



Mercedes-Benz Australia/Pacific

Modern Slavery Statement

30 June 2025

Mercedes-Benz



Contents

Section 1

Introduction page 4

Section 2

Overview of supply chain page 6

Section 3

Identifying potential risks in
our supply chains page 9

Section 4

Actions taken to assess and
address identified risks page 13

Section 5

How we assess the effectiveness
of actions taken page 17

Section 6

Process of consultation with subsidiary
entities in preparing the statement page 18

A message from our Directors



Mercedes-Benz Australia/Pacific Pty Ltd (“**MBAuP**”) is pleased to provide our annual Modern Slavery Statement (“**Statement**”) pursuant to the *Modern Slavery Act 2018* (Cth) (“**Act**”), on behalf of MBAuP and its local holding company Mercedes-Benz Group Australia/Pacific Pty Ltd (ABN 50 004 348 421) (“**MBGAuP**”), in recognition of the global issue of Modern Slavery in supply chains and in full support of the principles of the Act.

MBAuP is part of the wider Mercedes-Benz Group of companies (“**Mercedes-Benz Group**”) and has locally incorporated and enacted global initiatives.

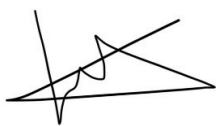
MBAuP and the Mercedes-Benz Group acknowledge that modern slavery is a deeply entrenched and still existent global issue - one that requires not only sustained and decisive action, but proactive accountability across our operations and supply chains.

People are at the core of our business. Our aim is to ensure that their fundamental human rights are respected in our own business, as well as by our business partners and suppliers.

To assist us to uphold these values, we set out our standards and expectations with each of our suppliers, including in our Integrity Code, Supplier Sustainability Standards, tender processes and supplier agreements.

MBAuP stands firm in our dedication to protecting human rights and fostering a fair and just working environment in our operations and supply chains.

This statement was approved by MBAuP’s Board of Management on 26 June 2025.

A stylized, handwritten signature in black ink, consisting of several sharp, intersecting lines.

Jaime Cohen

Managing Director, Mercedes-Benz Cars

CEO and Director, Mercedes-Benz Australia/Pacific

Director, Mercedes-Benz Group Australia/Pacific

A stylized, handwritten signature in black ink, featuring a large, sweeping loop followed by a few smaller strokes.

Diane Tarr

Managing Director, Mercedes-Benz Vans

Director, Mercedes-Benz Australia/Pacific

Section 1

Introduction

Our Statement covers MBAuP's activities over the financial year ending 31 December 2024.

It has been prepared to comply with the requirements of the Act, in order to meet the mandatory criteria as outlined in the Australian Border Force publication Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities, dated May 2023.

MBAuP has been operating in the Australian market since July 1958 and is responsible for importing, retailing and wholesaling Mercedes-Benz vehicles, component parts, accessories and merchandise to Australian businesses and consumers.

Locally, MBAuP also operates alongside Mercedes-Benz Financial Services Australia Pty Ltd. The ultimate parent company of these entities is Mercedes-Benz Group AG, one of the leading global suppliers of premium and luxury cars and vans.

Overview of Corporate Structure in Australia



MBAuP Employee overview in Australia

MBAuP has approximately 284 employees, the majority of whom work at our Mulgrave Head Office.

Several employees are based at our Laverton Logistics Centre.

A small group of staff are based in Sydney and Brisbane to support our retailer network in those locations.

For the purposes of this statement, the term “**Modern Slavery**” is used to describe the most serious forms of exploitation. Modern Slavery encapsulates, and includes, but is not limited to:

- **Child slavery** – includes child trafficking, child soldiers, child marriage and child domestic slavery. Child slavery is often confused with child labour. Whilst child labour is harmful for children and hinders their education and development, child slavery occurs when a child is exploited for someone else’s gain.
- **Debt bondage** – occurs when people borrow money they cannot repay and are required to work to pay off the debt. This causes people to lose control over the conditions of both their employment and the debt.
- **Descent-based slavery** – occurs when people are born into slavery because their ancestors were captured and enslaved and therefore they remain in slavery by virtue of descent.
- **Domestic servitude** – when employees work in private homes and are forced or coerced into serving and/or fraudulently convinced that they have no option to leave.
- **Forced and early marriage** – when someone is married against their will and cannot leave the marriage. Child marriages can be considered a form of slavery.
- **Forced labour** – involves any work or services which people are forced to do against their will under the threat of some form of punishment.
- **Human trafficking** – involves transporting, recruiting or harbouring people for the purpose of exploitation, using violence, threats or coercion.
- **Sex trafficking** – involves people, including children, being forced into the commercial sex industry and held against their will by force, fraud or coercion.

