.00	-	-	
PT Daimler Commercial Vehicles Manufacturing Indonesia	Bogor, Indonesia	100.00	-	-	
PT Mercedes-Benz Distribution Indonesia	Jakarta, Indonesia	100.00	-	-	
Renting del Pacífico S.A.C.	Lima, Peru	100.00	-	-	
Sandown Motor Holdings (Pty) Ltd	Bryanston, South Africa	62.62	-	-	
SelecTrucks of America LLC	Portland, USA	100.00	-	-	
SelecTrucks of Toronto, Inc.	Mississauga, Canada	100.00	-	-	
Silver Arrow Canada GP Inc.	Mississauga, Canada	100.00	-	-	
Silver Arrow Canada LP	Mississauga, Canada	100.00	-	-	
smart France S.A.S.	Hambach, France	100.00	120	-370	
Special Lease Systems (SLS) B.V	Schiphol, Netherlands	100.00	-	-	
Star Assembly SRL	Sebes, Romania	100.00	237	60	
Sterling Truck Corporation	Portland, USA	100.00	-	-	
Sumperská správa majetku k.s.	Prague, Czech Republic	100.00	-	-	
Thomas Built Buses of Canada Limited	Calgary, Canada	100.00	-	-	
Thomas Built Buses, Inc.	High Point, USA	100.00	96	14	
TORC Robotics, Inc.	Blacksburg, USA	75.61	167	-26	
Ucafleet S.A.S	Le Bourget, France	65.00	-	-	
Ukuvela Holdings Proprietary Limited	Atlantis Industria, South Africa	100.00	-	-	4
Ukuvela Properties (Pty.) Ltd.	Atlantis Industria, South Africa	100.00	-	-	

Name of the Company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
Vierzehnte Vermögensverwaltungsgesellschaft DVB mbH	Stuttgart, Germany	100.00	-	-	3
Western Star Trucks Sales, Inc	Portland, USA	100.00	-	-	
Zuidlease B.V.	Sittard, Netherlands	51.00	-	-	

