

Declaration on Corporate Governance

Good corporate governance is a precondition for and reflection of the responsible management of a company. The Board of Management and the Supervisory Board aim to align the Group's management and supervision with nationally and internationally recognized standards in order to safeguard sustainable value creation over the long term. With the discontinuation of the Corporate Governance Report as stipulated in the new German Corporate Governance Code in the version dated December 16, 2019, the Declaration on Corporate Governance has, in accordance with Sections 289f, 315d of the German Commercial Code (HGB), become the central instrument for corporate governance reporting. The Board of Management and the Supervisory Board jointly issue the Declaration on Corporate Governance and are responsible for the sections of the report that pertain to them. The Declaration on Corporate Governance has been combined for Daimler AG and the Daimler Group. The following statements thus apply equally to Daimler AG and the Group insofar as not otherwise stated. Pursuant to Section 317 Subsection 2 Sentence 6 of the German Commercial Code (HGB), the purpose of the audit of the statements pursuant to Section 289f Subsections 2 and 5 and Section 315d of the HGB is limited to determining whether such statements have actually been provided. The Declaration on Corporate Governance can also be viewed on the Internet at [daimler.com/corpgov/en](https://www.daimler.com/corpgov/en).

Declaration by the Board of Management and the Supervisory Board of Daimler AG pursuant to Section 161 of the German Stock Corporation Act (AktG) regarding the German Corporate Governance Code

Since the issuance of the last compliance declaration in December 2019, Daimler AG has satisfied all recommendations of the German Corporate Governance Code published in the official section of the German Federal Gazette on April 24, 2017 in the Code version dated February 7, 2017 ("Code 2017"), with the exception of Clause 3.8 Paragraph 3 (D&O insurance deductible for the Supervisory Board) and Clause 5.4.5 Paragraph 1 Sentence 2 (maximum number of supervisory board memberships for members of the management board of a listed corporation).

D&O insurance deductible for the Supervisory Board (Clause 3.8, Paragraph 3, Corporate Governance Code, 2017). The Directors' & Officers' insurance contains no provision for a deductible for the members of the Supervisory Board that corresponds to the legally required deductible for members of the Board of Management. Given the function-related fixed remuneration without performance bonus components, setting such a deductible for Supervisory Board members would not increase the motivation and sense of responsibility with which its members perform their tasks.

This recommendation is no longer contained in the German Corporate Governance Code in the version dated December 16, 2019.

Maximum number of supervisory board memberships for members of the management board of a listed corporation (Clause 5.4.5 Paragraph 1 Sentence 2, Corporate Governance Code, 2017). In accordance with this recommendation, members of the management board of a listed corporation shall not accept more than a total of three supervisory board memberships in non-group listed corporations or on supervisory bodies of non-group entities that make similar requirements.

A parallel recommendation with even stricter requirements can be found in Clause 5 of the German Corporate Governance Code in the version dated December 16, 2019.

Daimler AG satisfies the recommendations of the German Corporate Governance Code published in the official section of the German Federal Gazette on March 20, 2020, in the Code version dated December 16, 2019 ("Code 2019"), with the exception of the recommendations contained in C. 4 and C. 5 (maximum number of supervisory board memberships), and will continue to observe the recommendations with the aforesaid deviations.

Maximum number of supervisory board memberships (C. 4 and C. 5, Code 2019). In accordance with the recommendation contained in C. 4, a supervisory board member who is not a member of the management board of a listed corporation shall not serve on more than five supervisory boards of non-group listed corporations or assume similar positions, whereby chairmanship of a supervisory board counts double. In accordance with the recommendation contained in C. 5, members of the management board of a listed corporation shall not accept more than a total of two supervisory board memberships in non-group listed corporations or assume similar positions, nor should they accept a position as chairman of the supervisory board of a non-group listed corporation.

Whether the total number of memberships in non-group listed corporations and similar positions held by members of the Board of Management or the Supervisory Board still seems appropriate should, however, be assessed more appropriately on a case-by-case basis than with a rigid upper limit. The individual workload expected as a result of the total number of memberships held does not necessarily increase in proportion to their number.

Stuttgart, December 2020

For the Supervisory Board
Dr. Manfred Bischoff
Chairman

For the Board of Management
Ola Källenius
Chairman

This declaration of compliance and previous, no longer applicable, declarations of compliance from the past five years are also available at our website at [🌐 daimler.com/corpgov/en](https://www.daimler.com/corpgov/en).

The main principles and practices of corporate governance

The German Corporate Governance Code

Beyond the legal requirements of German stock corporation, codetermination and capital market legislation, Daimler AG has followed and continues to follow the recommendations of the German Corporate Governance Code (“Code”), with the exceptions disclosed and justified in the declaration of compliance.

Daimler AG has followed and continues to fully follow the suggestions of the Code. However, due to the covid-19 pandemic, options for participating in Supervisory Board meetings had to be expanded to include participation via conference calls or video conferences (D.8, Code 2019).

The principles guiding our conduct

Our business conduct is based on Group-wide standards that go beyond the requirements of relevant legislation and the German Corporate Governance Code. These standards are based on our four corporate values integrity, respect, passion and discipline. In order to achieve long-term and thus sustainable business success on this basis, our goal is to ensure that our activities are in harmony with the environment and society. This is due to the fact that we as one of the world’s leading automakers also strive to be a leader in sustainability. We have defined the most important principles in our Integrity Code, which serves as a frame of reference for all employees at Daimler AG and the Group and supports them in making the right decisions even in difficult business situations.

Our Integrity Code

Employees from different departments and units throughout the Group and around the world helped us develop our Integrity Code, which was revised in 2019. Our Integrity Code defines the central corporate principles that guide our behavior in daily business, our interpersonal conduct within the company and our conduct toward customers and business partners. These corporate principles include compliance with laws, as well as fairness, transparency, a commitment to diversity, and responsibility. In addition to the corporate principles, our Integrity Code includes requirements and regulations concerning respect for and the protection of human rights and dealing with conflicts of interest. It also prohibits all forms of corruption. The Integrity Code applies to all companies and employees of the Daimler Group worldwide. The Integrity Code is available on the Internet at [🌐 daimler.com/dai/caag](https://www.daimler.com/dai/caag).

We have also reached agreement on “Principles of Social Responsibility” with the World Employee Committee. These principles apply at Daimler AG and throughout the Group. In the Principles of Social Responsibility, Daimler commits itself to the principles of the UN Global Compact and thus to internationally recognized human and workers’ rights, freedom of association, sustainable protection of the environment and the proscription of child labor and forced labor. Daimler also commits itself to guaranteeing equal opportunities and adhering to the principle of “equal pay for equal work.”