

Tomorrow drives Mercedes-Benz.

ESG CAPITAL MARKET PRESENTATION

Mercedes-Benz Group AG

June 2024

CONTENT

ESG

SUSTAINABLE BUSINESS STRATEGY

DECARBONISATION & SUSTAINABLE PRODUCTS,
GREEN PRODUCTION & LOGISTICS

RESPECTING HUMAN RIGHTS ALONG THE SUPPLY CHAIN
SUSTAINABLE PEOPLE PLAN

DIGITAL TRUST
SUSTAINABLE FINANCE

Tomorrow drives Mercedes-Benz.

SUSTAINABLE BUSINESS STRATEGY



MERCEDES-BENZ GROUP: AT A GLANCE

Mercedes-Benz Group AG¹

Revenue: €153.2 billion² Employees: 166,051³

Mercedes-Benz Cars

Revenue: €112.8 billion
Employees: 132,558



Mercedes-Benz

MAYBACH

AMG

Mercedes me

Mercedes-Benz Vans

Revenue: €20.3 billion
Employees: 19,132



Mercedes-Benz

Mercedes-Benz Mobility

Revenue: €26.7 billion
Employees: 9,768

Mercedes-Benz Bank

Mercedes-Benz
Financial Services

ATHLON

¹ figures FY 2023

² incl. Reconciliation €-6.5 billion; the reconciliation includes eliminations of intra-Group revenue between the segments

³ Active workforce as at 31 December 2023 (employees without holiday workers, thesis writers, interns, working students, PhD students, senior experts and trainees) of Mercedes-Benz Group, incl. central functions & service 4,593 employees

SUSTAINABILITY IS A GUIDING PRINCIPLE OF OUR STRATEGY

OUR GOAL: WE WILL BUILD THE WORLD'S MOST DESIRABLE CARS

THINK

and act like a luxury brand

FOCUS

on profitable growth

EXPAND

customer base by growing Top-End Luxury

EMBRACE

customers and grow lifetime revenues

LEAD

in electric drive and digital experience

LOWER

cost base, improve industrial footprint and increase supply chain resilience

Driven by a highly qualified and motivated team

Sustainability, Integrity and Diversity as our foundation

SUSTAINABLE BUSINESS STRATEGY: ECOLOGICAL, SOCIAL, ECONOMICAL



Tomorrow drives Mercedes-Benz.

DECARBONISATION &
SUSTAINABLE PRODUCTS,
GREEN PRODUCTION & LOGISTICS

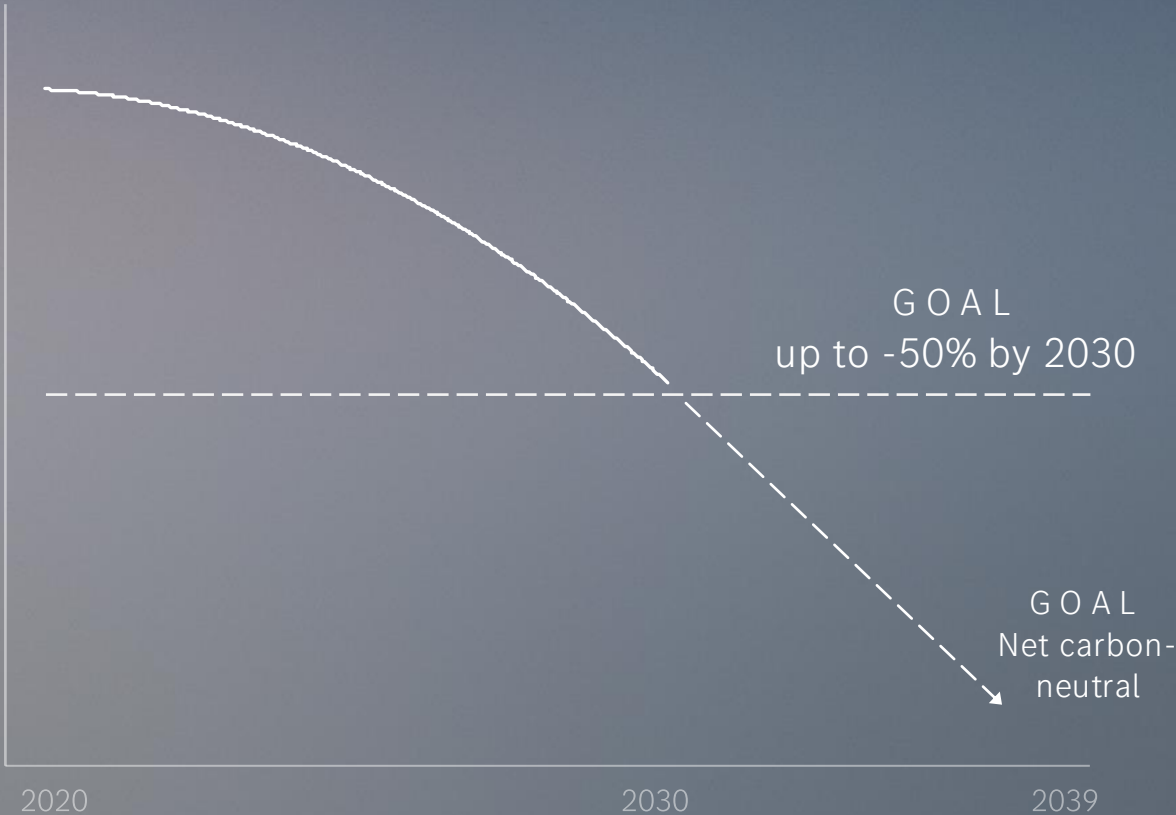
—

WE ARE FULLY COMMITTED TO OUR AMBITION 2039



MERCEDES-BENZ CARS CO₂ LIFECYCLE EMISSIONS

schematic | in tonnes per vehicle



AMBITION 2039 – OUR COMMITMENT TO NET CARBON-NEUTRALITY

ALONG THE ENTIRE VALUE CHAIN IN THE NEW VEHICLE FLEET IN 2039

SUPPLY CHAIN



PRODUCTION & LOGISTICS



WELL-TO-TANK



TANK-TO-WHEEL



END-OF-LIFE



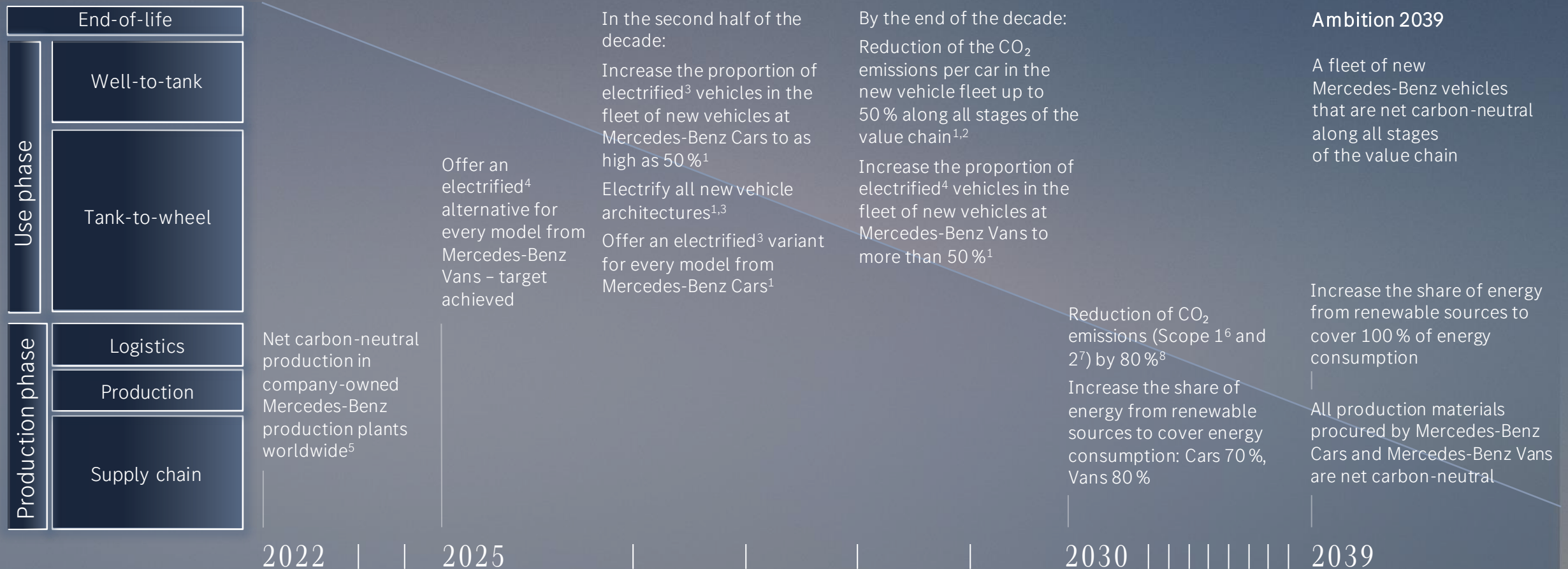
Today's proportional CO₂ impact along the value chain

49.7t CO₂ in 2020* | 46.3t CO₂ in 2023* | Targeted reduction by up to 50% by the end of this decade

*Including scope 1, scope 2 and selected scope 3 CO₂-emission categories concerning vehicle lifecycle

MERCEDES-BENZ CLIMATE TRANSITION ACTION PLAN AT A GLANCE

NET CARBON-NEUTRALITY ALONG THE ENTIRE VALUE CHAIN IN THE NEW VEHICLE FLEET IN 2039



¹ The pace of transformation is determined by market conditions and customers.

² Compared to 2020 (value chain stages: procured goods, production, logistics, fuel and energy generation, driving operation, disassembly and treatment processes).

³ Plug-in hybrids and all-electric vehicles.

⁴ All-electric vehicles.

⁵ In addition to the production sites of the consolidated subsidiaries, the production sites of the following non-consolidated

subsidiaries are included: Star Transmission srl (Cugir, Romania), STARKOM, proizvodnja in trgovina d.o.o. (Maribor, Slovenia) and STARCAM s.r.o. (Most, Czech Republic).

⁶ Scope 1 emissions are direct CO₂ emissions from sources for which the company is directly responsible or that it directly controls.

⁷ 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.

⁸ Compared to 2018

KEY DRIVERS OF CHANGE

OUR AMBITION 2039 PUTS A STAKE IN THE GROUND.
WE ARE STILL FACING A MASSIVELY DYNAMIC ENVIRONMENT.



