

# Environmental and energy policy of Audi Mexico

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Audi Mexico produces vehicles to market worldwide. We seek to become a leading provider of sustainable mobility and a role model in the management of natural resources with the aim of positioning our company in a sustainable and future-proof way.

We are committed to the Paris climate goals and are aware of our products and responsibility actions and the effects of our business operations on the environment and society. We use the innovation capacity of our global network to reduce our ecological footprint and counteract the associated challenges during the stages of the life cycle of our vehicles where we have control and influence. Our products and services aim to help our customers reduce their own ecological footprint and make a significant contribution to maintaining our competitiveness and safeguarding jobs.

We are committed to the following core statements to be aligned with the "Environmental and energy policy" of the VW Group and Audi AG:

## **1. Leadership behavior**

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Our Executive Board, directors and managers at all organizational levels of Audi Mexico are aware of the environmental risks arising from their work activities. Through word and deed, they confirm their commitment and attitude to act in accordance with the law and the company, accepting their role as role models in environmental protection. They are responsible for ensuring that the requirements outlined in this "Environmental and Energy Policy" are implemented and met in their area of responsibility. They make sure that all their employees are informed, qualified, and accountable for the tasks assigned to them. In their areas of responsibility, they create a trusting and appropriate framework within which employers and business partners can communicate sensitive environmental and energy issues openly and without fear of negative consequences (culture of speaking out). The members of the Executive Council or the Chief Executive Officer of Audi Mexico ensure through internal guidelines that the information required for environmental and energy management is available, providing the necessary resources for the proper functioning of environmental and energy management systems. In corporate decisions, environmental and energy issues are considered as important as any other criterion relevant to the company.

## **2. Compliance**

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We comply with legal or regulatory requirements and with other requirements such as: voluntary commitments such as our own corporate standards and objectives. Our Environmental Compliance Management System (ECMS) and Energy Management System (EMS) ensure that environmental aspects, energy performance and binding obligations in our activities are properly identified and considered. This includes preventing incidents and limiting their consequences, as well as plant safety and energy consumption aspects. Environmental misconduct and environmental fraud are treated as a violation of standards in accordance with our organizational policies and operating regulations, which may have consequences under labor laws. The conformity of our actions with the requirements of this "Environmental and Energy Policy" and other environmentally and energy relevant company requirements are evaluated and reported annually to the Executive Board of Audi Mexico and Audi AG.

## **3. Protecting our environment**

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We follow a life-cycle approach to reduce environmental risk and seize opportunities to protect our environment. These include, among other things, the progressive integration of renewables energies, decarbonization, sustainable supply chains, resource efficiency (e.g. applying circular economy principles) and improving energy performance. We seek to achieve a reduction in the environmental impact of our processes and, at the same time, take into account the economically sustainable viability. Measures to reduce environmental impact should be given higher priority. Our understanding of sustainability means harmonizing our activities with respect to environmental, technological, social and governance issues in such a way that our actions also make us economically successful. That's the only way we can continue to produce innovative technologies. To demonstrate that we have achieved our goals, we disclose environmental and energy indicators (KPIs) annually and transparently report on the progress of our efforts and achievements.

## **4. Working with stakeholders**

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It is important for us to involve our employees, customers and suppliers, as well as governments, authorities and other stakeholders. We always seek to improve understanding of our

stakeholders' expectations and associated environmental and energy requirements. Your suggestions are incorporated into our ECMS and SGen, carefully evaluated and influence our advancements, products and services. We provide understandable information in our reports and in our communication with stakeholders.

## **5. Continuous improvement**

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As part of efforts to continuously improve the environmental impact of our production facilities and optimize them in terms of energy, our ECMS and SGen are validated by independent internationally recognized auditors on a regular basis, with ISO 14001:2015 and ISO 50001:2018 certifications. These management systems themselves are equally subject to continuous improvement progress. This ensures that environmental requirements and improved energy performance are taken into account not only in our core business, but also in our decision-making. We use our global network of experts to identify and implement best practices in environmental technologies and management; In addition, we acquire products and services of high energy efficiency, considering in our design the improvement of energy performance. We seek a leadership role in upcoming environmental developments and regulations in science and technology.

This policy is binding and mandatory on all employees, business partners and visitors of Audi Mexico.

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Tarek Mashhour  
President of Audi Mexico

