

## Annual Meeting 2008 Counter-motions

As follows, you will find counter-motions from shareholders who oppose the proposals made by the Board of Management and the Supervisory Board on the Agenda of the Annual Meeting to be held on April 9, 2008, which the Company has to make accessible to all its shareholders.

### Dear Shareholders,

For our Annual Meeting to be held in Berlin on April 9, 2008, some shareholders have submitted counter-motions to Agenda Items 2, 3, 4 and 8.

The following counter-motions are listed in the order they were received by Daimler.

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Mr. **Jürgen Grässlin**, Freiburg, Germany

### Regarding item 3 of the agenda:

“The actions of the members of the Board of Management are not to be ratified.

#### Reason:

**The Board of Management supports the Daimler/EADS involvement in the inhumane production of submunition delivery systems and inhumane armaments exports.**

Last year, in many interviews and statements, members of the Board of Management of Daimler AG emphasized that their actions were based on ethics, morals and an awareness of responsibility. In the current Annual Report 2007, under the keyword of “responsibility”, the Company promises to participate in an “open dialogue” and to be guided by “the highest ethical principles”.

Such declarations are not worth the paper they are printed on. In reality, the European Aeronautic Defence and Space Company (EADS) – whose biggest shareholder is Daimler AG with a stake of 15% – is one of the eight biggest armaments exporters in the world, according to a report by the renowned Stockholm peace research institution, SIPRI. People are shot and killed with Daimler weapons in many wars and civil wars. Often it is mainly civilians who die – children, women and old people.

Once again last year, the Board of Management failed to make any efforts to discontinue doing business with inhumane weapons systems such as submunitions delivery systems. At this point, I would like to quote the example of the involvement in the MLRS (multiple launch rocket system) and the guided MLRS. MLRS rockets are to be produced in enormous numbers. The guided multiple rocket launcher, GLMRS, is designed to distribute approximately 8000 bomblets over an area of up to one square kilometer.

The MLRS submunitions used by the Israeli army in the war with Lebanon for example have an effect similar to landmines. Due to the extremely high number of non-explosions, entire stretches of land are contaminated with submunitions. The alliance for action, landmine.de (see [www.landmine.de](http://www.landmine.de)), regards the use of submunitions as a breach of the Geneva Convention, which proscribes random attacks on civilians.

Meanwhile, a broad alliance of peace organizations, human-rights organizations and Christian organizations have gathered together in the alliance for action, "We don't buy Mercedes: boycott submunitions!"

Together with the **Critical Daimler Shareholders (KAD, Arndtstraße 31, 70197 Stuttgart, Tel. 0711 608396, see [www.kritischeaktionaeere.de](http://www.kritischeaktionaeere.de) and [www.juergengraesslin.com](http://www.juergengraesslin.com))**, the following organizations have declared their support:

- \* German Peace Association - United Opponents of Military Service (see [www.dfg-vk.de](http://www.dfg-vk.de)),
- \* Peace Center Association Braunschweig,
- \* Living without Armaments (ORL),
- \* German section of the Pax Christi Movement,
- \* Armaments Information Bureau e. V. (see [www.rib@rib-ev.de](mailto:www.rib@rib-ev.de)) and
- \* Workshop for Nonviolent Action, Baden (WfgA)

Several thousand signatories have declared – through their signatures on the campaign postcard and many of them on the website [www.wir-kaufen-keinen-mercedes.de](http://www.wir-kaufen-keinen-mercedes.de) – that they will not buy a Mercedes until Daimler/EADS cease all involvement in the research, development and production of submunitions and rocket launchers that can be used for cluster bombs.”

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Mr. **Paul Russmann**, Stuttgart

**Regarding item 3 of the agenda:**

“The actions of the members of the Board of Management are not to be ratified.

Reason:

Audi, BMW and Porsche only produce cars. Daimler AG, however, produces not only vehicles of the brands Mercedes, smart and Maybach, but also – through its equity interest in Europe’s third-largest armaments company, the European Aeronautic Defence and Space Company (EADS) – delivery systems for nuclear warheads and other inhumane weapons. The Board of Management, under the leadership of Dieter Zetsche, is the main shareholder of EADS and supports its decision to massively increase the proportion of its business accounted for by armaments. Many shareholders therefore do not buy shares in Daimler AG, sustainability funds exclude Daimler shares from their funds, potential customers decide against cars of the Mercedes Car Group and in favor of competitors’ vehicles. The Board of Management bears the ethical and economic responsibility for this – perfectly understandable – customer behavior. The Critical Daimler Shareholders (KAD) are of the opinion that with its armaments involvement at EADS, Daimler AG is contravening the intention of good corporate governance and corporate social responsibility (CSR).”

