Climate protection



## ESG Targets Summary Mercedes-Benz Group AG

Targets	Target horizon	Status as of 2023
Climate protection		
A fleet of new Mercedes-Benz vehicles that is net carbon-neutral along all stages of the value chain	2039	According to plan
Climate protection for vehicles		
Reduction of the CO2 emissions per car in the new vehicle fleet up to 50% along all stages of the value $\rm chain^{1,2}$	By the end of the decade	According to plan
Increase the proportion of electrified $^3$ vehicles in the fleet of new vehicles at Mercedes-Benz Cars to as high as $50\%^1$	In the second half of the decade	20%
Electrify all new vehicle architectures <sup>1,3</sup>	In the second half of the decade	According to plan
Offer an electrified <sup>3</sup> variant for every model from Mercedes-Benz Cars <sup>1</sup>	In the second half of the decade	According to plan
Offer an electrified $^{\rm 4}$ alternative for every model from Mercedes-Benz Vans	2025	Target achieved
Increase the proportion of electrified $^4$ vehicles in the fleet of new vehicles at Mercedes-Benz Vans to more than $50\%^1$	By the end of the decade	5%
Climate protection in the supply chain		
All production materials procured by Mercedes-Benz Cars and Mercedes-Benz Vans are net carbon-neutral	2039	84% of suppliers <sup>5</sup>
Climate protection in production <sup>6</sup>		
Reduction of $\rm CO_2emissions$ (Scope $1^7$ and $2^8$ ) by 80% <sup>9</sup>	2030	According to plan
Increase the share of energy from renewable sources to cover 100% of energy consumption	2039	According to plan
Milestone: increase the share of energy from renewable sources to cover energy consumption Cars: 70% Vans: 80%	2030	According to plan
1. The paper of transformation is determined by market conditions and systematic		

The pace of transformation is determined by market conditions and customers.

Compared to 2020 (value chain stages: procured goods, production, logistics, fuel and energy generation, driving operation, disassembly and treatment processes).
 Plugin hybrids and all-electric vehicles.

4 All-electric vehicles.

5 Measured on the basis of the annual procurement volume that, in turn, is based on target figures updated monthly, guaranteed by means of signatures.

6 In addition to the production sites of the consolidated subsidiaries, the production sites of the following non-consolidated subsidiaries are included: Transmission srl (Cugir, Romania), STARKOM, proizvodnja in trgovina d.o.o. (Maribor, Sbvenia) and STARCAM sr.o. (Most, Czech Republic).
 7 Scope 1 emissions are direct CO<sub>2</sub> emissions from sources for which the company is directly responsible or that it directly controls.

8 Scope 2 emissions are indirect CO2 emissions from purchased energy such as electricity and district heating that are generated externally but consumed by the company.

9 Compared to 2018.

Targets	Target horizon	Status	
The entire new car fleet of the Mercedes-Benz Group is no longer to have any relevant effect on nitrogen dioxide pollution in urban areas.	2025	Target achieved in 2022	
Targets	Target horizon	Status as of 2023	
More resource-efficient vehicles			
Increase the share of secondary raw materials per vehicle <sup>1</sup>   Cars 40%	2030	According to plan	
Resource conservation in production <sup>2</sup>			
Reduce energy consumption per vehicle <sup>3</sup> Cars -43%   Vans -25%	2030	According to plan	
Reduce water consumption per vehicle <sup>3</sup> Cars -35%   Vans -28%	2030	According to plan	
Reduce the amount of waste for disposal per vehicle <sup>4</sup> Cars –82%   Vans –85%	2030	According to plan	
Reduce the total amount of waste per vehicle <sup>4</sup> Cars -35%   Vans -30%	2030	According to plan	

1 On average for the Mercedes-Benz passenger car fleet without vans. 2 In addition to the production sites of the consolidated subsidiaries, the production sites of the following non-consolidated subsidiaries are included: Transmission srl (Cugir, Romania), STARKOM, proizvodnja in trgovina d.o.o. (Maribor, Slovenia) and STARCAM s.r.o. (Most, Czech Republic).

