

**Company Name** Mercedes-Benz Group  
**Industry** Automotive (Own Operations and Supply Chain)  
**Overall Score** 30.4 out of 100

Theme Score	Out of	For Theme
3.3	10	A. Governance and Policies
13.4	25	B. Embedding Respect and Human Rights Due Diligence
7.0	20	C. Remedies and Grievance Mechanisms
4.6	25	D. Performance: Company Human Rights Practices
2.1	20	E. Performance: Responses to Serious Allegations

Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2022 Methodology document for the sector concerned. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

## Detailed assessment

### A. Governance and Policies (10% of Total)

#### A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: General HRs commitment: The Company states that 'As a founding member of the United Nations Global Compact, we are committed to respecting human rights, respecting the rights of employees and their representatives, protecting the environment, enabling fair competition and fighting against corruption'. [Integrity Code, 10/2019: <a href="https://www.daimler.com">daimler.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Met: Commitment to the UNGPs: The Company states in its Principles of Social Responsibility and Human Rights: 'we are committed to the following national and international standards, among others: [...] the UN Guiding Principles on Business and Human Rights'. [Principles of Social Responsibility and Human Rights, 2021: <a href="https://www.group.mercedes-benz.com">group.mercedes-benz.com</a>] &amp; [Sustainability Report 2019, 04/2020: <a href="https://www.sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> </ul>
A.1.2.a	Commitment to respect the human rights of workers: ILO Declaration on Fundamental Principles and Rights at Work	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Company has a commitment to the ILO Core: The Company states that 'We respect human rights and the core labor standards of the ILO.' [Integrity Code, 10/2019: <a href="https://www.daimler.com">daimler.com</a>]</li> <li>Met: Company has an explicit commitment to All four ILO Core: The Principles of Social Responsibilities and Human Rights has provisions with respect to all ILO Core, including no discrimination, no child labor and no forced labor. With respect freedom of association and collective bargaining, the Company indicates: 'we ensure that our employees can openly and regularly exchange views on working conditions with corporate management in unions and workers' representative bodies in accordance with applicable law. If these Principles are not in accordance</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>with local law, at Daimler, we will find local solutions that take into account the relevant national legislation and our own guidelines'. [Principles of Social Responsibility and Human Rights, 2021: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>] &amp; [Supplier Sustainability Standards, 2022: <a href="http://supplier-portal.daimler.com">supplier-portal.daimler.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Company expect suppliers to commit to ILO Core: See explanation below. [Supplier Sustainability Standards, 2022: <a href="http://supplier-portal.daimler.com">supplier-portal.daimler.com</a>]</li> <li>• Met: Company explicitly list All four ILO for suppliers: The Company states that 'Forced or compulsory labor is prohibited. Employees must have the freedom to terminate their employment, provided they give reasonable notice. Child labor is not allowed at any phase of production or processing [...] . Suppliers are obligated to ensure equal opportunity of employment and avoid all forms of discrimination [...]. Companies should preserve freedom of association and actively acknowledge the right to collective bargaining. They must ensure that their employees can discuss working conditions openly with management without fear of punishment. The right of employees to assemble, join a union, appoint representatives and be elected to the union must be respected'. [Supplier Sustainability Standards, 2022: <a href="http://supplier-portal.daimler.com">supplier-portal.daimler.com</a>]</li> </ul>
A.1.2.b	Commitment to respect the human rights of workers: Health and safety and working hours	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commitment to respect H&amp;S of workers: The Company states that 'One of Daimler's top priorities is the health, safety and well-being of its employees. We create a working environment in which everyone can perform to the best of their ability while maintaining their physical and mental health'. [Integrity Code, 10/2019: <a href="http://daimler.com">daimler.com</a>]</li> <li>• Met: Respect ILO labour standards on working hours or Commits to 48 hours regular work week: The Company states in its Principles of Social Responsibility and Human Rights: 'At Daimler, we follow the principle that working hours comply with local law and respective industry standards. We ensure that safe and healthy working conditions prevail, that work breaks, appropriate limitations of working hours and regular, paid vacation are guaranteed, in accordance with applicable local law. We also ensure compliance with the applicable international standards on working hours, which include at a minimum the relevant ILO conventions at the place of employment'. [Principles of Social Responsibility and Human Rights, 2021: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Expect suppliers to commit to H&amp;S of their workers: The Company states that 'As employers, suppliers shall ensure health and safety in the workplace at levels no less than those required by national legislation, and shall support the continuous advancement and improvement of working conditions'. [Supplier Sustainability Standards, 2022: <a href="http://supplier-portal.daimler.com">supplier-portal.daimler.com</a>]</li> <li>• Met: Expect suppliers to commit to ILO labour standard or to 48 hours regular work week: The Company indicates in its Supplier Sustainability Standards: 'Work hours and time off must, as a minimum, be in conformity with applicable laws, industry standards or relevant ILO conventions, whichever are strictest'. [Supplier Sustainability Standards, 2022: <a href="http://supplier-portal.daimler.com">supplier-portal.daimler.com</a>]</li> </ul>
A.1.3.a.MO	Commitment to respect human rights particularly relevant to the industry – responsible sourcing of minerals (MO)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Responsible mineral sourcing: The Principles of Social Responsibility and Human Rights indicates: 'At Daimler, we commit to the responsible procurement of production and non-production materials and services'. However, although the Company commits to responsible procurement, no evidence found that it commits to the responsible sourcing of minerals. In its feedback to CHRB, the Company makes reference to a report and various webpages, however, only policy commitments are considered a suitable source for this indicator under CHRB revised approach. [Principles of Social Responsibility and Human Rights, 2021: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Not Met: Based on OECD Guidance</li> <li>• Not Met: Requires suppliers to commit to responsible mineral sourcing: The Responsible Sourcing Standards states: 'The Partner is obliged to establish processes for its duty to take due care of the human rights in its company within a reasonable period of time, provided it delivers products or provides services to the Mercedes-Benz Group, where potential negative effects on human rights are to be feared in the value chain (for example, human rights due diligence process) and to take systematic and adequate due diligence measures in connection with human rights based on this process. Relevant in this regard are the national due diligence laws applicable to the Partner, but at least the specifications of the UN Guiding Principles on Business and Human Rights (hereinafter referred to as "UN Guiding</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Principles”) as well as the respective relevant OECD Guidelines and principles. In accordance with the UN Guiding Principles, the Partner shall design adequacy and scope of these measures according to the size and sales of its company, the nature and the origin of the product or service and the raw materials contained in it, and particularly according to the associated risks'. However, it is not clear the Company requires its suppliers to follow the Company’s responsible sourcing of mineral policy or the company requires its suppliers to follow the OECD Guidance at least in respect to 3TG. This indicator focuses specifically on Responsible Sourcing of Minerals and requires explicit commitments on this issue. In its feedback to CHRB, the Company makes reference to various webpages, however, only policy commitments are considered a suitable source for this indicator under CHRB revised approach. [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="http://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Commits to follow OECD Guidance for all minerals</li> <li>• Not Met: Suppliers expected to make similar requirements of their suppliers: See above. The Responsible Sourcing Standards also states: 'The Partner is obliged to communicate these requirements to its employees and its own direct suppliers and to ensure compliance within its sphere of influence'. However, it is not clear suppliers are required to have a responsible sourcing policy statement to follow the OECD Guidance explicitly covers all minerals. [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="http://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> </ul>
A.1.3.b.MO	Commitment to respect human rights particularly relevant to the industry – vulnerable groups (MO)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Women's rights: The Company states on its website that 'Daimler is part of the first global initiative specifically addressing the issue of promoting and empowering women in business: The UN Women’s Empowerment Principles. They include seven guidelines on equality for women. By signing, Daimler has committed itself to integrating the principles into the company's practice'. [For a Culture of Appreciation and Respect: Diversity &amp; Inclusion, N/A: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Not Met: Expects suppliers to respect these rights: The Principles of Social Responsibility and Human Rights indicates: 'At Daimler, we respect internationally recognized human rights and take special consideration of the rights of vulnerable groups'. The Responsible Sourcing Standards contains provision against child labor and discrimination. Regarding its business partners, it notes: 'The Partner must establish corresponding regulations and clearly communicate these regulations to all employees. Furthermore, measures must be taken to stop specific cases of discrimination without undue delay and to protect the affected parties'. However, no evidence found indicating it expects suppliers to specifically commit to respect women’s rights or children’s rights or migrant workers’ rights. [Principles of Social Responsibility and Human Rights, 2021: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>] &amp; [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="http://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: CEDAW/Women's Empowerment Principles: As indicated above, the Company is a signatory to the Women Empowerment Principles. [For a Culture of Appreciation and Respect: Diversity &amp; Inclusion, N/A: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Not Met: Child Rights Convention/Business Principles</li> <li>• Not Met: Convention on migrant workers</li> <li>• Not Met: Expecting suppliers to respect these rights</li> </ul>
A.1.4	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: The Company commits to remedy: The Company states that 'There are a number of channels for employees and external third parties to report suspected human rights violations and request assistance—as defined in the third pillar of the UN Guiding Principles on Business and Human Rights, “Access to Remedy”'. However, no evidence of a formal commitment to provide remedy was found. The Company has provided, in its feedback, further sources for this indicator, including a webpage and a periodic report. However, only policy commitments are considered a suitable source for this indicator under CHRB revised approach. [Principles of Social Responsibility and Human Rights, 2021: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>] &amp; [Integrity Code, 10/2019: <a href="http://daimler.com">daimler.com</a>]</li> <li>• Not Met: Company expect suppliers to make this commitment</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Collaborating with other remedy initiatives</li> <li>• Not Met: Work with suppliers to remedy impact: The Responsible Sourcing Standards indicates: 'In the event a violation of human rights standards as defined in this section cannot be brought to an end in the foreseeable future, the Mercedes-Benz Group will, together with the Partner and/or relevant third parties,</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			draw up and implement a corrective action plan to end the violation within a certain period of time or to minimize its extent. The Partner shall use its best effort to support the Mercedes-Benz Group'. It is not clear, however, if this collaboration would extend to provide remediation for affected individuals. [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="https://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a> ]
A.1.5	Commitment to respect the rights of human rights defenders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Zero tolerance attacks on HRs Defenders (HRDs): The Company states: 'we are mindful of the important role of human rights defenders in respecting and promoting human rights and reject any threats, intimidation, defamation and criminalization against people defending human rights. In addition, we seek constructive dialogue and cooperation with human rights defenders'. [Principles of Social Responsibility and Human Rights, 2021: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Met: Company expect suppliers to make this commitment: The Company states in its Integrity Code that it 'rejects all forms of discrimination in hiring and employment, slavery, child labor, threats against people who defend human rights and other human rights violations.' In addition, it expects its suppliers to follow the same principles adopted by Daimler: 'We work towards ensuring that also our business partners, especially suppliers and their subcontractors, also observe these principles'. [Integrity Code, 10/2019: <a href="https://daimler.com">daimler.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Work with HRD to create safe and enabling environment: As indicates above, the Company states, in its Principles of Social Responsibility and Human Rights, that 'At Daimler, we are mindful of the important role of human rights defenders in respecting and promoting human rights and reject any threats, intimidation, defamation and criminalization against people defending human rights. In addition, we seek constructive dialogue and cooperation with human rights defenders'. However, 'seek' is not considered a formal statement of commitment according to CHRB wording criteria. Although the Company indicates that it 'seek[s] constructive dialogue and cooperation' no statement committing to work with human rights defenders to create safe and enabling environments for civic engagement was found. [Principles of Social Responsibility and Human Rights, 2021: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul>

### A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Board level responsibility for HRs: The Company states: 'The Advisory Board for Integrity and Corporate Responsibility has been an important source of input for sustainability activities at Daimler since 2012. The board's members — external experts from the fields of science and business, as well as from civic organizations — utilize an external point of view to offer us constructive criticism and independent support in questions of integrity and corporate responsibility at Daimler. The board meets at regular intervals and also holds discussions with members of the Board of Management and responsible personnel from the respective specialist units. During the reporting year, the Advisory Board also held a joint meeting with the Supervisory Board. The Advisory Board's members have extensive expertise and possess diverse specialized knowledge regarding environmental and social policy, various human rights and ethical issues, and the development of transport and mobility. During the reporting year, the Advisory Board focused in particular on the further development of the sustainable business strategy.' Furthermore, 'The responsibility for human rights issues lies with the Integrity and Legal Affairs Board of Management function. The member of the Board of Management responsible for Integrity and Legal Affairs works with the procurement units on ensuring human rights compliance and also receives regular information and the corresponding reports on human rights activities from the Chief Compliance Officer and from specialist units in the Social Compliance and Corporate Responsibility Management departments. [...]This is supplemented by regular reports submitted jointly to the entire Board of Management and the Group Sustainability Board by all of the participating specialist units.' The Company has provided an additional source to this indicator, however key information was already in use. [Sustainability Report 2019, 04/2020: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not Met: Describe HR expertise of Board member: In its feedback to CHRB, the Company has provided different sources, however, no description of the human rights expertise of the Renata Jungo Brüngger (the Board of Management member responsible for Integrity and Legal Affairs). Some of the sources provided were in German, however, CHRB only accepts documents written in English. This indicator focuses on human rights expertise at Supervisory Board level. Score 2</li> <li>• Met: Speeches/letters by Board members or CEO: The Company displays an interview with Renata Jungo Brüngger, member of the Board of Management of Daimler AG and Mercedes-Benz AG responsible for Integrity and Legal Affairs. The Company has provided an additional source to this indicator, however key information was already in use. [Interview - Human rights are not simply there, N/A: <a href="http://daimler.com">daimler.com</a>]</li> </ul>
A.2.2	Board responsibility	0	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Board/Committee review HRs strategy: The Principles of Social Responsibility and Human Rights indicates: 'The responsible member of the Board of Management works with the procurement units on further developing human rights compliance, in line with agreed upon objectives and also receives regular information and reports on human rights activities from the Chief Compliance Officer and from the corresponding specialist departments. Our procurement units also provide information on their respective human rights compliance measures to the Procurement Council and the Board of Management members who are directly responsible for the units in question. Moreover, the respective specialist units report to the Group Sustainability Board[...]. For this purpose, on an annual and ad hoc basis, salient human rights issues and the status of implementation of these Principles are reported and discussed in the Group Sustainability Board'. It also indicates: 'These Principles are regularly reviewed and revised in accordance with the results of the risk assessment within the framework of the Daimler Human Rights Respect System, for example if a risk assessment is carried out due to a new activity or relationship, before strategic decisions or changes in business activities'. The 2021 Sustainability Report indicates: 'Group-wide activities relating to human rights issues are managed by the Integrity and Legal Affairs Board of Management division at Mercedes-Benz Group AG. The responsible member of the Board of Management further develops this topic according to a dedicated target agreement and in consultation with the procurement units. Moreover, this member regularly obtains information and corresponding reports about our human rights activities from the Chief Compliance Officer and the Social Compliance department. Furthermore, our Principles of Social Responsibility and Human Rights stipulate that the responsible specialist units report to the Group Sustainability Board (GSB), which consists of the Board of Management members who are responsible for sustainability and monitors the implementation of our Principles. To this end, reports on human rights are made to the GSB every year and for specific cases. In addition, the GSB uses specially developed key performance indicators to review the progress of our human rights approach within the context of our sustainable business strategy four times a year. Relevant procurement units also provide information on their respective human rights compliance measures to the Procurement Council and the Board of Management members who are directly responsible for the units in question. [...] Strategic decisions concerning human rights issues are taken by the Board of Management as a whole. It is in charge of human rights issues and is regularly informed about these by all the participating senior executives with specialist responsibility in this field'. However, although the Company indicates the process to discuss Human Rights strategy at Board of Management level, it is not clear how the process takes place at Supervisory Board level. [Principles of Social Responsibility and Human Rights, 2021: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="http://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Not Met: Examples/trends re HR discussion in the last reporting period: The 2021 Sustainability Report indicates: 'During the reporting year, the following issues were discussed with the Board of Management: the presentation of and vote on the Principles of Social Responsibility and Human Rights, the progress made by the raw material assessments, the integration of human rights into our own units, and the plans of the Initiative for Responsible Mining Assurance (IRMA). The Board of Management also informs the Supervisory Board about sustainability issues such as human rights and labour standards at regular meetings'. However, this indicator focuses on discussions at Supervisory Board level. No further evidence found. [2021 Sustainability Report (Mercedes), 2022: <a href="http://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets both requirements under score 1: See above.</li> <li>• Not Met: How affected stakeholders/HR experts informed discussions: The 2021 Sustainability Report indicates: 'The Group uses various dialogue formats to engage in a dialogue with our relevant stakeholders. For example, we organise our Sustainability Dialogues annually and conduct stakeholder surveys, specialist conferences and thematic dialogue sessions that can also take the form of workshops or are held by the Advisory Board for Integrity and Sustainability. [...] One essential tool of the dialogue with the stakeholders is the Sustainability Dialogue, which has been held annually in Stuttgart since 2008 and brings various stakeholder groups together with members of the Group Board of Management and executive management. The participants attend a range of workshops, where they discuss selected issues related to sustainability and work together to further develop their approaches. [...] The Advisory Board for Integrity and Sustainability has been a source of input for the Group's sustainability activities since 2012. The board's members are independent external experts from the fields of science and business, as well as from civic organisations. They also possess specialised knowledge regarding environmental and social policy, [...] and various human rights and ethical issues. The board's members offer us constructive criticism in questions related to integrity and corporate responsibility. The Advisory Board meets three times a year in meetings that are chaired by the member of the Board of Management responsible for Integrity and Legal Affairs. [...] A regular exchange between the Advisory Board, company managers and employees takes place in other meetings that are devoted to specific topics. In 2021, the Advisory Board dealt with a range of issues, among them social compliance'. However, this indicator focuses on how the experiences of affected stakeholders or external human rights experts informed discussions at Supervisory Board level. No further evidence found. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul>
A.2.3	Incentives and performance management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Incentives for at least one board member: The 2021 Sustainability Report indicates: 'In 2020 the Board of Management of Mercedes-Benz Group AG decided to make human rights-related annual target relevant for remuneration. This means that the variable remuneration of our managers and the Board of Management members now depends, among other things, on whether our own human rights targets have been achieved. The basis for this is the KPI for the implementation of the assessments of production-related raw materials that pose a high risk of human rights violations'. Regarding the assessment of critical raw materials, it notes: 'By the end of 2021 we had used this method to assess 31 per cent of all raw materials posing an increased risk, and thus even slightly exceeded our goal of 30 per cent. We intend to gradually increase this percentage. By the end of 2022, we plan to assess 40 per cent of all raw materials that pose an increased risk. This figure is set to rise to 70 per cent by 2025. Finally, by 2028 we intend to define appropriate measures for 100 per cent of our raw materials that pose an increased risk of human rights violations'. However, it is not clear this scheme applies to any Supervisory Board member, which is the focus of this indicator. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Not Met: At least one key HR risk, beyond employee H&amp;S</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Performance criteria made public</li> <li>• Not Met: Review of other board performance criteria</li> </ul>
A.2.4	Business model strategy and risks	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Board process to review business model and strategy: The 2021 Sustainability Report indicates the role of the Board of Management of Mercedes-Benz Group AG in managing its sustainability approach in general and its Human Rights in specific. It also points to the part played by the Advisory Board for Integrity and Sustainability. However, no evidence found of process the Company has in place to discuss and review its business model and strategy for inherent risks to human rights at Board level [Supervisory Board] or a Board committee. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Not Met: Describe frequency and triggers for reviewing</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets both requirements under score 1</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not Met: Example of actions decided: The 2021 Sustainability Report indicates: 'We have extensively discussed the results of the materiality analysis with all of the responsible specialist units and presented them to the Group Sustainability Board (GSB), as well as to the Advisory Board for Integrity and Sustainability. The results form an important foundation for the further development of our sustainable business strategy'. Also, 'In 2020 the Board of Management of Mercedes-Benz Group AG decided to make human rights-related annual target relevant for remuneration. This means that the variable remuneration of our managers and the Board of Management members now depends, among other things, on whether our own human rights targets have been achieved'. However, the examples are expected to refer to Supervisory Board level discussions. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul>

