

regenerate+

# Moving What Matters

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The following presentations as well as remarks/comments and explanations in this context contain forward-looking statements on the business development of the Volkswagen Group. These statements are based on assumptions relating to the development of the economic, political and legal environment in individual countries, economic regions and markets, and in particular for the automotive industry, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. The estimates given entail a degree of risk, and actual developments may differ from those forecast.

All figures are rounded, so minor discrepancies may arise from addition of these amounts.

Any changes in significant parameters relating to our key sales markets, or any significant shifts in exchange rates, energy and other commodities or the supply with parts relevant to the Volkswagen Group will have a corresponding effect on the development of our business. In addition, there may also be departures from our expected business development if the assessments of the factors influencing sustainable value enhancement and of risks and opportunities presented develop in a way other than we are currently expecting, or if additional risks and opportunities or other factors emerge that affect the development of our business.

We do not update forward-looking statements retrospectively. Such statements are valid on the date of publication and can be superseded.

This information does not constitute an offer to exchange or sell or an offer to exchange or buy any securities.

Our sustainability vision

Becoming a  
**nature and  
society positive**  
mobility provider

# Our commitments framing regenerate+

- 1 | We **protect and strengthen** our environment.
- 2 | We treat people with **dignity and respect**.
- 3 | We act **with integrity** and **in compliance**.
- 4 | We take **responsibility towards society**.
- 5 | We provide **sustainable mobility** and **business models**.

# Impact-driven ambition towards sustainable mobility

NATURE



OUR PEOPLE



SOCIETY



BUSINESS



Achieved notable **progress**  
in the **TOP KPI set**

Integration into  
**The Group Strategy**

**Strong commitment** to our  
strategy and framework

# Systematic steering of KPIs documents our responsibility towards ...

## ... impact on nature & environment

- Reduction of CO<sub>2eq</sub> Inventory
- Share of Circular Materials
- Biodiversity-Index

NATURE

## ... our own employees around the world

- Proportion of diversity in management
- Ø qualification hours per employee
- Lost Time Injury Frequency Rate

OUR PEOPLE

## ... our supply chain & society

- Sustainability Performance of supplier in S-Rating
- Global Reputation KPI
- Societal impact by donations and projects

SOCIETY

## ... incremental business from sustainability

- Revenues: sustainable business models
- BEV shares
- Share of Green Bonds

BUSINESS

# NATURE | Transform our sites and expand our environmental impact beyond our value chain

Reduction of absolute CO<sub>2</sub> emissions in production and component sites by **50.4% since 2018**

**Target 2040: All factories to operate net carbon neutral**

**ID family:** headliners, seats and door panels made from **recycled materials**<sup>1</sup>

**Ambition 2040: 40%**<sup>2</sup> of circular materials

**Development of a holistic biodiversity approach**

Avoid & Reduce  
Conserve & Restore

**Biodiversity-Fund** with up to **€25mn./a**

**Climate**

**Resources**

**Ecosystem**

# NATURE | Zero Impact Factory: Reducing the production-related impacts

- Volkswagen Group's production and component sites have made remarkable strides in environmental performance.
- 48.5% improvement of environmental lead indicator UEP (2010–2024)<sup>1</sup> and surpassed the 45% target set for 2025:
  - Waste volume reduced by 79.4%<sup>1</sup>
  - CO<sub>2</sub> emissions reduced by 62.8%<sup>1</sup>
  - Energy consumption reduced by 21.5%<sup>1</sup>
  - Water consumption reduced by 27.1%<sup>1</sup>
  - VOC emissions reduced by 67.5%<sup>1</sup>



Various measures at the locations: e.g.,

- **Wolfsburg:** CO<sub>2</sub> reduction through power plant conversion and efficiency measures.
- **Puebla:** 99% industrial waste recycling.
- **Pamplona:** Less than 1 m<sup>3</sup> water per vehicle produced.