BEV technology
is accelerating



OEM ambitions
are increasing



Technologies
in steel supply
are changing



Regulation
is tightening



Ramp-up in
customer
switch is less
steep



Business case
is strengthening but
with challenges
ahead



Infrastructure
is expanding



Demanding
capital market

WE ARE TAKING THE NECESSARY STEPS TO GO ALL-ELECTRIC

WE CONTINUE TO SCALE OUR EV BUSINESS

+73%

BEV sales at Mercedes-Benz brand in 2023 compared to 2022

*Plug-in hybrids and all-electric vehicles

WE WILL BE ABLE TO CATER TO DIFFERENT CUSTOMER NEEDS UNTIL WELL INTO THE 2030s

as high as 50%

expected xEV* share in the fleet of new vehicles at Mercedes-Benz Cars in 2nd half of this decade

EQS SUV 450 4MATIC | Stromverbrauch in kWh/100 km (kombiniert): 22,8-20,0; CO₂-Emissionen in g/km (kombiniert): 0, CO₂-Klasse: A
Die angegebenen Werte wurden nach dem vorgeschriebenen Messverfahren WLTP (Worldwide harmonised Light-duty vehicles Test Procedures) ermittelt. Die angegebenen Spannweiten beziehen sich auf den europäischen Markt.
Der Energieverbrauch und der CO₂-Ausstoß eines Pkw sind nicht nur von der effizienten Ausnutzung des Kraftstoffs bzw. des Energieträgers durch den Pkw, sondern auch vom Fahrstil und anderen nichttechnischen Faktoren abhängig.

AMBITION 2039 – OUR COMMITMENT TO NET CARBON-NEUTRALITY

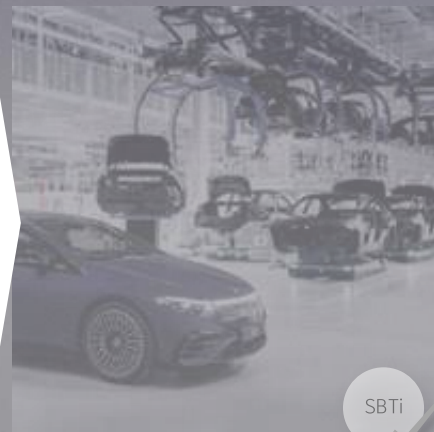
ALONG THE ENTIRE VALUE CHAIN IN THE NEW VEHICLE FLEET IN 2039

SUPPLY CHAIN



- Steel
- Aluminium
- Polymers & innovative materials

PRODUCTION & LOGISTICS



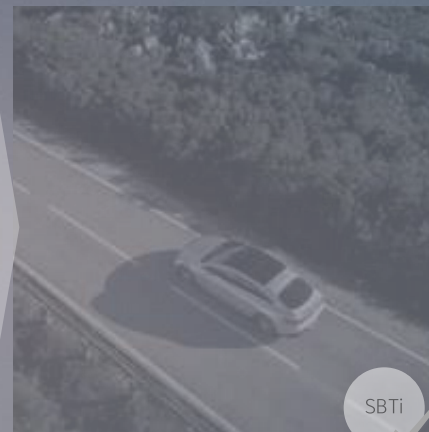
SBTi

WELL-TO-TANK



SBTi

TANK-TO-WHEEL



SBTi

END-OF-LIFE



FURTHER STEPS TO DECARBONISE OUR STEEL SUPPLY CHAIN

CARBON FOOTPRINT REDUCTION BY 40%

1/3 of body-in-white steel in the
U.S.-sourced from electric arc furnaces

CO₂-REDUCED STEEL FOR MORE THAN 1/3 OF DEMAND

Annual target for European
press shops within this decade

CONTINUOUSLY SCALING UP THE USE OF LOW-CO₂ ALUMINIUM

1/3 of primary aluminium

for next BEV models in EU using electricity from renewable sources for electrolysis – goal is to extend to all aluminium sourced for our foundry in Mettingen (Germany)



CO₂ reduction per kg/Al of approx.*

40 – 50%

starting in 2024

Developing further innovations for **very-low-CO₂ aluminium** parts with our partners



Targeted CO₂ reduction per kg/Al of approx.*

>90%

by 2030

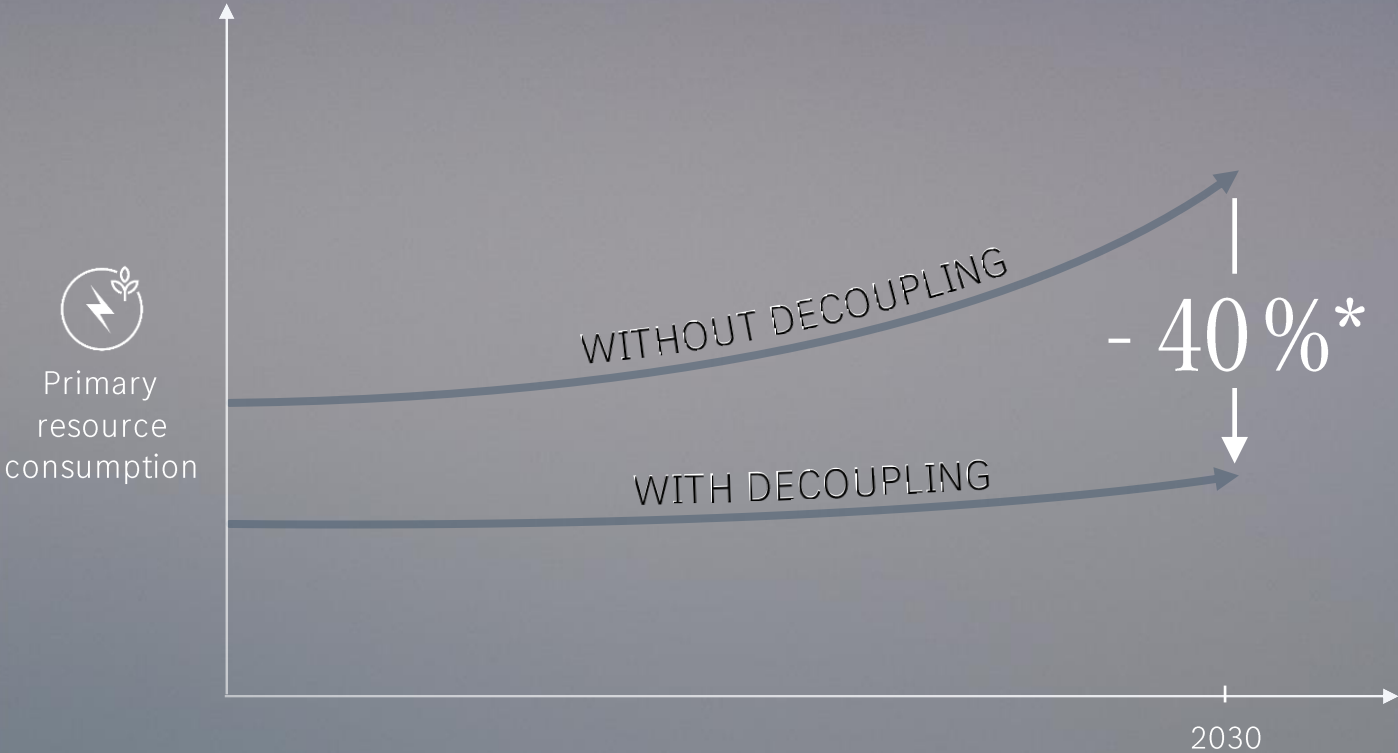
* compared to European average

RESOURCE USE & CIRCULARITY

ACCELERATING THE CIRCULAR ECONOMY



DECOUPLING RESOURCE CONSUMPTION FROM BUSINESS VOLUME GROWTH



FOUR STRATEGIC LEVERS FOR RESOURCES REDUCTION

Mechanical recycling

Chemical recycling

Bio-circular material

New recycling innovations, e.g. transformation in metal production

AIMING FOR 40% RECYCLED MATERIALS BY 2030

RECYCLING TECHNOLOGIES FOR POLYMERS

Post-consumer recyclates

Front and rear bumpers starting with MMA*

Chemical recycling with BASF & Pyrum

Crash absorber & bow door handle in S-Class and EQE

Upcycled UBQ Materials

Cable ducting in EQS and EQE



* Mercedes-Benz Modular Architecture

USE OF RESOURCE-CONSERVING MATERIALS IN THE NEW E-CLASS



360° ENVIRONMENTAL CHECK MERCEDES-BENZ E-CLASS

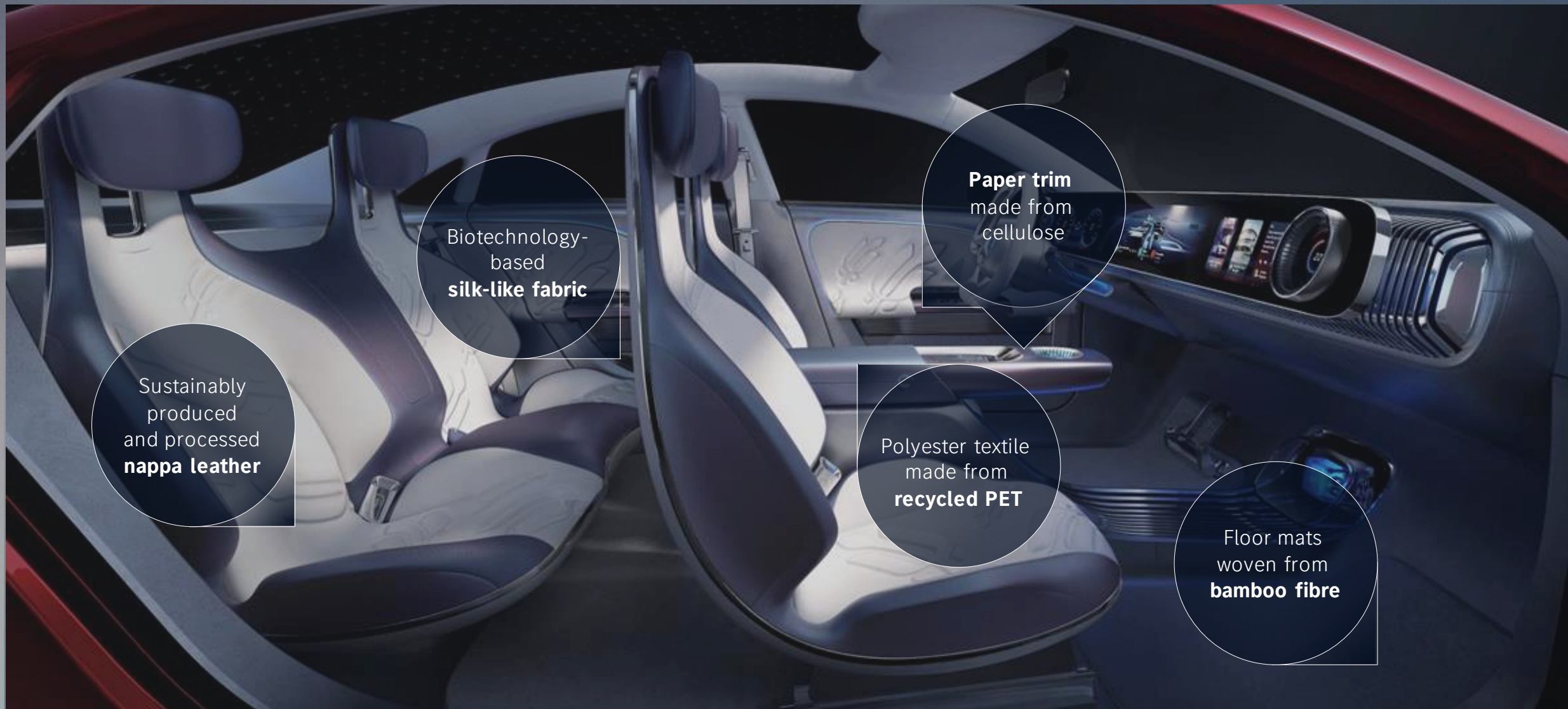
Circular feedstock foam in E-Class seats

