VOLKSWAGEN

AKTIENGESELLSCHAFT

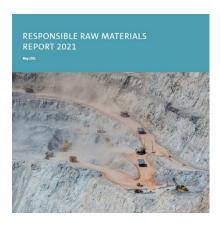
Media Information

NO. 70/2022

Volkswagen publishes Responsible Raw Materials Report 2021

- Volkswagen Group reports annually on progress in transparency and risk mitigation in its raw material supply chains
- Report focusses on 16 high-risk raw materials, including battery materials such as lithium and cobalt
- In the new report, Volkswagen discloses for the first time its tin, tantalum, tungsten and gold suppliers and their countries of origin
- Volkswagen Group's Board Member for Purchasing, Murat Aksel: "We can only
 overcome global challenges and succeed in protecting the environment as well as
 human rights, if we work together with all relevant stakeholders and our business
 partners along the supply chain."

Wolfsburg, 31.05.2022. The Volkswagen Group is striving to lead the automotive industry from the front in the field of responsible raw material sourcing. In 2021, the Group published its first Responsible Raw Materials Report. It detailed Volkswagen's methodology and activities within a newly implemented due diligence framework. This year's report takes a first look back on significant achievements and offers an outlook on the challenges ahead.



The Responsible Raw Materials Report is a first for the automotive industry as it is specifically dedicated to address mitigation measures against human rights and environmental risks in particularly exposed supply chains. The report covers 16 high-risk raw materials, including battery materials such as lithium and cobalt. Often, the highest risks for human rights and the environment occur in the upstream supply chain, which is at a level where the car manufacturer itself does not have direct contractual relationships. This makes transparency and the implementation of standards particularly demanding.

VOLKSWAGEN

AKTIENGESELLSCHAFT

In this new report, Volkswagen discloses for the first time the list of smelters in its tin, tantalum, tungsten and gold supply chains as well as the countries of origin. Furthermore, the carmaker used 2021 to prepare more binding sustainability requirements for its suppliers - targeting, among others, leather and natural rubber.

In 2021, Volkswagen Group joined the pledge for a moratorium on deep sea mining, which poses potentially severe environmental risks. Furthermore the company joined the Global Platform for Sustainable Natural Rubber (GPSNR) and supported the development of Reporting Requirements for companies in rubber supply chains.

A key priority for Volkswagen Group in 2022 is to engage with suppliers in the battery supply chain – from mine to cell – to promote responsible sourcing and mining through credible certification schemes. As a major step towards this goal, Volkswagen joined the Initiative for Responsible Mining Assurance (IRMA) in March 2022 and pledged to gradually implement the IRMA-standards in its own battery supply chains.

Volkswagen Group's Board Member for Purchasing, Murat Aksel, expressed confidence about the progress made since the introduction of the first Responsible Raw Material Report and thanked Volkswagen Group's suppliers for their cooperation: "On the one hand, we are setting a good example: In order to identify, assess and mitigate human rights risk and ensure responsible sourcing of raw materials we have implemented dedicated management systems. On the other hand, we have high expectations towards our business partners and suppliers in terms of sustainability: The non-negotiable fundament of our business relations are – for example – our Code of Conduct for Business Partners, the Sustainability Rating as well as a grievance mechanism. We can only overcome global challenges and succeed in protecting the environment as well as human rights, if we work together with all relevant stakeholders and our business partners along the supply chain."

Find the Volkswagen Group's Raw Materials Report 2021 here: Volkswagen-Group-Responsible-Raw-Materials-Report-2021.pdf (volkswagenag.com)

VOLKSWAGEN

AKTIENGESELLSCHAFT



Volkswagen AG Volkswagen Communications | Sprecher Einkauf Kontakt Andreas Hoffbauer

Telefon +49-5361-9-31330

Mail andreas.hoffbauer@volkswagen.de | www.volkswagen-newsroom.com







About the Volkswagen Group:

The Volkswagen Group, with its headquarters in Wolfsburg, is one of the world's leading automobile manufacturers and the largest carmaker in Europe. Ten brands from seven European countries belong to the Group: Volkswagen Passenger Cars, Audi, SEAT, Cupra, ŠKODA, Bentley, Lamborghini, Porsche, Ducati and Volkswagen Commercial Vehicles. The passenger car portfolio ranges from small cars all the way to luxuryclass 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, 672,800 employees around the globe are involved in vehicle-related services or work in other areas of business. The Volkswagen Group sells its vehicles in 153 countries.

In 2021, the total number of vehicles delivered to customers by the Group globally was 8.9 million (2020: 9.3 million). Group sales revenue in 2021 totaled EUR 250.2 billion (2020: EUR 222.9 billion). Earnings after tax in 2021 amounted to EUR 15.4 billion (2020: EUR 8.8 billion).