3 Compared to average for 2013/2014.

4 Compared to 2018.

Air Quality

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nable ility	Targets	Target horizon	
More Sustainable Urban Mobility	Improve road safety for all road users in urban areas		ongoing
	Make the flow of traffic in cities more efficient and optimise resource and infrastructure requirements		ongoing
	Expand more sustainable mobility through the expansion of charging infrastructure and periodical use concepts for transport systems		ongoing
	Targets	Т	arget horizon
	Vehicle and environmental safety		
Tr affic Safety	Further improving accident prevention systems		ongoing
			ongoing
	Make vehicles even safer for occupants during and after an accident Making vehicles even safer for other road users, for example pedestrians		ongoing ongoing
	Increasing general traffic safety through safety initiatives		ongoing
H	Automated driving		- 0- 0
	Expanding the automation of driving functions in the SAE level 2-4 range		ongoing
	Continued integration of social and ethical aspects into automated SAE driving levels 2-4		ongoing
	Targets	Target horizon	Status as of 2023
ights	Define and implement protective measures for 100% of the Mercedes-Benz Group's production raw materials which pose an increased risk of human rights violations	2028	57%
Human Rights	Milestone: Assessment of 70% of all production raw materials used by the Mercedes-Benz Group with an increased risk of human rights violations and definition of necessary remedial measures	2025	57%
	Milestone: Assessment of 50% of all production raw materials used by the Mercedes-Benz Group with an increased risk of human rights violations and definition of necessary remedial measures	2023	Target achieved
	Review of 100% of product groups sourced from service supply chains posing an increased risk of human rights violations	2026	54%
	Targets	Target horizon	Status as of 2023
	HR work in the transformation		
	Shape the transformation of the Mercedes-Benz Group for its employees in a responsible, socially acceptable and future-oriented manner	ongoing	
	Ensure lasting constructive cooperation between the company and employee representatives	ongoing	
	Further develop the "People Principles" and embed them in the Group; create a common understanding of an agile and innovative leadership culture in the transformation process	ongoing	
	Ensure market-conformant salary structures through compliance with the Corporate Compensation Policy	ongoing	
	Support and further develop flexible and modern working time models	ongoing	
	Increase the Group's attractiveness as an employer for digitally talented people: Top 5 in the target	2030	
	ranking <sup>1</sup> Milestone: Top 7 in the target ranking <sup>1</sup>	2025	Top 9 (2023)
	Training and further qualification	2025	100 9 (2023)
	Ensure a high-quality and a needs-based professional portfolio for training and dual study programmes	ongoing	
ole	Empower over 70% of employees to work successfully in the digital transformation <sup>2</sup>	2030	
People	Continuously develop the qualification programme for employees	ongoing	
P	Diversity and inclusion	- 8- 8	
	Improve inclusion for all employees in the Group	ongoing	
	Milestone: Increase inclusion for all employees in the Group according to the approval rate for the "Inclusion Index" <sup>3</sup> to at least 75%	2030	
	Increase the proportion of women in senior management positions <sup>4</sup> to 30%.	2030	25.7%
	Occupational health and safety	00001	
	Enable employees to work in a healthy and safe environment Strengthen a sustainable safety culture by developing and communicating binding rules of conduct	ongoing	
	Offer employees a medical health check	2025	
		2023	Target achieved
	Provide the workforce in Germany with programmes to strengthen resilience and mental health	2025	
	Use a globally uniform accident documentation system and introduce it at the German production sites	2023	Target achieved

Target ranking in study by "Trendence" (survey period from April 2022 to March 2023) among IT students (Germany). The survey results of the "Trendence" employer ranking 2023 do not take into account the split of the former Daimler AG at the end of 2021 into the two company groups Mercedes-Benz Group and Daimler Truck Group.
 Employee survey (survey period from September 2023 to October 2023): approval rate for development of skills for the digital transformation.
 Employee survey (survey period from September 2023 to October 2023): approval rate for fair treatment regardless of ethnicity, gender, age, disability or other differences unrelated

to job performance. 4 Management level three and higher, Mercedes-Benz Group worldwide (headcounts, fully consolidated companies).



## ESG Targets Summary Mercedes-Benz Group AG

Targets		Target horizon
<ul> <li>With its integrity activities, the Mercedes-Benz Group pursues the following central</li> <li>Minimising risks through knowledge of and compliance with the Integrity Code</li> <li>Promoting ethical conduct — within the mandatory rules and frameworks and b</li> <li>Employees and managers behave and act in an ethical and responsible manner</li> <li>Defining integrity-related priorities and challenges and provide employees with</li> <li>Enhancing the culture of integrity in a targeted manner through feedback from</li> </ul>	ongoing	
<ul> <li>With its compliance activities, the Mercedes-Benz Group particularly pursues the fermion of the separate of the separ</li></ul>		ongoing
Targets	Target horizon	Status as of 2023
Evaluate the effectiveness of our Data Compliance Management System <sup>1</sup>	ongoing	Design: completely fulfilled Implementation: completely fulfilled Operational effectiveness: partially fulfilled
Strengthen customer confidence in Mercedes-Benz data processing	ongoing	
<ol> <li>Multi-stage evaluation methodology.</li> <li>Design – Is the system designed to meet the goals of the Compliance Management System?</li> <li>Implementation – Has the system, which is effective in its design, been implemented accordingly in pract 3. Operational effectiveness – Is the system as set up being used effectively?</li> </ol>	ctice?	
Targets	Target horizon	Status as of 2023
Responsible political advocacy for the key issues to achieve the sustainable business goals. The topics are:		On schedule
<ul> <li>Climate protection and adaption to climate change</li> <li>Emission reduction</li> <li>Resource conservation</li> <li>More sustainable urban mobility</li> <li>Traffic safety</li> <li>Respect of human rights</li> </ul>	ongoing	(milestones reached ir 2023)
<ul> <li>Climate protection and adaption to climate change</li> <li>Emission reduction</li> <li>Resource conservation</li> <li>More sustainable urban mobility</li> <li>Traffic safety</li> </ul>		•

