

# Corporate Profile

## Business model

Daimler can look back on a tradition covering more than 130 years – a tradition that goes back to Gottlieb Daimler and Carl Benz, the inventors of the automobile, and features pioneering achievements in automotive engineering. Today, the Daimler Group is a vehicle manufacturer with an outstanding range of premium cars, trucks, vans and buses. Its product portfolio is rounded out by a range of customized financial services and mobility services. Daimler's goal is to continue playing a leading role in the development of products and services for the future of mobility. The automotive industry is in the process of a fundamental transformation, and we intend to play a major role in actively shaping that change. Daimler AG is the parent company of the Daimler Group and its headquarters are in Stuttgart. As of January 1, 2020 the operational business activities of the Group have been managed in the business divisions Mercedes-Benz Cars, Mercedes-Benz Vans, Daimler Trucks & Buses and Daimler Mobility. For the purposes of external reporting, the segments Mercedes-Benz Cars and Mercedes-Benz Vans have been combined into the reportable segment Mercedes-Benz Cars & Vans. Daimler Financial Services AG, which had already been legally independent for many years, was renamed as Daimler Mobility AG in July 2019; this was accompanied by the renaming of the Daimler Financial Services division as Daimler Mobility.

With the new structure, Daimler AG carries out the functions of controlling and governance and provides services for the companies of the Group. As the parent company, it also defines the Group's strategy, makes key decisions for business operations, and ensures the effectiveness of organizational, legal, and compliance-related functions throughout the Group. Mercedes-Benz AG is responsible for the business of Mercedes-Benz Cars & Vans, and Daimler Truck AG combines the activities of Daimler Trucks & Buses. Daimler Mobility AG is responsible for the Group's financing and leasing products.

We have used the new reporting structure with three divisions in this report for financial year 2020, analogously to the reports for the first three quarters of the year.

The management reports for Daimler AG and for the Group are combined within this annual report. We have expanded the combined management report for the Group with the combined non-financial declaration of Daimler AG and the Group.

With its strong brands, Daimler is active in nearly all the countries of the world. The Group has production facilities in Europe, North and South America, Asia and Africa. The global networking of research and development activities as well as of production and sales locations gives Daimler advantages in the international competitive field and also offers additional growth opportunities.

In 2020, the revenue of the Daimler Group decreased by 11% to €154.3 billion. Further information on the development of revenue and the respective share of the divisions can be found in the chapter [Profitability](#). At the end of 2020, Daimler employed a total workforce of around 288,500 people worldwide.

The products supplied by Mercedes-Benz Cars comprise an exclusive offer per segment, ranging from the family of compact models to a highly varied portfolio of C-Class and E-Class models, G-Class, SUVs, roadsters, coupes and convertibles, and S-Class luxury sedans. The Mercedes-Benz umbrella brand is supplemented by the sub-brands Mercedes-EQ, Mercedes-AMG and Mercedes-Maybach, which are able to meet individual customer requirements even more precisely. The product range is rounded out by the Mercedes me brand for personalized services and connectivity and the high-quality small cars of the smart brand for an urban environment. The most important markets for Mercedes-Benz Cars in 2020 were China with 36% of unit sales, Germany (14%), the other European markets (24%), the United States (12%), South Korea (4%) and Japan (2%). Mercedes-Benz Cars is continuously refining its flexible production network. For example, we are systematically preparing to meet the requirements of electric mobility, digitalization and CO<sub>2</sub>-neutral vehicle production.

