

Mercedes-Benz's *Principles of Social Responsibility and Human Rights*: the Alabama Exception

Mercedes-Benz's *Principles of Social Responsibility and Human Rights* establish the company's standards and commitments with regard to "responsible corporate governance."¹ The company states that its aim is to "create sustainable value" by "respecting and actively promoting human rights along the value chain together with our stakeholders."² The *Principles* were formulated with reference to the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, and the United Nation's Guiding Principles on Business and Human Rights.

In January 2024, workers at Mercedes' assembly plant in Vance, Alabama announced their intention to organize a union affiliated with the United Auto Workers (UAW). The following May, after months of fierce resistance from the company, union supporters narrowly lost an election organized by the National Labor Relations Board (NLRB).

The *Principles* define, according to Mercedes, working conditions consistent with respect for human rights. These include...

...the right of our employees to form employee representative bodies and the right of trade unions to engage in collective bargaining, and in accordance with the laws of the place of employment, the right to strike. **In the event of organizational campaigns, companies and its executives remain neutral.** This means, in particular, that founding, joining, or being a member of a workers' union recognized under applicable law does not lead to unjustified discrimination or retaliation. Workers' unions and the company ensure that employees can make a free decision.³ [emphasis added]

The *Principles* are "binding for all managers and employees of Mercedes-Benz as well as all controlled Group companies worldwide."⁴ However, **the position taken by Mercedes' counsel before the NLRB is that the *Principles of Social Responsibility* do not apply to its workers in Alabama**, directly contradicting the company's own statements and the plain text of the document itself.

Violations during Alabama union campaign

UAW maintains that Mercedes violated U.S. labor law in its efforts to discourage unionization among its workers in Alabama and suppress organizing activity.⁵ This conduct constituted a clear violation of the company's commitment to free association and neutrality as outlined in the *Principles*.

The union accused Mercedes of four unfair labor practice (ULP) charges before the NLRB relating to its behavior during the union campaign: 1) retaliating against pro-union workers, 2) threatening to close the plant and rescind benefits in the event of a union win, 3) blocking protected pro-union speech in the plant, and 4) insisting on the futility of organizing efforts.⁶

The company also spent hundreds of thousands of dollars employing at least five different anti-union consulting firms to host captive audience meetings, run digital ads, and disseminate talking points to plant managers.⁷ While nominally legal, UAW holds that these tactics are inconsistent with a position of managerial neutrality.

The company ultimately settled with the NLRB in March 2026, despite UAW's objections.⁸ While not an admission of wrongdoing, the settlement compelled the company to post statements in the plant making clear what constitutes illegal interference; for instance, "WE WILL NOT threaten you with the closure and/or relocation of the facility to a non-union location, like Mexico, or anywhere else, if you choose to be represented by a union."

In addition to the ULPs, UAW filed an objection to the May 2024 election itself, asking the NLRB to nullify the results.⁹ That case still remains open and is currently being heard.

Mercedes defends conduct in Alabama to shareholders, citing *Principles*

When questioned during its April 2026 Annual General Meeting about the company's alleged violations of the *Principles* in Alabama,¹⁰ Olaf Schick, head of Integrity, Governance & Sustainability on the Board of Management affirmed that the *Principles* apply to all workers, including those at subsidiaries:

At the Mercedes-Benz Group and our subsidiaries, we expressly recognize our employees' right to form employee representative bodies. We respect our team members' freedom to decide whether they are in favor of or against trade union representation. This principle is enshrined in our Statement of Principles on Social Responsibility and Human Rights, including the agreed requirement of neutrality during organizing campaigns.

Schick defended the company's behavior by contending that its use of anti-union consultants was consistent with the neutrality pledge:

For us, neutrality means no unjustified discrimination or preferential treatment based on trade union membership or activity, protection against reprisals, and conduct characterized by respect, fairness and transparency. At the same time, it is both legitimate and necessary, within the framework of the applicable law, to inform employees about processes, rights and possible implications so that decisions can be made on a well-informed basis. To this end, our subsidiary MBUSI ensured that its employees had access to the information necessary to make an informed decision, in accordance with US law. It was supported in this by service providers.

IndustriALL withdraws from *Principles*

Along with UAW, IndustriALL Global Union agreed that Mercedes' conduct amounted to a violation of the *Principles*.¹¹ IndustriALL is a Geneva-based labor federation whose affiliates represent 50 million workers globally. UAW and IG Metall, the German union representing Mercedes workers on the company's works council, are both affiliates.