D ata Responsibility

**Partnerships** 

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Electrified vehicles	Mercedes-Benz Cars	8	Unit sales		in % of unit s	ales (total)
			2023	2022	2023	202
Worldwide						
Electrified vehicles ()	xEV)		401,943	333,490	20%	169
Plug-in hybrid elect	tric vehicles (PHEV)		161,275	184,263	8%	99
Battery-electric veh	, ,		240,668	149,227	12%	79
MBC unit sales (to	otal) <sup>1</sup>		2,044,051	2,040,719		
Europe <sup>2</sup>						
Electrified vehicles (x	×EV)		254,038	236,678	39%	38
Plug-in hybrid elect	tric vehicles (PHEV)		134,230	142,022	20%	23
Battery-electric veh	nicles (BEV)		119,808	94,656	18%	15
MBC unit sales (to	otal) <sup>1</sup>		658,604	618,904		
1 Group sales Mercede	es-Benz Cars (incl. smart). ted Kingdom, Switzerland a	nd Norway.	,			
	Mercedes-Benz Van		Unit sales		in % of unit s	ales (total)
			2023	2022	2023	202
Worldwide						
Electrified vehicles (>	,		22,666	15,003	5%	49
MBV unit sales (to	otal) <sup>1</sup>		447,790	415,344		
Europe <sup>2</sup>						
Electrified vehicles (x	xEV)		22,280	14,847	8%	6
MBV unit sales (to	otal)1		279,408	259,436		
1 Group sales Mercede 2 European Union, Unit	es-Benz Vans. ted Kingdom, Switzerland a	nd Norway.				
Revenue			2023			202
			Proportion of			Proportion
	Taxonomy-aligned	Total	Taxonomy-aligned	Taxonomy-aligned	Total	Taxonomy-aligne
	revenue1	revenue	revenue1	revenue1	revenue	revenue
	in millions of euros	in millions of euros	in %	in millions of euros	in millions of euros	in
Revenue according						
to IFRS 15	20,223	136,987	15%	14,419	136,008	11
Other revenue Total	800 21,023	16,231 153,218	<u> </u>	575 <b>14,994</b>	14,009 150,017	4
	audited in order to obtain l		1470		100,011	10
Capital expenditure			2023			202
		Total	Proportion of		Total	Proportion of
	Taxonomy-aligned	capital	Taxonomy-aligned	Taxonomy-aligned	capital	Taxonomy-aligne
	capital expenditure <sup>1</sup>	expenditure	capital expenditure <sup>1</sup>	capital expenditure <sup>1</sup>	expenditure	capital expenditure
	in millions of euros	in millions of euros	in %	in millions of euros	in millions of euros	in
Intangible assets	2,764	4,513	61%	1,874	3,480	549
Property, plant and equipment	1,768	3,718	48%	1,507	3,421	44
Right-of-use assets	130	469	28%	391	923	44
Equipment on	100	107	2070	071	,25	12
operating leases	558	12,771	4%	285	10,545	39
Total	5,220	21,471	24%	4,057	18,369	229
1 The key figures were	audited in order to obtain l	imited assurance.				
Operating expenditu			2023			202
	Taxonomy-aligned	Total	Proportion of	, ,	Total	Proportion
	operating	operating	Taxonomy-aligned	operating	operating	Taxonomy-aligne
	expenditure <sup>1</sup>		operating expenditure <sup>1</sup>	expenditure <sup>1</sup>		operating expenditure
Non-capitalised	in millions of euros	in millions of euros	in %	in millions of euros	in millions of euros	in
non-capitalised						
research and				0.140	F 600	38
	2 080	6 230	34%	) 1210	- nu /	
research and development cost Other operating	2,089	6,230	34%	2,149	5,602	50
	2,089	6,230	23%	2,149	1,062	18

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1 The key figures were audited in order to obtain limited assurance.

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