175 components with a total weight of 99kg
can be manufactured from resource-saving materials

MICROCUT microfibre consists of
45% recycled material

INSIDE THE CONCEPT CLA CLASS

ALTERNATIVE & RECYCLED MATERIALS



Sustainably produced and processed **nappa leather**

Biotechnology-based **silk-like fabric**

Paper trim made from cellulose

Polyester textile made from **recycled PET**

Floor mats woven from **bamboo fibre**

INNOVATIVE MATERIAL TRENDS

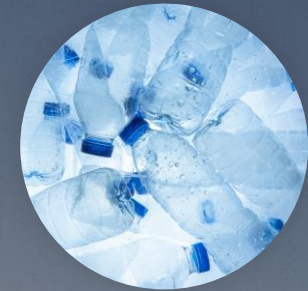
ELASTOMERS, CIRCULAR ECONOMY, BIOTECH, MARKER SYSTEMS

First elastomer components made with
recyclates planned for E-Class

New technology showcases
for the circular economy

R&D of luxurious biotech interior
surface applications

Investigation of materials digitalisation
for traceability & transparency using
marker systems



AMBITION 2039 – OUR COMMITMENT TO NET CARBON-NEUTRALITY

ALONG THE ENTIRE VALUE CHAIN IN THE NEW VEHICLE FLEET IN 2039

SUPPLY CHAIN

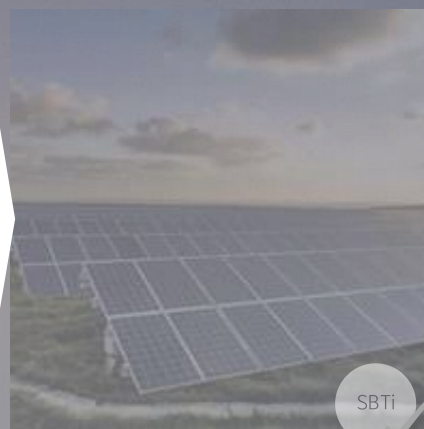


PRODUCTION & LOGISTICS



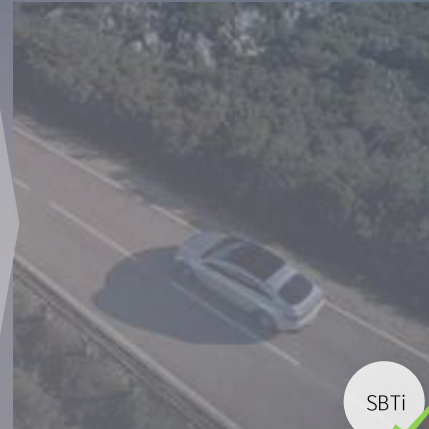
SBTi

WELL-TO-TANK



SBTi

TANK-TO-WHEEL



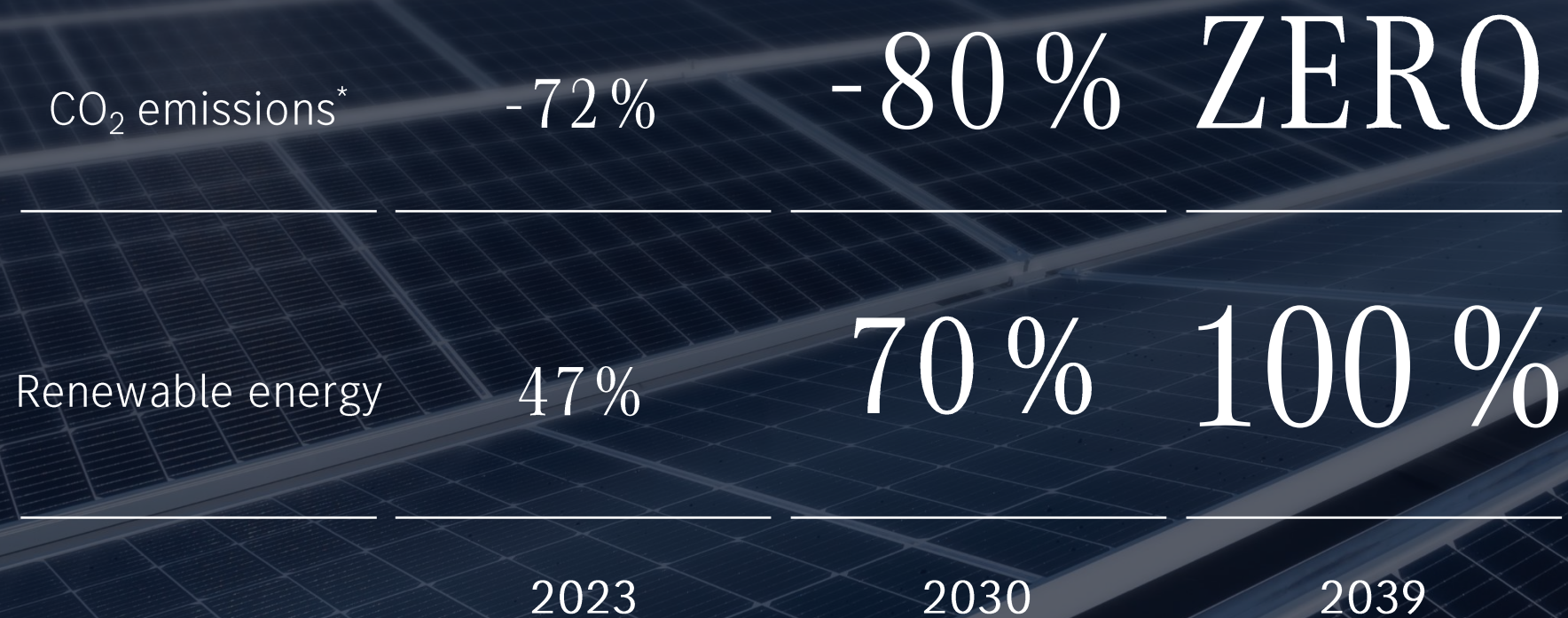
SBTi

END-OF-LIFE



Renewable energy
(solar, wind)
Energy storage
Water management
Green logistics

EXECUTION MODE: CARBON REDUCTION & RENEWABLE ENERGY EXPANSION AT MERCEDES-BENZ CARS



* coming from 2018, CO₂ emissions scope 1 and scope 2

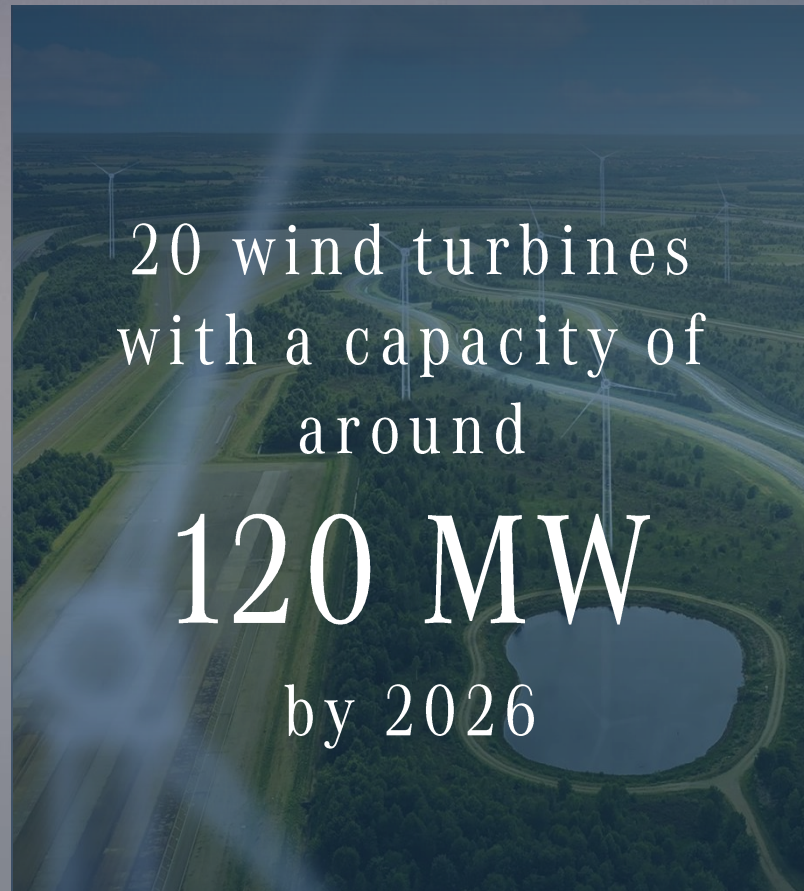
EXECUTION MODE: RENEWABLE ENERGY EXPANSION SOLAR & WIND

MERCEDES-BENZ GROUP INTENDS TO COVER MORE THAN 50% OF ITS TOTAL ELECTRICITY DEMAND IN GERMANY FROM NEW SOLAR AND WIND POWER PLANTS.