In 2021, there were an estimated...

49.6 MILLION PEOPLE in modern slavery around the world.

For every 1,000 people, there are **6.4** victims of modern slavery with

24% of VICTIMS being children.

Source: [ILO 2022](#)

The Mercedes-Benz Group is aware of its responsibility to uphold human rights.

For this reason, comprehensive measures have been implemented to ensure production materials and services are procured worldwide in alignment with sustainability standards. Furthermore, experts from various specialist internal departments at a global level, such as Procurement and Supplier Quality, Compliance and Legal work very closely together to progress the topic from a variety of perspectives. These strategies, both globally and locally, put us on an excellent path towards ensuring respect for human rights in our supply chains.

This statement outlines the measures we have taken in 2024 to continue to strengthen our local policies and procedures to ensure we play our part in the detection and mitigation of Modern Slavery risks within our supply chains.

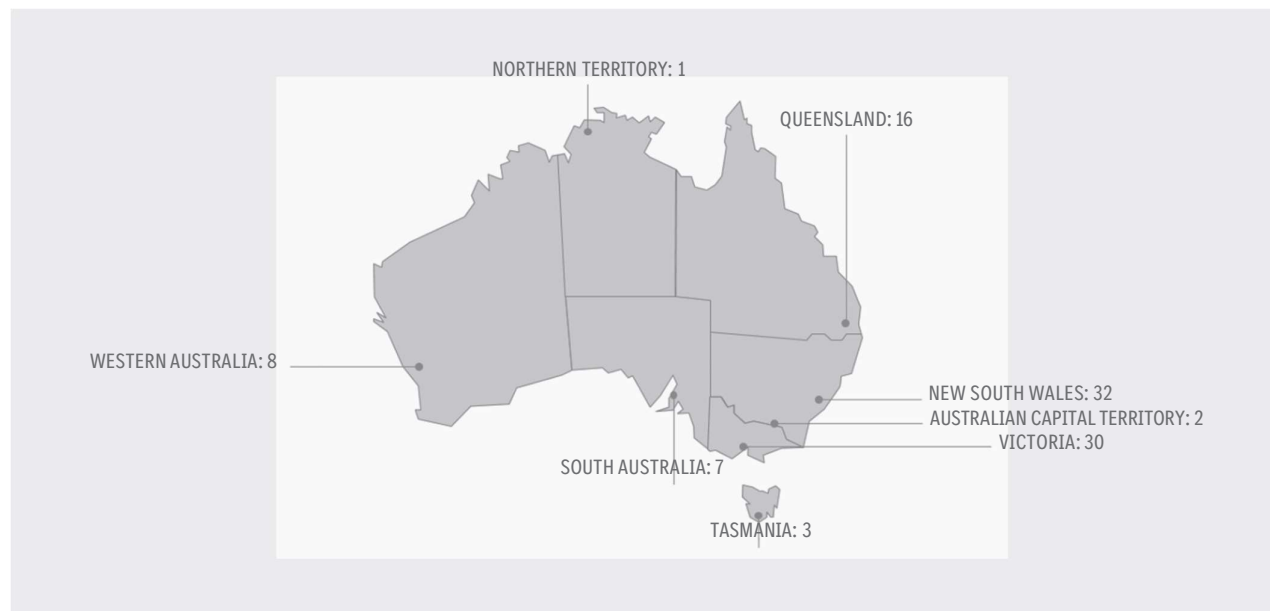
Section 2

Overview of supply chain

MBAuP is committed to upholding respect for human rights, which is a central aspect of our sustainable business strategy. Further, MBAuP endeavours to ensure these fundamental rights are respected and measures are implemented to address Modern Slavery both within our own business and throughout our supply chain. Locally, MBAuP is the importer, wholesaler and retailer of a range of component parts and vehicles. Mercedes-Benz Passenger Car and Van parts are distributed to MBAuP's warehouse in Laverton, Victoria and our vehicles are stored in various Vehicle Processing Centres across Australia before they are distributed to selected Retailers as a point of sale.

MBAuP Car and Van Retailer Network

MBAuP has 102 Retailer sites Australia wide.