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

Accumotive Verwaltungs-GmbH	Kamenz, Germany	100.00	-	-	
Achtzehnte Vermögensverwaltungsgesellschaft DVB mbH	Stuttgart, Germany	100.00	-	-	3
AEG Olympia Office GmbH	Stuttgart, Germany	100.00	-	-	3
Anota Fahrzeug Service- und Vertriebsgesellschaft mbH	Berlin, Germany	100.00	-	-	3
Circulo Cerrado S.A. de Ahorro para Fines Determinados	Buenos Aires, Argentina	74.47	-	-	
Cúspide GmbH	Stuttgart, Germany	100.00	-	-	
Daimler Automotive de Venezuela C.A.	Valencia, Venezuela	100.00	-	-	
Daimler Brand & IP Management Verwaltung GmbH	Stuttgart, Germany	100.00	-	-	3
Daimler Coaches North America LLC	Wilmington, USA	100.00	-	-	
Daimler Commercial Vehicles (Thailand) Ltd.	Bangkok, Thailand	100.00	-	-	
Daimler Commercial Vehicles Africa Ltd.	Nairobi, Kenya	100.00	-	-	
Daimler Commercial Vehicles MENA FZE	Dubai, United Arab Emirates	100.00	-	-	
Daimler Financial Services UK Trustees Ltd.	Milton Keynes, United Kingdom	100.00	-	-	
Daimler Gastronomie GmbH	Esslingen am Neckar, Germany	100.00	-	-	3
Daimler Group Services Berlin GmbH	Berlin, Germany	100.00	-	-	3
Daimler Group Services Madrid, S.A.U.	San Sebastián de los Reyes, Spain	100.00	-	-	
Daimler Innovation Technology (China) Co., Ltd.	Beijing, China	100.00	-	-	
Daimler International Assignment Services USA, LLC	Wilmington, USA	100.00	-	-	
Daimler Mitarbeiter Wohnfinanz GmbH	Stuttgart, Germany	100.00	-	-	3
Daimler Pensionsfonds AG	Stuttgart, Germany	100.00	-	-	12
Daimler Protics GmbH	Leinfelden-Echterdingen, Germany	100.00	-	-	3
Daimler Purchasing Coordination Corp.	Wilmington, USA	100.00	-	-	
Daimler Truck Fuel Cell Canada INC.	Vancouver, Canada	100.00	-	-	
Daimler Truck Verwaltungsgesellschaft für Grundbesitz mbH	Schönefeld, Germany	100.00	-	-	3
Daimler Trucks Asia Taiwan Ltd.	Taipei, Taiwan	51.00	42	18	6
Daimler TSS GmbH	Ulm, Germany	100.00	2	-	3, 5
Daimler UK Share Trustee Ltd.	Milton Keynes, United Kingdom	100.00	-	-	
Daimler UK Trustees Limited	Milton Keynes, United Kingdom	100.00	-	-	
Daimler Unterstützungskasse GmbH	Stuttgart, Germany	100.00	9	-11	9
Dreizehnte Vermögensverwaltungsgesellschaft DVB mbH	Stuttgart, Germany	100.00	-	-	3
DTB Tech & Data Hub, Unipessoal Lda	Tramagal, Portugal	100.00	-	-	
DTFC Verwaltungsgesellschaft mbH	Kirchheim unter Teck, Germany	100.00	-	-	
EvoBus Reunion S. A.	Le Port, France	96.00	-	-	
EvoBus Russland OOO	Moscow, Russian Federation	100.00	-	-	
Fleetboard Logistics GmbH	Volkach, Germany	100.00	-	-	3
LAB1886 GmbH	Stuttgart, Germany	100.00	-	-	3
Lapland Car Test Aktiebolag	Arvidsjaur, Sweden	100.00	-	-	
LEONIE DMS DVB GmbH	Stuttgart, Germany	100.00	-	-	3
Li-Tec Battery GmbH	Kamenz, Germany	100.00	-	-	3
MB GTC GmbH Mercedes-Benz Gebrauchtteile Center	Neuhausen auf den Fildern, Germany	100.00	.	-	3, 5
MBition GmbH	Berlin, Germany	100.00	-	-	3
Mercedes pay USA LLC	Wilmington, USA	100.00	-	-	
Mercedes-Benz Cars Middle East FZE	Dubai, United Arab Emirates	100.00	-	-	
Mercedes-Benz Consulting GmbH	Leinfelden-Echterdingen, Germany	100.00	-	-	3
Mercedes-Benz Customer Assistance Center Maastricht N.V.	Maastricht, Netherlands	100.00	-	-	
Mercedes-Benz Egypt S.A.E.	New Cairo, Egypt	100.00	-	-	
Mercedes-Benz Energy GmbH	Kamenz, Germany	100.00	-	-	3