PHOTOVOLTAIC



WINDPARK PAPENBURG



WINDPARK WINDANKER

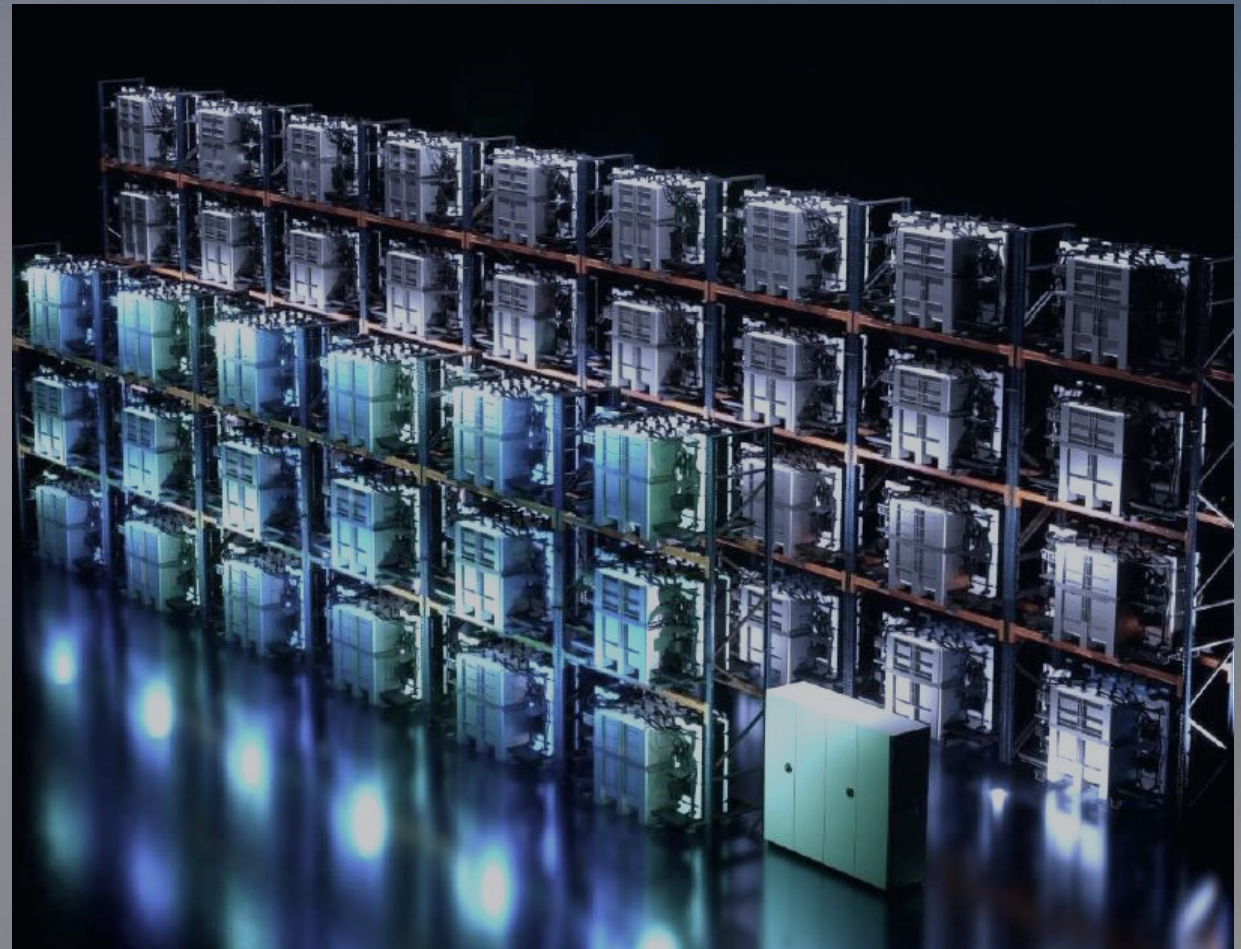


ENERGY STORAGE

GETTING THE BEST BALANCE BETWEEN VOLATILE RENEWABLE ENERGY GENERATION AND ELECTRICITY CONSUMPTION

2ND LIFE BATTERY STORAGE SINDELFINGEN

ORGANIC SOLID FLOW BATTERY STORAGE IN RASTATT



WATER MANAGEMENT

OUR TARGET IS TO SAVE UP TO 35% OF WATER BY 2030 COMPARED TO 2018 LEVELS

MULTI REUSE WATER

saving up to
350,000 m³ / year

SINDELFINGEN

OPTIMISATION COOLING TOWERS

savings of approx.
100,000 m³ / year

TUSCALOOSA

principal sketch

GREEN LOGISTICS

TARGET

2039

CO₂ EMISSIONS

-60%*

*inbound/outbound Mercedes-Benz Cars, compared to 2021

RAIL

ROAD

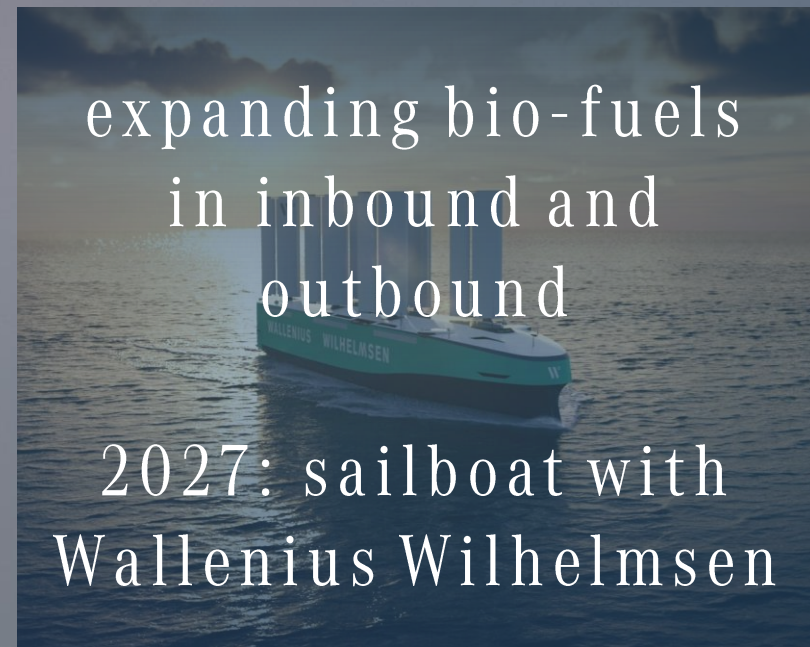
SEA



CO₂ neutral transport
with green electricity



electric-trucks for
short and long-
distance logistics.



expanding bio-fuels
in inbound and
outbound
2027: sailboat with
Wallenius Wilhelmsen

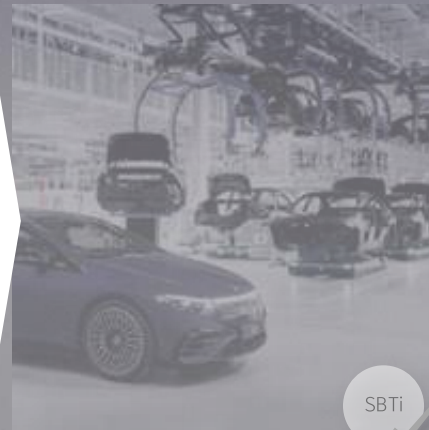
AMBITION 2039 – OUR COMMITMENT TO NET CARBON-NEUTRALITY

ALONG THE ENTIRE VALUE CHAIN IN THE NEW VEHICLE FLEET IN 2039

SUPPLY CHAIN



PRODUCTION & LOGISTICS



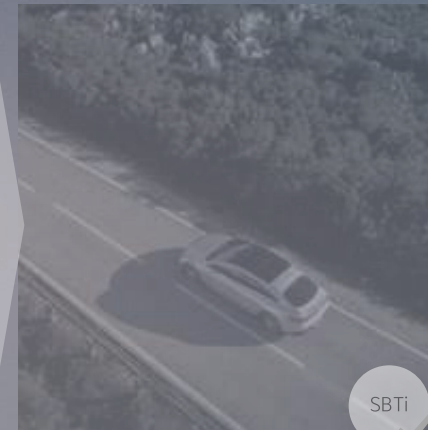
SBTi

WELL-TO-TANK



SBTi

TANK-TO-WHEEL



SBTi

END-OF-LIFE



Charging solutions
Green Charging
Mercedes-Benz charging
network
Home charging
Fleet charging

FAST, CONVENIENT AND RELIABLE CHARGING SOLUTIONS

MERCEDES-BENZ CHARGING NETWORK

>10,000* high-power charging (HPC) points across our key markets by end of decade

GLOBAL JOINT VENTURES

EU: >3,300 HPC points as of today (IONITY)

NAFTA: >30,000* HPC points by end of decade (IONNA)

China: >7,000* HPC points by 2026

ADDING MORE OPTIONS

Access to superchargers in
North America from 2024 onwards
Integration of NACS starting 2025

* figures are target values



GREEN CHARGING

USING ENERGY ATTRIBUTE CERTIFICATES TO ENSURE THAT AN EQUIVALENT AMOUNT OF ELECTRICITY FROM RENEWABLE ENERGY SOURCES IS FED INTO THE POWER GRID



Green Charging with
Mercedes me Charge in public*

Live in 28 markets in
Europe, Canada and USA

Contributes to expansion
of renewable energy

*Green Charging available in Europe, Canada and USA: Green Charging uses energy attribute certificates to ensure that an equivalent amount of electricity from renewable sources is fed into the power grid for the charging processes, if no electricity from renewable energy sources is provided.

Mercedes-Benz CLA 250 e Coupé | Energieverbrauch gewichtet kombiniert: 18,5-16,8 kWh/100 km plus 1,1-0,9 l/100 km | Kraftstoffverbrauch kombiniert bei entladener Batterie: 6,7-6,0 l/100km | CO₂ Emissionen gewichtet kombiniert: 25-19 g/km | CO₂ Klasse gewichtet kombiniert: B | CO₂ Klasse bei entladener Batterie: E-D

Die angegebenen Werte wurden nach dem vorgeschriebenen Messverfahren WLTP (Worldwide harmonised Light-duty vehicles Test Procedures) ermittelt. Die angegebenen Spannweiten beziehen sich auf den europäischen Markt. Der Energieverbrauch und der CO₂-Ausstoß eines Pkw sind nicht nur von der effizienten Ausnutzung des Kraftstoffs bzw. des Energieträgers durch den Pkw, sondern auch vom Fahrstil und anderen nichttechnischen Faktoren abhängig.

