

VOLKSWAGEN GROUP

regenerate+  
Progress Report  
2024

# Our ambition: Nature- and society- positive mobility

Sustainability is a strategic imperative for us. It determines our competitiveness, capacity for innovation, and future viability – now more than ever. For us, sustainability is no longer just a moral obligation. It means taking responsibility – for the environment, society, and future generations. It is a decisive factor in economic success, societal acceptance, and corporate resilience.

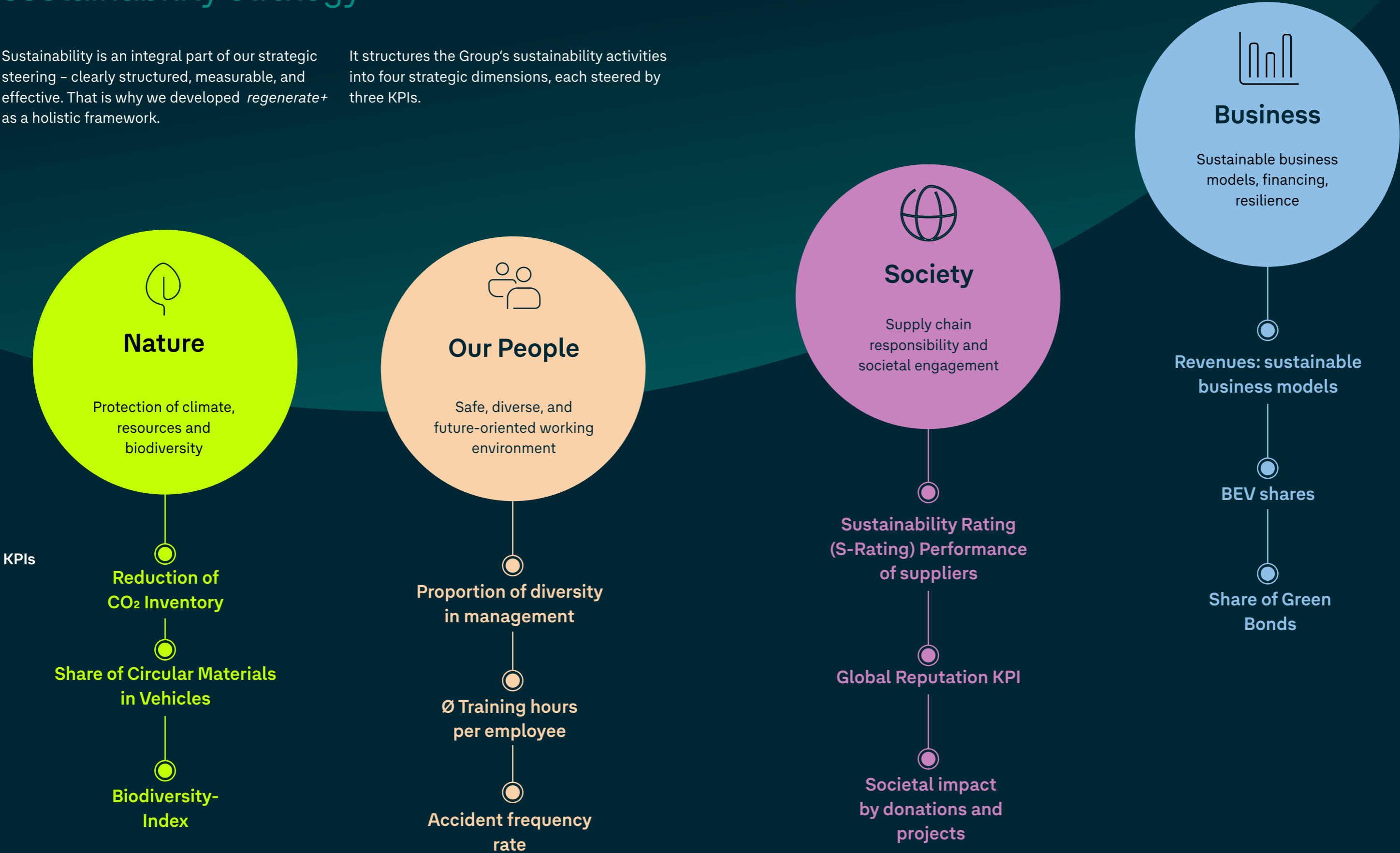
Against this backdrop, the Volkswagen Group launched the Group-wide sustainability strategy *regenerate+* in 2024. With *regenerate+*, we aim to make mobility not only more sustainable, but