Passenger Cars

The passenger car product range includes:



AMG

MAYBACH

Mercedes-Benz Group source component parts and vehicles from production facilities in 22 countries across the globe, including, but not limited to: Mercedes-Benz Germany (Affalterbach, Berlin, Bremen, Hamburg, Kamen, K  lleda and Arnstadt, Rastatt, Sindelfingen and Stuttgart plants), Beijing Benz Automotive Co., Ltd, Mercedes-Benz Tuscaloosa, Mercedes-Benz East London, Mercedes-Benz Mexico International, Mercedes-Benz Romania (Sebes and Cugir Plants), Mercedes-Benz Austria (Eugendorf), Mercedes-Benz Hungary (Kecskem  t) and Mercedes-Benz Poland (Jawor).

Vans



The Mercedes-Benz Vans product range includes various models in both the commercial and private segments. In the commercial segment, the large-size vehicles include the Sprinter panel van, Sprinter cab chassis, Sprinter minibus and eSprinter panel van, while the mid-size vehicles feature the Vito panel van, Vito Tourer and the all electric eVito panel van and eVito Tourer. In the private segment, the range comprises the V-Class and all electric EQV luxury people movers.

The Vans division of the Mercedes-Benz Group source component parts and vehicles from Mercedes-Benz Germany (Düsseldorf, Ludwigsfelde, Stuttgart plants) and Mercedes-Benz Vitoria (Spain).

From an operations perspective, MBAuP works collectively with suppliers for goods and services located both domestically and overseas.

Worldwide supply partners of the Mercedes-Benz Group



Overview of operations

Suppliers play an essential role in MBAuP's internal operations as they help support business units, which include but are not limited to:



Goods and services are sourced in accordance with a policy-defined process. For internal purchasing requirements, every purchase begins as a Purchase Requisition raised and requires approval from the manager and controller for the relevant business unit.

The Procurement department will undertake a sourcing process for Purchase Requisitions within their scope where a Purchase Order or Purchase Contract will be issued to the selected third-party supplier.

Meanwhile, for Purchase Requisitions outside Procurement's scope, including small and special buys, the requesting business unit undertakes the sourcing process following the policy. Once the respective business unit's Manager and Controller have reviewed this, a Purchase Order is issued to the selected third-party supplier.

Section 3

Identifying potential risks in our supply chains

MBAuP has not identified any severe risk of Modern Slavery in our local supply chains to date.

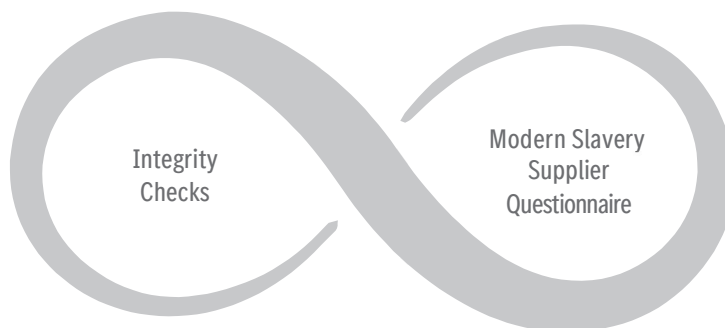
We employ a diverse range of measures in order to fulfil our supply chain due diligence obligations. These include supplier screenings, audits, risk-based due diligence analysis and qualification modules for suppliers of production materials.

Generally, there is a low risk in our direct product line, however, we consider there to be risks when procuring services such as clothing, food, vehicle parts and electronics.

Below is a snapshot of some potential risks the Mercedes-Benz Group considers may be associated with our global supply chain:

Risk	Description
Raw materials	There are a range of raw materials used in our products, such as steel, rubber, plastic and mica. Some of these materials have a heightened risk of Modern Slavery, such as child labour and debt bondage.
Lack of visibility	We recognise we have decreased visibility over contracted and subcontracted labour and third party manufacturing, which increases the risk of Modern Slavery, such as forced labour.
Labour exploitation	Although not direct risks, we are aware and recognise the risks of labour exploitation in various sectors we are associated with, such as the resources sector.