MERCEDES-BENZ CHARGING NETWORK

FAST, CONVENIENT & GREEN

2,000 charging points
globally planned by end of 2024

10,000 charging points planned
by the end of the decade

Renewable electricity
through dedicated partnerships

USA



EUROPE



CHINA



HOME CHARGING

Home is the driver's
preferred charging location

Networked Mercedes-Benz Wallbox enables
home charging in more than 30 markets

Development of customer-oriented solutions
for smart bidirectional charging



BIDIRECTIONAL CHARGING – THE CAR AS A LEVER FOR SMART ENERGY USE

BIDIRECTIONAL CHARGING
WILL BE INTRODUCED
WITHIN THE SCOPE OF MMA

Vehicles connected via V2G with the
power grid will support the energy transition

Balancing the volatility of renewables generation

Storing excess energy, e.g. produced
by PV during the day and fed back
into the grid at night



FLEET CHARGING

360° approach to help customers electrify
their business & optimise their processes

Comprising installation of hardware, software modules,
& range of services – together with certified partners

Mercedes me Charge solution for business
customers in selected countries in 2024



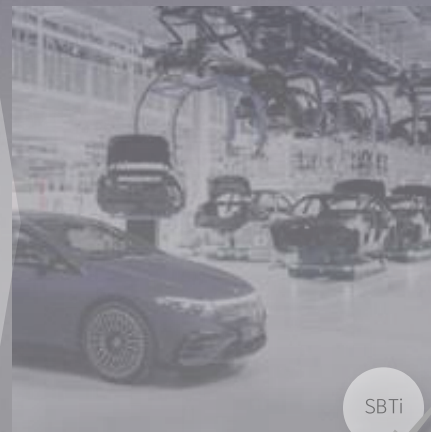
AMBITION 2039 – OUR COMMITMENT TO NET CARBON-NEUTRALITY

ALONG THE ENTIRE VALUE CHAIN IN THE NEW VEHICLE FLEET IN 2039

SUPPLY CHAIN



PRODUCTION & LOGISTICS



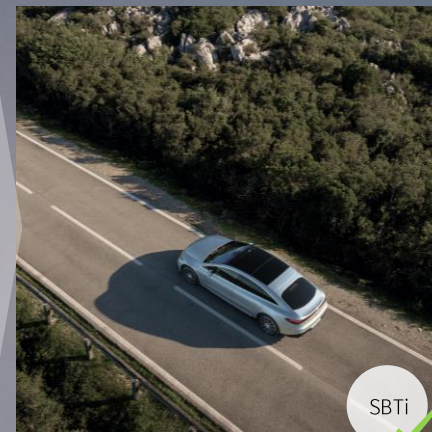
SBTi

WELL-TO-TANK



SBTi

TANK-TO-WHEEL



SBTi ✓

END-OF-LIFE



BEV in every MB Cars segment
Modular Architectures
MMA / Concept CLA

BEV LAUNCH SUCCESSFUL IN EVERY MERCEDES-BENZ PASSENGER CAR SEGMENT



EQA



EQB



EQE | EQE AMG



EQE SUV | EQE SUV AMG



EQS | EQS AMG



EQS SUV



Mercedes-Maybach EQS SUV



EQV

Mercedes-Maybach EQS 680 SUV (Energieverbrauch kombiniert: 24,1-22,0 kWh/100 km | CO₂-Emissionen kombiniert: 0 g/km | CO₂-Klasse: A)

Mercedes-AMG EQS 53 4MATIC+ (Energieverbrauch kombiniert: 24,3-20,9 kWh/100 km | CO₂-Emissionen kombiniert: 0 g/km | CO₂-Klasse: A)

Die angegebenen Werte wurden nach dem vorgeschriebenen Messverfahren WLTP (Worldwide harmonised Light-duty vehicles Test Procedures) ermittelt. Die angegebenen Spannweiten beziehen sich auf den europäischen Markt.

Der Energieverbrauch und der CO₂-Ausstoß eines Pkw sind nicht nur von der effizienten Ausnutzung des Kraftstoffs bzw. des Energieträgers durch den Pkw, sondern auch vom Fahrstil und anderen nichttechnischen Faktoren abhängig.

OUR UPCOMING ARCHITECTURES MODULAR SYSTEMS TO ENABLE MAXIMUM EFFICIENCY

MMA



Mercedes-Benz Modular Architecture

MB.EA



Mercedes-Benz Electric Architecture

AMG.EA



Electric Architecture for high-performance vehicles

VAN.EA



Electric Architecture for private and commercial vans



ONCE AGAIN, VISION EQXX DEMONSTRATES EFFICIENCY ON ITS ROAD TRIP THROUGH THE SAUDI ARABIAN DESERT

TECHNOLOGY PROGRAMME ACHIEVES EXCEPTIONAL CONSUMPTION OF 7.4 KWH/100 KM



1,010 km to Dubai
on a single battery charge



Average consumption of
7.4 kWh/100 km
8.4 miles/kWh¹
0.9 l/100 km equivalent (282 MPGe)²



Total Driving Time
12 h 45 min
(in motion)



Average speed
79.4 km/h
49.3 mph
(in motion)

¹ On-board consumption without charging losses
² For a petrol-fuelled vehicle



MMA FAMILY INTEGRATES TECHNOLOGY FROM VISION EQXX — THE MOST EFFICIENT MERCEDES WE HAVE EVER BUILT



Mercedes-Benz Electric Drive Unit
(MB.EDU) with up to

93 % efficiency



Consumption of

~12 kWh/100 km



15 min

charging delivers
up to 400 km range



Range of more than

750 km*



800 V system enables up to

300 kW DC charging



*WLTP: In real driving conditions, deviations from the certified standard values may occur. The real values are influenced by a variety of individual factors, e.g. individual driving style, environmental and route conditions.

WITH MMA, THE CARBON FOOTPRINT IN THE ENTRY SEGMENT IS REDUCED BY 40%

MMA SUSTAINABILITY

Carbon footprint
reduced by more than

40%

compared with the previous entry platform



MERCEDES-BENZ eCAMPUS UNTERTÜRKHEIM IS THE CENTRE OF GROUP-WIDE ELECTRIC DRIVE EXPERTISE

eCAMPUS

Development and
testing of electric drives

Covering the entire
field of battery technology

In-house
cell-chemistry research

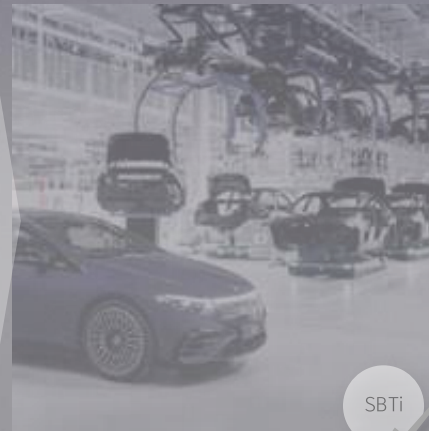
AMBITION 2039 – OUR COMMITMENT TO NET CARBON-NEUTRALITY

ALONG THE ENTIRE VALUE CHAIN IN THE NEW VEHICLE FLEET IN 2039

SUPPLY CHAIN



PRODUCTION & LOGISTICS



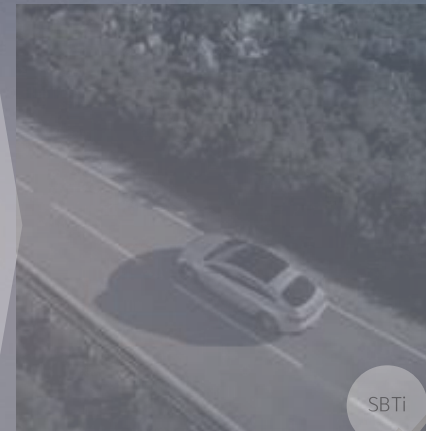
SBTi

WELL-TO-TANK



SBTi

TANK-TO-WHEEL



SBTi

END-OF-LIFE



End-of-life materials
recycling
Battery recycling

CIRCULAR ECONOMY — TAKING RESPONSIBILITY

CREATING A POSITIVE IMPACT ON PEOPLE AND PLANET

SUCCESS BASED ON STRATEGIC
PARTNERSHIPS ALONG THE VALUE CHAIN



Access to end-of-life materials



Refining post-consumer scrap for new vehicles



Reintegration of high-quality recycled materials

OUR AIM: FROM POST-CONSUMER SCRAP TO NEW VEHICLES

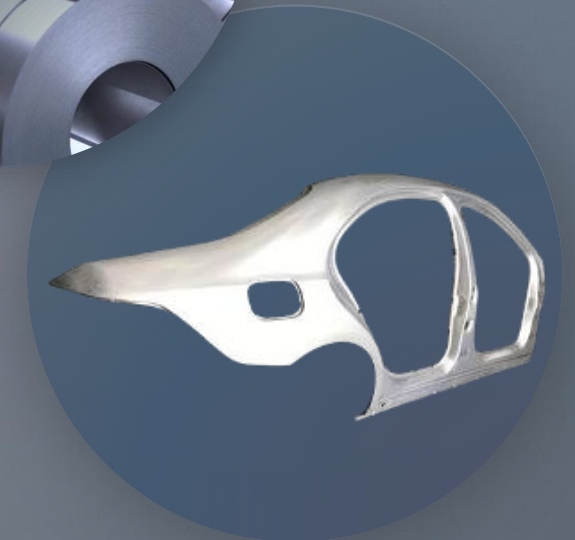
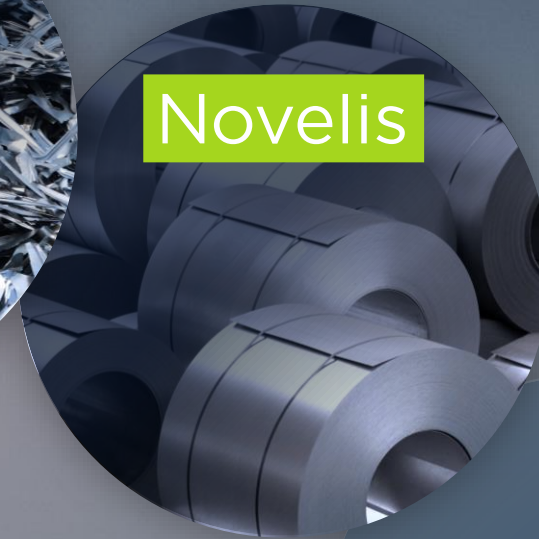
PROTOTYPES WITH LIGHTHOUSE
MATERIAL SUCCESSFULLY TESTED

