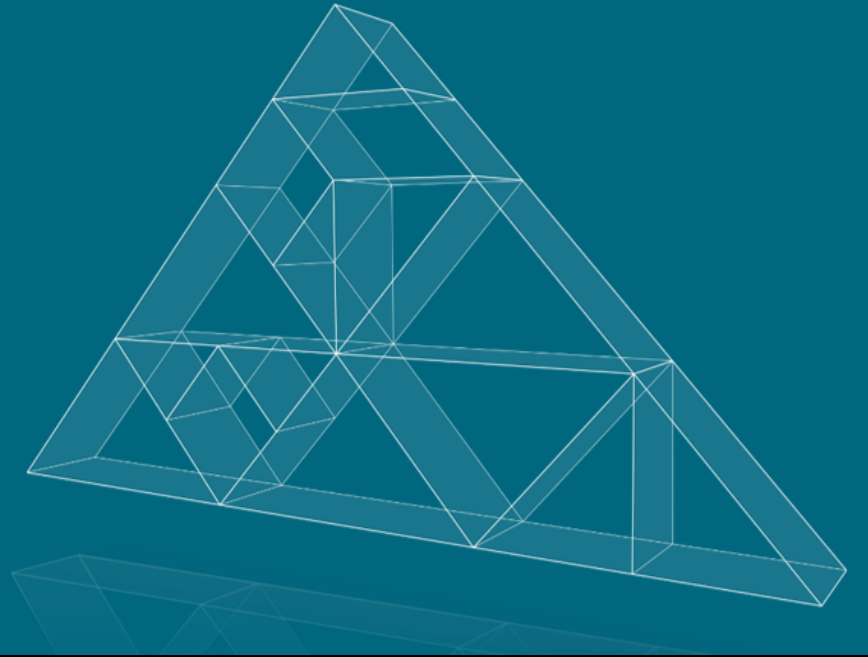


Mercedes-Benz **SUPPLIER NETWORK**



The Supplier Cooperation Model

External Presentation

Mercedes-Benz



The Mercedes-Benz Supplier Network (MBSN) philosophy has been providing the basis for the collaboration between Mercedes-Benz and the suppliers.

Performance and partnership
are at the basis of successful collaboration.

Performance is measured based on the criteria of quality, technology, costs and supply.

Partnership is based on trust and open communications. This also includes compliance with our sustainability standards along the supply chain.