## B. Embedding Respect and Human Rights Due Diligence (25% of Total)

### B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Score of 1 on A.1.2.a: See indicator A.1.2.a</li> <li>• Met: Senior responsibility for HR implementation and decision making: The Company states: 'The lead responsibility for the controlling of human rights issues lies with the Integrity and Legal Affairs executive division of Daimler AG. The member of the Board of Management responsible for Integrity and Legal Affairs works with the procurement units on ensuring human rights compliance and also receives regular information and the corresponding reports on human rights activities from the Chief Compliance Officer and from specialist units in the Social Compliance and Corporate Responsibility Management departments. Relevant procurement units also provide information on their respective human rights compliance measures to the Procurement Council and the Board of Management members directly responsible for the units in question. This is supplemented by regular reports submitted jointly to the entire Board of Management and the Group Sustainability Board by all of the participating specialist units.' The Integrity and Legal Affairs Board of Management is headed by Renata Jungo Brünnger, who also leads the Company's Corporate Sustainability Board. [Sustainability Report 2019, 04/2020: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: How it assigns Day-to-day responsibility: It also indicates: 'Cross-functional teams work together closely on the development and implementation of suitable preventive activities and countermeasures. The teams consist of human rights and compliance experts, as well as staff from the operational procurement units and, if necessary, from other specialist units as well. The relevant specialist units are responsible for implementing and monitoring the measures developed in each case'. [Sustainability Report 2019, 04/2020: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> <li>• Not Met: Day-to-day resources and expertise allocation in own ops</li> <li>• Not Met: Resources and expertise allocation in the supply chain: The 2021 Sustainability Report indicates: 'The Mercedes-Benz Group also developed the Compliance Awareness Module on the basis of its supplier sustainability standards and its Integrity Code. This publicly available training module helps suppliers handle possible integrity- and compliance-related risks in a responsible manner'. However, although the Company indicates it provides this service to suppliers, it is not clear how it allocates resources and expertise for the day-to-day management of relevant human rights issues of its supply chain. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul>
B.1.2	Incentives and performance management	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Senior manager incentives for human rights: The 2021 Sustainability Report indicates: 'In 2020 the Board of Management of Mercedes-Benz Group AG decided to make human rights-related annual target relevant for remuneration. This means that the variable remuneration of our managers and the Board of Management members now depends, among other things, on whether our own human rights targets have been achieved. The basis for this is the KPI for the implementation of the assessments of production-related raw materials that pose a high risk of human rights violations'. Regarding the assessment of critical raw materials, it notes: 'By the end of 2021 we had used this method to assess 31 per cent of all raw materials posing an increased risk, and thus even slightly exceeded our goal of 30 per cent. We intend to gradually increase this percentage. By the end of 2022, we plan to</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>assess 40 per cent of all raw materials that pose an increased risk. This figure is set to rise to 70 per cent by 2025. Finally, by 2028 we intend to define appropriate measures for 100 per cent of our raw materials that pose an increased risk of human rights violations'. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</p> <ul style="list-style-type: none"> <li>• Met: At least one key HR risk, beyond employee H&amp;S: See above. Target refers to responsible sourcing of raw materials. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Performance criteria made public: It discloses how it assesses raw materials. More information on high-risk material is found in the Raw Materials Report and on its webpage. However, the criteria linking the senior managers' remuneration to the Company's human rights performance was not found. The Company is expected to provide percentages of remuneration linked to incentives. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Not Met: Review of other senior management performance</li> </ul>
B.1.3	Integration with enterprise risk management	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: HR risks is integrated as part of enterprise risk system: The Company states that 'To ensure that human rights are respected and protected, Daimler has developed a systematic due diligence approach called the Daimler Human Rights Respect System (HRRS). It aims to protect the human rights of our own employees and to ensure that human rights are respected at our direct suppliers (Tier 1) and at risk-relevant points of the supply chain beyond Tier 1. Through our systematic approach to ensuring respect and protection for human rights, we aim to be exemplary for the automotive and mobility services sectors [...] The Human Rights Respect System is designed to enable the early identification and avoidance of systemic risks and possible negative effects of our business activities on respect for human rights. The HRRS is oriented upon our Group-wide Compliance Management System (CMS). [Sustainability Report 2018, 01/2020: <a href="https://daimler.com">daimler.com</a>]</li> <li>• Not Met: Provides an example: However, it is not clear how the examples provided are integrated into its broader enterprise risk management system, for example, how it is managed within this system, or how these risks can affect the Company negatively. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Audit Ctte or independent risk assessment: The 2021 Sustainability Report indicates: 'The Social Compliance department plays a key role in the implementation and further development of the Social CMS. Since 2019 one of the department's tasks has been to identify and assess the human rights risks in our own Group companies. The Corporate Audit unit is also involved in this process, for example by including sustainability and human rights issues in its audits. The observance of our human rights principles is also addressed in these audits'. However, although the Company indicates that the Corporate Audit includes Human Rights issues in its audits, it is not clear how it assesses the adequacy of the enterprise risk management system in managing human rights during the company's last reporting year. The assessment was either overseen by the Board Audit Committee or conducted by an independent third party. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul>
B.1.4.a	Communication /dissemination of policy commitment(s) to workers and external stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Score of 1 on A.1.2.a: See A.1.2.a</li> <li>• Met: Communicates its policy to all workers in own operations: The Company states on its website: 'We develop specially tailored teams in order to train the different specialist units in their respective functions on the issue of human rights. For example, our integrity training for all employees presents sample cases and complex situations from the daily work routine, including related to human rights. We have developed a training course specifically for our compliance experts for identifying human rights risks in our affiliates and for communicating our responsibility as per the UN Guiding Principles on Business and Human Rights'. In addition, in its Sustainability Report, it indicates: 'Our Integrity Code provides our employees with information about human rights and raises their awareness of the corresponding risks. The rules contained in the Code are binding for all employees at Daimler AG and for all employees at the Group companies controlled by Daimler. Depending on the area of work, the onboarding process for new employees may include mandatory training courses containing corresponding information. [...] Using our updated Integrity Code as a basis, we are currently revising the</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>mandatory basic module of our web-based training program for integrity, compliance, and legal issues [...]. We have made use of various training and communications measures such as “Tone from the Top” mailings and special training courses and dialog sessions in order to sensitize employees at development and certification units at all divisions to issues relating to technical integrity, compliance, and legal regulations in the product creation process. [...]</p> <p>Together with the relevant development departments, we have supplemented the provisions of the Integrity Code by formulating so-called commitment statements that support employees and offer them guidance for ensuring proper conduct in their daily activities. These principles have been discussed with employees at dialog sessions held around the world'. [Sustainability Report 2019, 04/2020: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [Strong for human rights, N/A: <a href="https://daimler.com">daimler.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Communication of policy commitments to stakeholder: The 2021 Sustainability Report indicates: 'The Principles were communicated to all employees at Mercedes-Benz Group as well as controlled Group companies'. Moreover, they are publicly available in a total of 12 languages. The Responsible Sourcing Standards, which is available online, indicates: 'The Partner is obliged to communicate these requirements to its employees and its own direct suppliers and to ensure compliance within its sphere of influence. [...] The Partner will forward the content of these human rights standards (see section II) to its subcontractors, placing them under the corresponding obligations, and will monitor and check compliance with human rights standards in the supply chain. The Partner particularly is responsible for ensuring that its subcontractors also act in accordance with these human rights standards'. However, it is not clear how it communicates its policy commitments to affected stakeholders, including local communities. Communication down the supply chain is assessed in its specific indicator (b.1.4.b) [2021 Governance_Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>] &amp; [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="https://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> <li>• Not Met: How policy commitments are made accessible to audience: The Company states in its Sustainability Report: 'All relevant contractors or service providers must sign a declaration that they comply with these standards. Only if they fulfil this prerequisite can they receive purchase orders'. In addition, the Company has a Supplier Portal where it communicates its policies and other important documents to its Suppliers, including its Supplier Sustainability Standards and other tools and training modules (Supplier Compliance Awareness Module). However, no evidence found about how policies are communicated to local communities and other external stakeholders (different than suppliers)'. No new evidence found in latest review. [Sustainability Report 2019, 04/2020: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [Supplier Portal - Standards and requirements, N/A: <a href="https://supplier-portal.daimler.com">supplier-portal.daimler.com</a>]</li> </ul>
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Meets ILO requirement for suppliers on A.1.2.a: See A.1.2.a</li> <li>• Met: Requires suppliers to communicate policy requirements: The Company states that 'We demand that our direct suppliers commit themselves to observing our sustainability standards, communicating them to their employees and to their upstream value chains, and then checking to ensure that the standards are complied with. We support them in these activities by providing them with targeted information and training and qualification measures. The central information platform for suppliers is our Daimler Supplier Portal'. [Sustainability Report 2018, 01/2020: <a href="https://daimler.com">daimler.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: How HR commitments made binding/contractual: The Company indicates that its Supplier Sustainability Standards 'are an integral part of our conditions of business'. The supplier standards also indicate that 'the contents of this document are incorporated into the terms of the contracts with our suppliers around the world'. [Sustainability Report 2018, 01/2020: <a href="https://daimler.com">daimler.com</a>] &amp; [Supplier Sustainability Standards, 2022: <a href="https://supplier-portal.daimler.com">supplier-portal.daimler.com</a>]</li> <li>• Met: Company requires suppliers to cascade down to their suppliers: The Responsible Sourcing Standards indicates: 'The Partner will forward the content of these human rights standards [...] to its subcontractors, placing them under the corresponding obligations, and will monitor and check compliance with human rights standards in the supply chain. The Partner particularly is responsible for ensuring that its subcontractors also act in accordance with these human rights standards'. Also, 'The Responsible Sourcing Standards include mandatory minimum requirements for suppliers. These minimum requirements form an integral part of</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>the individual supply agreements. In addition, the Responsible Sourcing Standards demonstrate our expectations towards our suppliers in order to jointly establish and continuously develop a best practice for the protection of human rights and the environment as well as for the fulfilment of due diligence obligations for responsible business conduct. The Partner is obliged to communicate these requirements to its employees and its own direct suppliers and to ensure compliance within its sphere of influence'. [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="https://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</p>
B.1.5	Training on Human Rights	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Scores at least 1 on A.1.2.a: See indicator A.1.2.a</li> <li>• Met: How workers are trained on HR policy commitments: The 2021 Sustainability Report indicates: 'We inform our employees about the principles of human rights and increase their awareness of the corresponding risks by means of the Integrity Code and the Principles of Social Responsibility and Human Rights. These stipulations are binding for all of our employees and are communicated to them in online training courses. These courses include the mandatory online training module Integrity@Work, in which we convey to all employees the strategic and operational importance of human rights for the Mercedes-Benz Group and how they are relevant to daily business. Depending on their specific tasks, during their induction process new employees also have to absolve mandatory training modules that address human rights issues relevant to their respective work environment. [...] A new feature during the reporting year was the integration of the new Principles of Social Responsibility and Human Rights into the existing training concepts in order to increase employees' awareness of the main human rights issues within the Group'. [2021 Governance_Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Met: Trains relevant managers including procurement: The Company also reports about specific training programs conducted during the years and the number of participants, including the 'Expert Module — Integrity &amp; Compliance@ Procurement' addressed to 'All employees and managers in purchasing functions worldwide'. [Sustainability Report 2019, 04/2020: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Score of 2 on A.1.2.a: See indicator A.1.2.a</li> <li>• Met: Meets both requirements under score 1</li> <li>• Met: Trains suppliers to meet company's HR commitment: The Company also reports: 'We also developed the Supplier Compliance Awareness Module on the basis of our sustainability standards for the suppliers and our Integrity Code. This module helps suppliers handle possible integrity and compliance-related risks. The Compliance Awareness Module is intended to provide suppliers with an overview of the compliance principles that are currently valid at Daimler and inform them of the company's expectations. The module contains various case studies concerning our compliance theme fields in order to provide assistance and guidance. In addition, it clearly stipulates what we expect of the suppliers when it comes to integrity and provides information about legal requirements and ethical standards. All suppliers can access the module at the Daimler Supplier Portal at any time. They can also forward this module to their business partners in the supply chain'. [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> <li>• Not Met: Disclose % trained</li> </ul>
B.1.6	Monitoring and corrective actions	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Scores at least 1 on A.1.2.a: See indicator A.1.2.a</li> <li>• Met: Monitoring implementation of HR policy commitments across global ops and supply chain: The Sustainability Report 2019 states: 'We are currently working to further expand the Daimler Human Rights Respect System (HRRS) step by step at all Group companies of the Daimler AG and to integrate it into our Groupwide Compliance Management System. [...] The HRRS, which orients itself to our Group-wide Compliance Management System (CMS), utilizes a risk-based approach in its focus on Group companies including our production locations and our supply chain. In the spring of 2019, we established a new Social Compliance department. This department is responsible for leading the implementation of our HRRS and to this end utilizes tried-and-tested methods and processes from our Compliance Management System. Plans call for the HRRS at Daimler AG Group companies to be gradually integrated into the Group-wide CMS'. With respect supply chain monitoring, the Sustainability Report 2020 indicates: 'We also examine our existing direct suppliers within the framework of risk analyses conducted on a regular basis. Among other things, we conduct annual database research to identify any violations of our sustainability and compliance rules. This is part of our supplier</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>screening process. We make these evaluations so that we can detect violations at an early stage on the basis of up-to-date supplier data. In 2020 we conducted a total of 658 on-site reviews at suppliers of production materials. By way of exception, some of these audits were conducted virtually because of the covid-19 pandemic'. [Sustainability Report 2019, 04/2020: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [Sustainability Dialogue - Working Group Results, 12/2019: <a href="https://daimler.com">daimler.com</a>]</p> <ul style="list-style-type: none"> <li>• Not Met: Proportion of supply chain monitored: The Company reports in its Sustainability Report 2019: 'Daimler performed a total of 1,127 CSR audits at suppliers around the globe in 2019. These audits also focused on human rights issues'. And in the Sustainability Report 2020, it indicates: 'In 2020 we conducted a total of 658 on-site reviews at suppliers of production materials'. The 2021 Sustainability Report indicates: 'We continued to conduct our audits at production material suppliers in 2021, when a total of 805 on-site audits were performed'. However, it is not clear the actual percentage of supply chain monitored. In its feedback to CHRB, the Company has also provided additional information, however, it was on the monitoring of its own productions. This indicator focuses on the supply chain. [Sustainability Report 2019, 04/2020: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> <li>• Not Met: Describe how workers are involved in monitoring</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Score of 2 on A.1.2.a: See indicator A.1.2.a</li> <li>• Met: Describes corrective action process: The Company indicates in its SR 2020: 'If on-site audits or database searches raise doubts regarding a new or existing supplier's sustainability performance, the responsible procurement unit initiates a more in-depth review. If we become aware of a suspected violation, we first bring together ask the suppliers to respond to the allegations. These questions require suppliers to provide information about their sustainability management system or how they involve their own suppliers. If the results of such surveys indicate insufficient sustainability performance, we instruct the supplier in question to improve the relevant processes. If the supplier does not sufficiently remedy the criticized processes, we make individual decisions regarding the next steps. In especially severe cases, these decisions are made by management bodies. As a last resort, this can cause us to discontinue business with a supplier'. [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> <li>• Not Met: Disclose findings and number of corrective action: The Company, in its feedback, makes reference to the finding as a result of assessments in its raw material supply chains, however, minerals and raw materials-related information are assessed in its specific indicators. As well as the findings, the Company is expected to disclose the number of corrective actions implemented. [2022 Raw Materials Report (Mercedes), 06/2022: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul>
B.1.7	Engaging and terminating business relationships	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: HR affects selection of suppliers: The Company states: 'Our Supplier Sustainability Standards define our requirements for working conditions, upholding human rights [...]. Compliance with the standards is systematically reviewed. For example, the procurement units of Mercedes-Benz Cars and Daimler Trucks &amp; Buses examine new production material suppliers in the course of their on-site assessments, also with regard to sustainability issues. Such examinations are even more thorough in high-risk countries. If there are any doubts regarding the sustainability performance of a new supplier, the responsible team initiates a deeper review. In critical cases we discuss the results of the analyses in management committees and take them into account in decisions on whether to award a contract'. [Sustainability Report 2019, 04/2020: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> <li>• Met: HR affects on-going supplier relationships: The Company indicates in its SR 2020: 'If on-site audits or database searches raise doubts regarding a new or existing supplier's sustainability performance, the responsible procurement unit initiates a more in-depth review. [...] If the supplier does not sufficiently remedy the criticized processes, we make individual decisions regarding the next steps. In especially severe cases, these decisions are made by management bodies. As a last resort, this can cause us to discontinue business with a supplier'. [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Describe positive incentives offered to respect human rights</li> <li>• Met: Working with suppliers to meet HR requirements: The Company also indicates in its Sustainability Report 2020: 'We also developed the Supplier Compliance Awareness Module on the basis of our sustainability standards for the</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>suppliers and our Integrity Code. This module helps suppliers handle possible integrity and compliance-related risks. The Compliance Awareness Module is intended to provide suppliers with an overview of the compliance principles that are currently valid at Daimler and inform them of the company's expectations. The module contains various case studies concerning our compliance theme fields in order to provide assistance and guidance. In addition, it clearly stipulates what we expect of the suppliers when it comes to integrity and provides information about legal requirements and ethical standards. All suppliers can access the module at the Daimler Supplier Portal at any time. They can also forward this module to their business partners in the supply chain'. [Supplier Portal - Standards and requirements, N/A: <a href="http://supplier-portal.daimler.com">supplier-portal.daimler.com</a>] &amp; [Sustainability Report 2020, 2021: <a href="http://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</p>
B.1.8	Approach to engagement with affected stakeholders	0.5	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Met: Stakeholder process or systems to identify and engage with workers/communities in the last two years: The Company states We consider it important to engage in a continuous dialog with all of our interest groups. This allows us to consider various perspectives on our involvement with sustainability issues, identify and address new trends, and share experiences. We also want to engage in constructive discussions of controversial themes at a very early stage. We always focus on conducting a dialog that is fruitful and productive for all the parties involved. In order to conduct this kind of dialog, we need to identify our stakeholders. [...] Whether an individual, organization or group is a stakeholder of our company depends on the extent to which our decisions influence them or, conversely, the extent to which they can influence our decisions. Thus our primary stakeholders are our customers, employees, investors, and suppliers. We also communicate regularly with groups in civil society such as nongovernmental organizations, as well as associations, trade unions, the media, analysts, municipalities, residents in the communities where we operate, and representatives of science and government'. 'We use various instruments to engage in a dialog with our relevant stakeholders. On the one hand, we use our own dialog formats, which includes the "Daimler Sustainability Dialogue". We also conduct stakeholder surveys, specialist conferences, and thematic dialog sessions that can also take the form of workshops or are held by our Advisory Board for Integrity and Corporate Responsibility. On the other hand, we keep ourselves up to date on the latest discussions and the associated expectations by participating in industry-specific and cross-industry networks and initiatives. We also evaluate studies and other scientific publications and conduct our own media analyses. These measures help us to identify developments and the associated expectations in areas beyond the dialog events we have initiated'. [Sustainability Report 2020, 2021: <a href="http://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> <li>• Not Met: Discloses stakeholders that HRs may be affected</li> <li>• Not Met: Provides two examples of engagement with stakeholders: The Company indicates: 'During the reporting year, we held discussions with relevant NGOs concerning a range of topics, including deep-sea mining, sea transport, leather production and deforestation, copper mining in Ecuador, aluminium and mining standards. One result of these discussions is that with regard to the topic of leather and deforestation we are currently checking to what extent we can base our requirements for the suppliers of leather products on those of the Accountability Framework. We have also taken the feedback from NGOs into account in our development of quality criteria for mining standards. Our suppliers can view these criteria on the Supplier Portal. The discussions with the employee representative body from sea transport have enabled us to find out about the specific risks related to this service, especially in view of the covid-19 pandemic. These findings are now serving as the basis for a survey that we are conducting among our service providers'. However, although the Company indicates that there has been engaging with NGOs, it is not clear it is related to Human Rights issues on behalf of affected stakeholders. The Company is expected to provide two examples of its engagement with stakeholders whose human rights have been or may be affected by its activities (or their legitimate representatives or multi-stakeholder initiatives) in the last two years. [2021 Sustainability Report (Mercedes), 2022: <a href="http://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Analysis of stakeholder views on company's HR issues: The Company discloses its 'Sustainability Dialogue - Working Groups Results', where it summarizes the topics discussed, new insights, the Company's approach, and its planned activities. This document include a section about Human Rights, including the following topics discussed and new insights given: Progress on HRRS [Human</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Rights Respect System] implementation - Services: Continuous review and adaption of processes necessary, e.g. review of risk commodities, Think about risk-specific questionnaire,. integrating feedback from e.g. trade unionists, Be aware of limits of „friendly, dialogue oriented approach“; Progress on HRRS implementation - Production Materials: Request: more transparency on challenges/successes, and concrete approach in raw material supply chains, Debate about leaving a country (e.g. DRC) due to human rights risks. Majority recommended to stay, leaving a country only as an ultima ratio, Acknowledged: Dilemmas with ambiguous impact are challenging, debate them publicly. [Sustainability Dialogue - Working Group Results, 12/2019: <a href="https://www.daimler.com">daimler.com</a>]</p> <ul style="list-style-type: none"> <li>• Met: Describe how views influenced company's HR approach: The 2021 Sustainability Report indicates: 'During the reporting year, we discussed various topics in the Human Rights working group within the annual Sustainability Dialogue in order to further develop the HRRS [Human Rights Respect System] in these areas. They included human rights reporting, human rights and the environment, and stakeholder engagement in supply chains. [...] In 2021, for example, we incorporated the viewpoints and expertise of external stakeholders such as NGOs, trade unions and human rights experts into the development of our Principles of Social Responsibility and Human Rights. During a joint workshop, we took up their feedback and either adopted it or gave reasons for not doing so. [...] Moreover, we have asked external experts to provide us with advice concerning environmental issues and human rights. As a result of all these talks and consultations, we have concluded that the process of risk identification and prioritisation should be communicated even more extensively and that potentially affected stakeholders should be involved in the HRRS even more systematically'. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul>