Use of recycled and processed
end-of-life aluminum for body-in-white

 86% share of post-consumer scrap

 73% less CO₂*

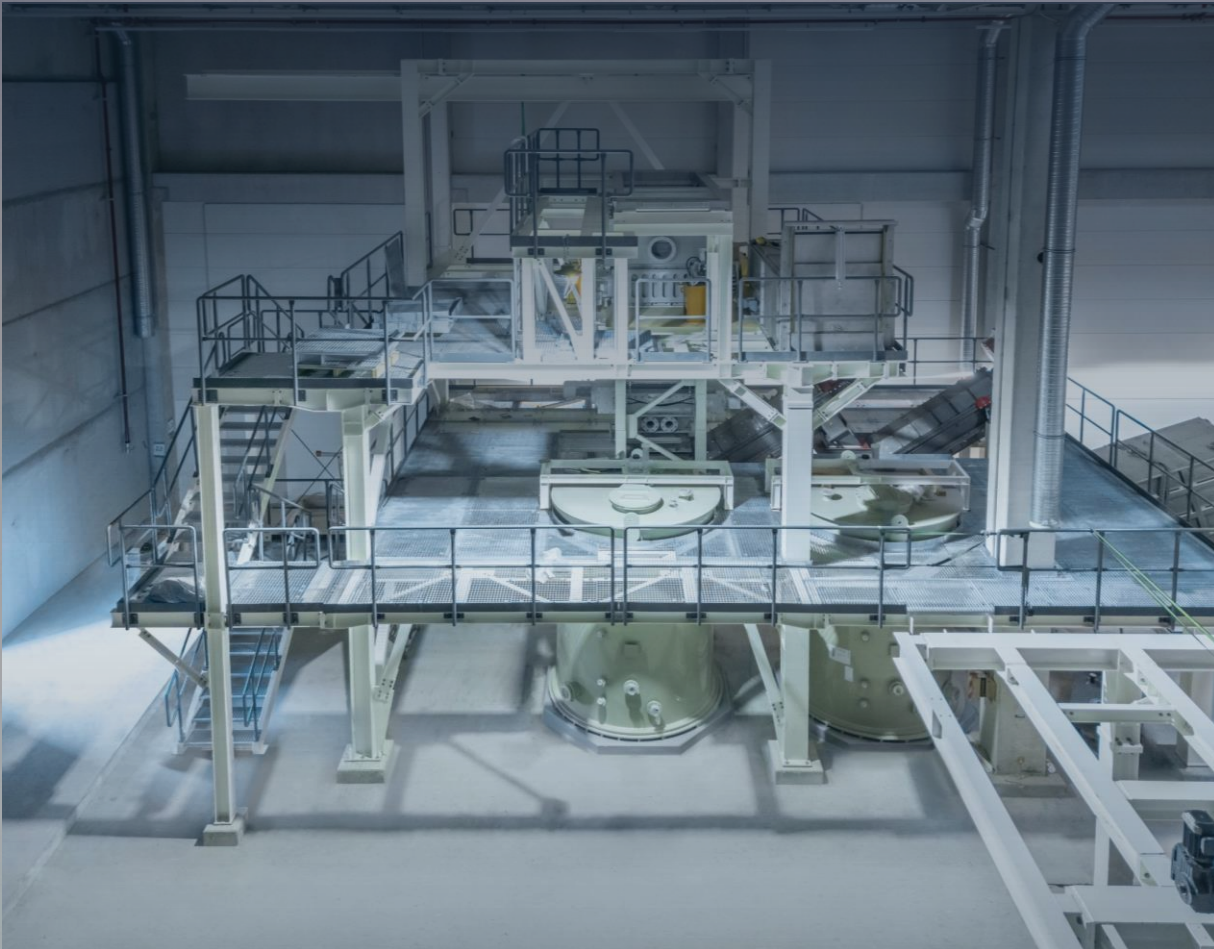
 Avoidance of material loss by downcycling



*than current comparable products

CLOSING THE LOOP WITH OUR NET CARBON-NEUTRAL BATTERY RECYCLING FACTORY IN KUPPENHEIM

PHASE 1 | FRONT-END RAMP-UP



>96% recovery rate

Plastics, Copper, Aluminium, Ferrum

Nickel, Cobalt, Manganese, Lithium, Carbon

Housing, Plastics, Cables, E/E-Components

Innovative mechanical-hydrometallurgical process

Recycling of lithium-ion batteries

BLACK MASS REFINING



GRINDING



DISASSEMBLY

MATERIAL SORTING

ON OUR WAY TO A SUSTAINABLE VEHICLE LIFECYCLE

Carbon-reducing activities
along the entire value chain

Specific contracts with partners & suppliers

Developing new technologies with partners

Aiming for 40% recycled materials and
CO₂ emissions reduction of up to 50 percent
per passenger car in the new vehicle fleet over
the lifecycle by the end of this decade
compared to 2020 levels

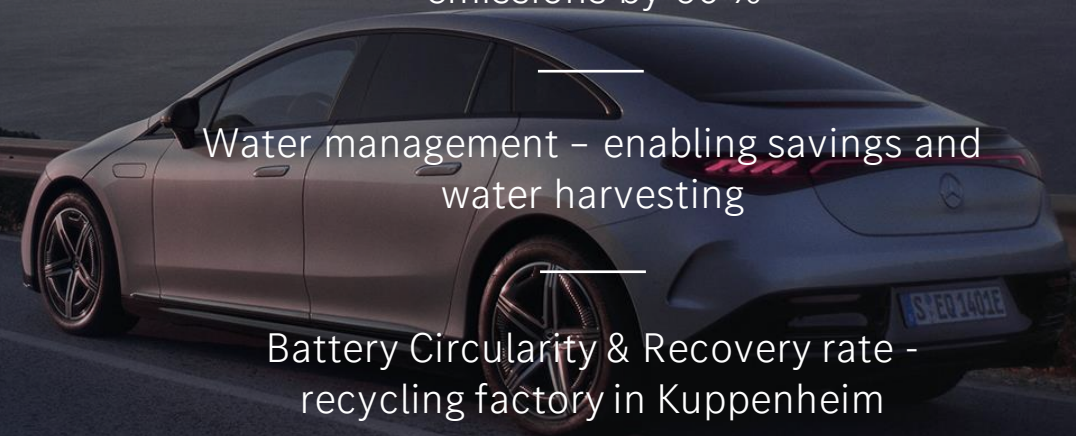
Renewable energy (solar, wind) expansion with partners

Energy storage – balancing volatility

Green logistics – ambitious 2039 target of reducing CO₂
emissions by 60 %

Water management – enabling savings and
water harvesting

Battery Circularity & Recovery rate –
recycling factory in Kuppenheim

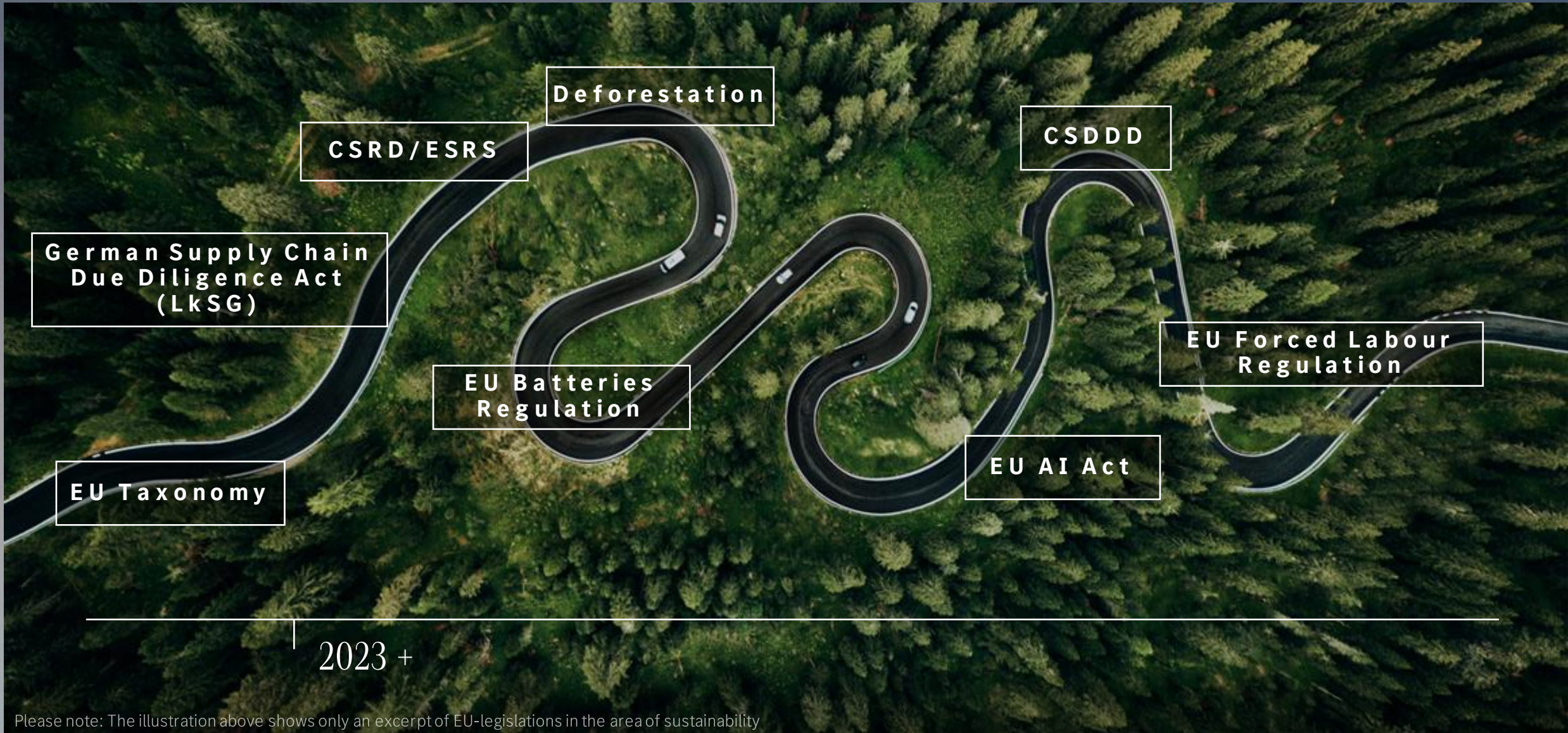


Tomorrow drives Mercedes-Benz.

RESPECTING HUMAN RIGHTS
ALONG THE SUPPLY CHAIN



NAVIGATING THE WINDING ROAD OF EU REGULATIONS



Please note: The illustration above shows only an excerpt of EU-legislations in the area of sustainability

ORGANISATION IN CHARGE

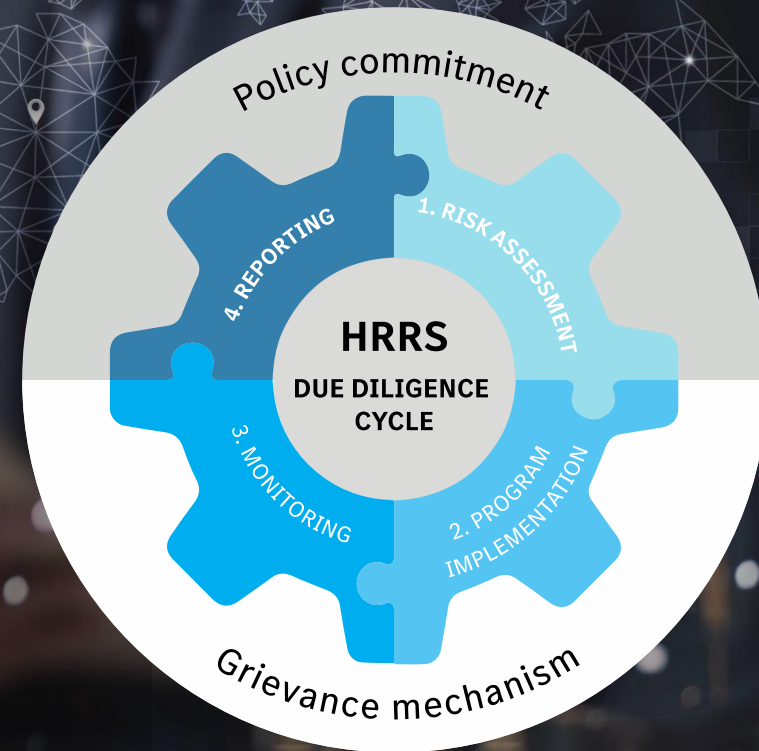
FURTHER IMPLEMENTATION OF STRONG GOVERNANCE FOR HUMAN RIGHTS

New policies & procedures

Sharpened roles & responsibilities

Human rights compliance training

Digitalisation of supply chain risk management




WE WORK TOGETHER ON JOINT SOLUTIONS

econsense

SECTOR DIALOGUE
Automotive Industry 



giz

 terre des
hommes

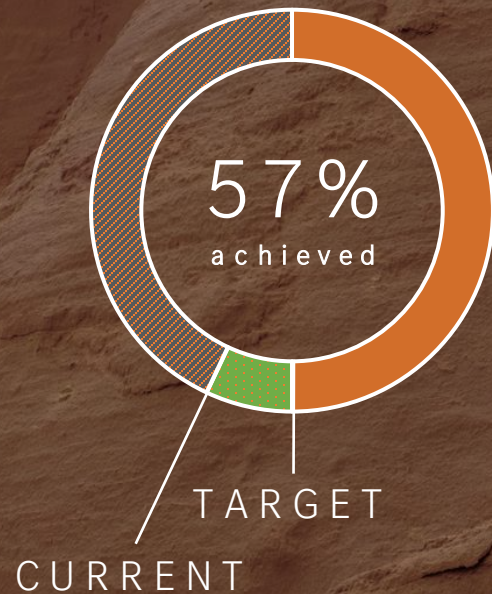
PREVENTION, PROTECTION, REMEDY

STAKEHOLDER PARTICIPATION

ACCESS TO REMEDY

WE DELIVER ON OUR TARGETS

STATUS RAW MATERIAL ASSESSMENT OVERALL PROGRESS



Implemented by procurement

NEW RAW MATERIAL REPORT



15 raw materials

Increased transparency through
deeper insights on methodology
and assessment results

WE LISTEN, LEARN AND ACT

Community and indigenous rights have been prioritised as high risk within our framework of salient risk areas for most raw materials.