Mercedes-Benz Vans is a global supplier of a complete portfolio of vans and related services. The models offered in the commercial segment comprise the Sprinter large van, the Vito mid-size van (marketed as the "Metris" in the United States) and the Citan urban delivery van. In the private customer seg-

ment, Mercedes-Benz Vans offers the V-Class full-size MPV and Marco Polo camper vans and recreational vehicles. Within the framework of its eDrive@VANS activities, Mercedes-Benz Vans is also demonstrating just how systematically it is moving forward with the electrification of the van model segment with the eVito, the eVito Tourer (combined electricity consumption: 26.2 kWh/100 km; combined CO<sub>2</sub> emissions: 0 g/km)<sup>1</sup>, the eSprinter and the first all-electric full-size MPV from Mercedes-Benz – the EQV (combined electricity consumption: 26.4 - 26.3 kWh/100 km; combined CO<sub>2</sub> emissions: 0 g/km)<sup>1</sup>. The division has manufacturing facilities in Germany, Spain, the United States and Argentina and also produces vehicles in the Fujian Benz Automotive Co. Ltd. joint venture in China. Production of the Citan is part of the strategic alliance with Renault-Nissan-Mitsubishi. The most important markets for vans are the EU30 region (European Union, United Kingdom, Switzerland, Norway), which accounted for 65% of unit sales in the year under review, North America (15%) and Asia (10%).

Daimler Trucks & Buses is one of the world’s largest manufacturer of trucks above 6 metric tons gross vehicle weight. Daimler Trucks & Buses operates a global network in which it produces trucks under the brands Mercedes-Benz, Freightliner, Western Star, FUSO and BharatBenz and buses under the brands Mercedes-Benz, Setra, Thomas Built Buses and FUSO. Daimler Trucks & Buses has more than 40 production facilities that are located in North America, Europe, Asia and Latin America. In China, Beijing Foton Daimler Automotive Co., Ltd. (BFDA), a joint venture with our Chinese partner Beiqi Foton Motor Co., Ltd., has been producing trucks under the Auman brand name since 2012. Daimler Trucks’ product range includes light-, medium- and heavy-duty trucks for long-distance, distribution and construction-site haulage, as well as special vehicles that are used mainly in municipal applications. Due to close links in terms of production technology, the product range of Daimler Trucks also includes buses of the Thomas Built Buses and FUSO brands. Daimler Trucks’ most important sales markets in 2020 were North America with 39% of unit

sales, Asia with 27% and the EU30 region with 17%. The Daimler Buses product range comprises city and inter-city buses, touring coaches and bus chassis. Whereas we mainly sell complete buses in Europe, our business in Latin America, Mexico, Africa and Asia focuses on the production and distribution of bus chassis. Daimler Buses’ most important sales markets in 2020 were the EU30 region with 37% and Latin America with 38% of unit sales.

The Daimler Mobility division supports the sales of the Daimler Group’s automotive brands worldwide with tailored mobility and financial services. These services range from customized leasing and financing packages and insurance solutions to flexible subscription and rental models and fleet management services for business customers. Daimler Mobility has more than five million leased and financed vehicles in 39 markets for its financing, leasing and insurance business alone, which offers clear proof of its ability to offer outstanding services that meet a wide range of requirements. The mobility ecosystem is rounded out by flexible-use services such as Mercedes-Benz Rent (rental vehicles) as well as investments in companies that offer mobility services. Along with the services offered by the YOUR NOW joint ventures, Daimler Mobility also provides premium ride-hailing services with luxury vehicles via StarRides and Blacklane. During the year under review, Daimler Mobility financed or leased approximately 50% of the vehicles sold by Daimler.

1 Electricity consumption and range have been calculated on the basis of Commission Regulation (EC) No. 692/2008. Electricity consumption and range depend on the vehicle configuration. The actual range also depends on the individual driving style, road and traffic conditions, outside temperature, use of air conditioning/heating etc., and may vary.

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**Daimler Group structure**

Mercedes-Benz Cars & Vans	Daimler Trucks & Buses	Daimler Mobility
<b>Revenue:</b> €98.6 billion <b>Employees:</b> 170,515	<b>Revenue:</b> €34.7 billion <b>Employees:</b> 99,640	<b>Revenue:</b> €27.7 billion <b>Employees:</b> 11,650
  MAYBACH    MERCEDES-EQ  Mercedes me  	      	Mercedes-Benz Bank  Mercedes-Benz Financial Services    