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Mercedes-Benz G GmbH	Raaba, Austria	100.00	-	-	
Mercedes-Benz Group Services Phils., Inc.	Cebu City, Philippines	100.00	-	-	
Mercedes-Benz Hungária Kft.	Budapest, Hungary	100.00	-	-	
Mercedes-Benz IDC Europe S.A.S.	Valbonne, France	100.00	-	-	
Mercedes-Benz Manufacturing and Import Egypt	New Cairo, Egypt	100.00	-	-	
Mercedes-Benz Manufacturing Rus Ltd	Moscow, Russian Federation	80.00	-	-	
Mercedes-Benz Motorsport Limited	Brackley, United Kingdom	100.00	-	-	
Mercedes-Benz Museum GmbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz OD GmbH	Stuttgart, Germany	100.00	-	-	
Mercedes-Benz Project Consult GmbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz Research & Development Tel Aviv Ltd.	Tel Aviv, Israel	100.00	-	-	
Mercedes-Benz Research and Development India Private Limited	Bangalore, India	100.00	160	12	5
Mercedes-Benz Slovakia s.r.o.	Bratislava, Slovakia	100.00	-	-	
Mercedes-Benz Subscription Services USA LLC	Wilmington, USA	100.00	-	-	
Mercedes-Benz Trucks MENA Holding GmbH	Stuttgart, Germany	100.00	-	-	
Mercedes-Benz Vans Mobility S.L.U.	Alcobendas, Spain	100.00	-	-	
Mercedes-Benz Vehículos Comerciales Argentina SAU i.L.	Buenos Aires, Argentina	100.00	-	-	2
Mercedes-Benz Venezuela S.A.	Valencia, Venezuela	100.00	-	-	
Mercedes-Benz.io GmbH	Stuttgart, Germany	100.00	-	-	3
Mercedes-Benz.io Portugal Unipessoal Lda.	Lisbon, Portugal	100.00	-	-	
Mercedes ServiceCard Beteiligungsgesellschaft mbH	Kleinostheim, Germany	51.00	-	-	
Montajes y Estampaciones Metálicas, S.L.	Esparraguera, Spain	51.00	-	-	
NAG Nationale Automobil-Gesellschaft Aktiengesellschaft	Stuttgart, Germany	100.00	-	-	
Porcher & Meffert Grundstücksgesellschaft mbH & Co. Stuttgart OHG	Schönefeld, Germany	100.00	-	-	
R.T.C. Management Company Limited	Banbury, United Kingdom	88.89	-	-	
RepairSmith, Inc.	El Segundo, USA	100.00	-11	-20	7
Sechste Vermögensverwaltungsgesellschaft Zeus mbH	Stuttgart, Germany	100.00	-	-	
SelecTrucks Comércio de Veículos Ltda	Mauá, Brazil	100.00	-	-	
Star Transmission srl	Cugir, Romania	100.00	-	-	
STARKOM, proizvodnja in trgovina d.o.o.	Maribor, Slovenia	100.00	-	-	
T.O.C (Schweiz) AG	Schlieren, Switzerland	51.00	-	-	
trapoFit GmbH	Chemnitz, Germany	100.00	-	-	
Vierte Vermögensverwaltung PV GmbH	Stuttgart, Germany	100.00	-	-	3
Zweite Vermögensverwaltung PV GmbH	Stuttgart, Germany	100.00	-	-	3
Zweite Vermögensverwaltungsgesellschaft Zeus mbH	Stuttgart, Germany	100.00	-	-	3

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

Cooperation Manufacturing Plant Aguascalientes, S.A.P.I de C.V.	Aguascalientes, Mexico	54.01	610	7	7
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IV. Joint operations (accounted for using the equity method in the Consolidated Financial Statements)

North America Fuel Systems Remanufacturing LLC	Kentwood, USA	50.00	-	-	
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V. Joint ventures (accounted for using the equity method in the Consolidated Financial Statements)

Beijing Foton Daimler Automotive Co., Ltd	Beijing, China	50.00	706	-3	6
Daimler Kamaz Trucks Holding GmbH	Vienna, Austria	50.00	-	-	
Enbase Power GmbH	Munich, Germany	25.10	-	-	
Fujian Benz Automotive Co., Ltd.	Fuzhou, China	50.00	543	153	7
IONITY Holding GmbH & Co. KG	Munich, Germany	20.00	196	-29	6
MB Service Japan Co., Ltd.	Hitachi, Japan	33.40	-	-	
Movinx GmbH	Berlin, Germany	50.00	-	-	
Polomex, S.A. de C.V.	Garcia, Mexico	26.00	-	-	
SelecTrucks of Houston LLC	Houston, USA	50.00	-	-	
SelecTrucks of Houston Wholesale LLC	Houston, USA	50.00	-	-	

Name of the Company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
SelecTrucks of Omaha LLC	Council Bluffs, USA	50.00	-	-	
Shenzhen DENZA New Energy Automotive Co. Ltd.	Shenzhen, China	50.00	28	-149	6
smart Automobile Co., Ltd.	Ningbo, China	50.00	379	-8	4, 7
Wei Xing Tech. Co., Ltd.	Hangzhou, China	50.00	-	-	
YOUR NOW Holding GmbH	Munich, Germany	50.00	1,111	-637	4, 10