Locally, MBAuP continually aims to identify potential risks of Modern Slavery within its immediate supply chain. As part of this process, all new suppliers, as well as continuing suppliers, are subject to MBAuP's due diligence processes which include the following:



Integrity Checks

As a part of our compulsory pre-screening process, MBAuP conducts integrity checks on prospective direct suppliers to ensure they are not listed on any local and/or international sanctions lists. Once approved, these active direct suppliers are also subjected to a routine portfolio check to ensure they are monitored. If there are any concerns raised by the integrity check, these are escalated to our Compliance team, and then to our Board of Management, who will decide on a case by case basis, depending on mitigating factors, whether or not to engage with the prospective supplier, or continue our engagement with the pre-existing supplier.

Modern Slavery Supplier Questionnaire

After completing our integrity checks, but before entering into any new agreement to conduct business with a prospective supplier, the supplier must complete a Modern Slavery Supplier Questionnaire (“**Questionnaire**”) as part of a compulsory pre-screening process to ensure all Modern Slavery risks are identified prior to engagement. The Questionnaire is integrated into our Vendor Creation Form to encourage completion by all prospective direct suppliers.

MBAuP also encourages existing suppliers to complete the Questionnaire on a regular basis to ensure MBAuP is continually able to identify and assess Modern Slavery risks. This includes at the time of renewing any agreement with existing suppliers, to ensure no new risks have developed within the existing supplier’s operations.

The Questionnaire is designed to recognise whether the supplier is aware of or has identified, assessed and addressed any risks of Modern Slavery within its supply chains. If a supplier indicates any risk of Modern Slavery within its supply chains, this is escalated to our Legal team, and then to our Board of Management, who will decide on a case by case basis, depending on mitigating factors, whether or not to engage with the prospective supplier.

Questionnaire Response Analysis

We received Questionnaire responses indicating strong practices to guard against or minimise the risk of Modern Slavery in our supply chain.

Respondents who were not required to submit a Modern Slavery Statement pursuant to the Act included sole traders, small businesses and companies based overseas.

The majority of respondents indicated that they had robust practices in relation to the Act where applicable, and indicated that proactive steps have been taken to mitigate identified and potential risks.

Many respondents (77%), regardless of their obligation to submit a Modern Slavery Statement, confirmed that they had implemented ongoing measures to continuously identify, assess and address Modern Slavery. These included, but were not limited to, measures such as:

- having a human rights and/or Modern Slavery policy in place;
- having a Code of Legal and Ethical Business Standards/Code of Conduct in place;
- having a procurement/responsible sourcing policy in place;
- conducting onboarding, risk assessments and modern slavery questionnaires for suppliers;
- conducting audits of suppliers and reviewing existing supply chains;
- training for executives and other staff;
- contractual provisions with suppliers;
- choosing suppliers permitting optimal oversight;
- avoiding higher risk suppliers; and / or
- establishing a committee/department to oversee Modern Slavery and similar topics.

Global Risk Analysis

At a global level, Mercedes-Benz Group has implemented processes to assist in identifying risks in its global supply chains. Mercedes-Benz Group published a Sustainability Report for 2024 (“**Report**”) which outlined processes forming part of the Mercedes-Benz Group’s risk management strategy, which have been locally adopted by MBAuP.

The Mercedes-Benz Group values human rights and has implemented the following initiatives across the Mercedes-Benz Group:

(1) **Human Rights Respect System (“HRRS”)**

This allows for risk-based and systematic assessments of human rights in the Mercedes-Benz Group and its supply chains. The Mercedes-Benz Group continues to develop its own HRRS and adapt the related internal processes to enhanced corporate due diligence requirements.

(2) **Social Compliance Department**

This is the area set up specifically to lead the implementation of Mercedes-Benz Group’s human rights due diligence approach for the Mercedes-Benz Group.

(3) **Integrity Code**

This provides all Mercedes-Benz Group employees with information about human rights and raises general awareness of the corresponding risks.

(4) **Supplier Compliance Risk Management (“SCRM”)**

As part of SCRM, the Mercedes-Benz Group subjects all Tier 1 suppliers (direct manufacturing and production suppliers) of its procurement units for production and non-production materials and services to a risk assessment at least once a year.

Both locally and globally, there is a continual expansion and improvements to the due diligence processes to protect human rights and ensure potential risks of Modern Slavery are identified within our supply chains.

Identifying Potential Risks in Sales Transactions

Historically, MBAuP has operated a wholesale model and would typically not sell vehicles direct to the public. However, MBAuP began selling electric vehicles direct to the public in late 2019, passenger cars direct to the public in January 2022 and vans direct to the public in December 2023.

The change in MBAuP’s business model has presented new risks of potential money laundering, particularly in relation to high-end vehicles. MBAuP recognises the harmful role criminal activity, including money laundering, can have in enabling Modern Slavery and other unethical and criminal activity.