**Environmental milestone reached earlier**

**Outstanding performance  
of production and component sites**

<sup>1</sup> Metric per vehicle and in the area of passenger cars and light commercial vehicles

# OUR PEOPLE | Empower our people and deliver the best for our customers

**19.9%** proportion of women in management

**Target 2025: 20.2%** proportion of women in management<sup>1</sup>

**20.8 training hours** per employee

**Target 2030: +35%** in trainings<sup>2</sup>

**6,4 accident frequency<sup>3</sup>** (Lost Time Injury Frequency Rate)

**Target 2040: < 1** accident frequency (plus further health prevention and promotion)

## Culture

## Workforce

## Occupational Health & Safety

<sup>1</sup>Status Annual Report 2024; <sup>2</sup>baseline: 22.3 hours per employee per year;

<sup>3</sup>Not comparable to previous years due to methodological changes and in scoping

# SOCIETY | Driving supply chain responsibility and social impact beyond the value chain

**83%** positive performance of suppliers in **S-Rating**

**Target 2040: >95%** positive S-Rating

New types of **stakeholder dialog** to engage with partners & society

**Target 2025: revised reputation study**

**> 200 global projects** and **> €60mn. in donations**

**Sustainability Impact Fund** with up to **€20mn./a**

**Supply Chain**

**Stakeholder**

**Societal Impact**

# SOCIETY | Societal impact reduces risks, secures long-term value creation and strengthens reputation

- 2024: more than 200 global projects

Areas:



69% within the region

25% at national level

4% at international level

Focus of the outcome: e.g.,



- Strengthening local communities & resilience
- Education & knowledge transfer
- Gender equality & inclusion
- Healthy ecosystems & biodiversity

**Corporate citizenship projects safeguards the license to operate**



The **Sustainability Impact Fund** supports **global projects** of the Volkswagen Group brands and companies aimed at **sustainable development** and strengthens **ESG performance** measurably.

- **Focus:** Internal projects, innovations, and methods.
- **Funding:** up to 5 Mio € in 2025 and a maximum allocation of up to 20 Mio € in 2028 / 2029
- **Status:** First application phase completed. Selection of the projects to be funded is currently taking place.

