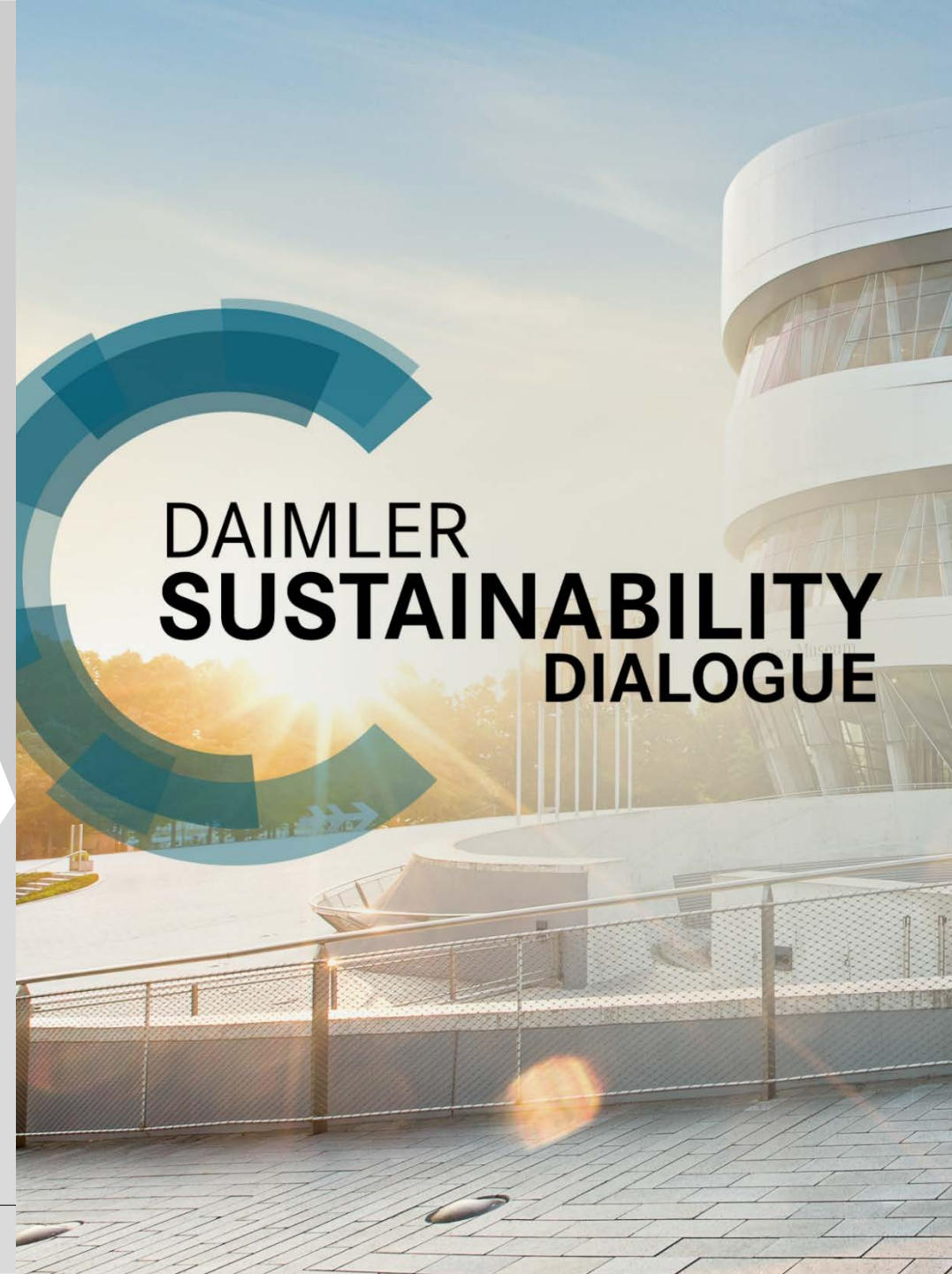


# Sustainability Dialogue

Working Groups  
Plenary Reports



# Working Group „Environment“

## Topics discussed

## New insights

## Our approach

## Planned activities

### Accelerating climate action

- *Climate protection measures must be accelerated in all sectors. The impact of the automotive sector also needs to be reduced.*
- *Growing momentum in many areas: society is becoming more aware of the consequences of global crises, politics is tightening emission targets, and industry is setting itself ambitious goals.*