WE HAVE MADE IT OUR FOCUS.



WE WORK TOWARDS
EFFECTIVE STANDARDS
(GLOBALLY)



WE TAKE ON RESPONSIBILITY
TOGETHER WITH OUR PARTNERS
(BRAZIL)



WE ENGAGE WITH
AFFECTED RIGHTSHOLDERS
(GUINEA)

Tomorrow drives Mercedes-Benz.

SUSTAINABLE PEOPLE PLAN



CHALLENGES ON OUR WAY TO A SUCCESSFUL TRANSFORMATION



DECARBONISATION



DEMOGRAPHIC CHANGE



DIGITALISATION

OUR SUSTAINABLE PEOPLE PLAN FOCUSES ON A JUST TRANSITION FOR OUR EMPLOYEES

RE-SHAPE

Streamlining our organisation
in a responsible way

RE-SKILL

Cultivating learning and
future-ready development

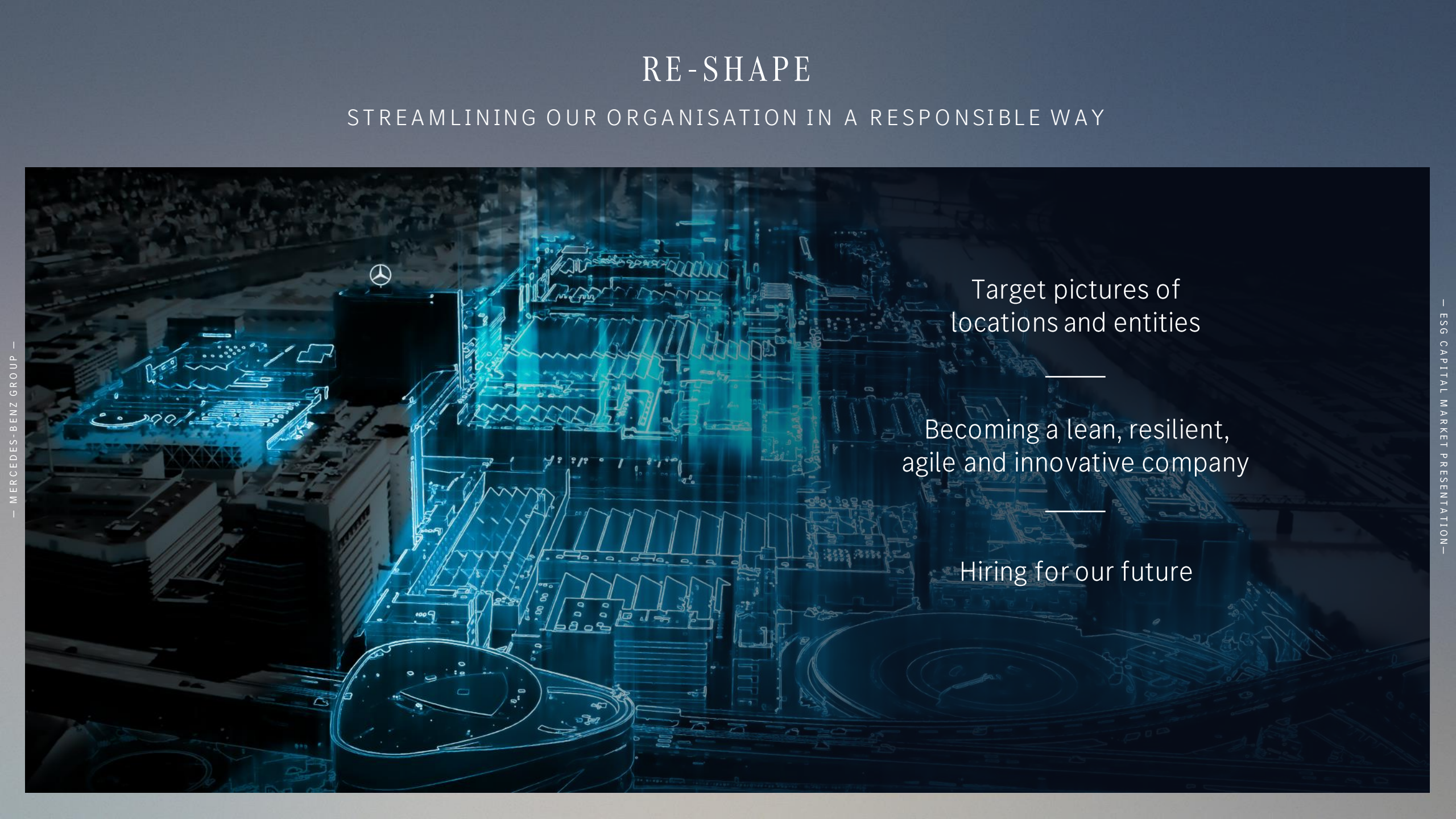
RE-CHARGE

Driving the best people experience



RE-SHAPE

STREAMLINING OUR ORGANISATION IN A RESPONSIBLE WAY



Target pictures of
locations and entities

Becoming a lean, resilient,
agile and innovative company

Hiring for our future

RE-SKILL

CULTIVATE LEARNING AND FUTURE-READY DEVELOPMENT



2BN

investment in Turn2Learn qualification
initiative worldwide 2022-2030

2.3M

learning hours in 2023,
+19% compared to 2022

RE-SKILL

CULTIVATE LEARNING AND FUTURE-READY DEVELOPMENT

27 K

participations in e-mobility trainings
in 2023 in Germany

142 K

participations in trainings in digitalisation
in 2023 worldwide

600

gained further qualifications
as data and AI specialists in 2023



RE-CHARGE

DEDICATED TO BEING THE EMPLOYER OF CHOICE FOR OUR TEAM MEMBERS AND FUTURE TALENT



PULSE 23

86% PARTICIPATION RATE IN OUR
WORLDWIDE EMPLOYEE SURVEY

+8% compared to 2021

77% ARE SATISFIED WORKING
AT MERCEDES-BENZ

+3% compared to 2021

MERCEDES-BENZ NURTURES A WORKING ENVIRONMENT THAT VALUES DIVERSITY, EQUITY AND INCLUSION



WOMEN IN SENIOR MANAGEMENT POSITIONS



WE EMPOWER OUR EMPLOYEES IN BECOMING THE BEST VERSION
OF THEMSELVES TO SUCCEED IN THE DIGITAL AND ELECTRIC FUTURE



Tomorrow drives Mercedes-Benz.

DIGITAL TRUST



FOSTERING DIGITAL TRUST IN DYNAMIC TIMES



We are gaining customers' trust
in innovation and new technologies.

For us, the responsible handling of data
is the foundation for sustainable
digital products and services.

RESPONSIBLE AI BUILDS DIGITAL TRUST

WE ARE CONVINCED THAT AI CAN HELP US SHAPE THE FUTURE IN A POSITIVE WAY

We foster AI innovation.

We tackle AI-related risks based on our AI Principles.

Our AI Principles stand for:
“Responsible Use”, “Explainability”,
“Protection of Privacy”, and
“Safety and Reliability”.



NEW TECHNOLOGIES MEET REGULATORY DYNAMICS

WE BELIEVE THAT THE ANSWER TO THIS COMPLEX QUESTION IS “ADAPTIVE GOVERNANCE”

We pursue a holistic perspective by collaborating cross-functionally between experts from legal, ethics, compliance, and business partners, with a clear end-to-end thinking.

This approach helps our company to develop digital innovations rapidly, but also responsibly

We rely on adaptive governance as an enabler for digital trust.

Tomorrow drives Mercedes-Benz.

SUSTAINABLE FINANCE



SUSTAINABILITY IS ABOUT SECURING OUR LONG-TERM FUTURE

INVENTED THE MODERN CAR

138 years ago



INVESTING IN THE FUTURE

€ 14 BN

CapEx PP&E and R&D expenditures 2023*



* Mercedes-Benz Group

FINANCING THE TRANSFORMATION

We will build the perfect Mercedes for every customer request.