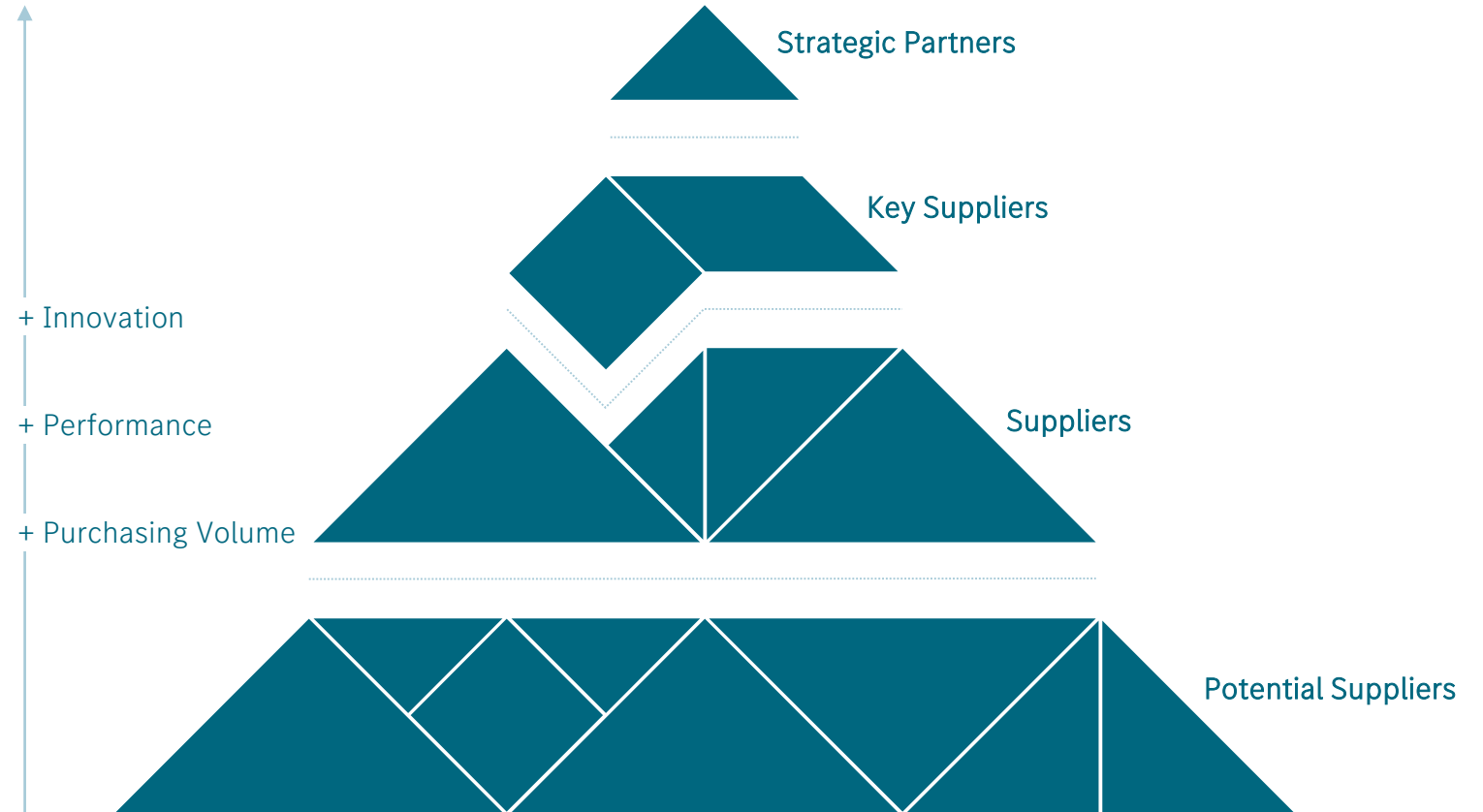
The closer the collaboration, the higher the expectations and the greater the commitments between the partners.

The Mercedes-Benz Supplier Network (MBSN) categorizes our supply base in four segments.

The segmentation involves a close examination of the criteria of **Innovation**, **Performance** and **Purchasing Volume**. Based on these criteria we classify suppliers as belonging to one of four groups using the MBSN pyramid. The higher a supplier ranks on the pyramid, the more opportunities and trust the supplier is met with.

The goal of all our partners should always be to make the jump to the top of the pyramid: from **Supplier** to **Key Supplier (KS)** and ultimately to **Strategic Partner (SP)**.

We aim to establish business relationships with **Potential Suppliers** in existing and new markets. We want to give potential suppliers the opportunity to get to know and understand the company, our values and our quality demands, and show them that MBSN is profitable for top performers.



The higher the segment, the higher the mutual expectations & commitments.

*for selected suppliers

Expectations

- **Best in class** performance in Quality, Supply, Cost and Innovation
- Early access to **innovation**

- Support of Mercedes-Benz **strategy** and **global activities**
- Key Account on **Executive Level**

- **Performance** according to Quality, Supply, Cost and Innovation
- Continuous **improvement**
- Cost **transparency**

- **Compliance** with Sustainability Standards
- **Competitive** quotes
- **Innovative** Solutions & Business Models