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

BAIC Motor Corporation Ltd.	Beijing, China	9.55	10,699	1,685	11
Beijing Benz Automotive Co., Ltd.	Beijing, China	49.00	5,401	2,900	7
Blacklane GmbH	Berlin, Germany	29.17	9	-13	6
Bolt Technology OÜ	Tallinn, Estonia	8.67	37	-85	4, 6
FUSO LAND TRANSPORT & Co. Ltd.	Kawasaki, Japan	21.67	-	-	
KAMAZ PAO	Naberezhnye Chelny, Russian Federation	15.00	554	-27	4, 8
Kanagawa Mitsubishi Fuso Truck & Bus Sales Co., Ltd.	Yokohama, Japan	43.83	-	-	
LSH Auto International Limited	Hong Kong, China	15.00	-	-	
Mobility Trader Holding GmbH	Berlin, Germany	11.11	-	-	
Okayama Mitsubishi Fuso Truck & Bus Sales Co., Ltd.	Okayamashi, Japan	50.00	-	-	
P.T. Krama Yudha Tiga Berlian Motors	Jakarta, Indonesia	30.00	147	16	6
P.T. Mitsubishi Krama Yudha Motors and Manufacturing	Jakarta, Indonesia	32.28	-	-	
There Holding B.V.	Rijswijk, Netherlands	29.74	1,214	206	7
Toll4Europe GmbH	Berlin, Germany	15.00	50	-28	7
Verimi GmbH	Berlin, Germany	14.79	33	-27	6
Via Transportation Inc.	New York, USA	9.73	.	-145	4, 6
Wagenplan B.V.	Almere, Netherlands	50.00	-	-	

VII. Joint operations, joint ventures, associated companies and substantial other investments (accounted for at (amortized) cost in the Consolidated Financial Statements)

AFCC Automotive Fuel Cell Cooperation Corp.	Burnaby, Canada	50.10	-	-	2
Aston Martin Lagonda Global Holdings Plc	Gaydon, United Kingdom	11.85	399	-116	8
BDF IP Holdings Ltd.	Burnaby, Canada	33.00	-	-	
Beijing Mercedes-Benz Sales Service Co., Ltd.	Beijing, China	51.00	36	13	6
COBUS Industries GmbH	Wiesbaden, Germany	40.82	-	-	
Esslinger Wohnungsbau GmbH	Esslingen am Neckar, Germany	26.57	-	-	
European Center for Information and Communication Technologies – EICT GmbH	Berlin, Germany	25.00	-	-	
EvoBus Hungária Kereskedelmi Kft.	Budapest, Hungary	33.33	-	-	
G2VP I, LLC	Menlo Park, USA	5.71	-	-	
Gottapark, Inc.	San Francisco, USA	18.09	-	-	
Grundstücksgesellschaft Schlossplatz 1 mbH & Co. KG	Berlin, Germany	18.37	-	-	
H2 Mobility Deutschland GmbH & Co. KG	Berlin, Germany	2.90	46	-15	6
hap2U SAS	Pontcharra, France	34.59	-	-	
IVU Traffic Technologies AG	Berlin, Germany	5.25	57	11	8
Laureus World Sports Awards Limited	London, United Kingdom	50.00	-	-	
Mercedes ServiceCard GmbH & Co. KG	Kleinostheim, Germany	51.00	-	-	
MFTB Taiwan Co., Ltd.	Taipei, Taiwan	33.40	-	-	
National Automobile Industry Company Ltd.	Jeddah, Saudi Arabia	26.00	-	-	
Omuta Unso Co., Ltd.	Ohmuta, Japan	33.51	-	-	
PDB – Partnership for Dummy Technology and Biomechanics GbR	Ingolstadt, Germany	20.00	-	-	
Proterra Inc.	Burlingame, USA	6.22	-	-	
Rally Bus Corp.	Buffalo, USA	15.13	-	-	
Sila Nanotechnologies Inc.	Dover, USA	11.64	-	-	
SK Gaming Beteiligungs GmbH	Cologne, Germany	33.33	-	-	
smart-BRABUS GmbH	Bottrop, Germany	50.00	-	-	
STARCAM s.r.o.	Most, Czech Republic	51.00	-	-	

Name of the Company	Domicile, country/region	Equity interest in percent ¹	Total equity in millions of euros	Net profit/loss in millions of euros	Footnote
TASIAP GmbH	Stuttgart, Germany	60.00	-	-	
Toyo Kotsu Co., Ltd.	Sannoseki, Japan	28.20	-	-	
VfB Stuttgart 1893 AG	Stuttgart, Germany	11.75	-	-	
Volocopter GmbH	Bruchsal, Germany	8.62	38	-19	6
what3words Ltd.	London, United Kingdom	9.98	26	-16	4, 8