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Mr. **Holger Rothbauer**, Tübingen

**Regarding items 3 and 4 of the agenda:**

“The actions of the members of the Board of Management and the Supervisory Board are not to be ratified.

Reason:

Since July 28, 2005, the Group has flooded shareholder and author Jürgen Grässlin with a large number of court and out-of-court disputes, dealing solely with critical statements by Mr. Grässlin concerning the retirement of former Board of Management Chairman Jürgen Schrempp and with evidence given by the current Board of Management Chairman Dr. Dieter Zetsche in the so-called “Schweinle lawsuit” and on the grey-market transactions of the Mercedes Car Group.

After the Board of Management and Supervisory Board were not prepared to speak to Mr. Grässlin about these issues, Mr. Grässlin made criminal charges

against Dr. Dieter Zetsche and other Mercedes employees – some of them retired – in December 2006. The Stuttgart Public Attorney’s Office has been investigating Dr. Zetsche on suspicion of submitting false affidavits since March 2007 and on suspicion of submitting false unsworn evidence in court since October 2007. The investigations are ongoing. Instead of entering into a factual discussion with Mr. Grässlin on the issue of the gray-market business that went on for many years at Mercedes, Board of Management Chairman Dr. Zetsche sued Mr. Grässlin in the Hamburg District Court for payment of damages of at least €50,000. Dr. Zetsche lost this case at first instance.

In 2007, the Board of Management and the Supervisory Board had the opportunity to thoroughly clear up the extensive gray-market business of recent years and to make it public in order to avoid the possibility of financial damage to Daimler of many millions of euros that could arise if the EU Commission takes action in this matter. This opportunity was unfortunately not utilized. Instead, with the approval of the Board of Management and the Supervisory Board, shareholder Grässlin has been put into severe financial difficulties due to the high level of the amount involved in the case. In the view of the shareholders, this cannot be described as good governance by the Board of Management and the Supervisory Board.

With these court cases, shareholders’ money is being wasted while damaging our company’s reputation and image. Also for this reason, the Critical Daimler Shareholders (KAD, Arndtstraße 31, 70197 Stuttgart, Tel. 0711-608396) see a necessity to inform shareholders via the new website [www.daimler-prozesse.net](http://www.daimler-prozesse.net) in a differentiated manner about the lawsuits involving former DaimlerChrysler Board of Management Chairman Jürgen Schrempp and today’s Daimler Board of Management Chairman Zetsche and involving Daimler AG against Mr. Grässlin.”

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Mr. **Jürgen Grässlin**, Freiburg

**Regarding item 4 of the agenda:**

“The actions of the members of the Supervisory Board are not to be ratified.

Reason:

**The Supervisory Board’s failure to monitor prohibited gray-market business since the era of Zetsche as Board of Management Member for Sales.**

With regard to monitoring gray-market transaction, which are prohibited both by the Group’s internal regulations as well as by the European Union (“parallel market transactions”), the Supervisory Board has failed all along the line. For many years, the far-above-average discounts granted to customers in Germany

and abroad in the gray-market transactions undermined regular car sales through authorized Mercedes dealerships and sales-and-service centers.

Neither at the past Annual Meeting nor in the past financial year were the Board of Management and Supervisory Board able to rebut claims that in the era that Dieter Zetsche was Board of Management Member for Sales (1995 to 1999) and in the years after that, gray-market transactions took place with a large number of non-authorized Mercedes dealers in numerous countries.

The **Critical Daimler Shareholders (KAD, Arndtstraße 31, 70197 Stuttgart, Tel. 0711-608396, see [www.kritischeaktionare.de](http://www.kritischeaktionare.de) and [www.juergengraesslin.com](http://www.juergengraesslin.com))** have Daimler documents of relevance to this matter. These documents provide evidence that above all in the second half of Zetsche's period of office as Board of Management Member for Sales, in 15 of the 20 Mercedes sales-and-service centers of the West region – and thus in 75 percent of all sales-and-service centers in the biggest sales region! – gray-market transactions were systematically carried out for many years. Additional gray-market scandals from other sales regions in Germany are well known.

These gray-market transactions were recorded at the Sales Center Germany by means of Fahrex approval lists. The responsible head of Mercedes sales in Germany, Dr. Jürgen Fahr, has stated in a lawsuit before the Berlin Labor Court that he informed the then Board of Management Member for Sales, Dr. Zetsche, in written form about the gray-market transactions with thousands of vehicles, as evidenced by a letter of several pages of which the Critical Shareholders have a copy.

However, as a witness in December 2002 in the case against Gerhard Schweinle, the owner of a shipping company in Neudenu, Dr. Zetsche admitted only to "individual cases" of gray-market transactions, according to persons who participated in that lawsuit. The transactions evidenced on the basis of the Daimler documents play an important role in the investigations by the Stuttgart District Attorney's Office – which took place last year and are still ongoing.

