



# Daimler AG - Worldwide Transportation @ ECG

Monica Schmickler,  
Berlin, 18 October 2019

Mercedes-Benz  
Das Beste oder nichts.



# Agenda



## **1. Cooperation**



## **2. External Factors & Trends @ Procurement**



## **3. Sustainability**

# Fostering the Future

We are in the mids of the biggest transformation process so far.





# Cooperation



# Partners in the Supply Chain

Daimler Worldwide Transportation has a **large variety of partners**



Train Carrier



Ship Carrier



Aircraft Carrier



Truck Carrier



Port Operator



VLC Operator



# How we play the game



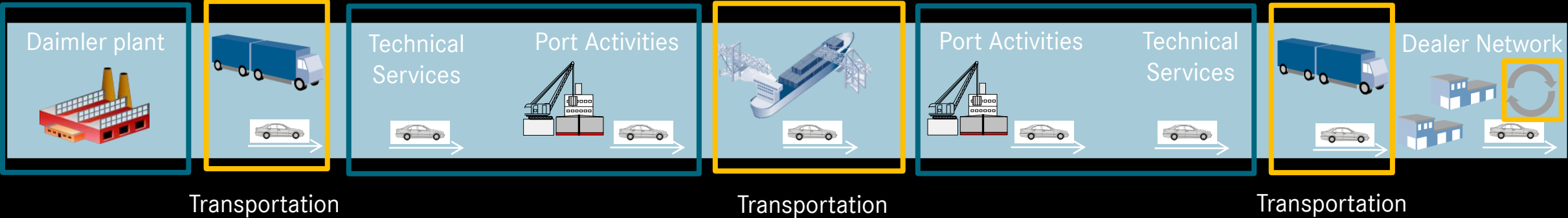
## Intentions of Worldwide Transportation

- We aim at **long term cooperation** with our partners to generate a genuine partner situation
- We challenge an **ambitious pricing policy**
- We expect **reliable and high-performance Service**
- We welcome a **future-oriented and innovative mindset**

# Overview Procurement Responsibility for outbound finished vehicles

IPS

SC/WT





# External Factors





# Main Driver – Supply Chain and Price Volatility

- **Rising Trade Tensions and Protectionism** – Supply chain leaders should plan for increased trading costs and risks by establishing alternative supply strategies to hedge against rising tariffs and other cross-border “friction.”
- **Dynamic Labor Conditions** – Market conditions require clear strategies to contend with low unemployment in much of the developed world and rising wages.
- **The Costs of Climate Change** – The rising costs of changing weather patterns require, at the least, active mitigation planning and an external platform for the genuine and urgent coordination of CSR efforts.



# Main Driver – Global Business

- **Rising trade tensions** between the United States and its major trading partners
- Growing levels of **nationalism and protectionism** that inhibit trade
- Uncertainty surrounding **Brexit** and its larger impact on the European Union
- Worsening supply chain risks and costs due to **intensifying climate-related events**
- **Volatile energy markets** with the U.S. asserting power over OPEC regarding production and pricing
- **Potential market corrections** driven by record debt levels coupled with rising interest rates



# Trends





# Digital Transformation Trends in Procurement

- **Digital-First** Mindset
- **“Agile”** Procurement as Main Partner to Technology and Overall Business
- **Guided Workflows** to Enhance Procurement Results and End-User Experience
- Expansion of **Cloud Procurement** Solutions Into Supply Chain
- Disruptive Technologies to Strengthen **Data Science Capabilities and Smart Automation Capabilities**
- Digitally Savvy, Economically Aware and Analytically Capable **Talents**



# Sustainability





# Ambition 2039

We aim for a  
carbon-neutral new  
car fleet in 20 years.



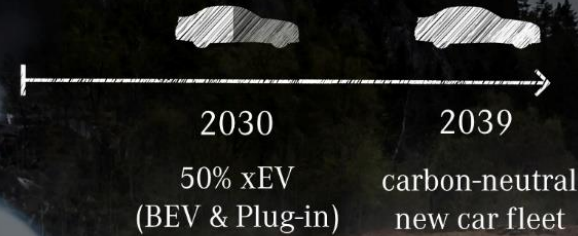
a transformation within  
less than 3 product cycles

Mercedes-Benz EQC 400 4MATIC: combined power consumption: 20.8-19.7 kWh/100 km; combined CO<sub>2</sub> emissions: 0 g/km\*  
\*Electrical energy consumption and range have been determined on the basis of Regulation (EC) No. 692/2008. Electrical energy consumption and range depend on the vehicle configuration.