## B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying human rights risks and impacts	1.5	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Met: Identifying risks in own operations: The Company states in its Sustainability Report 2020: 'To ensure that human rights are respected and upheld, we have developed a due diligence approach: the HRRS. We use this system to monitor our own Group companies, our direct suppliers (Tier 1) and, on a risk basis, suppliers beyond Tier 1. The HRRS due diligence cycle comprises four steps (risk assessment, program implementation, monitoring, and reporting) and is designed to systematically identify and avoid risks and possible negative effects of our business activities on human rights early on and to initiate adequate measures, should this be necessary. [...] In the first step, we classify the Group companies according to fixed criteria, including country-specific and business-specific risks. The focus is on the most important human rights issues that have been identified for the Group companies, including employee rights, diversity, and safety. In the process, we take into account fundamental human rights standards such as those defined in the Universal Declaration of Human Rights and those of the International Labour Organization (ILO). On this basis we conduct a more thorough analysis every year with the help of a survey regarding human rights and use the findings to derive packages of risk-specific measures. During the reporting period, this newly developed method was used for the first time at Group companies with a higher risk. The local compliance officers, who are part of our global compliance network, provide assistance for the human rights survey at the Group companies. In order to obtain useful insights from the survey, the compliance experts were trained in advance in an in-depth online course that was tailored to their needs. This course enabled them to recognize the human rights risks of our focal areas. It allowed us to identify the specific local risks and explore them further in dialogs with the compliance officers of the respective Group companies'. [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: Identifying risks through relevant business relationships: See above, process applies to supply chain. In addition, it reports: 'In addition to our Group companies, we pay special attention to our upstream supply chain of production materials'. However, these aspects of supply chain (materials and minerals) are assessed under their specific indicators. The webpage section Human Rights in the Supply Chain indicates: 'We use a variety of measures and concepts for the sustainable management of our supply chain. That includes the screening of our suppliers, risk-based due diligence analyses'. The 2021 Sustainability Report notes: 'The Human Rights Respect System (HRRS) backs up the Company's approach to implementing its human rights due diligence obligations. This comprehensive due diligence approach encompasses the identification and assessment of our human rights risks, the definition and implementation of measures, the handling of risks and the monitoring of measures taken. We use this approach to review both our Group companies as well as our tier-1 suppliers and, risk-based, sub-suppliers beyond tier 1. The HRRS is to be understood as a due diligence cycle that basically consists of four phases: 1. Risk assessment, 2. Programme implementation, 3. Monitoring and 4. Reporting. It is designed to identify risks and potential and actual negative effects of our business activities on human rights early on, to systematically avoid them and, if necessary, to initiate appropriate measures'. [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Describe ongoing global risk identification in consultation with stakeholder/HR experts: See above. In addition, according to the Sustainability Report 2020: 'the HRRS also involves consultation and discussions with rights-holders — for example, with our employees and their representatives, as well as with external third parties such as civic organizations and local residents. External stakeholders are regularly involved as Daimler continues to expand the HRRS step by step. Among other things, we hold talks with international NGOs concerning the human rights risks arising from the extraction of certain raw materials. [...] For example, we have invited specialized NGOs and trade unions to give us their opinion regarding the measures that Daimler has implemented to date with respect to cobalt, mica, and lithium. In addition, we have asked them to make suggestions and show alternatives that help to improve the situation of the affected individuals or communities. [...] The local compliance officers, who are part of our global compliance network, provide assistance for the human rights survey at the Group companies. In order to obtain useful insights from the survey, the compliance experts were trained in advance in an in-depth online course that was tailored to their needs. This course enabled them to recognize the human rights risks of our focal areas'. [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [The Mercedes-Benz Human Rights Respect System (Mercedes) (web), N/A: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Not Met: Triggered by new circumstances</li> <li>• Not Met: Describes risks identified</li> </ul>
B.2.2	Assessing human rights risks and impacts	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Describe process for assessment of HR risks and discloses salient HR issues: According to its Sustainability Report 2020: 'we classify the Group companies according to fixed criteria, including country-specific and business-specific risks. The focus is on the most important human rights issues that have been identified for the Group companies, including employee rights, diversity, and safety. In the process, we take into account fundamental human rights standards such as those defined in the Universal Declaration of Human Rights and those of the International Labour Organization (ILO). On this basis we conduct a more thorough analysis every year with the help of a survey regarding human rights and use the findings to derive packages of risk-specific measures. During the reporting period, this newly developed method was used for the first time at Group companies with a higher risk. The local compliance officers, who are part of our global compliance network, provide assistance for the human rights survey at the Group companies. In order to obtain useful insights from the survey, the compliance experts were trained in advance in an in-depth online course that was tailored to their needs. This course enabled them to recognize the human rights risks of our focal areas. It allowed us to identify the specific local risks and explore them further in dialogs with the compliance officers of the respective Group companies. The results of this more in depth risk analysis are correspondingly documented and incorporated into the development of targeted measures for minimizing human rights risks'. [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not Met: How process applies to supply chain: In addition, it reports: 'We conduct comprehensive human rights assessments for raw materials that pose an increased risk of human rights violations. Our assessment process basically consists of three steps: 1. We create transparency along the raw material supply chains — especially with regard to certain key components such as battery cells. 2. We identify risk hotspots in these supply chains. 3. We define and implement measures for the risk hotspots and make sure that they are effective in the long run. By the end of 2020 we had assessed 24 percent of all high-risk raw materials in this way, and thus exceeded our goal of 20 percent. We want to gradually increase this percentage.' However, this refers mainly to responsible material &amp; mineral sourcing, which are assessed under their specific indicators. In its feedback to CHRB, the Company makes reference to its Social Compliance Management System, however, it seems to apply to its own operations only, as it is indicated in its 2021 Sustainability Report: 'We use the Social Compliance Management System (Social CMS) to identify and address the risks that can arise in our own Group companies. It also makes reference to how it handles risk in its raw materials supply chain'. However, as it is indicated above, raw material supply chain is assessed in a different indicator. No details found in relation to factor(s) taken into account in saliency assessment, such as geographical, social, economic and/or others. [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Met: Public disclosure of the results of HR assessment: The Company indicates in its Sustainability Report 2020: 'The most important human rights issues that we have identified for ourselves were derived from this frame of reference. They include the following: — Equal opportunity and a ban on discrimination, Freedom of association and collective bargaining, Health and safety, Fair remuneration and working times, Forced labor, Child labor [...] The human rights risks that we have identified for the supply chain are reflected in the standards for our suppliers (Daimler Supplier Sustainability Standards) and, among other things, encompass child labor, forced labor, and employee rights.' [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets all requirements under score 1</li> <li>• Not Met: How it involved affected stakeholders in the assessment: The 2021 Sustainability Report indicates: 'External stakeholders are also regularly involved as we continue to expand the HRRS step by step. The stakeholders include rights holders such as our employees and their representatives, as well as local residents. We also hold talks with international NGOs and other organisations concerning the human rights risks arising from the extraction of certain raw materials. For example, we are in touch with NGOs regarding the raw materials cobalt, mica, lithium, aluminium, copper and leather, and we have also asked them for their opinion regarding the measures Mercedes-Benz Group AG has taken to date. In addition, we have asked them to make suggestions for corrective measures and to show us alternatives that help to improve the situation of the affected individuals or communities'. Additionally, 'When we analysed the 24 raw materials that we had identified as critical, we held consultations with stakeholders at several points in order to identify risks along the supply chain and determine whether potential measures would be effective'. However, although the Company indicates it engages with stakeholders in different moments of HRRS, it is not clear how it involves affected stakeholders specifically in the assessment process, as evidence seems to refer to identification and actions taken. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul>
B.2.3	Integrating and acting on human rights risks and impact assessments	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Action Plans to mitigate risks: The Company indicates in its Sustainability Report 2020: 'The HRRS due diligence cycle comprises four steps (risk assessment, program implementation, monitoring, and reporting) and is designed to systematically identify and avoid risks and possible negative effects of our business activities on human rights early on and to initiate adequate measures, should this be necessary.' However, no description found of the global system operation to prevent or mitigate all risks identified and assessed. [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> <li>• Not Met: Description of how global system applies to supply chain: Although the Company describes in its 2021 Sustainability Report how HRRS is applied to its supply chain, no description found of how its global system prevent, mitigate or remediate its salient human rights issues applies to its supply chain. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul>