IndustriALL was a signatory to Mercedes' *Principles of Social Responsibility* in 2021 and raised concerns with the company about whether its behavior in Alabama was consistent with its neutrality pledge. The company rebuffed IndustriALL's efforts at engagement, and since Mercedes reissued the *Principles* in December 2025, IndustriALL has refused to sign. In announcing the federation's withdrawal from the agreement, Atle Høie, IndustriALL's general secretary, wrote to Mercedes CEO Ola Källenius:

Mercedes-Benz has broken every rule in the book. They committed to respecting the right to organize, the right to collective bargaining and neutrality. At the same time, at their plant in Alabama, they paid more than \$650,000 to bring union-busting firms onto their own site to pressure workers into voting against a union. That is not neutrality. That is not even close to neutrality. When Mercedes tells the outside world that it is neutral, it is not telling the truth.

In response to questions from Der Spiegel on IndustriALL's withdrawal from the agreement, Mercedes "firmly rejected any characterization of its conduct as anti-union or non-neutral."¹²

Mercedes' counsel disavows *Principles* in Alabama

Less than two months after its executive leadership explicitly stated to its shareholders that all Mercedes employees, including those at subsidiaries, are covered by the *Principles*, the company's counsel rejected that position during the ongoing election hearing before the NLRB. Marcel L. Debruge¹³ of the law firm Burr & Forman took this position in no uncertain terms, that the *Principles* are not company policy at Mercedes' Alabama subsidiary, Mercedes-Benz U.S. International (MBUSI):

- "This [the *Principles*] is not the National Labor Relations Act. This is not an MBUSI policy. It's not a handbook here in the State of Alabama. It's a document between something in Germany and some group of unions in Germany, and we are wasting our time with this."¹⁴
- "Principles of social responsibility in Germany, that involve German unions and companies other than Mercedes-Benz U.S. International, are not employment contracts here in Alabama."¹⁵
- "They [UAW counsel] wanted to call by video for the first time somebody in Europe with this group IndustriALL, under this theory that a principle of social responsibility, that's not a company policy in the USA, that's not a work rule at USA, that has nothing to do – nothing to do with the objection in this hearing..."¹⁶
- "Now, these are global principles. This is not an MBUSI doctrine."¹⁷
- "[W]e think that the Region is correct not to admit this document [the *Principles*]. It's irrelevant, immaterial. It's prejudicial."¹⁸

When asked by the Hearing Officer presiding over the proceedings whether the *Principles* are applicable to MBUSI in any way, Mercedes' counsel said "to the extent that this creates legal obligations or – or policy issues, absolutely not."¹⁹

In the company's brief on whether the *Principles* should be included as evidence in the trial, they reiterated their position that "Mercedes-Benz Group AG's *Principles of Social Responsibility and Human Rights* is not relevant to any issues in the present hearing," and that "matters of [employee] solicitation and distribution, are covered by local specific policy, not the *Principles*."²⁰

Conclusion

Mercedes-Benz publicly represents its *Principles of Social Responsibility and Human Rights* as binding across the Group, expressly applicable to controlled subsidiaries, and protective of employee freedom during union organizing campaigns. Yet when those *Principles* became relevant to a contested union election in Alabama, the company's counsel characterized them as neither MBUSI policy nor applicable to employment practices at the plant. Mercedes cannot credibly assure shareholders, workers, and the public that its global human-rights commitments apply throughout the Group while arguing in a legal proceeding that they have no bearing on the conduct of its Alabama subsidiary.

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References

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 - ³ <https://group.mercedes-benz.com/documents/sustainability/society/mercedes-benz-grundsatzerklaerung-fuer-soziale-verantwortung-und-menschenrechte-de.pdf> (p. 10)
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 - ⁸ <https://www.autonews.com/news/an-mercedes-benz-uaw-alabama-union-settlement-0309/>
 - ⁹ <https://www.nlr.gov/case/10-RC-339395>
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 - ¹³ <https://www.burr.com/people/marcel-debruge>
 - ¹⁴ Official Report of Proceedings Before the National Labor Relations Board Region 10, Case No. 10-RC-339395, May 29, 2026, p. 334.
 - ¹⁵ Official Report of Proceedings Before the National Labor Relations Board Region 10, Case No. 10-RC-339395, May 29, 2026, p. 332.
 - ¹⁶ Official Report of Proceedings Before the National Labor Relations Board Region 10, Case No. 10-RC-339395, May 29, 2026, p. 438.
 - ¹⁷ Official Report of Proceedings Before the National Labor Relations Board Region 10, Case No. 10-RC-339395, May 29, 2026, p. 333.
 - ¹⁸ Official Report of Proceedings Before the National Labor Relations Board Region 10, Case No. 10-RC-339395, May 29, 2026, p. 334.
 - ¹⁹ Official Report of Proceedings Before the National Labor Relations Board Region 10, Case No. 10-RC-339395, May 29, 2026, p. 335.
 - ²⁰ Respondent Employer's Brief Regarding Testimony from Atle Høie and Any Other Testimony Regarding Mercedes-Benz's *Principles of Social Responsibility and Human Rights*, Case No. 10-RC-339395, June 3, 2026, p. 1 & 5.