- *CO2 footprint over lifecycle to be neutral in 2039 for new car fleet – glide path defined.*
- *Massive electrification of the product portfolio within the next few years; Forcing massive increase in xEV sales.*
- *Positive interaction between MB and the public to promote market pull through an attractive TCO\* and suitable infrastructure.*

- *Further electrification of the portfolio and promotion of xEV sales.*
- *Promotion of a higher proportion of electric driving at PHEV.*
- *Follow up discussion on framework and feasibility for hydrogen in Truck applications.*
- *Follow-up discussion of efuels for the market fleet.*
- *Integration of the social perspective of the transformation into the discussion - individual behavior change and acceptance of e-mobility.*

### Air quality

- *Our new vehicle fleet will have no relevant impact on the NO<sub>2</sub> level in urban areas by 2025.*
- *Scientific assessment of PM emissions from vehicle sources (engine, brakes, tires) ongoing.*

- *Monitor NO<sub>2</sub> level in hotspots / simulations.*
- *Increase the transparency of vehicle-related particulate emissions.*

- *Follow up quantifying PM emissions of vehicle sources (engine, brakes, tires).*

### Resource preservation

- *Electrification of mobility poses challenges regarding resource consumption, especially in case of batteries*

- *Active rapid technological advancement.*

- *Communicate the current progress and future perspective of battery technology.*

# Working Group „People & Integrity“

## Topic discussed

## New insights

## Our approach

## Planned activities

### Leadership & Integrity as pillars for sustainable business success

- *Daimler is in a transformation process in which emotionally intelligent and value-oriented leadership is highly relevant.*
- *Emotions are important at work and affect integrity and unethical behavior. Challenging situations (e.g. Covid-19 or job insecurity) can be negative catalysts.*
- *Emotionally intelligent leadership has a positive impact on ethical behavior and on the speak-up culture.*
- *Factors such as the work environment and job security have an impact on the attitude and behavior of employees.*
- *As technology (e.g. AI) becomes more advanced, the demand for emotionally intelligent organizations, systems and processes increases to ensure sustainable responsible leadership. Both developments go hand in hand.*
- *Leadership and integrity have been confirmed as important key factors for sustainable business success.*
- *Working remotely, a lot of things are possible however not all needs can be fulfilled.*

- *Strengthening the factors that promote emotionally intelligent leadership and discussing their implementation.*
- *Possible combination of emotionally intelligent leadership with our existing corporate principles from the Code of Conduct.*

- *Further development with regards to content of the topics in the respective areas of responsibility HR and IL*

# Working Group „Human Rights“

## Topics discussed

## New insights

## Our approach

## Planned activities

### HR at own Daimler entities – Update, challenges, dilemmas

- *Alongside human rights due diligence in supply chains it is also of fundamental importance to have systems and processes in place to respect human rights within own entities.*
- *Local implementation needs to be driven by local management with guidance provided by HQ.*

### HR in Global Supply Chains – Operative challenges for selected raw materials

- *There is a challenge to achieve traceability and transparency in the raw material supply chains*
- *Debate about how far are the standards reaching in terms of transparency*
- *Urge for cross-industry coordination*

### HR in Global Supply Chains – Operative challenges for selected services

- *Think about the challenge smaller businesses have while being confronted with different OEM assessments*
- *Consistent requirements would help suppliers to adjust their processes*
- *Focus on severe human rights findings in the assessment*

- *Risk-based approach focused on five risk areas.*
- *Development of Compliance Management System for human rights and corresponding measures to mitigate risks.*

- *The challenge for supply chain transparency and traceability as well as the possible human rights risks are systemic and therefore require a cooperative approach*

- *General approach for supplier assessment with focus on commodities approved*
- *Engagement with suppliers through digital dialogue formats confirmed*
- *Recommendation to focus on high-risk areas first*