**Sustainability Impact Fund**

# BUSINESS | Generating value and promoting sustainability-driven business fields across industries

**Cross-industry decarbonization technologies** by MAN ES

Invest in innovations by **Venture Capital Fund**

**8.3% share of BEV**

**Target 2030: the global BEV share** is expected to reach **50 percent**

**23% share of green bonds**

**Target 2040: > 50%** of outstanding bond volume through **green bonds**

**Sustainable Revenues**

**Financing**

# Our Circular Economy strategy links sustainability benefits with new business opportunities

Increased  
**RESILIENCE**

Untapped  
**PROFIT POOL**

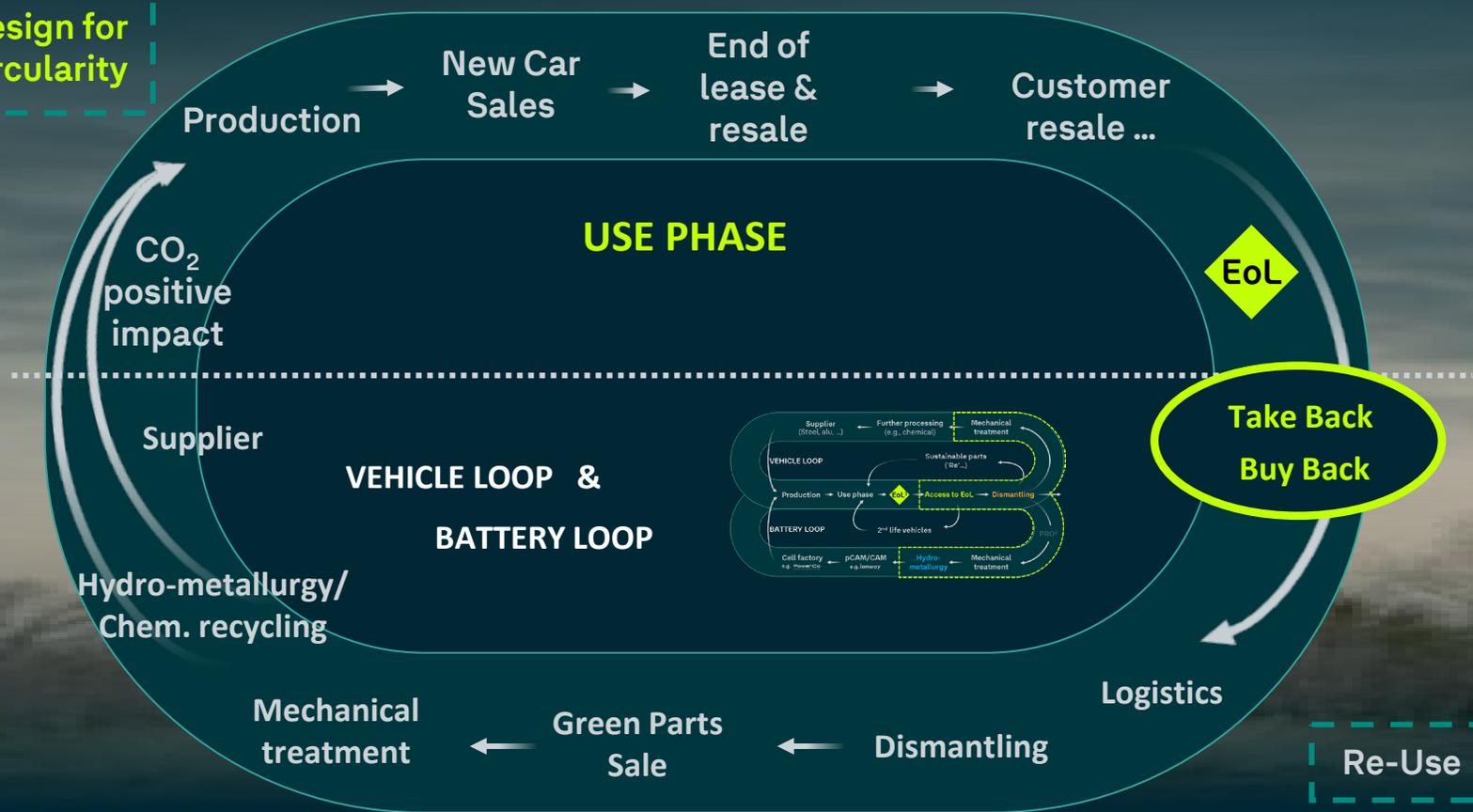
Accelerated  
**DECARBONIZATION**

Uncertain  
**LEGISLATION**

High  
**MARKET DYNAMICS**

# Set up of an effective and efficient Circular Economy business

Design for circularity



Our Circular Economy Strategy covers all "re"-strategies

- RE-PAIR
- RE-USE
- RE-FURBISH
- RE-MANUFACTURE
- RE-CYCLE

Re-Use

# Integrating Volkswagen Groups Circular Economy initiatives to gain speed and leverage volumes



**Vehicle recycling**

Take back, dismantling  
& used parts business



**Battery recycling**

Investments in battery  
recycling start ups

**CoE**  
BATTERY

**PowerCo  
& partner**

Battery recycling  
technology



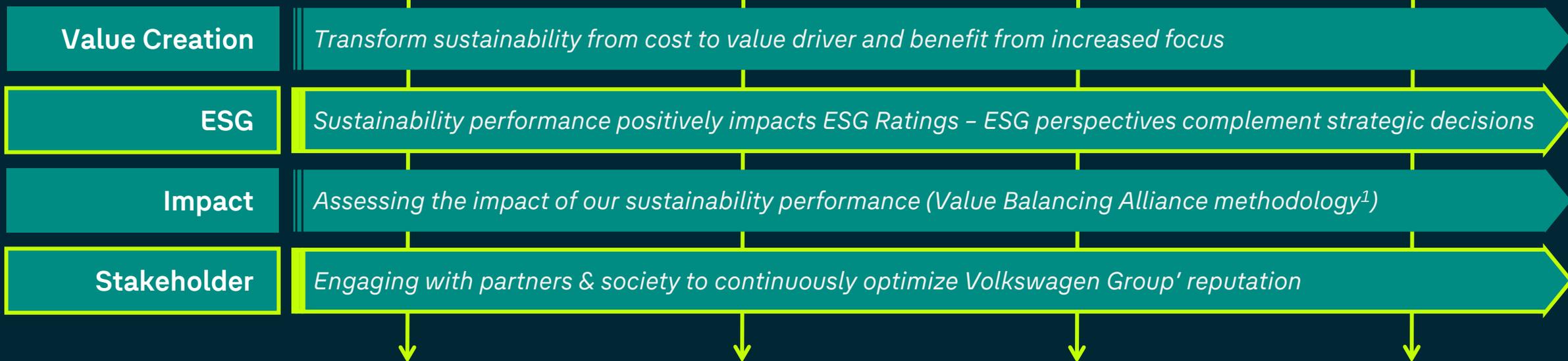
**Audi MaterialLoop**

Holistic closed loop  
for secondary materials

# Group wide implementation

nature      our people      society      business

**Sustainability Targets and TOP KPIs**



**> The success of our regenerate+ sustainability strategy is becoming visible**

<sup>1</sup> <https://www.value-balancing.com>

# ESG ratings: performance trends and ambition levels 2030

ESG RATING <sup>1</sup>	2020	2023	2024	Trend since 2020	Ambition Level 2030
MSCI	CCC	B	B	↗	Improve rating level
SUSTAINALYTICS	41.1 Severe risk	26.4 Medium risk	26.8 Medium risk	↗	Improve "Medium risk"
ISS ESG	C	C+ Prime <sup>2</sup> status	C+ Prime status	↗	Maintain "Prime" status

<sup>1</sup> MSCI scale: CCC | B | BB | BBB | A | AA | AAA, Sustainalytics scale: the lower, the better; negl (0-10) | low (10-20) | med (20-30) | high (30-40) | severe 40+, ISS scale: A+ to D-; <sup>2</sup> "Prime" marks best result as fulfillment of sector specific performance requirements

# NEW Sustainability Reporting Landscape at Volkswagen

RELEASE: 16<sup>th</sup> May 2025

## SUSTAINABILITY REPORT

Combined non-financial statement as part of the annual report 2024

- In full application of the ESRS<sup>1</sup>