BEV

Investment share EVs*

47%

&

ICE

Free cash flow since 2020

€ 36 BN

-20%

Investments targeted vs.
2019 in 2nd half of decade

*proportion of taxonomy-aligned CapEx PP&E and R&D expenditures Mercedes-Benz Group

OPTIMISING OUR FOOTPRINT

MITIGATING TRANSFORMATION RISKS

CAPACITY



Structural adjustment and realignment of production capacity and volume, e.g. sale of Hambach and Russian plants

TRANSFORMATION



Rightsizing industrial footprint, e.g. Jawor: transformation from powertrain into van site, benefit for entire Group

FLEXIBILITY



Maximum flexibility with xEVs* and combustion engine vehicles on the same production line

* Plug-in hybrids and all-electric vehicles

OPTIMISING OUR COST BASE

MITIGATING TRANSFORMATION RISKS

SCALE



Future all-electric architectures designed in a way to use common components and synergy parts

BATTERIES



> 30% reduction in €/kWh battery cost possible in the coming years, while improving efficiency & charging time

PROCUREMENT

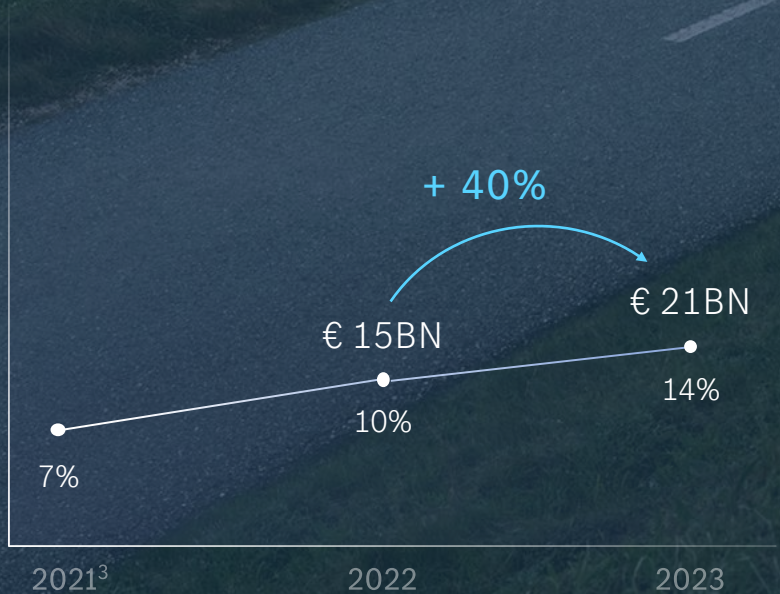


Targeting the reduction of material costs in the coming years

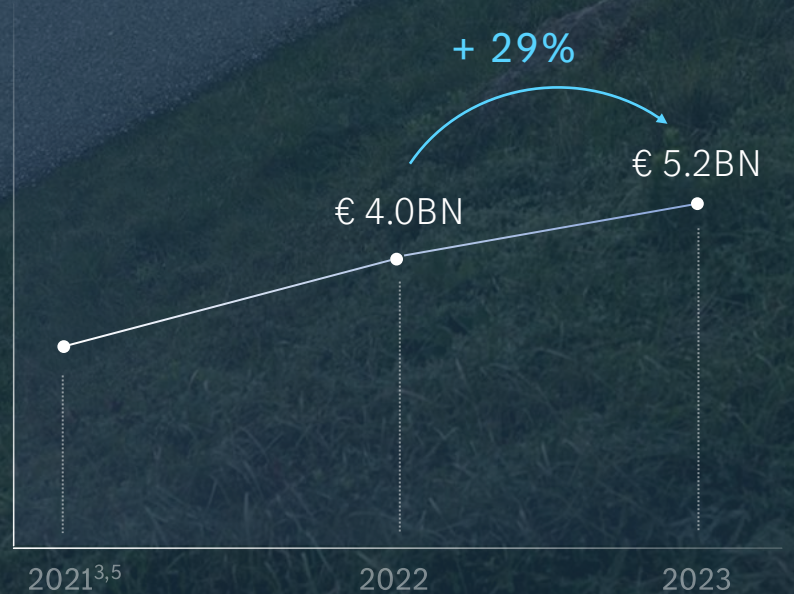
EU TAXONOMY-ALIGNED SHARES¹

TAXONOMY REPORTING DEMONSTRATES PROGRESS TOWARDS CARBON NEUTRALITY

REVENUES



CAPITAL EXPENDITURES²



OPERATING EXPENSES schematic



| | | | | |
|----------------------|-----------------------------------|---------------|----------|---------------|
| >40% capitalised R&D | CapEx intang. Assets ⁴ | 54% € 1.9bn | → +47% → | € 2.8bn 61% |
| >35% CapEx pp&e | CapEx pp&e | 44% € 1.9bn | | € 1.9bn 48% |

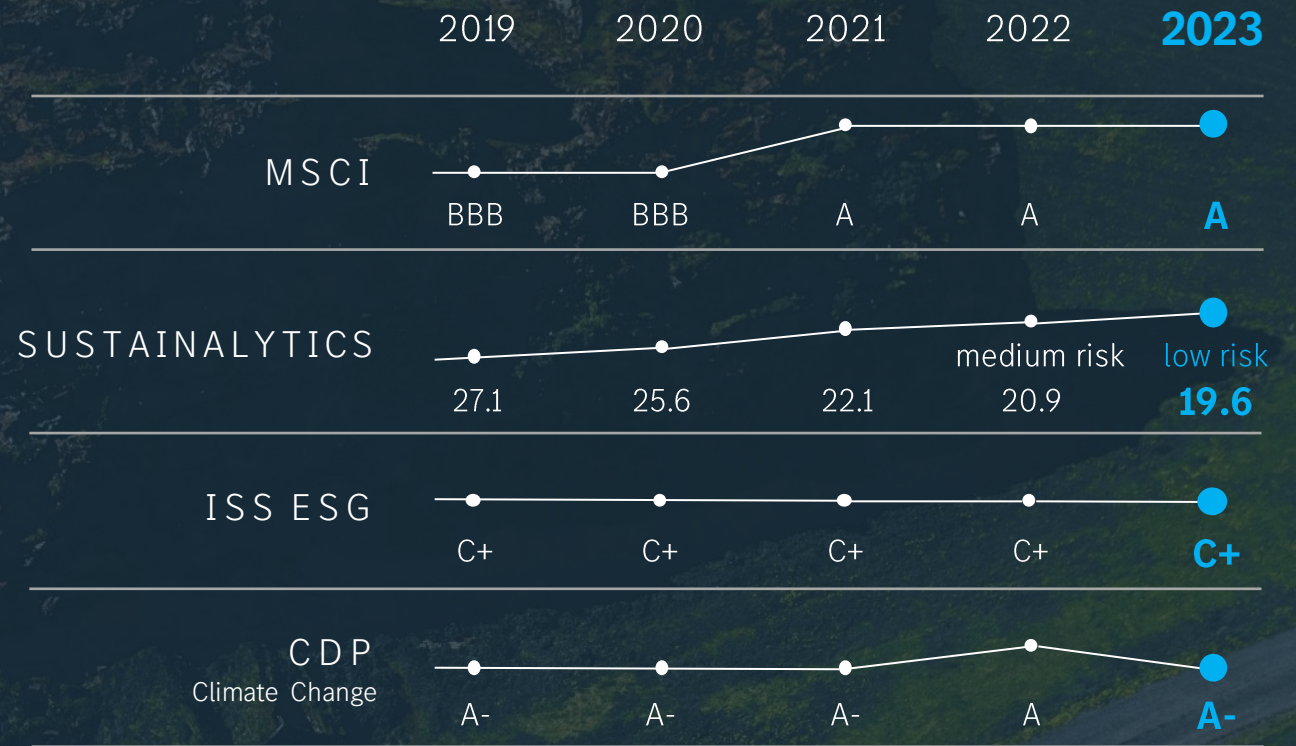
¹ Comprehensive EU Taxonomy reporting in Annual Report 2023 ² CapEx without additions to equipment on operating leases; Taxonomy-aligned CapEx of 24% ³ Voluntary reporting on the proportion of economic activities relating to low-carbon vehicles (below the limit value of 50g CO₂/km) ⁴ Mainly capitalised development cost ⁵ Including capital expenditure on non-current assets related to Daimler's commercial vehicle business until its first classification as available for sale or disbursement in accordance with IFRS 5 by July 30, 2022

ESG RATING PERFORMANCE

Improvements at MSCI and Sustainalytics since 2019

Upgrade at Sustainalytics to low risk in October 2023

Maintained high level at ISS ESG and CDP Climate Change



ESG RATING RESULTS 2023

Among the best-rated
companies in the auto sector

Driven by execution of sustainable
business strategy and Ambition 2039



▼ Best and worst competitor

FOSTER SUSTAINABLE BUSINESS MODELS AS AN ACTIVE INVESTOR

INTEGRATING SUSTAINABILITY ASPECTS INTO OUR INVESTMENT DECISIONS FOR PENSION ASSETS

ESG criteria play an increasingly important
role when investing pension assets

Implementing ESG-themed investments

Definition of CO₂ reduction targets

ESG COMMUNICATION

WE PROVIDE TRANSPARENCY AND SUPPORT DIRECT COMMUNICATION WITH OUR SHAREHOLDERS

COMMUNICATION



Multi-platform-based shareholder communication

REPORTING



Comprehensive disclosure according to capital market standards & frameworks

&

ESG COMMUNICATION

CONTINUOUS DIALOGUE WITH CAPITAL MARKETS



Annual digital ESG Conference since 2022

Presentations, Q&A and Deep dives on ESG

Demonstrating commitment to achieving ambitious and measurable goals

ESG REPORTING

TRANSPARENT ESG REPORTING ALONG THE ENTIRE VALUE CHAIN



Annual Report 2023

Mercedes-Benz Group



Annual Report*



Mercedes-Benz Group AG
Task-force on Climate-related Financial Disclosure (TCFD) Report
For the year-ended December 31, 2023



TCFD Report



Raw Material Report

Mercedes-Benz



Raw Materials Report



Climate Transition
Action Plan



Mercedes-Benz Group's Just Transition Approach

Mercedes-Benz Group



Just Transition
Approach



Sustainability Report 2023

Mercedes-Benz Group



Sustainability Report



Mercedes-Benz Group AG
Sustainability Accounting Standards Board (SASB) Disclosure
For the year-ended December 31, 2023



SASB Report



ESG Capital Market Presentation

Mercedes-Benz Group AG
June 2024

ESG Capital Market
Presentation



Climate Policy
Report

| Scope | Target | Timeline | How |
|-------------|--|----------|--------------------|
| Scope 1 | Reduce absolute emissions by 10% by 2025 | 2025 | Investing in green |
| Scope 2 | Reduce absolute emissions by 10% by 2025 | 2025 | Investing in green |
| Scope 3 | Reduce absolute emissions by 10% by 2025 | 2025 | Investing in green |
| Scope 1+2 | Reduce absolute emissions by 10% by 2025 | 2025 | Investing in green |
| Scope 1+2+3 | Reduce absolute emissions by 10% by 2025 | 2025 | Investing in green |

ESG Targets
Summary

* including Non-Financial Declaration

THE FINANCIAL DIMENSION OF THE TRANSFORMATION

Profitable and sustainable growth

Transformation strategy financed
by current product portfolio

Taxonomy reporting demonstrates progress
towards carbon neutrality



DISCLAIMER

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 negative change in market conditions 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, customs and foreign trade provisions; changes in laws, regulations and government policies (or changes in their interpretation), particularly those relating to vehicle emissions, fuel economy and safety or to ESG reporting (environmental, social or governance topics); price increases for fuel, raw materials or energy; disruption of production due to shortages of materials or energy, labour strikes or supplier insolvencies; a shift in consumer preferences towards smaller, lower-margin vehicles; a limited demand for all-electric vehicles; a possible lack of acceptance of our products or services which limits our ability to achieve prices and adequately utilize our production capacities; 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; the resolution of pending governmental investigations or of investigations requested by governments and the outcome of pending or threatened future legal proceedings; and other risks and uncertainties, some of which are described under the heading “Risk and Opportunity Report” in the current Annual Report or in this Interim 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.