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

2 In liquidation

3 Profit-and-loss transfer agreement with Daimler AG (direct or indirect)

4 Pre-consolidating company

5 Financial statements according to local GAAP 2020

6 Financial statements according to local GAAP 2019

7 Financial statements according to IFRS 2020

8 Financial statements according to IFRS 2019

9 Financial statements according to local GAAP at November 1, 2018 – October 31, 2019

10 Financial statements according to IFRS at November 30, 2020. Statement of income for the period of December 1, 2019 to November 30, 2020. Daimler recognizes its proportionate share of profits or losses with a one-month time lag.

11 Financial statements according to IFRS at September 30, 2020. Statement of income for the period of October 1, 2019 to September 30, 2020. Daimler recognizes its proportionate share of profits or losses with a three-month time lag.

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

Board of Management

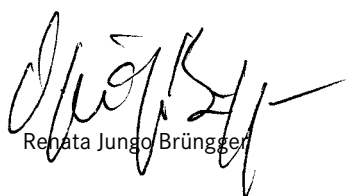
Stuttgart, February 17, 2021



Ola Källenius



Martin Daum



Renata Jungo Brüngger



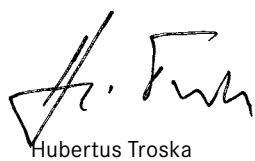
Wilfried Porth



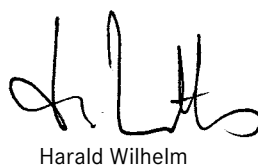
Markus Schäfer



Britta Seeger



Hubertus Troska



Harald Wilhelm

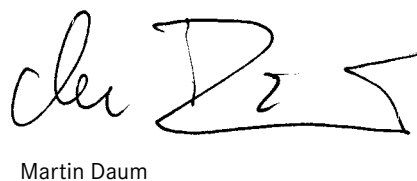
Responsibility Statement

To the best of our knowledge, and in accordance with applicable reporting principles, the financial statements give a true and fair view of the financial position, cash flows and profit or loss of Daimler AG, and the management report, which has been combined with the Group management report, includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of Daimler AG.

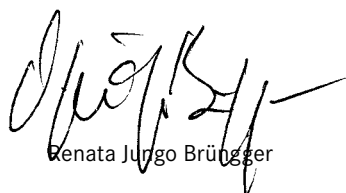
Stuttgart, February 17, 2021



Ola Källenius



Martin Daum



Renata Jungo Brügger



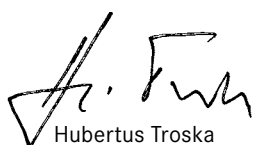
Wilfried Porth



Markus Schäfer



Britta Seeger



Hubertus Troska



Harald Wilhelm

Independent Auditor's Report

To Daimler AG, Stuttgart

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

Opinions

We have audited the annual financial statements of Daimler AG, Stuttgart (the Company), which comprise the balance sheet as of December 31, 2020 and the income statement for the financial year from January 1 to December 31, 2020 as well as the notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the combined management report of Daimler AG including the combined non-financial declaration pursuant to Sections 289b paragraph 1, 289c, 315b paragraph 1 and 315c HGB [Handelsgesetzbuch: German Commercial Code] for the financial year from January 1 to December 31, 2020. In accordance with the German legal regulations, we have not audited the content of the elements of the combined management report referred to in the "Other information" section of our auditor's report.

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

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

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as of December 31, 2020, and of its financial performance for the financial year from January 1 to December 31, 2020, in compliance with German Legally Required Accounting Principles, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, the combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the elements of the combined management report referred to in the "Other information" section of our auditor's report. The combined management report includes cross-references not foreseen by law that are marked as unaudited. Our opinion does not cover these cross-references and the information to which these cross-references relate.