As such, MBAuP has implemented proactive measures that apply to all sales transactions as well as specific measures where potential money laundering is suspected.

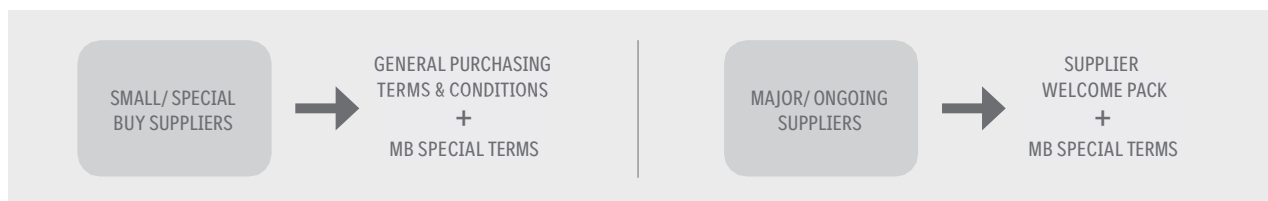
Section 4

Actions taken to assess and address identified risks

MBAuP has implemented the following processes, policies and practices to assess and address any potential and identified Modern Slavery risks.

Purchasing

All new suppliers, as well as continuing suppliers, are subject to our due diligence process.



Supplier Welcome Pack

After a supplier passes the compulsory integrity check outlined in Section 3 of this statement, they are issued with a 'Supplier Welcome Pack'. This pack contains information regarding the Mercedes-Benz Group's Integrity Code (further information below), the Supplier Sustainability Standards and our General Purchasing Terms and Conditions.

Mercedes-Benz Group's Responsible Sourcing Standards (RSS)

Mercedes-Benz expectations for sustainability management in the supply chain is outlined in the RSS. The expectations are grounded in reliability, transparency, communication and sustainability. The purpose of the RSS is to establish a common standard of performance, to educate and to encourage commitment to responsible business operations.

The RSS sets standards and clearly describes our expectations with regard to:



Our suppliers must ensure that the RSS is observed by all their subcontractors and suppliers. We rely on direct suppliers to communicate and actively promote the RSS through their entire supply chain.

The RSS refers to international standards such as the United Nations Global Compact and the International Labour Organisation's International Labour Standards. Whenever the provision of national or international laws, industry standards and the RSS address the same subject, the stricter regulation applies.

General Purchasing Terms and Conditions

Supplier engagement is generally governed by our General Purchasing Terms and Conditions.

This document contains a clause expressly prohibiting suppliers from engaging in Modern Slavery and/or child and forced labour. At the time of publication of this statement, suppliers are required to warrant that they:

1. **Will NOT ENGAGE IN MODERN SLAVERY** in performing services;
2. **DO NOT PROCURE GOODS OR SERVICES** from organisations that **engage in, or are reasonably believed to engage in**, Modern Slavery;
3. Will **implement appropriate measures** to **CONTINUOUSLY IDENTIFY, ASSESS AND ADDRESS RISKS** of Modern Slavery in their supply chains;
4. **Will PROMPTLY NOTIFY US** if they become **aware of suspected or actual** Modern Slavery in their supply chains, in which case they will **TAKE ALL REASONABLE STEPS TO PROPERLY ASSESS AND ADDRESS** the actual or suspected Modern Slavery to our reasonable satisfaction; and
5. Will place **SIMILAR CONTRACTUAL OBLIGATIONS** on their own suppliers and subcontractors.

Similar warranties have also been included in our standard form supplier agreement and tender documentation and processes to ensure that any new suppliers and relationships align with the RSS.

Mercedes-Benz Special Terms

Mercedes-Benz Group introduced the Mercedes-Benz Special Terms ("MBST") in 2020.

MBAuP has since implemented this, which forms part of our standard form supplier agreements and General Purchasing Terms and Conditions. The MBST contain provisions that define the standards and criteria that must be met by Mercedes-Benz Group suppliers. This includes adherence to internationally recognised human and employee rights, the prohibition of child labour and forced labour, observation and promotion of ethical business conduct and compliance with legal standards and environmental rules.