The Supervisory Board has not learnt from its mistakes, otherwise the gray-market transactions of the past would be fully clarified; but this did not happen last year. As long as the Supervisory Board does not fulfill its monitoring duty within the Group and does not investigate obvious gray-market transactions in contravention of EU law, its actions cannot be ratified."

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Ms. **Beate Winkler-Pedernera**, Stade

**Regarding item 4 of the agenda:**

“The actions of the members of the Supervisory Board are not to be ratified.

Reason:

**The Supervisory Board is responsible for the absolutely disproportionate and excessive remuneration of Lydia and Jürgen Schrempp.**

Jürgen Schrempp was Chairman of the Board of Management of the Daimler Group from 1995 until 2005. As Daimler CEO, he established the Americanization of salaries for the top management and received payments of approximately €50 million during his Board of Management activity. In purely legal terms, he is also entitled to stock options worth an additional €50 million. This amount is explained by the fact that Mr. Schrempp caused the company's share price to fall substantially. The stock exchange rewarded the retirement of the biggest destroyer of capital and jobs in the company's history with a share-price jump from which Schrempp can profit enormously through his stock options.

As head of the Board of Management office, Lydia Schrempp, the wife of Board of Management Chairman Jürgen Schrempp, was richly rewarded for many years. Even in the years 2006 and 2007 – after her husband had left the company – Lydia Schrempp was employed at salary level E2 with an annual remuneration of approximately €200,000.

Shareholders' questions about the actual work performed by the highly paid Ms. Schrempp in the Munich office of her long-departed husband are still unanswered. Strangely enough, according to media reports, there will be no new appointment to Lydia Schrempp's position – although it was apparently very highly regarded.

It has also been reported in the media that Ms. Schrempp is to receive severance compensation of up to €600,000. If the Group announces in its statement on the departure of Ms. Schrempp effective March 31, 2008 that “Daimler AG thanks Lydia Schrempp for her long, committed and professional work,” the question as to what this work consisted of remains open.

The Supervisory Board is responsible for the salaries of the Daimler management: as a “monitoring body” it seems to have failed yet again. The actions of the Supervisory Board are therefore not to be ratified.”

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Mr. **Alexander Dauensteiner**, Solingen

**Regarding item 3 of the agenda:**

“The actions of the members of the Board of Management are not to be ratified.

Reason:

Reduced fuel consumption over the entire product range is one of the most important challenges for the Group’s successful future. The “Road to the Future” is described in the current Annual Report, although this can only be a first step. The Group is focused on developing and introducing BLUETEC technology in further models and has announced hybrid models for the future – after the Board of Management slept through this development for many years. These are individual measures, however. There is still no overall strategy for a sustained reduction in fuel consumption across the entire model range.

The consequences of the Board of Management’s so far half-hearted attempts to reduce fuel consumption are obvious: compared with the competition, the Group is lagging further and further behind. For example, the competitor BMW already offers “EfficientDynamics” – an intelligent combination of technologies with the potential to significantly reduce fuel consumption across the entire model range. Some of the methods used are automatic start-stop function, recovery of braking energy, lightweight construction, gear shifting indicators and intelligent air-flap controls. A BMW 3 Series Touring with a 105 kW engine already achieves a combined EU fuel consumption of just 4.8 liters per 100 kilometers; a 520d Touring achieves 5.3 l/100 km. The consequence is that only one Mercedes (the A 160 CDI) is listed in the strict car-environment list of the German Traffic Club (VCD). Thanks to EfficientDynamics, the competitors from Munich have four vehicles among the top ten family cars listed. The VCD’s conclusion is unambiguous: “Surprisingly, BMW also gets good results with its new EfficientDynamics models. Previously almost untouched by environmental ambitions, for the first time the Bavarians attain second place for family cars with the station-wagon version of the BMW 318d.”

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Mr. **Walter Schwenninger**, Tübingen

**Regarding item 3 of the agenda:**

“The actions of the members of the Board of Management are not to be ratified.

Reason:

Daimler AG and its Board of Management have so far not reacted to the demands of the International Campaign for Apology and Compensation in Southern Africa to participate in a public debate about the involvement of the Daimler Group in the unjust apartheid system in South Africa, to make an apology, and to contribute towards financial compensation for the victims. I myself, with a four-person delegation from the Campaign, submitted a parcel with four thousand signatures to the head of SAFRI, Josef Gorgels, at the DaimlerChrysler headquarters in Möhringen on December 16, 2003, South Africa’s Day of Reconciliation. We have still not received a reply.