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

Basis for the Opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as the "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 paragraph 2 letter f) of the EU Audit Regulation, we declare that we have not provided any non-audit services prohibited under Article 5 paragraph 1 of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and the combined management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2020. These matters were addressed in the context of our audit of the annual financial statements as a whole, and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Non-impairment of financial assets

Please refer with regard to the accounting policies and methods applied to the notes to the financial statements in the section entitled "Accounting policies and methods". Further information on the financial assets can be found in the notes to the financial statements under [Note 3](#) "Financial assets" in the section entitled "Notes to the balance sheet" and in the combined management report in the chapter entitled "Daimler AG (condensed version according to HGB)" in the section entitled "Risks and Opportunities" and in the chapter entitled "Risk and Opportunity Report" in the subsection entitled "Risks and Opportunities Related to Equity Investments and Cooperations".

THE RISK FOR THE ANNUAL FINANCIAL STATEMENTS

Daimler AG is reporting financial assets of € 55,952 million (PY: € 56,926 million) as of December 31, 2020, of which shares in subsidiaries and associated companies amount to € 54,272 million (PY: € 54,541 million) and loans to subsidiaries of € 1,559 million (PY: € 2,382 million). Financial assets account for 60.4% of the total assets and therefore have a significant influence on the Company's assets and liabilities.

Financial assets are measured at cost of acquisition or, in the event of probable permanent impairment, at the lower fair values.

The lower fair value as the benchmark for impairment of shares in subsidiaries and associated companies is primarily measured in the absence of market values at the discretionary future earnings value. For loans to subsidiaries, the Company similarly falls back analogously on the future earnings procedure. If the fair value is lower than the carrying amount, it is investigated on the basis of qualitative and quantitative criteria whether impairment is expected to be permanent. The assessment of impairment including the calculation of the fair value via the future earnings value is complex and, as regards the assumptions made, dependent to a high degree on estimations and assessments by the Company. This applies among other things in particular to the estimation of the future cash flows and long-term growth rates and the determination of the interest rates applied for capitalization purposes.

In particular in view of updated assessments of the market and unit sales developments, impairment losses of € 373 million were recorded in the past financial year on shares in subsidiaries and associated companies.

There is primarily a risk, on account of the complexity and discretion in connection with the measurement of fair value, that impairment losses have not been recognized to an adequate degree and that the shares in subsidiaries and associated companies are impaired.

OUR AUDIT APPROACH

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

Our audit procedures on the valuation of the, in our opinion, main financial investments that are at risk consisted in particular of the assessment of whether the underlying forecasts of the future cash flows are based on appropriate and reasonable assumptions. Hereby we first of all reconciled the unit sales numbers for the production and sales companies expected by the companies with external market estimates. In addition, we assessed the explanations of the legal representatives with regard to the main assumptions used in the planning, the strategic expectations and der operative measures with regard to their impact on the forecasts of the future cash flows. In order to evaluate the appropriateness of the valuation methods applied and the interest rates applied for capitalization purposes with regard to the determination of the lower fair value and to audit the mathematical correctness of the discounted cash flows, we in some cases involved our own valuation specialists. To this end we among other things compared the underlying assumptions and data providing the basis for the interest rate applied for capitalization purposes, in particular the risk-free interest rate, the market risk premium and the Beta factor, with our own assumptions and publicly available data. In order to take into account the existing forecast uncertainty, we furthermore investigated the impact on fair value of possible changes for instance in the interest rate applied for capitalization purposes and the long-term growth rate in that we calculated alternative scenarios and compared these with the Company's valuation results (sensitivity analysis).

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

OUR OBSERVATIONS

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

Other information

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

- the combined declaration on corporate management, which is referred to in the combined management report.

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

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

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

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

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

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

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

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

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

Furthermore, the legal representatives are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal

requirements, and appropriately presents the opportunities and risks of future development. In addition, the legal representatives are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and for providing sufficient appropriate evidence for the assertions in the combined management report.

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

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

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

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

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

- identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

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

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

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

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

Other Legal and Regulatory Requirements

Report on Assurance in accordance with Section 317 paragraph 3b HGB on the Electronic Reproduction of the Annual Financial Statements and the Consolidated Management Report Prepared for Publication Purposes

We have performed assurance work in accordance with Section 317 paragraph 3b HGB to obtain reasonable assurance about whether the reproduction of the annual financial statements and the consolidated management report (hereinafter the "ESEF documents") contained in the file that can be downloaded by the issuer from the electronic client portal with access protection, „Daimler_AG_ESEF_Einzel_31122020.zip“ (SHA256-Hashwert: 03341db55359c0392cbf1fbd7a458eda08cd58ad39067b150625bf56b4df17af), and prepared for publication purposes complies in all material respects with the requirements of Section 328 paragraph 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance only extends to the conversion of the information contained in the annual financial statements and the consolidated management report into the ESEF format and therefore relates neither to the information contained in this reproduction nor any other information contained in the above-mentioned electronic file.