- 1<sup>st</sup> Double Materiality Assessment



## ESG FACTBOOK

Additional capital market-relevant "Further Information"<sup>2</sup> & references in existing sources

- All ESG facts in one place
- Increased ESG Transparency

### TABLE OF CONTENT



<sup>1</sup> European Sustainability Reporting Standards as a framework / <sup>2</sup> Not included in the sustainability report.

# Sustainability Practice Groups: a new and agile council format

**Unbiased expertise** in  
regenerate+ dimensions

**Exchange, inputs and  
challenge**

**Direct impact** on strategy  
and projects

**Collaborative** working model

**Advise** and **open opinion** for  
all levels in the company



# Sustainability Practice Groups: our members and topics

NATURE	OUR PEOPLE	SOCIETY	BUSINESS								
 <p>Frauke Fischer</p> <hr/> <p>Biodiv. &amp; Monitoring</p> <p>Agentur auf!; University of Würzburg</p>	 <p>Rebecca Tauer</p> <hr/> <p>Circular Economy</p> <p>WWF Germany</p>	 <p>Julian Zuber</p> <hr/> <p>Climate Legislation</p> <p>GermanZero e.V.</p>	 <p>Joel Hartter</p> <hr/> <p>Human.cent. Strategy</p> <p>Parallel Labs; University of Colorado</p>	 <p>Christina Schildmann</p> <hr/> <p>Future of work</p> <p>Hans-Böckler-Foundation</p>	 <p>Hannah Zoller</p> <hr/> <p>Sociology &amp; Empl. Develop.</p> <p>University of Labour</p>	 <p>Aron Cramer</p> <hr/> <p>Corp. Social Responsibility</p> <p>BSR</p>	 <p>Laura-Kristine Krause</p> <hr/> <p>Social cohesion</p> <p>More in Common e.V.</p>	 <p>Marcin Piersiak</p> <hr/> <p>Resp. Mining/ Sourcing</p> <p>Alliance for Resp. Mining</p>	 <p>R. May Lee</p> <hr/> <p>Biz. Innovation/ Transformation</p> <p>Rensselaer Polytechnic Institute</p>	 <p>William Todts</p> <hr/> <p>Sustainable Mobility</p> <p>Transport &amp; Environment</p>	 <p>Jean-Louis Warnholz</p> <hr/> <p>Fintech/ future strat.</p> <p>Future</p>
<p>Impact of Ecosystem Services on Value Chain &amp; Business</p> <hr/> <p>Impulses for Advocacy on Sustainability &amp; regenerate+</p> <hr/> <p>Climate Change related Business Risks (e.g. Water)</p>			<p>Inputs into Strategy Development (Empower Talents)</p> <hr/> <p>Define Needs &amp; Measures to foster a Culture of Diversity &amp; Participation</p>			<p>Value Proposition &amp; Framework for "Society Positive"</p> <hr/> <p>Input &amp; Enhancement Stakeholder Relationship Strategy</p>			<p>Incentive Mapping &amp; Development for BEV</p> <hr/> <p>Inputs &amp; Challenge on Integrating regenerate+ as Part of Group Strategy into Business &amp; Value Chain</p>		