The supplier must also forward the RSS to its suppliers, placing similar contractual obligations on their own suppliers and subcontractors and further monitor and assess compliance in their own supply chain. MBST provides MBAuP with audit rights to confirm a supplier's compliance with their Modern Slavery obligations. The Supplier Welcome Pack and our contractual clauses relating to Modern Slavery are continuously reviewed and updated to ensure they meet legal and regulatory requirements and to ensure the latest regulations and expectations of MBAuP are reflected.

Mercedes-Benz Group's policies & training

Mercedes-Benz Group's Integrity Code

The Mercedes-Benz Group's Integrity Code ("**Code**") was enacted worldwide in November 2003, is regularly reviewed and updated, and is binding on all employees of the Group.

This Code outlines the Mercedes-Benz Group's shared values, defined guidelines for conduct and regulations to support ethical decisions in areas concerning upholding human rights, corruption prevention, handling of data, product safety and compliance with technical regulations. In particular, the Code covers our five corporate principles:

1. We are profitable and are committed to people and the environment.
2. We act responsibly and respect the rules.
3. We address issues openly and stand for transparency.
4. Fairness and respect are the foundation for our collaboration.
5. We practice diversity.

The Code is accessible by all employees on the Enterprise Rules Database as well as on the intranet.

Compliance Awareness Module

The Mercedes-Benz Group has developed the Compliance Awareness Module ("**Module**") based on the RSS and Integrity Code. This web-based Module is sent to all suppliers and provides an overview to our partners of the integrity and compliance principles that guide the Mercedes-Benz Group, as well as outlining our expectations of suppliers, including respect to human rights.

This Module is available publicly and can be accessed by all suppliers on the Supplier Portal.

Whistleblowing / Treatment of Violations Policy

The Mercedes-Benz Group's Whistleblower System was established by Mercedes-Benz Group in 2006.

In addition, as mandated by section 1317AI of the *Corporations Act 2001* (Cth) ("**Corporations Act**"), MBAuP has a Whistleblowing Policy outlining the protections that will be afforded to employees, directors and/or suppliers who report serious wrongdoing at MBAuP in accordance with Part 9.4AAA of the Corporations Act.

The Whistleblowing Policy supports employees and third parties reporting concerns regarding unethical or illegal conduct, specifically with respect to Modern Slavery. The policy aims to ensure a fair and transparent process that takes into account the principle of proportionality for the affected parties, while also protecting whistleblowers.

Employees may elect to report violations to their manager, the responsible business unit, or if they wish to remain anonymous, employees and external whistleblowers are able to report to our Business & People Protection Office in Stuttgart, Germany ("**BPO**"), via phone, email or an online portal.

After receipt of a report, the BPO conducts an initial risk-based assessment of the potential violation. For all high-risk reports to the BPO, an initial legal review of the report is conducted. If the review finds that the suspicions are substantiated, the case is assigned to the appropriate Mercedes-Benz Group investigative unit with specific orders to conduct an investigation into and report on the matter.

All staff training on the Code and Treatment of Violations Policies

Every MBAuP employee must complete a compulsory e-Learning module on the Code and Whistleblowing / Treatment of Violations Policy once every two years.

In addition, every MBAuP employee must sign a confirmation that they will comply with the Code before commencing their employment.