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			<ul style="list-style-type: none"> <li>• Met: Example of actions decided on at least 1 salient HR issues: The Company states that 'Along with the implementation of our own measures, we also commissioned an external auditing firm to examine one of our future battery supply chains in accordance with OECD standards. The firm audited both downstream suppliers (from the battery manufacturers to the refineries) and upstream suppliers (from the refineries to the mines). This audit provided us with comprehensive cobalt supply chain mapping, which in turn forms the basis for greater transparency and better monitoring and influencing of the supply chain. The audit also included an examination of the systems used to prevent child labor and modern forms of slavery. In those areas where potential for improvement was identified through the audits, individual corrective action plans were agreed on with suppliers, and we continue to monitor compliance with these plans. The examination of the battery supply chain thus formed the foundation for a process of continuous improvement, and the implementation of the corrective action plans improves our due diligence with regard to both direct suppliers and the entire supply chain'. The Company has provided an additional source to this indicator, however key information was already in use. [Sustainability Report 2018, 01/2020: <a href="http://daimler.com">daimler.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets all requirements under score 1</li> <li>• Met: Involve stakeholders in decisions about actions: The 2021 Sustainability Report indicates: 'External stakeholders are also regularly involved as we continue to expand the HRRS step by step. The stakeholders include rights holders such as our employees and their representatives, as well as local residents. We also hold talks with international NGOs and other organisations concerning the human rights risks arising from the extraction of certain raw materials. For example, we are in touch with NGOs regarding the raw materials cobalt, mica, lithium, aluminium, copper and leather, and we have also asked them for their opinion regarding the measures Mercedes-Benz Group AG has taken to date. In addition, we have asked them to make suggestions for corrective measures and to show us alternatives that help to improve the situation of the affected individuals or communities'. Additionally, 'When we analysed the 24 raw materials that we had identified as critical, we held consultations with stakeholders at several points in order to identify risks along the supply chain and determine whether potential measures would be effective'. [2021 Sustainability Report (Mercedes), 2022: <a href="http://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul>
B.2.4	Tracking the effectiveness of actions to respond to human rights risks and impacts	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: System for tracking or monitor if actions taken are effective: The Sustainability Report 2019 indicates: 'To ensure that human rights are respected and protected, Daimler has developed a due diligence approach called the Daimler Human Rights Respect System (HRRS).' The cycle of the HRRS has 4 stages, including: 'Evaluation of adequacy/ effectiveness of the risk assessment and program implementation'. However, no further evidence found describing how the process to check effectiveness of Actions implemented works. The 2021 Sustainability Report indicates: 'During the reporting period, the Mercedes-Benz Group regularly reviewed its human rights measures and adjusted its management approach as needed. Among other things, we have greatly expanded our risk-based measures for Group companies. In early 2022 we plan to roll them out in all Group companies in which we have a majority interest. The implementation of the associated measures will subsequently be monitored by means of an annual effectiveness assessment within the scope of the Social CMS. In this way, we want to ensure that our human rights approach for Group companies is effective and that the methods and processes are continuously enhanced'. However, no description found of a system in currently place. [Sustainability Report 2019, 04/2020: <a href="http://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="http://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Met: Lessons learnt from checking system effectiveness: Following the example of cobalt described in indicator B.2.3, the Company states that 'The examination of the battery supply chain thus formed the foundation for a process of continuous improvement, and the implementation of the corrective action plans improves our due diligence with regard to both direct suppliers and the entire supply chain. Plans also call for long-term cooperation with the external service provider in order to safeguard the continuous improvement process. Capacity building at suppliers will be addressed more extensively as a result of supply chain mapping, cobalt supply chain auditing, scoring assessments for individual suppliers and the implementation of the corrective action plans. Our aim here is to support suppliers' efforts to prevent human rights violations. The aforementioned audit will be expanded to</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>include other cobalt supply chains in the future'. No new relevant evidence found in latest review. [Sustainability Report 2018, 01/2020: <a href="https://www.daimler.com">daimler.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets both requirements under score 1</li> <li>• Not Met: Involve stakeholders in evaluation of actions taken: In the Context of its Human Rights management, the 2021 Sustainability Report indicates: 'We also use the annual Sustainability Dialogue in order to assess the effectiveness of our approach. There we present our progress and challenges and discuss them with representatives from business, government and society at large. The specialist units subsequently evaluate the results and the stakeholders' suggestions and incorporate them into their work processes. The results are also published on our website. During the further development of our management approach to human rights, we also incorporated the feedback from our stakeholders at the human rights working group of the Sustainability Dialogue. [...] For the Mercedes-Benz Group, it is crucial that external stakeholders are included in the further development and implementation of its HRRS. Of particular importance to us are consultations and discussions with rights-holders — for example, with employees and their representatives, as well as with external third parties such as civil society organisations and local residents. These are important for the identification of human rights risks and the development of appropriate measures. Our aim is to enter into an exchange with potentially affected rights holders or their representatives and to take their interests into account. [...] When we analysed the 24 raw materials that we had identified as critical, we held consultations with stakeholders at several points in order to identify risks along the supply chain and determine whether potential measures would be effective. Regional and local NGOs are an important stakeholder group in this context. They give us a clear picture of the situation on site and also know the concerns of the rights-holders'. However, although the Company indicates it involves stakeholders to assess the effectiveness of its approach, it is not clear it includes affected stakeholders. It also indicates it involves affected stakeholders but for reasons different from what the indicator focuses on. No description found of how it involves affected stakeholders in evaluation of whether the actions taken [in the context of a due diligence process, to address Human Rights risks and impacts] have been effective. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul>
B.2.5	Communicating on human rights impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Provides two examples of comms with stakeholders: The 2021 Sustainability Report indicates: 'In 2021, for example, we incorporated the viewpoints and expertise of external stakeholders such as NGOs, trade unions and human rights experts into the development of our Principles of Social Responsibility and Human Rights. During a joint workshop, we took up their feedback and either adopted it or gave reasons for not doing so. We have also discussed the Responsible Sourcing Standards, which we are currently still developing and which enhance and extend our existing sustainability requirements for suppliers, with external stakeholders. Moreover, we have asked external experts to provide us with advice concerning environmental issues and human rights. As a result of all these talks and consultations, we have concluded that the process of risk identification and prioritisation should be communicated even more extensively and that potentially affected stakeholders should be involved in the HRRS even more systematically'. It also provides other examples of stakeholder engagement. However, although the Company provides examples of engagement with different stakeholders, this indicator looks for two examples demonstrating how it communicates with affected stakeholders regarding specific human rights impacts raised by them or on their behalf. It focuses on how the Companies ensure meaningful information reaches affected stakeholders, how it responds, in communication terms, to issues raised by stakeholders and about their access to those communications. [2021 Sustainability Dialogue (Daimler), 2022: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Describe challenges to effective comms and how it is working to address them: In the Context of its Human Rights management, the 2021 Sustainability Report indicates: 'We also use the annual Sustainability Dialogue in order to assess the effectiveness of our approach. There we present our progress and challenges and discuss them with representatives from business, government and society at large. The specialist units subsequently evaluate the results and the stakeholders' suggestions and incorporate them into their work processes. The results are also published on our website. During the further development of our management approach to human rights, we also incorporated the feedback from</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			our stakeholders at the human rights working group of the Sustainability Dialogue. [...] For the Mercedes-Benz Group, it is crucial that external stakeholders are included in the further development and implementation of its HRRS. Of particular importance to us are consultations and discussions with rights-holders — for example, with employees and their representatives, as well as with external third parties such as civil society organisations and local residents. These are important for the identification of human rights risks and the development of appropriate measures. Our aim is to enter into an exchange with potentially affected rights holders or their representatives and to take their interests into account. [...] When we analysed the 24 raw materials that we had identified as critical, we held consultations with stakeholders at several points in order to identify risks along the supply chain and determine whether potential measures would be effective. Regional and local NGOs are an important stakeholder group in this context. They give us a clear picture of the situation on site and also know the concerns of the rights-holders'. However, this subindicator looks for evidence of how the Company, in the context of complaints or concerns raised by affected stakeholders, ensures that it has addressed or it works to address any possible challenges to effective communication. [2021 Sustainability Dialogue (Daimler), 2022: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a> ]

### C. Remedies and Grievance Mechanisms (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: Channel accessible to all workers: The Company states in its Principles of Social Responsibility and Human Rights: 'There are a number of channels for employees and external third parties to report suspected human rights violations and request assistance—as defined in the third pillar of the UN Guiding Principles on Business and Human Rights, "Access to Remedy". These channels include in particular our BPO (Business Practices Office) and Daimler's World Employee Committee. The BPO is open to all employees, business partners and third parties who wish to report violations of rules or regulations that pose a serious risk, including human rights violations to the company.' [Principles of Social Responsibility and Human Rights, 2021: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Met: Channel is available in all appropriate languages and workers aware: The Company states that 'Whistleblower System BPO (Business Practices Office) enables employees and external whistleblowers to report misconduct anywhere in the world. [...] In Brazil, Japan, South Africa and the USA, a hotline is also available. If your country is not listed here, please contact the BPO by e-mail [...]'. The webpage section Whistleblower System Business Practices Office (BPO) indicates: 'Information can be submitted in any language. If necessary, a translation will be commissioned'. In addition, the Company indicates in its 2021 Sustainability Report: 'We inform our employees about the principles of human rights and increase their awareness of the corresponding risks by means of the Integrity Code and the Principles of Social Responsibility and Human Rights. These stipulations are binding for all of our employees and are communicated to them in online training courses. These courses include the mandatory online training module Integrity@Work, in which we convey to all employees the strategic and operational importance of human rights for the Mercedes-Benz Group and how they are relevant to daily business'. Basic Module - Integrity@Work key content: 'integrity and compliance as a competitive advantage, corruption prevention, protection of free competition, protection of personal data, human rights, tip-offs of rule violations'. Both the Integrity Code and the Principles of Social Responsibility and Human Rights contain information on the Company's whistle-blower system. Also, 'In an effort to constantly increase trust in our BPO whistleblower system and make it even better known to our employees, we continuously engage in various communication measures. For example, we provide informational materials such as country-specific information cards, pocket guides and an instructional video that is available in ten different languages. We also hold various dialogue events in which we provide our employees with information about the BPO and encourage them to give us feedback'. [Whistleblower System, N/A: <a href="https://daimler.com">daimler.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul>