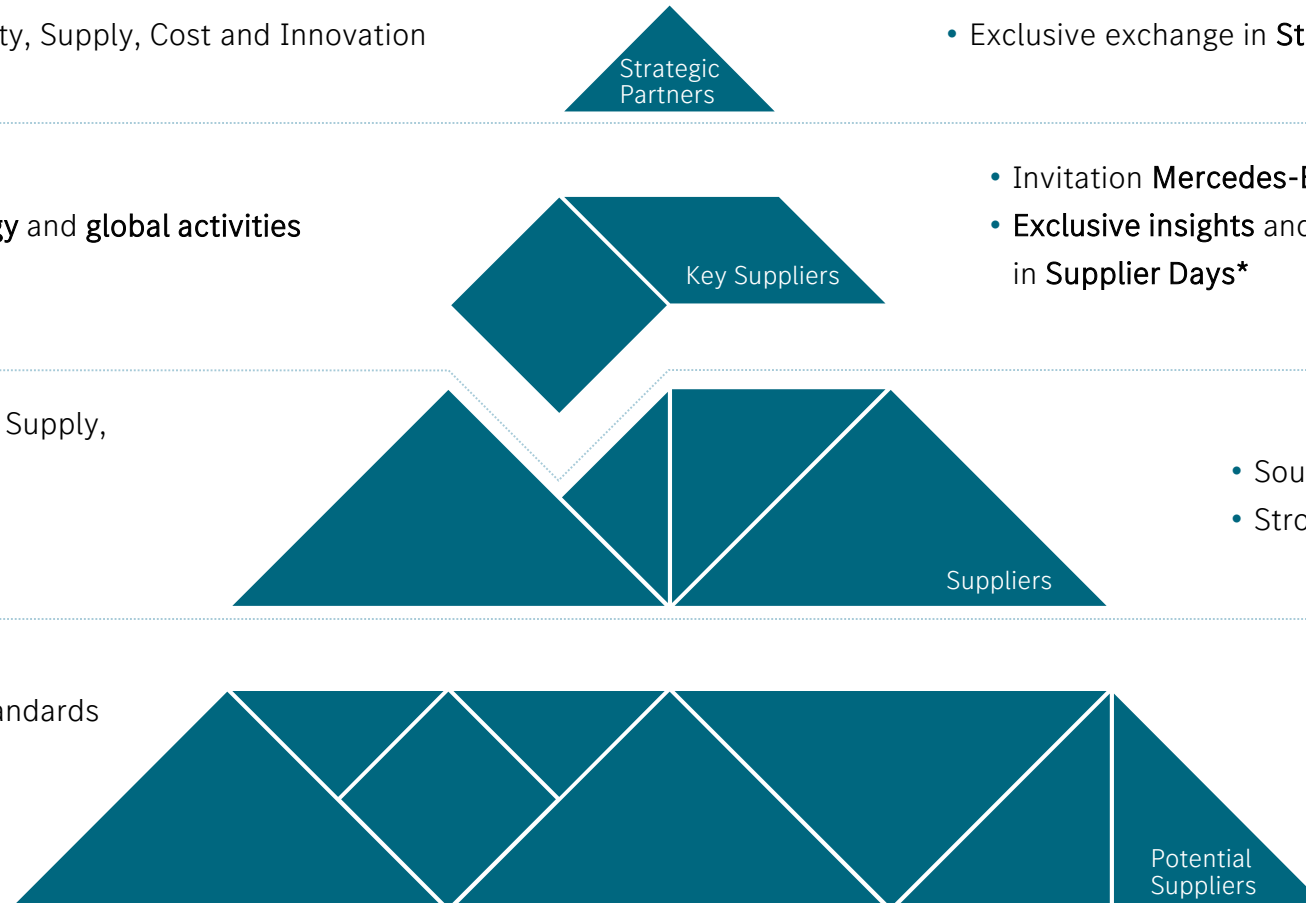
Commitments

- Exclusive exchange in **Strategic Dialog** on Top Management Level*

- Invitation **Mercedes-Benz Supplier Circle**
- **Exclusive insights** and **collaboration** Cof/participation in **Supplier Days***

- Sourcing decisions based on **performance**
- Strong commitment to **Mercedes-Benz values**

- Possible **consideration** in selected RFQs, RFI's
- **Supplier Development***
- Invitation to **Supplier Forums***, **Marketplace*** and **operative meetings**



The principle of selective partnership is also anchored in the MBSN meeting cluster: The higher the segment, the closer the exchange.

