

Management Summary on the ESG-Audit of

SAIC-Volkswagen (Xinjiang) Automotive Company Limited,

with the sole physical presence and place of operation at No. 759 East Jiuhuashan Street, Urumqi City, Peoples' Republic of China.

Loening – Human Rights & Responsible Business GmbH has been contracted by Volkswagen to perform an ESG Audit on the aforementioned legal entity.

The auditor acknowledges that audits in China, due to recent legislative changes, are subject to challenges with regards to data retention and data transfer. Adequate documentation has been obtained for this Audit.

The audit targeted ESG topics and encompassed the enquiry whether ILO Conventions C029, C111 and C155 are being adhered to with regard to the employees at the above legal entity's plant.

Due to the audit scope, Loening has decided to apply the internationally renowned Audit Standard SA8000. SA8000 has been developed by Social Accountability International (SAI) and covers the following topics: child labor, forced labor, occupational health and safety, freedom of (union) association, discrimination, physical or psychological punishment, working hours, income levels and management systems.

The actual audit execution was undertaken by a Shenzhen law firm with extensive experience in social audits and international and Chinese labor law and accompanied on site by Loening. The audit work encompassed document checks on site in Urumqi as well as interviews with staff and management employees of the audited legal entity. Several site inspections, including walkabouts of the outdoor premises of the plant were also part of the auditing process.

As of November 1, 2023 the legal entity had 197 employees with the following ethnicities: Han: 150 (76,1%), minorities, including Uighurs: 47 (23,9%). The employees are well qualified, have belonged to the company for a long period of time of up to ten years, have a low work intensity and are being remunerated above average. Overtime is next to non-existent.

The plant now merely functions as a distribution hub. Vehicles are being delivered complete, and merely undergo a quality check and the initial start-up at the plant before being delivered for sale. All production and assembly facilities as well as the paint shop are shut down.

No violations of ILO Conventions C029, C111 or C155 could be detected as a result of the audit. There were no indications of any use of forced labor or forced laborers among the employees at the plant of the audited legal entity.

While the legal entity has no SA8000 certification, which is not mandatory, alternative internal guidelines and management assessments ensure that the requirements of the standard are met. In sum, the labor practices were in compliance with Chinese law and the standards of the ILO Conventions that the People's Republic of China has ratified, and they consider the basic principles of social responsibility.

05.12.2023