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			<ul style="list-style-type: none"> <li>• Met: Describe how workers in the supply chain have access to grievance mechanism: The Integrity code states that 'The whistleblower system BPO (Business Practices Office) is open to all employees, business partners and third parties who wish to report violations of rules or regulations that pose a serious threat to the company and its employees'. Similarly, the Responsible Sourcing Standards indicates: 'Complainants may report any violations of these standards to the Mercedes-Benz Group using Mercedes-Benz Group's whistleblower system, the Business Practices Office (BPO). If a violation falls within the sphere of influence of the Partner, the associated risks must be remediated by the Partner immediately'. [Integrity Code, 10/2019: <a href="http://daimler.com">daimler.com</a>] &amp; [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="http://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> <li>• Met: Expect Suppliers to convey expectation to their own suppliers: The Responsible Sourcing Standards indicates: 'Complainants may report any violations of these standards to the Mercedes-Benz Group using Mercedes-Benz Group's whistleblower system, the Business Practices Office (BPO). If a violation falls within the sphere of influence of the Partner, the associated risks must be remediated by the Partner immediately. The Partner is also obliged to make its supply chains aware of the available channels for reporting complaints, ensure that this information is passed on to the deeper levels of the supply chain, and establish an equivalent complaints format for its own supply chain'. [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="http://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> </ul>
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Grievance mechanism for community: The Company states in its Principles of Social Responsibility and Human Rights: 'There are a number of channels for employees and external third parties to report suspected human rights violations and request assistance—as defined in the third pillar of the UN Guiding Principles on Business and Human Rights, “Access to Remedy”. These channels include in particular our BPO (Business Practices Office) and Daimler’s World Employee Committee. The BPO is open to all employees, business partners and third parties who wish to report violations of rules or regulations that pose a serious risk, including human rights violations to the company'. [Principles of Social Responsibility and Human Rights, 2021: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Describes accessibility and local languages and stakeholder awareness: The Company states that 'Whistleblower System BPO (Business Practices Office) enables employees and external whistleblowers to report misconduct anywhere in the world. [...] In Brazil, Japan, South Africa and the USA, a hotline is also available. If your country is not listed here, please contact the BPO by e-mail [...]'. The webpage section Whistleblower System Business Practices Office (BPO) indicates: 'Information can be submitted in any language. If necessary, a translation will be commissioned'. The Company indicates in its Responsible Sourcing Standards that suppliers are 'also obliged to make its supply chains aware of the available channels for reporting complaints, ensure that this information is passed on to the deeper levels of the supply chain, and establish an equivalent complaints format for its own supply chain. The Partner must use its reasonable best efforts to ensure that an equivalent reporting obligation is included in contracts with subcontractors, with subcontractors being required to submit the corresponding whistleblowing reports to the Partner'. However, it is not clear how the Company ensures affected external stakeholders at its own operations are made aware of it. [Whistleblower System, N/A: <a href="http://daimler.com">daimler.com</a>] &amp; [Whistleblower System Business Practices Office (Mercedes) (web), N/A: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Met: Communities access mechanism direct or through suppliers: The Company indicates that 'Complainants may report any violations of these standards to the Mercedes-Benz Group using Mercedes-Benz Group’s whistleblower system, the Business Practices Office (BPO). If a violation falls within the sphere of influence of the Partner, the associated risks must be remediated by the Partner immediately.' It further states that 'The BPO is available to all employees, business partners and third parties who suspect there is a case of misconduct or think there are risks for the company or its employees, and who would like to report them. The BPO whistleblower system is responsible for a range of topics, explicitly including possible human rights violations. People can also report suspected violations in the supply chain.' [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="http://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="http://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Met: Expect supplier to convey expectation to their own suppliers: The Company states that 'The Partner is also obliged to make its supply chains aware of the available channels for reporting complaints, ensure that this information is passed</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			on to the deeper levels of the supply chain, and establish an equivalent complaints format for its own supply chain. The Partner must use its reasonable best efforts to ensure that an equivalent reporting obligation is included in contracts with subcontractors, with subcontractors being required to submit the corresponding whistleblowing reports to the Partner.' [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="https://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a> ]
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Engages users to create or assess system: 'The 2021 Sustainability Report indicates: 'We also hold various dialogue events in which we provide our employees with information about the BPO and encourage them to give us feedback. [...] In order to determine the effectiveness of all these measures, the company's regularly conducted employee surveys include questions regarding the employees' familiarity with and confidence in the BPO. All employees worldwide can also give us feedback in this regard. In the reporting year 2021, direct communication on this topic also took place across hierarchies and functions during a roadshow'. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Engages with potential or actual users on the improvement of the mechanism: The Company has provided additional comments to CHRB regarding this indicator. However, evidence was not material.</li> <li>• Not Met: Provides user engagement example (at least two) on improvement</li> </ul>
C.4	Procedures related to the mechanism(s)/channel(s) are equitable, publicly available and explained	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Response timescales and how complainants will be informed: The Company indicates that 'If you have provided your contact details, you will receive an acknowledgement of receipt within a short time (after seven days at the latest) with a description of the further procedure and timeline for processing the complaint. [...] The BPO always applies the principle of proportionality and examines each case individually to determine what consequences are suitable, necessary and appropriate. [...] The person affected by the allegation and, if applicable, his or her manager are informed of the case closure. The result of the investigation is communicated to the person affected in writing. The whistleblower, unless he or she remains anonymous, will also be informed about the case closure and the final result. If the accusations have turned out not to be true, the person affected will be rehabilitated upon request. If the suspicion is confirmed, the case is passed on to the Human Resources department. If necessary, the person affected will be heard again, as will his or her manager. Personnel measures are taken in accordance with the principle of proportionality'. However, no description found of estimated timescales (although in the moment of acknowledgement the complainant receives a timeline for processing the complaint) and procedures and for informing the complainant throughout the process (and the outcome in case they remain anonymous). [Whistleblower System Business Practices Office (Mercedes) (web), N/A: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Not Met: Describe support (technical, financial,etc) available for equal access by complainants</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Describe types of outcome to complainant through use of mechanism</li> <li>• Not Met: Escalation to senior/independent level: Regarding its compliance organizations, the 2021 Annual Report indicates: 'The Chief Compliance Officer &amp; Vice President Legal Product &amp; Technology and the Vice President &amp; Group General Counsel report directly to the member of the Board of Management for Integrity and Legal Affairs and to the Audit Committee of the Supervisory Board. They also report regularly to the Board of Management at regular intervals and as needed on matters such as the status of the CMS and its further development, as well as the BPO whistleblower system'. However, it is not clear how complaints or concerns for workers and all external individuals and communities may be escalated to more senior levels or independent third party adjudicators or mediators to challenge the process or outcome at the complainant's discretion. [2021 Annual Report (Mercedes), 2022: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul>
C.5	Prohibition of retaliation for raising complaints or concerns	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public statement prohibiting retaliation: The Company states that 'whistleblowers who contact the BPO are also protected. They do not need to worry that their report might result in negative consequences for themselves'. As indicated in the integrity code: 'The whistleblower system BPO (Business Practices Office) is open to all employees, business partners and third parties who wish to</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>report violations of rules or regulations that pose a serious threat to the company and its employees'. [Sustainability Report 2018, 01/2020: <a href="https://www.daimler.com">daimler.com</a>] &amp; [Integrity Code, 10/2019: <a href="https://www.daimler.com">daimler.com</a>]</p> <ul style="list-style-type: none"> <li>• Not Met: Practical measures to prevent retaliation: The 2020 Sustainability Report states: 'The Whistleblower System BPO is available around the clock to receive information, which can be sent by e-mail or normal mail or by filling out a special form. External toll-free hotlines are also available in Brazil, Japan, South Africa, and the United States. Reports can also be submitted anonymously if local laws permit this'. However, it is not clear whether there are alternative measures to prevent retaliation where anonymity is not allowed. The webpage section Whistleblower System Business Practices Office (BPO) indicates: 'Its aim is to ensure a fair and transparent procedure that takes into account both the principle of proportionality for the person concerned and the protection of the whistleblower. The policy also sets out the standards by which we assess violations and decide on consequences'. Also 'The BPO accompanies the processing of tip-offs until the case has been closed. While doing so, the BPO ensures highest confidentiality'. Moreover, 'our whistleblower system places great importance on fairness – in dealing with whistleblowers as well as employees or business partners affected by an allegation. The BPO always applies the principle of proportionality and examines each case individually to determine what consequences are suitable, necessary and appropriate'. However, no evidence found of measures in place to prevent retaliation beyond the option of anonymity if local laws permit it. [Sustainability Report 2020, 2021: <a href="https://www.sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [Whistleblower System Business Practices Office (Mercedes) (web), N/A: <a href="https://www.group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Company indicate it will not retaliate against workers/stakeholders: The Company states that 'MercedesBenz Group encourages anyone inside or outside the company who observes violations in connection with the company or suspects such violations for concrete reasons to contact the BPO without fear of retaliation and to express the information openly.' It further states that 'The company protects whistleblowers who report a possible violation on the basis of clear evidence. We ensure their statements remain confidential. The policy classifies penalties imposed on whistleblowers as a high-risk rules violation. As a result, whistleblowers who have been discriminated against for their reports should contact the BPO. If a whistleblower is penalised or intimidated for submitting a report, we will take personnel measures in line with applicable law.' [Whistleblower System Business Practices Office (Mercedes) (web), N/A: <a href="https://www.group.mercedes-benz.com">group.mercedes-benz.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="https://www.sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Not Met: Expects suppliers to prohibit retaliation against workers/stakeholders</li> </ul>
C.6	Company involvement with state-based judicial and non-judicial grievance mechanisms	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Complainants not asked to waive rights: The webpage section Whistleblower System Business Practices Office (BPO) indicates: 'Whistleblowers and other third parties have the right to take legal action before national courts. In particular, the submission of a tip-off report on violations does not constitute a waiver of any existing right to take legal action'. [Whistleblower System Business Practices Office (Mercedes) (web), N/A: <a href="https://www.group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Met: Company does not require confidentiality provisions: The webpage section Whistleblower System Business Practices Office (BPO) indicates: 'the Mercedes-Benz Group always maintains confidentiality in the course of its investigations and no separate confidentiality agreements are concluded'. [Whistleblower System Business Practices Office (Mercedes) (web), N/A: <a href="https://www.group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Will work with state based non judicial mechanisms: The webpage section Whistleblower System Business Practices Office (BPO) indicates: 'If necessary, the Mercedes-Benz Group will cooperate with state law enforcement agencies'. However, it is not clear it sets out the process by which it cooperates with state-based non-judicial grievance mechanism on complaints brought against it' [Whistleblower System Business Practices Office (Mercedes) (web), N/A: <a href="https://www.group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Not Met: Example of issue resolved (if applicable)</li> </ul>
C.7	Remedying adverse impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Describes how remedy has been provided</li> <li>• Not Met: Says how it would provide remedy for victims if no adverse impact identified: The 2021 Sustainability Report indicates: 'When a new report is</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>received, the BPO generally confirms its receipt to the whistleblower within 24 hours. After a risk-based initial assessment by two authorised persons, the BPO forwards the case to an in-house investigation unit or to the department responsible for the subject of the report. If a case is categorised as “high risk” for the company or its employees, the BPO provides support for the subsequent investigation until the case is closed. Examples of high-risk rule violations include offences related to corruption, reaches of antitrust law and violations of anti-money laundering regulations, as well as violations of engineering specifications and/or technical safety, or environmental protection regulations. Person-related matters, such as incidents of sexual harassment or human rights violations, can also be considered high-risk rule violations. [...] If necessary, a report is filed with government enforcement authorities, with whom we cooperate fully’. However, although the Company indicates some of the procedures it takes, it is not clear the approach it takes specifically to provide or enable timely remedy for victims. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Changes to systems, processes and practices to stop similar impact</li> <li>• Not Met: Describe approach to monitoring implementation of agreed remedy</li> <li>• Not Met: Approach to learning from incident to prevent future impacts</li> </ul>
C.8	Communication on the effectiveness of grievance mechanism(s) and incorporating lessons learned	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Number grievances filed, addressed or resolved and outcome achieved: The Sustainability Report 2020 states: 'A total of 53 new cases were opened in 2020. Overall, 42 cases, in which 66 individuals were involved, were closed “with merit.” In these cases, the initial suspicion was confirmed. Of these cases, six were in the category “Corruption,” two were in the category “technical Compliance,” and eight were in the category “Reputational Damage.” In eleven cases, accusations of inappropriate behavior of employees toward third parties were confirmed. Seven cases were categorized as “Damage over €100,000.” The remaining cases fell into other categories. With regard to those cases that are closed “with merit,” the company decides on appropriate response measures in line with the principles of proportionality and fairness. The personnel measures taken in the reporting year 2020 included (written) warnings, separation agreements, and (extraordinary) terminations. [...] According to our analyses, there were no cases of suspected child labor, forced labor, or violations against the right to collective bargaining or freedom of association within the Daimler Group in 2020. During the reporting year, the BPO received a small number of reports concerning sexual harassment, discrimination, and racism, which were assessed by the responsible units, such as Corporate Security. Appropriate and adequate consequences were taken in cases in which a suspicion was confirmed.' Additionally, the 2021 Sustainability Report indicates: ' In 2021, 33 cases were newly opened in the Group’s whistleblower system. A total of 20 cases, in which 24 people were involved, were closed with merit'. However, no evidence regarding specific human rights complaints received, addressed/ resolved was found (even if none). [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: How lessons from mechanism improve management system</li> <li>• Not Met: Evaluation of the channel/mechanism and changes made as result</li> <li>• Not Met: Describes procedures to address delays of outcomes agreed with stakeholders</li> </ul>

