

Social Responsibility Principles of DaimlerChrysler

Preamble

DaimlerChrysler acknowledges its social responsibility and the nine principles that form the basis of the Global Compact. In order to achieve these shared goals, Daimler Chrysler has agreed upon the following principles with the international employee representatives.

We support the United Nations' initiative and want to work with other companies and institutions to prevent the irreversible process of globalization from causing fear and alarm among the people all over the globe; we want to show the human face of globalization, among other things by creating and preserving jobs.

We are convinced that social responsibility is an important factor for the long-term success of our company. This also applies to our shareholders, business partners, customers and employees. Only then can we contribute towards world peace and prosperity in the future.

Heeding this responsibility, however, requires that we be competitive and remain so in the long term. Taking social responsibility is indispensable for a value-based company management.

The following principles, that are orientated at the conventions of the International Labor Organization, have been implemented by DaimlerChrysler worldwide, and in establishing them, diversity in culture and social values have been duly acknowledged and heeded.

Human rights

DaimlerChrysler respects and supports compliance with the internationally accepted human rights.

Forced Labor

DaimlerChrysler condemns all forms of forced and compulsory labor.

Child Labor

DaimlerChrysler supports the effective abolition of exploitative child labor.

Children must not be inhibited in their development. Their health and safety must not be adversely affected. Their dignity must be respected.

Equal opportunities

DaimlerChrysler undertakes to uphold equal opportunities with respect to employment and to refrain from discrimination in any form unless national law expressly provides for selection according to specific criteria. Discrimination against employees based on gender, race, disability, origin, religion, age or sexual orientation is not acceptable.

Equal pay for equal work

Within the scope of national legislation, DaimlerChrysler respects the principle of “equal pay for work of equal value”, e.g. for men and women.

Relations with employees and employee representatives

- DaimlerChrysler acknowledges the human right to form trade unions.

During organization campaigns the company and the executives will remain neutral; the trade unions and the company will comply with basic democratic principles, and thus, they will ensure the employees can make a free decision. DaimlerChrysler respects the right to collective bargaining.

Elaboration of this human right is subject to national statutory regulations and existing agreements. Freedom of association will be granted even in those countries in which freedom of association is not protected by law.

- Cooperation with employees, employees’ representatives and trade unions will be constructive. The aim of such cooperation will be to seek a fair balance between the commercial interests of the company and the interests of the employees. Even where there is disagreement, the aim will always be to work out a solution that permits constructive cooperation in the long term.

- It is the aim of the company to involve and inform the individual employees as directly as possible. Conduct towards and communication with employees shall be characterized by respect and fairness.

Working conditions

DaimlerChrysler is opposed to all exploitative working conditions.

Protection of health

DaimlerChrysler ensures health and safety at the workplace to a level no less than required by national legislation and supports the continuous improvement of working conditions.

Compensation

DaimlerChrysler honors the right to reasonable compensation of a level no less than the legally established minimum-wage and the local job market.

Working hours

DaimlerChrysler guarantees compliance with national provisions and agreements regarding working hours and regular, paid holidays.

Training

DaimlerChrysler supports training of employees with the aim of good performance and high quality work.

Suppliers

DaimlerChrysler supports and encourages its suppliers to introduce and implement equivalent principles in their own companies. DaimlerChrysler expects its suppliers to incorporate these principles as a basis for relations with DaimlerChrysler.

DaimlerChrysler regards the above as a favorable basis for enduring business relations.

Implementation procedure

These principles are binding upon DaimlerChrysler throughout the world. For all employees, including executives, the principles will be set down in the Integrity Code and then implemented.

These principles will be made available to all employees and their representatives in an appropriate form. The methods of communication will be previously discussed with the employee representatives.

The senior managers of each business unit are responsible for ensuring compliance with these principles; they will take appropriate measures in respect of implementation. They will designate contacts to whom business partners, customers and employees can turn in case of difficulty. Any complaint brought to the managers' attention in this way shall not result in adverse consequences for the complainant.

Corporate Audit will also examine compliance with these principles in its reviews and will include them in the audit criteria.

In addition, Corporate Audit has established a general open line. This shall be the point to accept allegation of non-compliance with these principles at a decentralized level. Upon indication of violation, Corporate Audit will take appropriate action.

The corporate management will regularly report to and consult with the international employee representatives on social responsibility of the company and the implementation of these principles.

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DaimlerChrysler

for the DC World Employee Committee
on behalf of the International Metalworkers
Federation (IMF)

Jürgen E. Schrempp

Günther Fleig

Erich Klemm

Nate Gooden