- *Further awareness raising for human rights topics in local entities especially within high-risk countries.*
- *Emphasizing Daimler’s commitments and policies regarding human rights.*
- *Providing guidance and training.*

- *Continue to work together with our suppliers and participate in multi-stakeholder initiatives to create common solutions for sustainable raw material supply chains*

- *Refine assessment individually per commodity, i.e. more commodity-specific questionnaires*
- *Continuation of digital dialogue format with suppliers*

# Working Group „Data Responsibility“

Topics discussed	New insights	Our approach	Planned activities
<b>Transparency &amp; Choice: Privacy Center</b>	<p><i>Positive stakeholder response to the Mercedes me Privacy Center, (central point for privacy settings).</i></p> <p><i>From the stakeholders' point of view, the security of the Mercedes me ID plays an important role.</i></p>	<p><i>Increasing transparency and simplifying choice for customers.</i></p> <p><i>Increasing complexity must be taken into account by designing the Privacy Center in a customer-friendly way.</i></p>	<p><i>Expansion of the Privacy Center - worldwide rollout of more functionality beyond Mmc.</i></p> <p><i>Considerations for regulations for vehicle sales are recommended.</i></p>
<b>Data Protection Country Index</b>	<p><i>The Daimler Data Protection Country Index was considered a suitable tool for the classification of data protection risks for the company.</i></p>	<p><i>For the application of a tool related to the Schrems II judgement, evaluation criteria have to be added.</i></p> <p><i>The perspective of the state from which the data are transferred has to be considered.</i></p>	<p><i>Evaluation of the Data Protection Country Index and potential expansion as an instrument for the classification of countries following Schrems II - Judgement of the ECJ.</i></p>
<b>Privacy Impact Assessment</b>	<p><i>Presentation of the practical application of the Daimler Privacy Impact Assessment. The Excel tool was rated as suitable in terms of content. Integration of the tool into an IT solution for simplification of the procedure is recommended.</i></p>	<p><i>Operationalization of the implementation of Privacy Impact Assessments.</i></p> <p><i>Indirect risks resulting from the reaction of local authorities must be taken into account.</i></p> <p><i>Standardization of the procedure with regard to third country transfers.</i></p>	<p><i>As a result of the evaluation it has to be checked whether a link between DPRI and PIA can be established. If so, implementation and interlocking in a PIA tool. An extension of the list of questions and measures is necessary to address the risks from Schrems II.</i></p>

# Working Group “Partnerships”

## Topics discussed

## New insights

## Our approach

## Planned activities

### Stakeholder groups in the debate around climate change

- *Political decisions need to be based on facts. Those facts exist in great detail, for example in the study „Klimapfade für Deutschland“*
- *A cooperation between government, business and consumers is needed*
- *Cooperation on an international level is also important*
- *A lack of cooperation and partnerships weakens trust in governments, businesses and the media.*

- *Stressing facts in the debate*
- *Discussion fora with different stakeholder groups*

- *Continue to make use of discussion fora like for example the Daimler Sustainability Dialogue and the Daimler Mobility Lab to have constructive conversations*

### Image of political lobbying

- *Transparency will only lead to trust if all stakeholders are committed to it*
- *Strong positions of associations are needed to give importance to positions*
- *It needs constructive exchange focusing on compromise in appropriate discussion fora to counteract polarization*

- *Cooperation creates trust, transparency on all sides creates trust. We will dedicate ourselves to these two approaches.*
- *Associations are important, we want to continue and shape memberships*
- *Continuous support for the lobby register*

- *Higher transparency by using the lobby register and our EA website to define contact persons openly*
- *Collaboration in associations, work to anchor our positions there*
- *Increased cooperation with NGOs (e.g. Transparency International)*

# Working Group „Traffic Safety“

## Topic discussed

## New insights

## Our approach

## Planned activities

### Traffic Safety & Resilience

- *Increased Digitalization & complexity of road traffic in combination with new future topics (e.g. autonomous driving) necessitate and enable new approaches and concepts for a safe multimodal mobility.*
- *Data as part of the infrastructure as well as of the traffic participants increasingly gain more relevance for safe mobility, potentially for the chain of rescue, as well.*
- *Noted in various statements throughout the dialogue: „Road safety remains important for the future direction of a sustainability strategy“.*
- *Social understanding of resilience is different in comparison to technical understanding: here societal dialogue is important to understand how we make our technology systems socially accepted.*

