Tomorrow drives Mercedes-Benz.

DECARBONISATION & SUSTAINABLE PRODUCTS

MARKUS SCHÄFER
Member of the Board of Management of Mercedes-Benz Group AG, Chief Technology Officer, Development & Procurement
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
BEV LAUNCH SUCCESSFUL IN EVERY MERCEDES-BENZ PASSENGER CAR SEGMENT

MERCEDES-BENZ GROUP

EQB

EQE | EQE AMG

EQE SUV | EQE SUV AMG

EQA

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)

MERCEDES-BENZ eCAMPUS UNTERTÜRKENHEIM 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 | 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
WITH MMA, THE CARBON FOOTPRINT IN THE ENTRY SEGMENT IS REDUCED BY 40%
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**

**WELL-TO-TANK**

**TANK-TO-WHEEL**

**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

CO$_2$-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 Mettingen.

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

- 40%*

2030

*targeted by 2030

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
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

- Biotechnology-based silk-like fabric
- Sustainably produced and processed nappa leather
- 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
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/kWh
0.9 l/100 km equivalent (282 MPGe)

Total Driving Time
12 h 45 min (in motion)

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

Road trip to Dubai
Mercedes-Benz Brand Center
8 March 2024

Riyadh
Mercedes-Benz Center

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.
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
AMBITION 2039 — OUR COMMITMENT TO NET CARBON-NEUTRALITY ALONG THE ENTIRE VALUE CHAIN IN THE NEW VEHICLE FLEET IN 2039
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

CIRCULAR ECONOMY — TAKING RESPONSIBILITY
CREATING A POSITIVE IMPACT ON PEOPLE AND PLANET
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
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
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. 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.