# Ambition 2039

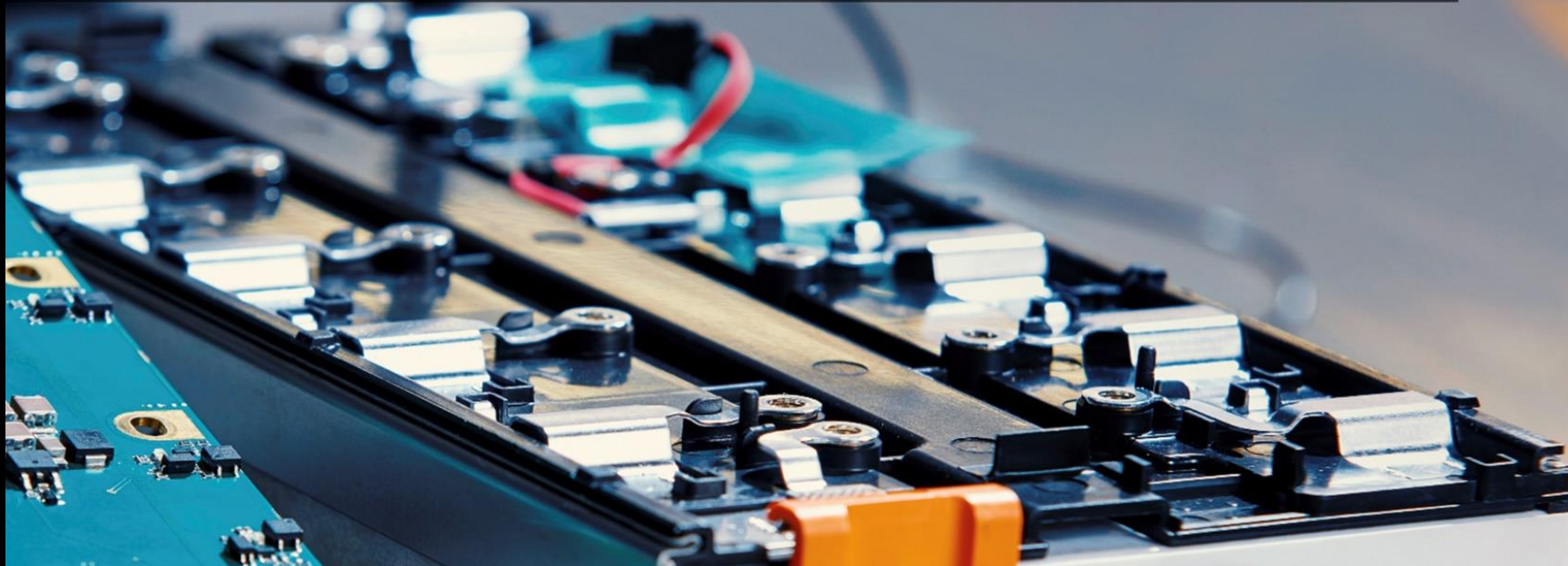
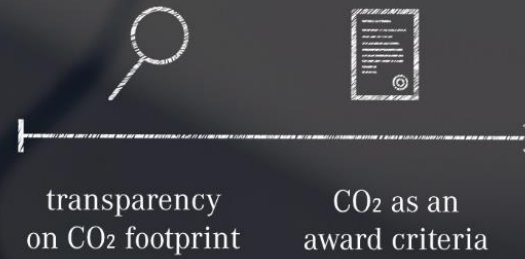
We want to offer  
our customers  
a carbon-neutral  
driving experience.



Mercedes-Benz EQC 400 4MATIC: combined power consumption: 20.8-19.7 kWh/100 km; combined CO<sub>2</sub> emissions: 0 g/km\*  
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# Ambition 2039

We will drive our  
supply chain to  
follow our ambition.





# Thank you for your attention!



Do you have any questions