In our opinion, the reproduction of the annual financial statements and the consolidated management report contained in the above-mentioned electronic file and prepared for publication purposes complies in all material respects with the requirements of Section 328 paragraph 1 HGB for the electronic reporting format. We do not express any opinion on the information contained in this reproduction nor on any other information contained in the above-mentioned file beyond this reasonable assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying consolidated management report" for the financial year from January 1 to December 31, 2020 contained in the "Report on the Audit of the Annual Financial Statements and of the Consolidated Management Report" above.

We conducted our assurance work of the reproduction of the

annual financial statements and the consolidated management report contained in the above-mentioned electronic file in accordance with Section 317 paragraph 3b HGB, and the Exposure Draft of the IDW Assurance Standard: Assurance in accordance with Section 317 paragraph 3b HGB on the Electronic Reproduction of Financial Statements and Management Reports Prepared for Publication Purposes (ED IDW AsS 410) and the International Standard on Assurance Engagements 3000 (Revised). Accordingly, our responsibilities are further described below. Our audit firm has applied the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QS 1).

The Company's management is responsible for the preparation of the ESEF documents including the electronic reproduction of the annual financial statements and the consolidated management report in accordance with Section 328 paragraph 1 sentence 4 item 1 HGB.

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

The Company's management is also responsible for the submission of the ESEF documents together with the auditor's report and the attached audited annual financial statements and audited management report as well as other documents to be published to the operator of the German Federal Gazette [Bundesanzeiger].

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

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

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 paragraph 1 HGB design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the

assessment of the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e. whether the electronic file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815 on the technical specification for this electronic file.
- Evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited annual financial statements and the audited consolidated management report.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the Annual Shareholders' Meeting on July 8, 2020. We were engaged by the Supervisory Board on July 8, 2020. We have been the group auditor of Daimler AG without interruption since the financial year 1998.

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

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Dr. Axel Thümler.

Stuttgart, February 17, 2021

KPMG AG
Wirtschaftsprüfungsgesellschaft

[Original German version signed by]

[signed] Sailer
Wirtschaftsprüfer
[German Public Auditor]

[signed] Dr. Thümler
Wirtschaftsprüfer
[German Public Auditor]

Forward-looking statements:

This document contains forward-looking statements that reflect our current views about future events. The words “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “may,” “can,” “could,” “plan,” “project,” “should” and similar expressions are used to identify forward-looking statements. These statements are subject to many risks and uncertainties, including an adverse development of global economic conditions, in particular a decline of demand in our most important markets; a deterioration of our refinancing possibilities on the credit and financial markets; events of force majeure including natural disasters, pandemics, acts of terrorism, political unrest, armed conflicts, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates and tariff regulations; a shift in consumer preferences towards smaller, lower-margin vehicles; a possible lack of acceptance of our products or services which limits our ability to achieve prices and adequately utilize our production capacities; price increases for fuel or raw materials; disruption of production due to shortages of materials, labor strikes or supplier insolvencies; a decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimization measures; the business outlook for companies in which we hold a significant equity interest; the successful implementation of strategic cooperations and joint ventures; changes in laws, regulations and government policies, particularly those relating to vehicle emissions, fuel economy and safety; the resolution of pending government investigations or of investigations requested by governments and the conclusion of pending or threatened future legal proceedings; and other risks and uncertainties, some of which we describe under the heading “Risk and Opportunity Report” in the current Annual Report. If any of these risks and uncertainties materializes or if the assumptions underlying any of our forward-looking statements prove to be incorrect, the actual results may be materially different from those we express or imply by such statements. We do not intend or assume any obligation to update these forward-looking statements since they are based solely on the circumstances at the date of publication.

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