## D. Performance: Company Human Rights Practices (25% of Total)

## D.5 Automotive Manufacturing

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.1.a	Living wage (in own production or manufacturing operations)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Pays living wage or sets target date: The Company states in its Principles of Social Responsibility and Human Rights: 'We are committed, in particular, to paying an appropriate wage that is at least equal to the minimum wage established under applicable local law and, in addition, enables our employees to at least secure their livelihood. Otherwise, it is based on the law applicable at the place of employment'. Similarly, the 2021 Sustainability Report indicates: 'At the Mercedes-Benz Group we are committed to paying an appropriate wage that amounts at least to the legally prescribed minimum wage and in addition enables our employees to at least have a secure livelihood. We remunerate work in accordance with the same principles at all Group companies around the world. Our global Corporate Compensation Policy, which is valid for all groups of employees, defines the framework conditions and minimum requirements for the design of the remuneration systems. Compliance is determined by means of in-house audits. [...] The remuneration guidelines and tables for employees paid according to collective bargaining wage tariffs, for example at Mercedes-Benz Group AG, can be viewed on the intranet. Employees of Mercedes-Benz Group AG and Mercedes-Benz AG can find out online about the composition and amount of their remuneration — including in comparison to comparable groups. [...] Our HR departments regularly conduct income review talks for employees and managers'. However, although the Company indicates that it pays an appropriate wage, it is not clear it is enough to cover basic needs for the employee as well as for their family/dependents and provides for some discretionary income. The Company is expected to provide evidence that it pays living wage or that it has a target to pay living wage. [Principles of Social Responsibility and Human Rights, 2021: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Not Met: Describes how living wage determined: The Company states that 'Wherever in the world you work for Daimler, you can rely on the fact that all the Group's companies pay the standard rates for the market and industry they operate in. This means that salary levels are determined by collective agreements. Where there are obligations arising from collective bargaining, the Daimler companies normally offer additional voluntary benefits. Employees of Daimler AG in Germany currently receive compensation that is substantially above the level agreed by collective bargaining'. Also, the 2021 Sustainability Report indicates: 'We remunerate work in accordance with the same principles at all Group companies around the world. Our global Corporate Compensation Policy, which is valid for all groups of employees, defines the framework conditions and minimum requirements for the design of the remuneration systems. Compliance is determined by means of in-house audits. [...] The remuneration guidelines and tables for employees paid according to collective bargaining wage tariffs, for example at Mercedes-Benz Group AG, can be viewed on the intranet. [...] Our HR departments regularly conduct income review talks for employees and managers'. However, no evidence found regarding whether this reaches living wage in its operations globally. The Company is expected to explain how it determines a living wage (which is considered that sufficient to cover for employee and his/her family/dependents basic needs and provides for some discretionary income) for the regions where it operates. [Compensation and Benefits, N/A: <a href="https://daimler.com">daimler.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Paying living wage</li> <li>• Not Met: Definition of living wage reviewed with unions</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.1.b	Living wage (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Discloses living wage requirements in supplier code or contracts: The Responsible Sourcing Standards include among its 'mandatory minimum requirements for suppliers': 'The Partner must ensure appropriate remuneration that, at a minimum, is in line with the minimum wage under the applicable law and enables employees to cover their living expenses. The cost of living and social security benefits in the respective country and remuneration for full-time employment must be taken into account. Wages must be paid in full for services rendered and may not be unlawfully withheld'. The Responsible Sourcing Standards expresses its 'Expectations Towards Partners', among which: 'Wages and social benefits should regularly be reviewed to ensure that they allow for an adequate standard of living in consideration of the remuneration for full-time employment. They should be agreed on in negotiations with unions or through alternative forms of participation. The Partner should join industry initiatives that support wages and salaries that go beyond the statutory minimum. However, it is not clear it has a timebound target for requiring its suppliers to pay all workers a living wage or that the company includes requirements to pay workers a living wage. A living wage should cover basic needs and provide some discretionary for employees and his/her family and or depends. The Responsible Sourcing Standards includes both 'mandatory minimum requirements for suppliers' and 'our expectations towards our suppliers in order to jointly establish and continuously develop a best practice for the protection of human rights and the environment as well as for the fulfilment of due diligence obligations for responsible business conduct'. It is not clear that the expectations are a mandatory requirement for suppliers, thus it is not clear whether they are formally requested as a requirement. [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="https://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> <li>• Not Met: Improving living wage practices of suppliers: The Company reports: 'The awarding and performance of contracts for work and services are subject to standards that extend beyond existing legislation in many areas. These standards define our requirements with regard to occupational health and safety, accommodation, remuneration, use of temporary workers, commissioning of subcontractors, and the prevention of illegal false self-employment. [...] All relevant contractors or service providers must sign a declaration that they comply with these standards.' However, no evidence found describing how the Company proactively works to improve living wage practices of its suppliers. No new evidence found in latest documents. [GRI Index 2019, 2020: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Assessment of number affected by payment below living wage</li> <li>• Not Met: Provides analysis of trends demonstrating progress</li> </ul>
D.5.2	Aligning purchasing decisions with human rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Avoids business model pressure on HRs (purchasing practices)</li> <li>• Not Met: Practices adopted to pay suppliers in line with agreed timeframes</li> <li>• Not Met: Review own operations to mitigate negative impact</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets all requirements under score 1</li> <li>• Not Met: Examples of how it assessed, addressed and change purchasing practices</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.3	Mapping and disclosing the supply chain	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Identifies direct and indirect suppliers back to manufacturing sites (factories or fields): The Sustainability Report indicates: 'Daimler has approximately 60,000 direct suppliers, many of which have sub-suppliers, which in turn may have their own sub-suppliers and so on. The result is a highly complex global network that develops dynamically. We establish transparency with the help of blockchain technologies, for example, in order to ensure that we can identify risks and address them when we need to [...]. Here, all participants in the supply chain can retrace the integration, transfer, and confirmation of information at any time, even as confidential information remains protected'. The webpage section Handling risk raw materials indicates: 'we analyze 24 critical raw materials for human rights risks, create transparency in our supply chains and take measures to reduce risks. In addition to an initial review of the situation, important elements of our assessments include the intensive analysis of our supply chains and the involvement of our direct suppliers and further stakeholders from science, industry, and civil society. Our raw materials assessments consist of three steps: We create transparency along the respective raw material supply chains.[...]. By the end of 2025, we plan to review 70 percent of all high-risk raw materials. By 2028, we intend to define appropriate measures for 100 percent of our raw materials that pose an increased risk of human rights violations'. Moreover, the 2021 Sustainability Report indicates that as part of its review efforts, it is 'increasing transparency along the raw material supply chains — especially with regard to certain key components such as battery cells. To this end, Mercedes-Benz AG contacts the suppliers of the relevant components, for example, and asks them to disclose their structure of sub-suppliers'. It is not clear, however, if it is identifying all direct and indirect suppliers beyond the context of raw materials (the Company is expected to trace all its supply chain, including direct and indirect suppliers, and current evidence seems to cover direct suppliers and indirect in the context of raw materials). [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [Handling risk raw materials (Mercedes) (web), N/A: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Discloses names and locations of significant parts of SP and why: The Company discloses its 'Cobalt: Overview of smelters and refiners in our current supply chains'. However, this list does not include specific locations (only countries), and is only focused on Cobalt. Moreover, the Company is expected to disclose the names and specific locations of the direct and indirect suppliers who make up the most significant parts of its supply chain (the Company to indicate what is the most significant part of its supply chain). [Colbat- Overview of Smelters and Refiners, N/A: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Not Met: Discloses which direct or indirect suppliers is involved in higher-risk activities</li> </ul>
D.5.4.a	Prohibition of child labour: Age verification and corrective actions (in own production or manufacturing operations)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Does not use child labour: The Company states: 'At Daimler, we are strictly opposed to any form of child labor as defined in the relevant ILO conventions and are committed to the effective abolition of child labor. All employer practices at Daimler must at least comply with the aforementioned ILO conventions. Children must not be inhibited in their development. Their dignity must be respected and their safety and health must not be impaired, but protected by appropriate measures'. The Company has provided an additional source to this indicator, however key information was already in use. [Principles of Social Responsibility and Human Rights, 2021: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Not Met: Age verification of workers recruited</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Remediation if children identified: The Company discloses information with respect 'Bon Pasteur' project: 'The joint project by Bon Pasteur and Daimler rests on five pillars. [...] Another focus of the project is to support children in giving up working in the mines and attending school. A network of social workers, teachers, psychologists and nurses assists the children in Kolwezi with suitable age-appropriate programs. [...] Since 2012, Bon Pasteur has been supporting women and children in the mining regions of Kolwezi with the aim of improving their living conditions. By 2015, the organization was already able to help 5,000 people. More than 90 percent of the children cared for in the pilot project gave up working in the mines and are attending school.' However, it is not clear how the Company conducts remediation programs when child labour is found in its operations, as this evidence refers to supply chain. No new evidence found in latest review. [Bon Pasteur, N/A: <a href="https://daimler.com">daimler.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.4.b	Prohibition of child labour: Age verification and corrective actions (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Child Labour rules in codes or contracts: The Company requires in its Supplier Sustainability Standards: 'Child labor is not allowed at any phase of production or processing. As a minimum, suppliers are requested to comply with the ILO's conventions on minimum employment age and the ban on child labor. Children must not be inhibited in their development. Their health and safety must not be impaired'. The Responsible Sourcing Standards include among its 'mandatory minimum requirements': 'The Partner ensures that child labor is not tolerated within its own operations or within its direct suppliers under any circumstances. The Partner is obliged within its own business area to comply with ILO Conventions No. 138 on Minimum Age and No. 182 on the Worst Forms of Child Labour as a minimum and to check the age of employees and applicants accordingly. Children must not be hampered in their development and education. Their health and safety must not be adversely affected. The Partner is obliged to agree with its direct suppliers on the requirements for the prevention of child labor and also to request them to forward these'. The 'Expectations Towards Partners', include that 'If the Partner identifies child labor in its workforce, the Partner should not only terminate the employment, but also take care to create adequate measures to remedy the situation, for example, including them into an appropriate education program'. The Responsible Sourcing Standards 'demonstrate our expectations towards our suppliers in order to jointly establish and continuously develop a best practice for the protection of human rights and the environment as well as for the fulfilment of due diligence obligations for responsible business conduct'. The Responsible Sourcing Standards includes both 'mandatory minimum requirements for suppliers' and 'our expectations towards our suppliers in order to jointly establish and continuously develop a best practice for the protection of human rights and the environment as well as for the fulfilment of due diligence obligations for responsible business conduct'. It is not clear that the expectations are a mandatory requirement for suppliers, thus it is not clear remediation programmes are formally requested as a requirement. [Supplier Sustainability Standards, 2022: <a href="https://supplier-portal.daimler.com">supplier-portal.daimler.com</a>] &amp; [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="https://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> <li>• Not Met: How working with suppliers on child labour: The 2021 Raw Materials Report indicates: 'Mercedes-Benz supports the Responsible Mica Initiative and its aim of eliminating child labour and unacceptable working conditions in mica mines'. However, no further description found of how it proactively works with suppliers to eliminate child labour and to improve working conditions for young workers where relevant. [2022 Raw Materials Report (Mercedes), 06/2022: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Assessment of number affected by child labour in supply chain</li> <li>• Not Met: Analysis of trends in progress made</li> </ul>
D.5.5.a	Prohibition of forced labour: Recruitment fees and costs (in own production or manufacturing operations)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Job seekers and workers do not pay recruitment fee: The Company indicates in its Principles of Social Responsibility and Human Rights: 'At Daimler, we are strictly opposed to forced or compulsory labor and all forms of slavery, including modern forms of slavery and human trafficking. All employer practices at Daimler must at a minimum be in line with the ILO's Core Labor Standards. Employment relationships are always based on voluntariness. All employment relationships may be terminated with reasonable notice.' Additionally, the 2021 Sustainability Report indicates: 'At the Mercedes-Benz Group we strictly oppose forced and compulsory labour as well as every kind of slavery, including modern forms of slavery and human trafficking. All of the employee practices must, at the very least, be based on the ILO Core Labour Standards. Employment relationships are always voluntary in nature. All employment relationships can be terminated, provided there is an appropriate notice period. The employees are paid at agreed-upon times in accordance with local requirements. In Germany, for example, this is governed by employment and collective bargaining agreements. Every employee receives a salary statement in which the remuneration and statutory deductions (e.g. social insurance payments) are transparently listed in a comprehensible manner'. However, no evidence found indicating that no recruitment fee or related costs to secure a job are applied to workers. [Principles of Social Responsibility and Human Rights, 2021: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Not Met: Commits to fully reimbursing if they have paid</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> <li>Not Met: How practices are implemented and monitored for agencies, labour brokers or recruiters</li> </ul>
D.5.5.b	Prohibition of forced labour: Recruitment fees and costs (in the supply chain)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Debt and fees rules in codes or contracts: The Responsible Sourcing Standards include among its 'mandatory minimum requirements for suppliers': '[...] The Partner must prohibit all forms of forced labor, including especially compulsory labor, debt bondage, human trafficking, and any other form of modern slavery. Employees must not be financially burdened through the withholding of wages or expenses or the imposition of fees as part of the hiring process'. [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="http://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> <li>Not Met: How working with suppliers on debt &amp; fees</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not Met: Assessment of the number affected by payment of recruitment fees: The webpage section Handling risk raw materials indicates: 'For the assessment of risk fields, we put the logic of the UN Guiding Principles on Business and Human Rights into practice and analyse the extent of a risk ("scale") as well as the number of people affected ("scope")'. However, no assessment of the number affected by (scope of) the payment of recruitment fees or related costs in its supply chain found. [Handling risk raw materials (Mercedes) (web), N/A: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>Not Met: Analysis of trends in progress made</li> </ul>
D.5.5.c	Prohibition of forced labour: Wage practices (in own production or manufacturing operations)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not Met: Pays workers in full and on time: The 2021 Sustainability Report indicates: 'At the Mercedes-Benz Group we are committed to paying an appropriate wage that amounts at least to the legally prescribed minimum wage and in addition enables our employees to at least have a secure livelihood. We remunerate work in accordance with the same principles at all Group companies around the world. Our global Corporate Compensation Policy, which is valid for all groups of employees, defines the framework conditions and minimum requirements for the design of the remuneration systems. Compliance is determined by means of in-house audits. However, no details found indicating that it pays its workers, in full and on time. [Sustainability Report 2019, 04/2020: <a href="http://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="http://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>Met: Payslips show any legitimate deductions: The 2021 Sustainability Report indicates: 'Every employee receives a salary statement in which the remuneration and statutory deductions (e.g. social insurance payments) are transparently listed in a comprehensible manner'. [2021 Sustainability Report (Mercedes), 2022: <a href="http://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not Met: How these practices are monitored for agencies, labour brokers or recruiters</li> </ul>
D.5.5.d	Prohibition of forced labour: Wage practices (in the supply chain)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Requirement for suppliers to pay workers in full and on time in codes or contracts: The Responsible Sourcing Standards include among its 'mandatory minimum requirements for suppliers': 'Wages must be paid in full for services rendered and may not be unlawfully withheld. [...] Employees must not be financially burdened through the withholding of wages or expenses or the imposition of fees as part of the hiring process'. [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="http://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> <li>Not Met: How working with supply chain to pay workers regularly and on time</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not Met: Assessment of the number affected by failure to pay directly: The webpage section Handling risk raw materials indicates: 'For the assessment of risk fields, we put the logic of the UN Guiding Principles on Business and Human Rights into practice and analyse the extent of a risk ("scale") as well as the number of people affected ("scope")'. However, no assessment of the number affected by (scope of) failure to pay in full and on time in its supply chain found. [Handling risk raw materials (Mercedes) (web), N/A: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>Not Met: Provides analysis of trends demonstrating progress</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.5.e	Prohibition of forced labour: Restrictions on workers (in own production or manufacturing operations)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Does not retain documents or restrict movement: The Company states in its Principles of Social Responsibility and Human Rights: 'At Daimler, we are strictly opposed to forced or compulsory labor and all forms of slavery, including modern forms of slavery and human trafficking. All employer practices at Daimler must at a minimum be in line with the ILO's Core Labor Standards. Employment relationships are always based on voluntariness. All employment relationships may be terminated with reasonable notice.' Similarly, The 2021 Sustainability Report indicates: 'At the Mercedes-Benz Group we strictly oppose forced and compulsory labour as well as every kind of slavery, including modern forms of slavery and human trafficking. All of the employee practices must, at the very least, be based on the ILO Core Labour Standards. Employment relationships are always voluntary in nature. All employment relationships can be terminated, provided there is an appropriate notice period. The employees are paid at agreed-upon times in accordance with local requirements'. However, no specific provision with respect freedom of movement, including the prohibition to retaining workers' personal documents, or requiring workers to use company provided accommodation was found. The Company has provided comments to CHRB regarding this indicator. However, the content of it was already in use. [Principles of Social Responsibility and Human Rights, 2021: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="http://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: How these practices are monitored for agencies, labour brokers or recruiters</li> </ul>
D.5.5.f	Prohibition of forced labour: Restrictions on workers (in the supply chain)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Free movement rules in codes or contracts: The Responsible Sourcing Standards include among its 'mandatory minimum requirements for suppliers': 'The Partner must not restrict the employees freedom of movement by withholding their identity documents or taking other measures against their will'. [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="http://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> <li>• Not Met: How working with suppliers on free movement</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Assessment of the number affected by retaining docs or restricting movement: The webpage section Handling risk raw materials indicates: 'For the assessment of risk fields, we put the logic of the UN Guiding Principles on Business and Human Rights into practice and analyse the extent of a risk ("scale") as well as the number of people affected ("scope")'. However, no assessment of the number affected by (scope of) retaining documents or restricting movement in its supply chain found. [Handling risk raw materials (Mercedes) (web), N/A: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Not Met: Provides analysis of trends demonstrating progress</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.6.a	Freedom of association and collective bargaining (in own production or manufacturing operations)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commits not to interfere with union rights / Steps to avoid intimidation or retaliation: The Principles of Social Responsibility and Human Rights states: 'At Daimler, we acknowledge the right of our employees to form employees' representative bodies, to collective bargaining for the regulation of working conditions and their right to strike, depending on applicable law. Founding, joining or being a member of a workers' union recognized under applicable law shall not be used as a reason for a lack of equal treatment or retaliation. In the event of organization campaigns, the company and its executives shall remain neutral; the trade unions and the company will ensure that employees can make an independent decision. At Daimler, we ensure that our employees can openly and regularly exchange views on working conditions with corporate management in unions and workers' representative bodies in accordance with applicable law. If these Principles are not in accordance with local law, at Daimler, we will find local solutions that take into account the relevant national legislation and our own guidelines.' Furthermore, Daimler states in its Integrity Code that it does not tolerate discrimination of any kind, including towards unionized workers. The 2021 Sustainability Report indicates: 'At the Mercedes-Benz Group, we acknowledge our employees' right to form employee representative bodies and conduct collective bargaining in order to regulate working conditions. We also recognise their right to strike in accordance with the respective applicable laws. The founding, joining or membership of a trade union that is recognised on the basis of applicable law may not be used as a reason for unjustified discrimination or punishment'. [Principles of Social Responsibility and Human Rights, 2021: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>] &amp; [Integrity Code, 10/2019: <a href="http://daimler.com">daimler.com</a>]</li> <li>• Not Met: Discloses % total direct operations covered by collective CB agreements: In its Sustainability Report 2020, it indicates: 'Collective bargaining agreements exist for the majority of our employees throughout the Group.' However, no evidence was found on the extent of collective bargaining coverage [Sustainability Report 2020, 2021: <a href="http://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets both requirements under score 1</li> </ul>