# Empower People. Protect Resources. Regenerate Progress.

**Climate neutrality is achievable** by reaching net-zero emissions and protecting natural resources.

**Circular economy** reduces primary resource demand and safeguards environment and society.

**Regeneration** can only be achieved through close partnerships and transparent stakeholder engagement.

**Empowering people** through diversity, inclusion, and open dialogue drives **transformation for long-term business success.**

## Shaping a Sustainable Future Together - Moving what Matters

regenerate+

Moving What Matters

# Overview about targets, TOP KPIs and indicators

Dimensions	Target	TOP KPI	Year	Quanti.	Quanti. Performance (FY2023)	Quanti. Performance (FY2024)	Further Info
nature+	The Volkswagen Group wants to become a net-carbon-neutral company.	Reduction of CO <sub>2eq</sub> Inventory	2030	-50%	-33.7% <sup>2</sup>	-51% <sup>2</sup>	Carbon Neutrality in 2040 (-90%)
			2030	-30%	-10.8% <sup>3,4</sup>	-11.3% <sup>3,4</sup>	Carbon Neutrality in 2050 (-90%)
	The Volkswagen Group is working to continuously reduce our demand of primary resources.	Share of Circular Materials	2040	40% <sup>1</sup>	on track	12.5-26.2%	Reference: body weight for EU vehicles
	The Volkswagen Group supports biodiversity.	Biodiversity-Index					KPI in development with base year 2025
our people+	The Volkswagen Group fosters a diverse, inclusive, and holistic non-discriminatory culture.	Proportion of diversity in management <sup>5</sup>	2025	20.2%	19.2%	19.9%	Status Annual Report 2024
		Women Internationalization	2025	25%	25.6%	29.1%	
	The Volkswagen Group wants to be a unique employer leading teams to success.	Ø Qualification hours per employee	2030	30h	22.1h/employee	20.8h/employee	The baseline value is 22.3 hours and is the average for the years 2015 to 2019.
	The Volkswagen Group stands for excellent health and safety at work.	Lost Time Injury Frequency Rate	2040	< 1	3.6	6.4 <sup>6</sup>	Value per 1 million hours worked
society+	The Volkswagen Group shapes responsible and sustainable supply chains.	Sustainability Performance of supplier in S-Rating	2040	> 95%	79%	83%	Revenue percentage of direct suppliers with a positive S rating in total procurement volume
	The Volkswagen Group is a reliable partner.	Global Reputation KPI					KPI will be published based on revised reputation study in 2025
	The Volkswagen Group increases the positive social impact of its actions.	Social impact by donations and projects				> 60 Mio € > 200 projects	Strategic target in development
business+	The Volkswagen Group identifies and promotes sustainability-related business areas.	Revenues from sustainable business models					KPI will be published with base year 2025
		Share of BEV	2030	50%	8.3%	8.3%	Brand- and regional specific targets
	The Volkswagen Group strengthens and intensifies sustainable financing.	Share of Green Bonds	2030 2040	30% 50%	13.3% <sup>6</sup>	23% <sup>7</sup>	Excluding Porsche AG & TRATON SE

<sup>1</sup> Ambition 2040 (world excl. China) for vehicle projects with SOP in 2040 and beyond <sup>2</sup> absolute reduction target <sup>3</sup> intensity target measured per vehicle km <sup>4</sup> based on assumptions and information from markets EU+3, US, CN; value may be subject to change with base year recalculation process [see Group Annual Report 2024, p. 291]; <sup>5</sup> Diversity-Index with the Sub-KPIs Women in Management and Internationalization in Top Management; <sup>6</sup> new scope and metric in 2024; <sup>7</sup> implicit disclosed; point of reference: 11.03.2025