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#### Media information

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#### Volkswagen engages in improving working conditions in artisanal cobalt mines in the Democratic Republic of Congo

- Volkswagen joins "Cobalt for Development", a cross-industry initiative launched by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
- Sustainable cobalt mining is important cornerstone of electrification
- Project activities improve living and working conditions for miners and their communities
- Ullrich Gereke, Head of Procurement Strategy at Volkswagen AG: "We want to deliver impact on the ground."

Wolfsburg, November 19, 2020 - As a responsible company, Volkswagen is actively engaging in improving artisanal cobalt mining conditions in the Democratic Republic of Congo as well as the living conditions for people in the surrounding communities. Cobalt is an important raw material for the production of electric vehicle batteries. Artisanal mining involves risks to the environment and people. Volkswagen has joined the "Cobalt for Development" initiative and is thus supporting efforts to minimize these risks.



Artisanal mining cooperatives in Kolwezi, Democratic Republic of Congo (DR Congo), participate in trainings for responsible mining practices.

The pilot project intends to strengthen legal compliance and improve health and safety conditions as well as social wellbeing in the south of the Democratic Republic of Congo, where 70 percent of the world's cobalt resources are located. The first trainings for mine operators and miners have just begun. The project is being implemented by GIZ and financed by BASF, BMW Group, Google, Samsung Electronics, Samsung SDI and Volkswagen.

"For our e-mobility strategy, sustainable and responsible

sourcing of raw materials is of the utmost importance. Cobalt plays a vital role for us, despite a decreasing amount of the raw material in newer generations of batteries for electric vehicles. We would like to extend our sustainable raw material strategy with this initiative. We are seeking to establish artisanal mining in the Democratic Republic of Congo as a strictly sustainable cobalt source, because the existence of many local communities depends on this sector. We want to deliver impact on the ground – in close cooperation with strong partners", said Ullrich Gereke, Head of Procurement Strategy at the Volkswagen Group. Currently, Volkswagen does not accept cobalt from artisanal mines.

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The pilot project in the Congolese cobalt belt has two focus areas: improving artisanal cobalt mining conditions as well as the living conditions for people in the surrounding communities. Progress in both areas is to be achieved in cooperation with the local mining cooperatives, government authorities and civil society organizations. This is to be accomplished by improving mine site management and through health, safety and environmental training for miners. The surrounding communities are to benefit from improved access to education, new income opportunities and training in conflict resolution. So far, more than 1,800 residents from these communities have already benefitted from these measures. Training curricula on more sustainable working conditions are currently being prepared, initially for 1,500 miners from 12 artisanal cobalt mining cooperatives in and around Kolwezi in the Democratic Republic of Congo. The objective is to test at a legally-operated site under what conditions responsible artisanal mining could be viable. So far, 36 artisanal mines have been screened to identify a suitable site.

As a pioneer of e-mobility, the Volkswagen Group is constantly pushing for greater responsibility in its raw material supply chains for batteries. Apart from joining the "Cobalt for Development" initiative, the company has already entered into a partnership with the responsible sourcing specialist RCS Global. The system developed by RCS Global tracks raw materials back to sub-suppliers, refineries, smelters, mines and recyclers. Volkswagen is convinced that a sustainable supplier network is a guarantee for long-term corporate success – above all in respect of e-mobility.

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#### About the Volkswagen Group:

Based in Wolfsburg, Germany, the Volkswagen Group is one of the world's leading automotive manufacturers, and the largest car maker in Europe. The Group comprises twelve brands from seven European countries: Volkswagen Passenger Cars, Audi, SEAT, ŠKODA, Bentley, Bugatti, Lamborghini, Porsche, Ducati, Volkswagen Commercial Vehicles, Scania and MAN. The passenger car portfolio ranges from small cars all the way to luxury-class vehicles. Ducati offers motorcycles. In the light and heavy commercial vehicles sector, the products range from pick-ups to buses and heavy trucks. Every weekday, 671,205 employees around the globe produce on average 44,567 vehicles, are involved in vehicle-related services or work in other areas of business. The Volkswagen Group sells its vehicles in 153 countries.

In 2019, the total number of vehicles delivered to customers by the Group globally was 10.97 million (2018: 10.83 million). The passenger car global market share was 12.9 percent. Group sales revenue in 2019 totalled EUR 252.6 billion (2018: EUR 236 billion). Earnings after tax in the fiscal year now ended amounted to EUR 14.0 billion (2018: EUR 12.2 billion).