- *Advancement of a scientific research center for traffic safety, pursuing a holistic, interdisciplinary and systemic approach – especially as regards to future topics like autonomous driving.*
- *Raising, managing, handling, and supplying the relevant data has to be framed around existing or future data protection.*
- *Define Lighthouses and Performance Indicators for realizing our Vision of Accident Free Driving.*
- *Further strengthening trust in our products through confidence-building measures as already anchored in the sustainable business strategy for Traffic Safety.*

- *Supporting the installation of a competence center in Freiburg research future road traffic also with aspects of the social understanding of resilience (e.g. testing the measures (e.g. accident data transfer) with different stakeholders).*
- *Addressing the necessity of a governance for data handling in light of the BMVI traffic safety program.*
- *Work on a Scorecard for Traffic Safety relevant sustainability targets.*

# Working Group „Corporate Citizenship“

## Topics discussed

## New insights

## Our approach

## Planned activities

### Corporate Citizenship Engagement

- *Refocusing of our Corporate Citizenship Engagement from the background of the Daimler Sustainable Business Strategy.*

- *It is important that the three pillars of corporate citizenship engagement – local engagement, employee engagement and global engagement – are pursued.*

- *Implantation of a Corporate Citizenship strategy to flank the Sustainable Business Strategy and – in this context – taking into account the local needs of our locations and markets.*

### Corporate Citizenship Credibility

- *Corporate Citizenship must be credible to avoid reputation risks like „Greenwashing“.*

- *A prerequisite for credible corporate citizenship commitment – in terms of the Sustainable Business Strategy – is that the core business and the goals of the company are credible.*

- *Even closer alignment of corporate citizenship activities with the core business of the company and closer connection to the fields of action of the Sustainable Business Strategy.*

### Corporate Citizenship Communication

- *Communication of sustainability must be holistic for an extensive information of the stakeholder.*

- *Optimized holistic communication for the topic of sustainability (incl. Corporate Citizenship project communication).*

- *Increase Corporate Citizenship project communication and highlight the impact of these projects.*



# Working Group „Livable Cities“

## Topics discussed

## New insights

## Our approach

## Planned activities

### Data based mobility insights for cities and regions

- *Data insights are crucial for public authorities to define policy and regulations to improve mobility for citizens and meet common goals (sustainability, safety, accessibility, efficiency)*

- *As an industrial partner to public authorities, Daimler will continue to build relationships of trust and focus on understanding and solving with data products the real challenges of authorities and cities.*

- *UMS and our colleagues in other departments will continue to build partnerships with authorities and other companies, test and then launch new data-driven products to make cities more livable.*

### Enabling behavior change towards sustainable urban mobility

- *Core of everything within sustainable Urban Mobility is to foster behaviour change.*
- *Visibility of sustainable mobility offers is central to trigger behavior change among citizens*
- *We need a two sided dialogue (involving all relevant stakeholders, from cities over business to citizens)*
- *We have to question and understand the problem: different problems in city centres and metropolitan areas*

- *We take a closer look at the metropolitan areas and people's behaviour there*
- *We focus on citizen centrality*
- *In partnerships we identify visible solutions which make sustainable urban mobility tangible to citizens*

- *We are planning to introduce a regular exchange with our expert network to face the challenge in a collaborative way (establish an Urban Mobility expert community)*

### Creating shared value for cities and businesses

- *Collaboration and sharing common goals is core of transformation in the complex field of mobility*
- *There will be no "one solution for all"-approach*
- *Infrastructure projects need to be commercially viable, a strong set of stakeholders or consortium with cross-sectors helps to receive funding*

- *Business and public targets must match to create sustainable urban mobility solutions*
- *We partner to bring in assets and expertise to transform use of space, manage data, overcome externalities both for people and goods transportation*
- *We need the right technology paired with the right policy*

- *We continue to work on concrete projects with a clear route to market – from PowerPoint to reality!*