*for selected suppliers

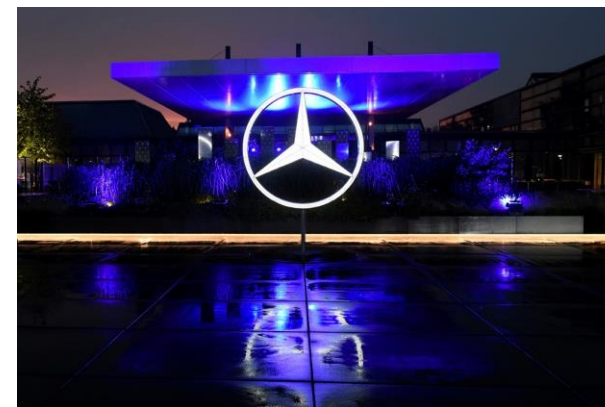
Normal Business

Exclusiveness

	Operative Meetings	Supplier Days			Strategic Dialog	Mercedes-Benz Supplier Circle
		Supplier Forum	TEC Day	Marketplace		
MBSN Status	PS, SU, KS, SP	PS, SU, KS, SP	KS, SP*	PS, SU, KS, SP	SP*	SP, KS
Meeting purpose	<ul style="list-style-type: none"> Negotiation Supplier Review 	Information	Exchange on innovation	Exchange on new products / Services Solutions	<ul style="list-style-type: none"> Share insights Strengthen relationship 	Appreciation of best performing suppliers
Lead	Mercedes-Benz / Supplier	Mercedes-Benz	Supplier	Mercedes-Benz / Supplier	Mercedes-Benz	Mercedes-Benz
Participants	On demand	Mercedes-Benz / Supplier: <ul style="list-style-type: none"> Top Management: Level 1 (Level C on demand) Operative Management: Level 2, Level 3 Experts: Level 4 + employees 		Mercedes-Benz / Supplier: <ul style="list-style-type: none"> Key Accounts GCM's E3 / E4 	Mercedes-Benz: Top Mgmt: Level C, Level 1 Supplier: CEO <ul style="list-style-type: none"> 4-5 people max. 	Mercedes-Benz: Top Mgmt: Level C, Level 1-3 Supplier: SP: 2 Persons; KS: 1 Person
Setting, Time	No special setting	<ul style="list-style-type: none"> Mercedes-Benz or external location TEC Day: @supplier or Mercedes-Benz location Timeframe: ~0,5-1 Day 		<ul style="list-style-type: none"> Mercedes-Benz Locations Timeframe: 0,5 – 1 Day 15-20 Suppliers 	<ul style="list-style-type: none"> Individual „personal“ setting, Timeframe ~2h 	<ul style="list-style-type: none"> Once a year

We honor our best suppliers every year for their outstanding performances in the past business year.

All key suppliers and strategic partners are invited to the annual Mercedes-Benz Supplier Circle. Mercedes-Benz honors its best suppliers in different categories.



The MBSN communications channels and tools are intended to ensure a regular flow of information.

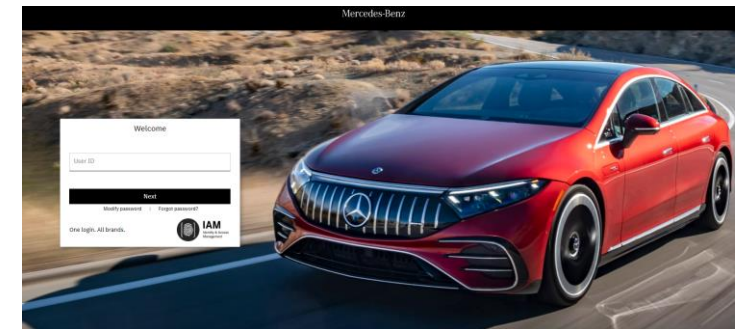
Mercedes-Benz Supplier Circle

- Exclusive event for all Key Suppliers and Strategic Partners
- Mercedes-Benz Board of Management and top executives, about 500 participants
- Every year in Stuttgart
- Honoring of top performances in different categories in the Mercedes-Benz Supplier Circle



Mercedes-Benz Supplier Portal

- About 133,000 registered users
- About 15,000 visitors daily
- Precise communication and secure data exchange



Other measures

- Opportunity to organize supplier days in cooperation with Mercedes-Benz (KS and SP only)
- Opportunity to exchange with Top Management (SP only)
- Opportunity to participate in supplier days (SP only)

