

# VOLKSWAGEN

AKTIENGESELLSCHAFT

## **Volkswagen Group requirements for sustainable development with regard to the relationships with business partners**

### **Introduction**

The following requirements specify Volkswagen's expectations as to how business partners are to conduct themselves within their corporate activities with regard to central environmental and social aspects. The requirements are looked upon as the precondition for successfully building business relationships between Volkswagen and its partners. The requirements are based internally on Volkswagen's environmental policy, the environmental objectives and standards derived therefrom, the quality policy and Volkswagen's statement on social rights besides the Anti-Corruption System of the Volkswagen Group. Externally, they are based on the principles of Global Compact, the charter for a long-term productive development of the International Chamber of Commerce and the relevant conventions of the International Labour Organisation.

### **Application Area**

These requirements for sustainable development related to the relationships with business partners include expectations to environmental and social aspects as well as safety at work and und health protection for all business relations of Volkswagen Group.

Volkswagen is authorised to inspect the observance of the aforementioned requirements at the business partner's plant at any time.

Volkswagen expects its business partners to ensure that their suppliers observe these requirements.

These requirements apply to all business relationships of the Volkswagen Group. Third-parties cannot lodge any claims in connection with these requirements.

### **Cooperation**

Volkswagen's business partners play a big part in shaping the corporate success of the Group. Partnership-orientated behaviour creates stable business relationships, which excel by their mutual benefits. Volkswagen therefore relies on close cooperation with its business partners. Integrity, transparency and partnership are basic values for our collaboration. Any corruptive behaviour is to be rejected.

## Environmental protection

Volkswagen expects its business partners to observe all relevant environmental laws and regulations of the country in which they operate. The Volkswagen environmental policy, the environmental objectives of Technical Development, VW standard 01155 (supplied parts for vehicles), VW standard 99000 (overlapping requirements for value performance within development of component part) and the performance targets in the standard components specifications are binding.

Furthermore, Volkswagen expects its business partners to meet the following requirements:

### **1. Creation and application of environmental management systems**

Environment-orientated management is one of the main objectives of the corporate policy. Volkswagen therefore expects all business partners with production sites to have a suitable environmental management system. In addition, Volkswagen expects its main suppliers to have a certified environmental management system in accordance with international standard ISO 14001 or the EMAS directive of the European Union.

### **2. Active dealing with ecological challenges**

Ecological challenges are dealt with due care and forward-looking. Measures are taken for dealing with environmental issues in a responsible manner. The objective is the development and spreading of environmentally friendly technologies.

### **3. Avoidance of environmental damage and injuries to health; products and processes with low resource consumption**

Effects on the environment and the health of employees are avoided or reduced as much as possible in all activities. The economical use of energy and raw materials, the use of recyclable resources and the minimisation of environmental damage and injuries to health are taken into account during the development, production and service life of products as well as during the development and execution of production processes and other operations.

### **4. Waste and recycling**

Avoiding waste, re-use and recycling as well as the safe, non-polluting disposal of residual waste are taken into account during the development, production and service life of products as well as during the development and execution of production processes and other operations.

### **5. Training employees**

Employees are instructed, qualified and motivated in environmental protection according to their duties.

## Rights of employees

For Volkswagen, respect for general human rights is the basis for all business relationships. Volkswagen therefore expects its business partners to observe general human rights and the labour law in the country in which they operate.

Furthermore, the following requirements must be met:

**1. Freedom of association**

The basic right of all employees to form trade unions and employee representations and to join them is recognised. In cases where this right is restricted by local laws, alternative legitimate options for employee participation are to be supported.

**2. No discrimination**

Equal opportunities and equal treatment irrespective of ethnic origin, skin colour, sex, religion, nationality, sexual orientation, social origin or political view are guaranteed insofar as they are based on democratic principles and tolerance towards those of a different opinion. In general, employees are chosen, employed and supported on the basis of their qualifications and capabilities.

**3. No forced labour**

Volkswagen rejects any wilful use of forced or compulsory labour including involuntary prisoner labour.

**4. No child labour**

Child labour is forbidden. The minimum age for permission to work (according to national regulations) is observed.

**5. Payment**

The payments and benefits made / paid for a normal working week correspond at least to the respective national legal minimum standards or the minimum standards of the respective national economic sectors.

**6. Working times**

The working time corresponds at least to the respective national legal standards or the minimum standards of the respective national economic sectors.

**7. Labour and health protection**

The business partner meets at least the respective national standards for a safe and hygienic working environment and will take appropriate measures to guarantee health and safety at the workplace so that good working conditions are ensured.

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