The former Daimler-Benz AG earned millions of deutschmarks in its business with armaments firms in apartheid country South Africa, and therefore bears part of the responsibility that with the help of the security service this, according to the UNO, “uniquely unjust regime” could survive for so long. Exactly with expensive armaments products (military vehicles etc.) and local civil production under license (engines that were installed in military vehicles), the company helped to break the UNO weapons boycott and to significantly increase the country’s indebtedness with these odious debts.

According to the report of the Truth Commission in South Africa, our company should have stated publicly a long time ago that it bears part of the blame for grave infringements of human rights (murder, torture, sexual violence, arbitrary arrest).

The Khulumani group of plaintiffs, which represents 32,000 victims, is currently litigating in the United States against 23 international companies and banks, including our Daimler AG.

In times of globalization, a company should face up to questions of clarifying and coming to terms with the past in the former apartheid regime if it now wants to act credibly for a better future in Southern Africa. Therefore, there should be no ratification of the actions of this Board of Management – in which there is not a single woman.”

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Mr. **Wilm Diedrich Müller**, Neuenburg and **Diedrich Müller Company**, Neuenburg

## **Motion A**

### **Regarding item 2 of the agenda:**

“Persons, the aforementioned Mr. Müller and the aforementioned Diedrich Company have herewith proposed that, contrary to the proposal of the aforementioned invitation, the unappropriated profits of 2007 are not to be paid out in the currency euros, but instead, for the money suitable for distribution at least eight shares in the aforementioned Shipping Company\* are bought and subsequently these at least eight shares bought are distributed to the shareholders of the aforementioned Daimler Company with the use of a procedure of drawing lots that will ensure that always with the same probability one share in the aforementioned Shipping Company will account for one share in the aforementioned Daimler Company.

### Reason:

We would justify our proposal by the fact that we prefer a distribution in the form of shares in the aforementioned Shipping Company\* because each of these shares will entitle its owner to attend the annual shareholders’ meeting of the aforementioned company and to welcome all persons there. Furthermore, the aforementioned Mr. Müller could now already offer you in binding terms one ordinary share of the aforementioned Shipping Company with the securities identity number 828830 from his private portfolio administered by the aforementioned Commerzbank Company for a price of €222,222,222.22; this offer is limited until April 11 of this year.”

\* Reederei Herbert Ekkenga AG, German securities identification number 828830

### **Regarding item 4 of the agenda:**

“Persons, the aforementioned Mr. Müller and the aforementioned Diedrich Company have herewith proposed that the actions of the second and thus second-most important board of the aforementioned Daimler Company, upon the ratification of which a resolution is to be passed at the Annual Meeting on April 9 this year, are not to be ratified.

### Reason:

We would justify our proposal by the fact that the same board has unfortunately not managed to increase the price of the shares in the aforementioned Daimler Company tenfold in the same financial year by spreading rumors suitable for that purpose – which by all means may be lies.”

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Mr. **Reimund Homann**, Hamburg

**Motion B****Regarding item 8 of the agenda:**

“I propose Mr. Reimund Homann, Hamburg, graduate and doctoral student in business administration, self employed, for election as a member of the Supervisory Board in accordance with item 8 of the agenda.

Reason:

As can be seen from the extension of the agenda and the counter-motions, the Board of Management and the Supervisory Board have not worked satisfactorily in the past. The personnel renewal of the Supervisory Board seems to be necessary in order to break through the “old boys’ networks”.

If I am elected as a Supervisory Board member, among other things, I would like to place emphasis on the following points:

- termination of military business
- enhanced environmental friendliness of the products and of the Group in general
- reduced Board of Management remuneration to the benefit of the employees and the shareholders
- an exact examination of the remuneration of departing Board of Management and Supervisory Board members
- limitation of the number of other board positions held by members of the Daimler Board of Management and Supervisory Board

Mr. Reimund Homann is not a member of any other statutory supervisory board.”

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Mr. **Werner Kunze**, Leipzig

### **Motion C**

#### **Regarding item 2 of the agenda:**

“I propose that the unappropriated profits be applied as follows:

- distribution of a dividend of €2.50 per  
dividend-entitled share €2,534,673,000
- transfer to retained earnings €3,649,326,000

#### Reason:

The members of the Daimler Board of Management increased their income by 2/3 compared with the prior year. The former members of the Board of Management (41) actually increased their income by 270%! The dividend proposal of the Board of Management allows for an increase of only 33%. That is unfair!”

### **Motion D**

#### **Regarding item 8 of the agenda:**

“Instead of Ms. Baldauf, Finland, I hereby propose Mr. Thomas Barth, Grosslehna, engineering consultant.

#### Reason:

The Supervisory Board needs some new blood.”

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*You can support counter-motions by voting “NO” on the respective items of the agenda.*

*If you want to support the motions specially marked with letters, please mark the relevant space on the paper version or the online version of the voting form.*