D.5.6.b	Freedom of association and collective bargaining (in the supply chain)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: FoA &amp; CB rules in codes or contracts: The Company states that 'Companies should preserve freedom of association and actively acknowledge the right to collective bargaining. They must ensure that their employees can discuss working conditions openly with management without fear of punishment. The right of employees to assemble, join a union, appoint representatives and be elected to the union must be respected.' Also, the Responsible Sourcing Standards 'The Partner ensures to respect its employees freedom of association in the sense of ILO Conventions No. 87 on Freedom of Association and No. 98 on the Right to Organize and Collective Bargaining, and actively acknowledge their right to collective bargaining without interference, discrimination, reprisal, or harassment. The Partner must respect the employees right to associate, to join a union, to appoint representation, and to be elected for union roles. When freedom of association and collective bargaining are restricted by law, the Partner must seek alternative ways to best respect the principles of ILO conventions in accordance with local laws'. [Supplier Sustainability Standards, 2022: <a href="http://supplier-portal.daimler.com">supplier-portal.daimler.com</a>] &amp; [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="http://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> <li>• Not Met: How working with suppliers on FoA and CB</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Assessment of the number affected by restrictions to FoA and CB in the SP: The webpage section Handling risk raw materials indicates: 'For the assessment of risk fields, we put the logic of the UN Guiding Principles on Business and Human Rights into practice and analyse the extent of a risk ("scale") as well as the number of people affected ("scope")'. However, no assessment of the number affected by (scope of) restrictions to freedom of association or collective bargaining in its supply chain found. [Handling risk raw materials (Mercedes) (web), N/A: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Not Met: Provides analysis of trends demonstrating progress</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.7.a	Health and safety: Fatalities, lost days, injury, occupational disease rates (in own production of manufacturing operations)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Describes process to identify H&amp;S risks and impacts: The Company indicates in its Sustainability Report 2020: 'Our Health &amp; Safety unit is therefore pursuing a preventive approach and evaluating the potential risks of workplaces and work processes at an early stage. [...] The assessment of potential risks plays a key role here. We used an online tool to digitalize parts of this risk management process. The tool is provided by the European Agency for Safety and Health at Work and was expanded for our purposes. It enables us to make risk assessments on desktop computers, tablets or smartphones. The online tool shows the user specific risks that can arise in his or her particular area. The user then only needs to decide whether the suggested measures suffice to reduce the risk to an acceptable level. This risk assessment is then used as a basis for automatically generating instruction documents. [...] we assess the risks of new facilities worldwide along the entire process — from the call for bids to the acceptance stage — in a uniform manner and in line with defined criteria. The assessments are based on our safety concepts, which suppliers implement in accordance with our requirement specifications. The planner is assisted by occupational safety specialists, from the initial idea to the standardized facility acceptance process. Hazardous substances are evaluated by experts. We also assess the mental and ergonomic stress caused by workplaces and the working environment in each case. In addition, we utilize an external-company management process whose fundamental components are the assessment of mutual risks and the development of appropriate measures on the basis of this risk assessment.' The Company has provided an additional source to this indicator, however key information was already in use. [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> <li>• Met: Injury Rate or Lost days or Near Miss disclosures for last reporting period: The Company states that, in 2020, its number of occupational accidents was 2.405, and that its accident frequency (OA (1-n DA)/Ah x 1 million) was 6.4. [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> <li>• Met: Discloses Fatalities for last reporting period: The Company reports 1 fatality among employees due to occupational accidents and another one among subcontracted employees due to occupational accidents. [Key Figures Human Resources 2020, N/A: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> <li>• Not Met: Occupational disease rate for last reporting period: The 2021 Sustainability Report indicates the Occupational accidents in 2021 was 1,277. However, no quantitative information on occupational disease rates for the last reporting period found. [Key figures Human Resources 2021 (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Set targets for H&amp;S performance: The 2021 Sustainability Report indicates 'In 2019, the company also committed itself to Vision Zero. This global campaign aims to prevent job-related accidents and illnesses and to promote the employees' health, safety and well-being. Many companies and partner organisations, including the World Health Organization, take part in this campaign on the international level'. However, it is not clear it has set targets related to injury rates or lost days (or near miss frequency rate) and fatalities and occupational disease rates for the last reporting period. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Not Met: Met targets or explain why not or what is doing to improve management systems</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.7.b	Health and safety: Fatalities, lost days, injury, occupational disease rates (in the supply chain)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Sets out clear Health and Safety requirements: The Responsible Sourcing Standards include among its 'mandatory minimum requirements for suppliers': 'The Partner as employer warrants health and safety at work within the framework of the applicable national law. Insofar as the product manufacture or the provision of services may have a significant impact on the health and safety of its employees, the Partner undertakes to implement and operate a recognized and certified occupational health and safety management system (for example, in accordance with ISO 45001 or OHSAS 18001) and to prove it to the Mercedes-Benz Group on request by presenting a corresponding certificate. The Partner must establish guidelines on health and safety at work that support the continuous development and improvement of working conditions and provide all employees with regular access to relevant training. The Partner must protect its employees against work-related hazards in the form of accidents, hazardous substances, and excessive physical and mental stress. The Partner must ensure a safe workplace, the necessary working tools and materials, and adequate protective equipment'. [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="https://www.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> <li>• Not Met: Injury rate disclosures and lost days (or near miss disclosures) for the last reporting period</li> <li>• Not Met: Fatalities disclosures for lasting reporting period</li> <li>• Not Met: Occupational disease rates for the last reporting period</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: How working with suppliers on H&amp;S</li> <li>• Not Met: Assessment of the number affected by H&amp;S issues in the SP: The webpage section Handling risk raw materials indicates: 'For the assessment of risk fields, we put the logic of the UN Guiding Principles on Business and Human Rights into practice and analyse the extent of a risk ("scale") as well as the number of people affected ("scope")'. However, no assessment of the number affected by (scope of) health and safety issues in its supply chain found. [Handling risk raw materials (Mercedes) (web), N/A: <a href="https://www.group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Not Met: Provide analysis of trends in progress made</li> </ul>
D.5.8.a	Women's rights (in own production or manufacturing operations)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Process to stop harassment and violence against women: The Company states, in its Integrity Code, that it prohibits any kind of discrimination, including gender discrimination. In addition, the Company indicates in its Sustainability Report: 'Employees who have been victims of discrimination, bullying or sexual harassment, or who observe improper behavior by colleagues, can report such violations of policy to their supervisors, the HR department, our counselling service, their plant medical services organization or the Works Council.' The 2021 Sustainability Report indicates: 'At the Mercedes-Benz Group, we are committed to providing equal employment opportunities and refraining from any kind of discrimination. We stand up for the fair treatment of all employees and do not tolerate any kind of discrimination or unjustified unequal treatment —for example on the basis of gender, [...]'. [Integrity Code, 10/2019: <a href="https://www.daimler.com">daimler.com</a>] &amp; [Sustainability Report 2020, 2021: <a href="https://www.sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> <li>• Not Met: Working conditions take account of gender: The Company also reports: 'Today's living and working conditions require working times to be flexibly organized in accordance with individual needs. In many cases, this can contribute to improvements in the performance and satisfaction of employees and managers. For this reason, we support them with a wide range of flexible working options that make it easier for them to reconcile their work with their personal lives. Examples of these options include mobile working, reduced working hours, and job sharing. Furthermore, employees have the opportunity to leave the company for a number of years with a guaranteed option to return — for example, to take a sabbatical, study for a qualification or care for relatives.' However, no evidence describing how it takes into account differential impacts on women and men working conditions. No new evidence found in latest documents. [Sustainability Report 2019, 04/2020: <a href="https://www.sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not Met: Measures and steps to address gender pay gap at all levels of employment: The Company states in its Principles of Social Responsibility and Human Rights: 'At Daimler, we adhere to international standards, such as the principle of equal remuneration for work of equal value regardless of gender and fair, favourable working conditions'. The 2021 Sustainability Report indicates: 'At the Mercedes-Benz Group, we are committed to providing equal employment opportunities [...]. We stand up for the fair treatment of all employees and do not tolerate any kind of discrimination or unjustified unequal treatment —for example on the basis of gender, [...]' . However, no further information describing the measures taken to address gender pay gap was found. The Company has provided comments to CHRB regarding this indicator. However, its content has not been found in publicly available sources. [Principles of Social Responsibility and Human Rights, 2021: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="http://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meet all requirements under score 1</li> <li>• Not Met: Provides analysis of trends demonstrating closing gender pay gap</li> </ul>
D.5.8.b	Women's rights (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Women's rights in codes or contracts: The Responsible Sourcing Standards include among its 'mandatory minimum requirements for suppliers': 'The Partner ensures that all employees are treated with respect and dignity in the sense of ILO Conventions No. 100 on Equal Remuneration and No. 111 on Discrimination in Employment and Occupation. The principle of equal pay for work of equal value must apply regardless of gender. The Partner must ensure equal opportunities in the workplace and prohibit all forms of discrimination, including discrimination on the basis of gender, [...] pregnancy [...]. Furthermore, measures must be taken to stop specific cases of discrimination without undue delay and to protect the affected parties'. Moreover, The Responsible Sourcing Standards expresses its 'Expectations Towards Partners', among which: 'The Partner should ensure that managers receive appropriate training to identify and prevent discrimination, particularly with regard to staffing decisions. All employees should be regularly sensitized to discrimination and harassment, and steps for reporting violations should be explained, for example, in training. The Partner should grant maternity leave (vacation and benefits) in accordance with local law or the ILO Conventions (No. 183, 103, and 3), depending on which provision is more extensive. Employees should be ensured the same type of employment and salary on their return to work. The Partner should endeavour to establish strategies for proactively supporting their employees individual life situations, including the creation of flexible working environments and working hours to the extent that is possible for the respective activity'. The Responsible Sourcing Standards includes both 'mandatory minimum requirements for suppliers' and 'our expectations towards our suppliers in order to jointly establish and continuously develop a best practice for the protection of human rights and the environment as well as for the fulfilment of due diligence obligations for responsible business conduct'. However, it is not clear that the expectations are part of its contractual arrangement with suppliers. The indicator focuses on provisions found in contractual arrangements with its suppliers or supplier code of conduct. Thus, it is not clear the Company requires suppliers to introduce measures to ensure equal opportunities throughout all levels of employment and to eliminate health and safety concerns that are particularly prevalent among women workers in its contractual arrangements with suppliers or supplier code of conduct. [Supplier Sustainability Standards, 2022: <a href="http://supplier-portal.daimler.com">supplier-portal.daimler.com</a>] &amp; [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="http://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: How working with suppliers on women's rights</li> <li>• Not Met: Assessment on the number affected by discrimination or unsafe working conditions: The webpage section Handling risk raw materials indicates: 'For the assessment of risk fields, we put the logic of the UN Guiding Principles on Business and Human Rights into practice and analyse the extent of a risk ("scale") as well as the number of people affected ("scope")'. However, no assessment of the number affected by (scope of) discrimination or unsafe working conditions for women in its supply chain found. [Handling risk raw materials (Mercedes) (web), N/A: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul> <ul style="list-style-type: none"> <li>• Not Met: Provide analysis of trends in progress made</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.9.a	Working hours (in own production or manufacturing operations)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Respects max hours, min breaks and rest periods in its own operations: The Company indicates in its Principle of Social Responsibility and Human Rights: 'At Daimler, we follow the principle that working hours comply with local law and respective industry standards. We ensure that safe and healthy working conditions prevail, that work breaks, appropriate limitations of working hours and regular, paid vacation are guaranteed, in accordance with applicable local law. We also ensure compliance with the applicable international standards on working hours, which include at a minimum the relevant ILO conventions at the place of employment'. Similar provisions are found in the 2021 Sustainability Report. [Principles of Social Responsibility and Human Rights, 2021: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Not Met: Assesses ability to comply with its commitments when allocating work/targets</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets both requirements under score 1</li> <li>• Not Met: How it implements and checks this in its operations</li> </ul>
D.5.9.b	Working hours (in the supply chain)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Working hours in codes or contracts: The Company states in supplier sustainability standards that 'Work hours and time off must, as a minimum, be in conformity with applicable laws, industry standards or relevant ILO conventions, whichever are strictest.' Moreover, the Responsible Sourcing Standards include among its 'mandatory minimum requirements for suppliers': 'The Partner must ensure appropriate remuneration that, at a minimum, is in line with the minimum wage under the applicable law and enables employees to cover their living expenses. The cost of living and social security benefits in the respective country and remuneration for full-time employment must be taken into account. Wages must be paid in full for services rendered and may not be unlawfully withheld. The Partner must set out clear guidelines for employees working hours in the sense of ILO Conventions No. 1 and No. 30 on Hours of Work. The Partner ensures that the working hours are in line with the respective local laws or the respective industry standards should the latter ensure a higher degree of protection'. [Supplier Sustainability Standards, 2022: <a href="https://supplier-portal.daimler.com">supplier-portal.daimler.com</a>] &amp; [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="https://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> <li>• Not Met: How working with suppliers on working hours</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Assessment of number affected by excessive working hours: The webpage section Handling risk raw materials indicates: 'For the assessment of risk fields, we put the logic of the UN Guiding Principles on Business and Human Rights into practice and analyse the extent of a risk ("scale") as well as the number of people affected ("scope")'. However, no assessment of the number affected by (scope of) excessive working hours in its supply chain found. [Handling risk raw materials (Mercedes) (web), N/A: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> <li>• Not Met: Provide analysis of trends in progress made</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.10.a	Responsible Mineral Sourcing: Arrangements with suppliers and smelters/refiners in the mineral resource supply chains	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Due diligence in accordance with OECD Guidance in supplier contracts: The Company states in its Sustainability Report 2020: 'Suppliers whose products contain 3TG are requested to submit a report to Mercedes-Benz AG each year. To obtain the data required, we use the standardized Conflict Minerals Reporting Templates of the RMI. If anything unusual is detected, Mercedes-Benz AG contacts its direct suppliers and, if necessary, asks them to remove non-compliant smelters and refineries from the Mercedes-Benz supply chain. With regard to the raw materials tin and tungsten, which are directly procured in small amounts, Mercedes-Benz Cars &amp; Vans as well as Trucks &amp; Buses also use RMI's standardized reporting formats and audit protocols. In addition, we closely monitor the direct procurement paths of these two raw materials as part of our HRRS. We are therefore in continuous communication with the affected suppliers and, among other things, use questionnaires to evaluate due diligence activities'. The Responsible Sourcing Standards include among its 'mandatory minimum requirements for suppliers': 'Suppliers of 3TG3 (tin, tantalum, tungsten, and gold) and suppliers that use these raw materials in their products must identify and disclose all the smelters and refiners in their supply chains and assess whether they have conducted an OECD-compliant due diligence process. In doing so, suppliers must apply established procedures, such as the Responsible Minerals Assurance Process (RMAP), as a minimum'. However, no evidence was found on contractual requirements for direct suppliers to conduct due diligence in accordance with OECD guidance. [Sustainability Report 2020, 2021: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="https://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> <li>• Not Met: Works with smelters/refiners and suppliers to build capacity: The 2021 Sustainability Report indicates: 'The Mercedes-Benz Group also developed the Compliance Awareness Module on the basis of its supplier sustainability standards and its Integrity Code. This publicly available training module helps suppliers handle possible integrity- and compliance-related risks in a responsible manner. It is intended to provide suppliers with an overview of our currently valid compliance principles and inform them of the company's expectations with respect to human rights issues and other topics. The module also contains various case studies concerning our compliance theme fields in order to provide assistance and guidance. In addition, it clearly stipulates what we expect of our suppliers when it comes to integrity and provides information about legal requirements and ethical standards. All suppliers an access the module at our Supplier Portal at any time. We also inform them that they can recommend this module to their business partners in the supply chain'. However, it is not clear it and how the Company proactively works with smelters/refiners and with suppliers to contribute to building their capacity in risk assessment and improving their due diligence performance (including through industry-wide initiatives) in relation to 3TG. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Contractual requirement to disclosure smelter/refiner information: The Responsible Sourcing Standards include among its 'mandatory minimum requirements for suppliers': 'Suppliers of 3TG3 (tin, tantalum, tungsten, and gold) and suppliers that use these raw materials in their products must identify and disclose all the smelters and refiners in their supply chains and assess whether they have conducted an OECD-compliant due diligence process. In doing so, suppliers must apply established procedures, such as the Responsible Minerals Assurance Process (RMAP), as a minimum'. [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="https://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> <li>• Not Met: Contractual requirement covers all minerals: The Responsible Sourcing Standards include among its 'mandatory minimum requirements for suppliers': 'The Partner must provide unsolicited information to the Mercedes-Benz Group about identified risks and mitigating measures and must transfer a documentation of its due diligence measures upon request. The Partner must in particular identify critical human rights "nodes" (such as mines, smelters, and refineries) and provide information about them (for example, company and production site of the "node")'. The Mercedes-Benz Group is committed to the UN Guiding Principles and strives to disclose such human rights critical "nodes" in its supply chain'. However, it is not clear whether there are requirements to conduct due diligence in accordance with OECD guidelines that covers all minerals. [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="https://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.10.b	Responsible Mineral Sourcing: Risk identification in mineral supply chain	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Risk identification and disclosure in line with OECD Guidance: The Sustainability Report 2019 indicates: 'Within the framework of the Upfront Risk Assessment, which is part of the separate due diligence approach for our supply chains, we have identified 24 raw materials and 27 services whose extraction and further processing/provision (services) pose potential risks to human rights. Various international reference documents serve as the basis for these risk assessments. With regard to raw materials, we use the "Child and Forced Labor List" from the US Department of Labor, for example. Extraction and mining methods, and the countries where raw materials are located, all play an important role in our analyses'. The 2021 Sustainability Report indicates: 'During the reporting period, we further refined our approach to the assessment of risk-related raw materials and supplemented it with additional tools and processes. To ensure that we take a targeted approach to addressing the human rights risks of our raw material supply chains, we are orienting our activities in line with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas'. Additionally, the webpage section Handling risk raw materials indicates: 'In addition to an initial review of the situation, important elements of our assessments include the intensive analysis of our supply chains and the involvement of our direct suppliers and further stakeholders from science, industry, and civil society. Our raw materials assessments consist of three steps: We create transparency along the respective raw material supply chains. We identify risk hot spots in these supply chains. We define and implement risk mitigating measures and make sure that they are effective'. Finally, the webpage section Due diligence for conflict minerals notes: 'With the Human Rights Respect System (HRRS), Mercedes-Benz has developed its own, systematic approach to preventing human rights violations in our supply chains'. [Sustainability Report 2019, 04/2020: <a href="https://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>] &amp; [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Not Met: Identification of smelter/refiners and OECD Guidance: See above. Although the Company indicates that it is using the OECD Guidelines and describes its risk identification process generally, no evidence was found in relation to how it specifically identifies the smelters/refiners in its supply chain and assesses whether they carried out due diligence in accordance with OECD. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Discloses smelters/refiners judged in line with OECD Guidance: The Company discloses the list of smelters /refiners within its cobalt supply chain. However, no similar disclosure found for other conflict minerals, particularly 3TG. [Cobalt: Overview of smelters and refiners, N/A: <a href="https://daimler.com">daimler.com</a>]</li> <li>• Not Met: Risk identification and disclosure covers all minerals</li> </ul>
D.5.10.c	Responsible Mineral Sourcing: Risk management in the mineral supply chain	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Describes mineral risk management plan for supply chain: The webpage section Due diligence for conflict minerals notes: 'The focus is on smelters and refineries, as here materials from different sources are mixed. It is therefore important to maintain supply chain due diligence obligations before the smelter. This is the aim of the RMI's "Responsible Minerals Assurance Process" (RMAP). We expect suppliers whose products contain 3TG to exercise due diligence in their procurement'. Additionally, the webpage section Handling risk raw materials indicates: 'In addition to our own raw material assessments, from which we derive material-specific measures, the use of recognized external standards is a central instrument in order to meet our own due diligence responsibilities. The Standard for Responsible Mining of the Initiative for Responsible Mining Assurance (IRMA) is of particular importance for us here. The IRMA standard is currently the widest-ranging standard and comprehensively covers the risks associated with the extraction of raw materials. The fact that the results of the audits are published transparently and in full enables the subsequent participation of all the relevant stakeholders in the continuous improvement of the sustainability performance of the audited mining sites'. However, no description found of the steps taken to manage and respond to risks in its mineral supply chain (which could include a summary of the risk management plan) with respect to at least 3TG. [Due diligence for conflict minerals (Mercedes) (web), N/A: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>] &amp; [Handling risk raw materials (Mercedes) (web), N/A: <a href="https://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not Met: Monitoring, tracking and whether better risk prevention/mitigation over time: Regarding its Human Rights Respect System, the Company states that 'The HRRS thus primarily protects third parties and is aimed at exerting its effect along our supply chain as well. It consists of four steps that are to be applied to Daimler majority-owned companies and the supply chain: 1. identification of potential human rights risks (risk assessment); 2. definition, implementation and management of preventive measures and countermeasures (program implementation); 3. monitoring of the effectiveness of the measures, in particular at higher-risk units and in supply chains that are at a high risk of human rights violations (monitoring), and 4. periodic internal reporting on relevant issues, compliance with external reporting requirements (reporting)'. However, no evidence found of the specific work carried out to monitor and track performance of risk management in the context of conflict minerals. No new relevant evidence found in latest revision. [Sustainability Report 2018, 01/2020: <a href="https://www.daimler.com">daimler.com</a>]</li> <li>• Not Met: Disclose better risk prevention/mitigation over time</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Suppliers and stakeholders engaged in risk management strategy: The 2021 Sustainability Report indicates: 'We plan to systematically review the 24 critical raw materials that were identified during a preliminary risk assessment in greater depth until 2028. This review process basically consists of three steps: Transparency: increasing transparency along the raw material supply chains — especially with regard to certain key components such as battery cells. To this end, Mercedes-Benz AG contacts the suppliers of the relevant components, for example, and asks them to disclose their structure of sub-suppliers. Identifying risk hotspots in these supply chains. This is done on the basis of the specific risks in the individual mining countries, for example. Defining and implementing measures for the risk hotspots and checking whether they are effective over the long term. [...] When we analysed the 24 raw materials that we had identified as critical, we held consultations with stakeholders at several points in order to identify risks along the supply chain and determine whether potential measures would be effective'. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> <li>• Not Met: Risk management and response processes cover all minerals</li> </ul>
D.5.11	Responsible Materials Sourcing	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Due diligence for raw materials in supplier code/contracts: The Responsible Sourcing Standards include among its 'mandatory minimum requirements for suppliers': 'The Partner is obliged to establish processes for its duty to take due care of the human rights in its company within a reasonable period of time, provided it delivers products or provides services to the Mercedes-Benz Group, where potential negative effects on human rights are to be feared in the value chain (for example, human rights due diligence process) and to take systematic and adequate due diligence measures in connection with human rights based on this process. Relevant in this regard are the national due diligence laws applicable to the Partner, but at least the specifications of the UN Guiding Principles on Business and Human Rights (hereinafter referred to as "UN Guiding Principles") as well as the respective relevant OECD Guidelines and principles. In accordance with the UN Guiding Principles, the Partner shall design adequacy and scope of these measures according to the size and sales of its company, the nature and the origin of the product or service and the raw materials contained in it, and particularly according to the associated risks'. [Responsible Sourcing Standards (Mercedes), 05/2022: <a href="https://supplier.mercedes-benz.com">supplier.mercedes-benz.com</a>]</li> <li>• Not Met: Works with suppliers to build capacity in risk assessment and due diligence: The 2021 Sustainability Report indicates: 'We train these service providers by means of dialogue formats so that they understand our guiding principles and can establish them in their own supply chains. [...] Accordingly, the Mercedes-Benz Group has sensitised and informed our suppliers by means of corresponding training modules for many years. Where appropriate, we have also done so as part of our involvement in sustainability and human rights initiatives. Since 2018, we have been cooperating with the Drive Sustainability initiative on the implementation of measures to sensitise and inform production material suppliers in various focus countries. We selected the respective countries jointly with the initiative. In training courses, suppliers are taught about human rights and working conditions, including topics such as working hours, fair remuneration, freedom of assembly and forced labour'. However, it is not clear how it works with suppliers specifically to contribute to building their capacity in risk assessment and improving their due diligence performance. [2021 Sustainability Report (Mercedes), 2022: <a href="https://sustainabilityreport.mercedes-benz.com">sustainabilityreport.mercedes-benz.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets all requirements under score 1</li> <li>• Not Met: Identify the sources of high-risk raw materials in its supply chain: The Raw Material Report indicates: 'We have identified 24 raw materials that are critical to vehicle production and that also pose increased human rights risks'. The report, discloses 'the results of the first six raw material assessments'. However, it is not clear whether it is actually identifying these sources' locations. No further evidence found. [2022 Raw Materials Report (Mercedes), 06/2022: <a href="http://group.mercedes-benz.com">group.mercedes-benz.com</a>]</li> </ul>