Specialised modules for Procurement Team

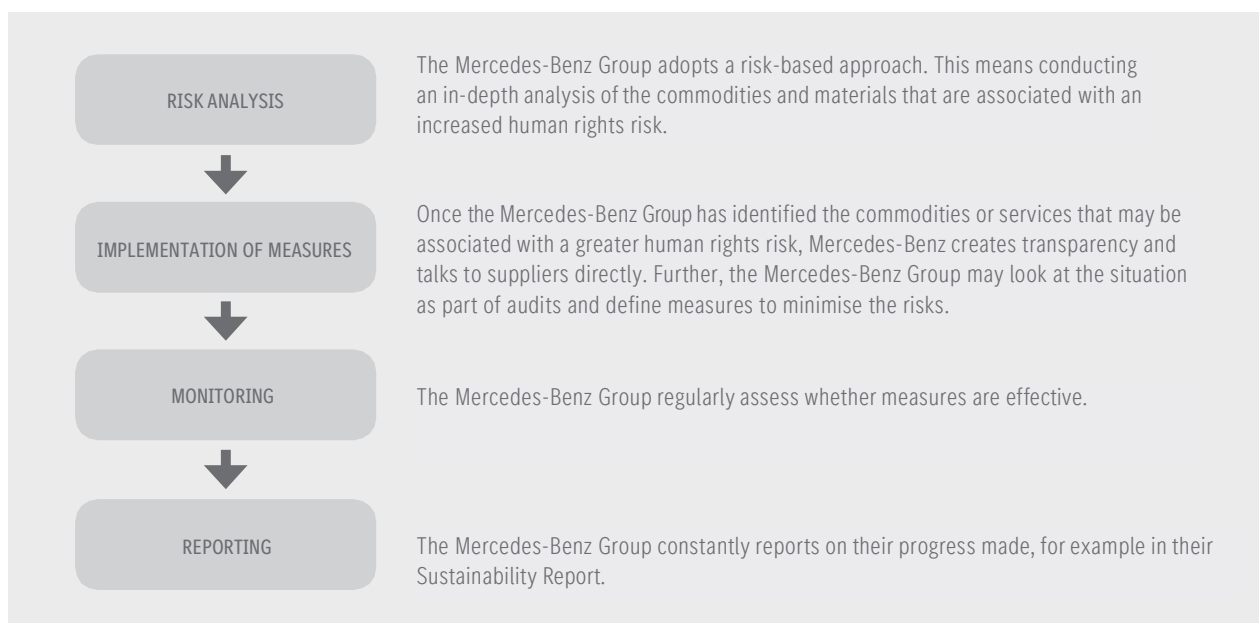
The ‘front-line’ nature of the work of our Procurement team makes them one of the most important layers of protection for MBAuP in assessing the risk of Modern Slavery to our business. As such, we recognise the need to educate and empower our team to identify risks or instances of Modern Slavery and take the actions required to assess and/or escalate these findings appropriately.

The Mercedes-Benz Group assigns the mandatory Integrity & Compliance e-Learning Module to all employees within the International Procurement Services division every three years as well as upon joining the department. This Module outlines the unique integrity and compliance risks Procurement employees may face when working with business partners, including suppliers.

The Mercedes-Benz HRRS

As mentioned in Section 3 above, Mercedes-Benz Group has developed a HRRS that helps the Mercedes-Benz Group identify and avoid systemic risks in our supply chains and potential negative consequences of our business activity on human rights.

The HRRS is based on our group-wide Compliance Management System. The Mercedes-Benz Group conduct audits as part of this, through a risk based approach. It comprises four steps in order to make the highly complex issue of human rights easier to manage:



Mercedes-Benz SCRM

As mentioned in Section 3 above, Mercedes-Benz Group has implemented SCRM, under which all Tier 1 suppliers of its procurement units for production and non-production materials and services are subjected to a risk assessment at least once a year.

The overall objective of SCRM is to manage and detect compliance risks emanating from supplier relationships in order to reduce them for all relevant compliance fields, including but not limited to Social Compliance.

Following an initial overarching risk assessment, the specific risks are determined using targeted questionnaires. In addition, the procurement departments for production and non-production materials and services for all Tier 1 suppliers continuously check for human rights and environmental risks using artificial intelligence.

The Mercedes-Benz Group follows up internal and external reports of potential human rights violations from Tier 1 suppliers and substantiated knowledge from Tier N suppliers (various levels of suppliers that sit below Tier 1 in the supply chain) as part of SCRM. The nature and severity of the potential human rights violation is then considered. Depending on the results of the risk assessment or the analysis of suspected cases, the procurement departments for production materials, non-production materials and services then agree and review suitable preventive or corrective measures with the supplier.

Anti-Money Laundering Measures

MBAuP has implemented various measures to address potential suspicious activity in relation to money laundering in sales transactions, including but not limited to:

- not accepting physical cash payments;
- monitoring incoming payments; and
- conducting know your customer (KYC) checks where any suspicious factors are identified.

