Modern Slavery Transparency Statement

Introduction

This statement details the steps taken by Silver Star Motors Holding Limited and its subsidiaries Silver Star Motors EAD, Silver Star Retail EAD, Silver Star Premium Mobility EAD and Silver Star Real Estate EOOD (collectively, the "Silver Star Group") to ensure that slavery and human trafficking are not taking place in any part of its business or supply chains. The Silver Star Group is committed to preventing slavery and human trafficking in its corporate activities, and to ensuring that its business and supply chains are free from slavery and human trafficking.

This statement is provided by Silver Star Motors Holding Limited and covers the activities of the Silver Star Group.

Our business, organizational structure and supply chains

The Silver Star Group operates in the automobile sector and is involved in distributions, sales to end customers of new and used Mercedes-Benz vehicles (and other brands of vehicles), and sales of genuine spare parts for Mercedes-Benz brands. The Silver Star Group is also authorized to provide after sales services, including repair and maintenance services, to Mercedes-Benz vehicles. The Silver Star Group operates primarily in Bulgaria.

The Silver Star Group's main direct suppliers of both vehicles and spare parts is Daimler Trucks AG and Mercedes-Benz AG, their subsidiaries and affiliates ("Mercedes Companies"). The Silver Star Group also has contractual relationships with other suppliers to assist with day- to-day operations and administration.

Risk assessment

During the financial year to which this statement relates, the Silver Star Group undertook a risk analysis to assess whether its existing policies and procedures adequately ensure its compliance with applicable regulations, laws, business ethics and accepted values of the Silver Star Group, including compliance with international human rights standards, and that all employees are treated in a fair and transparent manner. Such analysis was performed with reference to the applicable laws and regulations impacting the business' operations. Based on this exercise, we consider that our existing policies and procedures, combined with our contractual and due diligence processes when engaging suppliers, provide appropriate safeguards against the possibility of any mistreatment of persons involved in our supply chains or our own businesses.

In addition to our compliance with applicable laws and our internal policies and procedures, as a business, the Silver Star Group does not believe that there is an increased risk of modern slavery or human trafficking in relation to its business and supply chain for two main reasons; firstly, the automobile industry is not historically linked with modern slavery or human trafficking. Secondly, because our primary supplier Mercedes Companies works with suppliers who agree to comply with a Sustainability Clause detailing all requirements regarding forced labour, slavery and human trafficking. Mercedes Companies' strict compliance with modern slavery and human trafficking laws, combined with our adherence to relevant laws and our internal policies and procedures, give us confidence that the Silver Star Group is ensuring that modern slavery and human trafficking is prevented in its business and supply chain.

Preventative steps

The Silver Star Group has taken the following preventative steps aimed at ensuring that slavery and human trafficking is not taking place in its supply chains and its own businesses:

- Maintaining a written statement for directors, officers and employees that strictly prohibits slavery and human trafficking; this statement is included in the Silver Star Group's Code of Conduct and Business Ethics.

- Complying with, and requiring all of our suppliers to comply with, applicable labour legislation in Bulgaria, or in their area of operations, that establishes minimum wages, working hours, working overtime, various types of leaves, and health and safety at work, and ensuring that all the Silver Star Group's employees are treated fairly and consistently with such rules.

- Consistent with our Code of Conduct and Business Ethics, selecting our contractors and business partners, in part, according to their adherence to the principles established in the Code of Conduct and Business Ethics. Compliance with these principles is a key element to our business relationships, and we reject business partners and customers who violate human rights, workers' rights and all related laws. Before we enter into relations with contractors and business partners, we carefully scrutinize warning signals and red flags to minimize potential risks.

- Before establishing working relations with a supplier, performing a due diligence check by examining the supplier's reputation and previous experience, including any publicly available sources.

- Our procurement policy requires that Silver Star Group interacts with companies that strictly adhere to the applicable laws, including those relating to health and safety, human rights, workers' rights, Child Labour Avoidance, Freely Chosen Employment, Freedom of Association, human trafficking, and slavery.

- When the Silver Star Group first enters into commercial relations with a supplier, we require that they acknowledge and agree to abide by the applicable laws regarding human and workers' rights and to apply high ethical standards in their operations and interactions with us. The supplier contracts in which the Silver Star Group enters into include anti-corruption and sustainability language; the potential supplier is then required to comply with, inter alia, such laws and regulations. The Silver Star Group has the right at any time to audit its suppliers' compliance with such laws and regulations.

- The Silver Star Group's main supplier, Mercedes Companies, has a b r o c h u r e entitled "Ethical Business – Our Shared Responsibility" in which they communicate their ethical principles and associated expectations to their supply chain, Principals of Social Responsibility and Human Rights and the Responsible Sourcing Standards. Mercedes Companies also has its Supplier Code of Conduct which requires that all Mercedes Companies suppliers sign a Sustainability Clause detailing all requirements regarding forced labour, slavery and human trafficking. Upon signing the Sustainability Clause, the supplier becomes officially certified to this effect. All suppliers must sign the Sustainability Clause. Mercedes Companies will not deal with suppliers who do not sign the Sustainability Clause.

Violations

The Silver Star Group has a zero tolerance policy towards violations of applicable laws and regulation, including those laws banning forced labour, slavery and human trafficking. For instance, the Silver Star Group's contractual agreements permit the termination of suppliers for a single violation of such applicable laws and regulations. As of today's date, we have not yet discovered or learned of any such violations.

All employees, officers and directors are expected to report any known or suspected violation of our Code of Conduct and Business Ethics. The Silver Star Group also has a Whistleblower procedure which details the process for flagging potential problems and conflicts, as well submitting and processing notifications for breaches of the Code of Conduct and Business Ethics, internal policies and procedures, and any applicable laws.

Written policies and procedures

The Silver Star Group's Code of Conduct and Business Ethics sets the standards and values that guide our business. We strive for sustainable business development, founded on economic performance and corporate responsibility. We honor the diverse interests of our customers, employees and business partners with integrity, fairness and honesty.

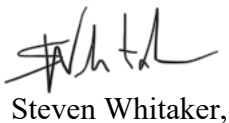
We strive to operate our business in full compliance with all applicable laws, including freedom of association and elimination of discrimination.

We are committed to excellence in our business, and this spirit of excellence guides our professional behavior and how we treat one another. It also guides our relations with clients, business partners, third party service providers, and consultants.

We are committed to treating our people and third parties fairly and we expect everyone, at all levels of the organization, including officers, directors and employees, to abide by this. We believe that by adhering to these standards, we will fulfill our commitment to maintaining an ethical, healthy and safe workplace that is free from discrimination, harassment, and unlawful activity.

This statement relates to the financial year 01.01.2021 to 31.12.2021. It was approved on December 28, 2022 by the board of directors of Silver Star Motors Holding Limited, who review and update it annually. The publication of this statement was delayed due to the pressures of responding to the Covid-19 pandemic during 2021 and 2022.

Signed:



Steven Whitaker, Director

Date: December 28, 2022