### E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> <li>• Area: Environmental rights; land rights</li> <li>• Headline: Daimler among others accused of abuses of Aluminium supply chains</li> <li>• Story: On July 22, 2021, Human Rights Watch and Inclusive Development International said in a report that Automobile companies need to do more to address abuses in their aluminium supply chains and the bauxite mines they source from. Car manufacturers used nearly a fifth of all aluminium consumed worldwide in 2019 and they are forecast to double their aluminium consumption by 2050 as they transition to electric vehicles.</li> </ul> <p>In its report the Human Rights Watch and Inclusive Development International describes the global supply chains that connect car manufacturers to mines, refineries, and smelters from countries including Guinea, Ghana, Brazil, China, Malaysia, and Australia. Based on meetings and correspondence with nine major car companies – Daimler among others (BMW, Renault, Ford, General Motors, Groupe PSA (now part of Stellantis), Toyota, Volkswagen, and Volvo) – Human Rights Watch and Inclusive Development International assessed how the auto industry addresses the human rights impacts of aluminium production, from the destruction of farmland and damage to water sources caused by mines and refineries to the significant carbon emissions from aluminium smelting. Although car companies' knowledge of aluminium supply chains varies, none of the nine companies that responded to Human Rights Watch and Inclusive Development International had, prior to being contacted for this report, mapped their aluminium supply chain to understand the human rights risks within it</p> <p>The report also alleged despite many of the world's leading car companies have publicly committed to addressing human rights abuses in their supply chains, they have done little to evaluate and address the human rights impact of aluminium production. They have instead prioritized supply chain due diligence for other materials central to electric vehicles, such as the cobalt needed for electric batteries. Because they involve surface level mining, bauxite mines take up a large area, often destroying farmland that underpins the livelihoods of local communities. Bauxite mines can also have a devastating impact on rivers, streams, and groundwater sources that communities rely upon for household consumption and irrigation.</p> <p>[Human Rights Watch, 22/07/2021, "Aluminum: The Car Industry's Blind Spot": <a href="http://hrw.org">hrw.org</a>]</p>
E(1).1	The company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public response: Daimler commented on the allegations made in the Human Rights Watch report. [Human Rights Watch, 22/07/2021, "Aluminum: The Car Industry's Blind Spot": <a href="http://hrw.org">hrw.org</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Detailed response: Although Daimler commented on the lack of traceability of its aluminium supply chain, the company did not comment on the alleged specific impacts brought about by aluminium production such as reduced access to water, forced displacement, and failing to respect the adequate standard of living of nearby communities. [Human Rights Watch, 22/07/2021, "Aluminum: The Car Industry's Blind Spot": <a href="http://hrw.org">hrw.org</a>]</li> </ul>
E(1).2	The company has investigated and taken	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Engaged with stakeholders: Although Daimler stated that they have begun dialogue with its aluminium suppliers, there is no evidence that the company or the supplier has directly engaged with affected stakeholders. While Daimler has its "Daimler Sustainability Dialogue" initiative, wherein the company</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
	appropriate action		<p>gathers stakeholder groups to meet with its board members, there is no evidence which suggest that stakeholders impacted by its aluminium suppliers where engaged with. [Human Rights Watch, 22/07/2021, "Aluminum: The Car Industry's Blind Spot": <a href="http://hrw.org">hrw.org</a>]</p> <ul style="list-style-type: none"> <li>• Not Met: Identified cause: While Daimler has its "Daimler Sustainability Dialogue" initiative, wherein the company gathers stakeholder groups to meet with its board members, there is no evidence which suggest that stakeholders impacted by its aluminium suppliers where engaged with. There is also no evidence that Daimler commissioned an investigation into the allegations made in the Human Rights Watch report. [Sustainability Report 2020, 2021: <a href="http://sustainabilityreport.daimler.com">sustainabilityreport.daimler.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Identified and implemented improvements: Although Daimler stated in May 2021 that it has "conducted dialogue" with its aluminium suppliers to discuss how to address risks to bauxite mining, no specific steps for improvement were outlined from this dialogue.</li> </ul> <p>Drive Sustainability, a coalition of 11 car companies that includes BMW, Daimler, Ford, Toyota, Volkswagen, and Volvo, in May 2021 initiated a project to assess the human rights risks inherent in aluminium supply chains and those of nine other raw materials, which it said could presage collective action by the auto industry to drive up standards in supply chains. [Human Rights Watch, 22/07/2021, "Aluminum: The Car Industry's Blind Spot": <a href="http://hrw.org">hrw.org</a>]</p> <ul style="list-style-type: none"> <li>• Not Met: Stakeholder input to steps taken</li> </ul>
E(1).3	The company has engaged with affected stakeholders to provide for or cooperate in remedy(ies)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Provided remedy</li> <li>• Not Met: Evidence for lack of Impact or link</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Remedy satisfactory to stakeholders</li> <li>• Not Met: Remedy delivered</li> <li>• Not Met: Independent remedy process used</li> </ul>
E(2).0	Serious allegation No 2		<ul style="list-style-type: none"> <li>• Area: Right to security of persons</li> </ul> <ul style="list-style-type: none"> <li>• Headline: Mercedes-Benz alleged to be behind the "disappearances" of 15 workers during Argentinian dictatorship</li> </ul> <ul style="list-style-type: none"> <li>• Story: 15 workers of the Mercedes-Benz factory in Argentina have been missing since the 1970s. According to the website CELS, 'Between May 22 and June 19, witnesses testified before Federal Oral Criminal Court No.1 about the kidnappings and disappearances of seven workers between 1976 and 1978, of whom six remain disappeared [...] There is sufficient evidence that shows how company executives gave information about the workers to the dictatorship. The victims were not selected at random: they were all labor activists.' Dictatorship forces allegedly used company documents to track down active labour union members and illegally detain them. One witness testified that military officials inside the factory shot at the floor in front of workers in order to intimidate them. [CELS, 24/06/2019, "Mercedes-Benz: kidnapping and torture to drown out workers' demands": <a href="http://cels.org.ar">cels.org.ar</a>] [Buenos Aires Times, 30/04/2019, "Campo de Mayo 'mega-trial' into dictatorship-era crimes begins in San Martín": <a href="http://batimes.com.ar">batimes.com.ar</a>]</li> </ul>
E(2).1	The Company has responded publicly to the allegation	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Public response: A public response by the company is not available.</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Detailed response: A public response by the company is not available.</li> </ul>
E(2).2	The Company has appropriate policies in place	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Engaged with stakeholders</li> <li>• Not Met: Identified cause</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Identified and implemented improvements</li> <li>• Not Met: Stakeholder input to steps taken</li> </ul>
E(2).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Provided remedy</li> <li>• Not Met: Evidence for lack of Impact or link</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Remedy satisfactory to stakeholders</li> <li>• Not Met: Remedy delivered</li> <li>• Not Met: Independent remedy process used</li> </ul>
E(3).0	Serious allegation No 3		<ul style="list-style-type: none"> <li>• Area: Forced labour; discrimination</li> <li>• Headline: Mercedes-Benz among companies accused of using suppliers linked to forced labour in China</li> <li>• Story: On March 1, 2020, the Australian Strategic Policy Institute (ASPI) released a report that named Mercedes-Benz among 83 other companies benefiting from the use of potentially abuse labour transfer programs. According to the report, more than 80,000 Uighur residents and former detainees from the north-western region of Xinjiang, China have been transferred to factories to work under conditions that strongly suggest forced labour for suppliers of several multinational's supply chains. ASPIC used open-source public documents, satellite imagery, and media reports and identified 27 factories in nine Chinese provinces that have used transferred labourers. It is also alleged that Muslim minorities are thought to be working in forced labour conditions across the country. The ASPI report said that workers live in segregated dormitories, are required to study Mandarin and undergo ideological training. The workers were transferred out of Xinjiang between 2017 and 2019, claiming that people are being effectively "bought" and "sold" by local governments and commercial brokers. [ABC, 01/03/2020, "Apple, Nike and other major companies implicated in Muslim forced labour in China": <a href="http://abc.net.au">abc.net.au</a>] [Australian Strategic Policy Institute, 01/03/2020, "Uyghurs for sale": <a href="http://aspi.org.au">aspi.org.au</a>] [The Guardian, 01/03/2020, "China transferred detained Uighurs to factories used by global brands – report": <a href="http://theguardian.com">theguardian.com</a>] [Financial Times, 01/03/2020, "Xinjiang forced labour reported in multinational supply chains": <a href="http://ft.com">ft.com</a>]</li> </ul>
E(3).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public response: When asked about the ASPI report, Daimler said none of the companies mentioned were "direct suppliers". In response to the Working Group on Business and Human Rights' observations, issued on March 12, 2021, the company replied: "So far, we have not identified any particular findings concerning human rights violations at our direct suppliers or in our own entities with regard to the issue at hand". [The Jakarta Post, 03/03/2020, "Top brands accused of using forced Chinese labor": <a href="http://thejakartapost.com">thejakartapost.com</a>] [Daimler's Reply to the Joint Communication from Special Procedures dated 12/03/2021 (OTH 131/2021), 10/05/2021: <a href="http://spcommreports.ohchr.org">spcommreports.ohchr.org</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Detailed response: The company's response addressed the allegation of the company being potentially linked to the forced labour of Uyghur workers, "So far, we have not identified any particular findings concerning human rights violations at our direct suppliers or in our own entities with regard to the issue at hand". However, the detail is general as to the particular content of the allegations. [Daimler's Reply to the Joint Communication from Special Procedures dated 12/03/2021 (OTH 131/2021), 10/05/2021: <a href="http://spcommreports.ohchr.org">spcommreports.ohchr.org</a>]</li> </ul>
E(3).2	The Company has appropriate policies in place	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Engaged with stakeholders</li> <li>• Not Met: Identified cause</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Identified and implemented improvements</li> <li>• Not Met: Stakeholder input to steps taken</li> </ul>
E(3).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Provided remedy</li> <li>• Not Met: Evidence for lack of Impact or link: In response to the Working Group on Business and Human Rights' observations, issued on March 12, 2021, the company replied: "So far, we have not identified any particular findings concerning human rights violations at our direct suppliers or in our own entities with regard to the issue at hand". However, the company did not provide sufficient evidence to prove it is not linked to the impact. [Daimler's Reply to the Joint Communication</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>from Special Procedures dated 12/03/2021 (OTH 131/2021), 10/05/2021: <a href="http://spcommreports.ohchr.org">spcommreports.ohchr.org</a></p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Remedy satisfactory to stakeholders</li> <li>• Not Met: Remedy delivered</li> <li>• Not Met: Independent remedy process used</li> </ul>

## Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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