Section 5

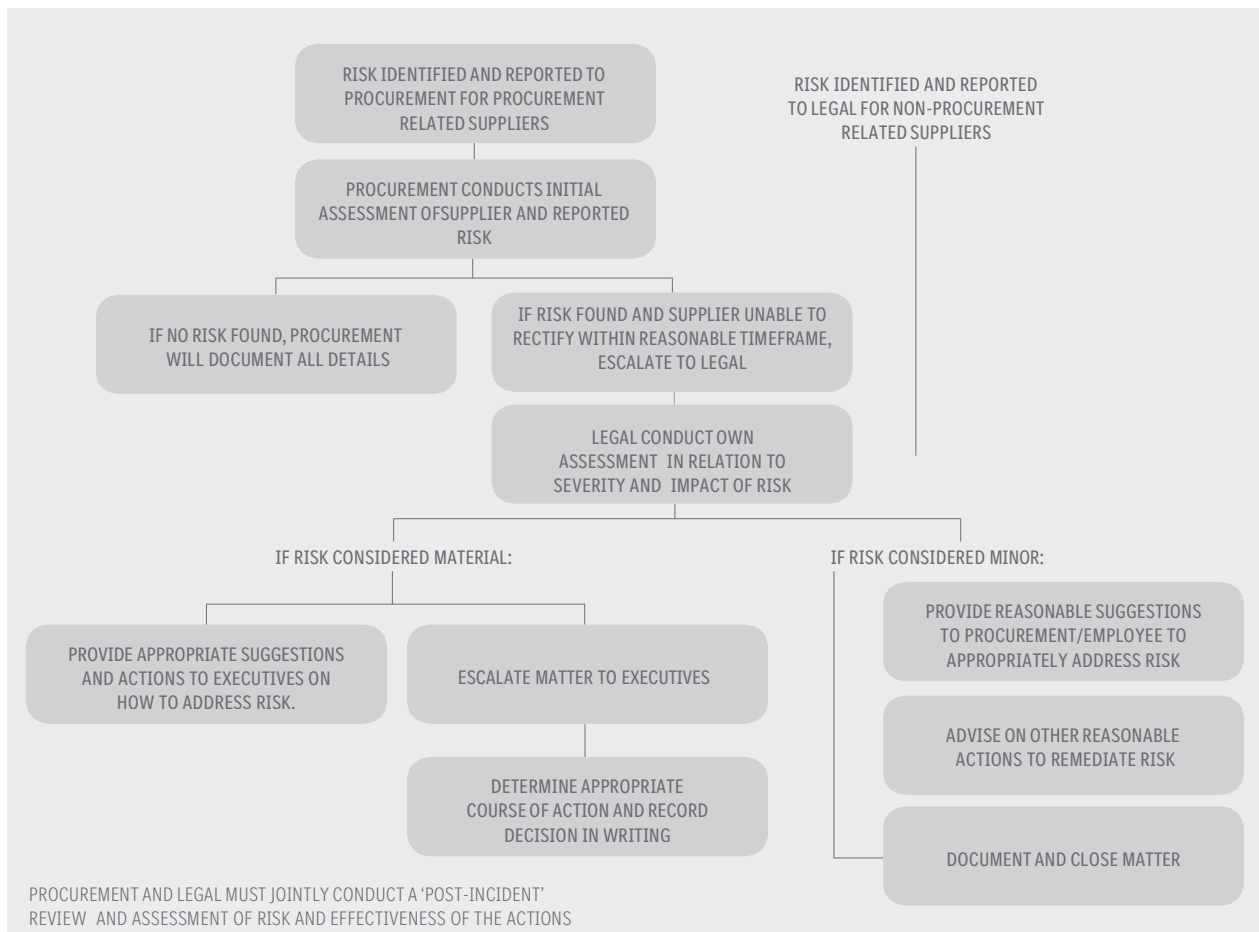
How we assess the effectiveness of actions taken

MBAuP and the Mercedes-Benz Group are taking a multifaceted approach to mitigating the risks of Modern Slavery within our supply chains. However, there are currently no agreed units of measurement or international standards to effectively and credibly measure the efficacy of our approach. Whilst the UN Guiding Principles on Business and Human Rights states that the efficacy of an approach should be based on qualitative and quantitative indicators, with feedback drawn from internal and external sources, it does not provide any further guidance.

Modern Slavery Risk Reporting Process

Notwithstanding this challenge, MBAuP has implemented a Modern Slavery Risk Reporting process and conducts active and ongoing reviews of every Questionnaire response we receive from a supplier, as outlined in Section 3 above.

MBAuP is committed to investigating, assessing, and appropriately handling Modern Slavery risks within its business, including any infiltration through its supply chain. Our Modern Slavery Risk Reporting Process has been developed to provide a uniform understanding on what constitutes a Modern Slavery risk and the process for reporting and handling such risks.



Section 6

Process of consultation with subsidiary entities in preparing the statement

MBAuP has consulted with representatives from MBGAuP and MBFSAu in preparing this statement.

MBAuP, MBGAuP and the Mercedes-Benz Group recognise the need for a coordinated approach to addressing the risk of Modern Slavery in its distinct and shared work force and supply chains.