to positively contribute to nature, society, and the economy – across the entire value chain. Our aspiration is to rethink mobility: as part of the solution. Our concrete goals are: fewer emissions, less resource consumption, more social responsibility – and long-term value creation for all stakeholders.

# The four dimensions of our sustainability strategy

Sustainability is an integral part of our strategic steering – clearly structured, measurable, and effective. That is why we developed *regenerate+* as a holistic framework.

It structures the Group's sustainability activities into four strategic dimensions, each steered by three KPIs.



## Making responsibility measurable

Sustainability needs more than good intentions – it requires clear goals, concrete measures, robust KPIs, and transparent progress monitoring. With *regenerate+*, we have created a systematic basis

to make our progress visible and our responsibility comprehensible. Our KPIs allow us to steer impact – and adjust course when needed.

## We focus on three core principles:

1

### Strategic structure and logic:

How we govern sustainability through a consistent, KPI-based framework with twelve key indicators.

2

**Tangible progress:** What goals we have achieved – and how we provide evidence

3

**Open challenges:** What remains to be done – and how we plan to address it

"

The Volkswagen Group bears responsibility for shaping sustainable mobility for generations. Sustainability is the foundation of our activities – not just in relation to our products, but in a holistic sense across all dimensions: the environment, our workforce, society, and entrepreneurship. With *regenerate+*, we have established a binding framework for action

within the Group. And we are making good progress with significant achievements. All brands and divisions are actively working on ideas and solutions to implement the defined sustainability goals."



**Oliver Blume**  
CEO  
Volkswagen Group

"

Our vision is to create a future of mobility that preserves resources, actively protects nature and generates sustainable societal value. With *regenerate+*, we are consistently paving the way with circular value creation, resource-efficient production, targeted CO<sub>2</sub> reduction measures, and pioneering electric products. Through our

newly established fund landscape, we are investing specifically in projects and concrete measures for a sustainable future. For us, transforming the value chain is not just a goal; it is the driving force behind everything we do."



**Dirk Voeste**  
Chief Sustainability Officer  
Volkswagen Group

# Steering of key indicators

## How the Volkswagen Group steers and strengthens its sustainability strategy

For the Volkswagen Group, sustainability is not just an aspiration, but an **integral part of corporate governance**. As a central element of The Group Strategy, *regenerate+* makes sustainability measurable, verifiable and controllable – **across the Group, across brands and globally**.

Implementation takes place on several levels:

Steering as part of the corporate strategy “The Group Strategy - Mobility for Generations” and the TOP-10-Program.

**Four strategic dimensions** (Nature, Our People, Society, Business), each with clearly defined goals, **12 TOP KPIs** as binding performance indicators for all brands.

**OKR-based implementation (Objectives & Key Results)** with continuous monitoring and regular progress reviews.

This system ensures that sustainability is consistently integrated into decision-making processes along the entire value chain – from production to capital allocation.

Validation through external perspectives complements our internal governance:

**ESG ratings** provide us with structured feedback on the effectiveness of our measures – and show where there is still room for improvement.

With the **Value Balancing Alliance (VBA)**, we are testing innovative methods for monetarily evaluating ecological and social impacts. Our aim is not only to make the impact of our contributions measurable, but also to ensure that we create genuine added value.

# Stakeholder relations: Shaping sustainability together

Sustainability requires an open societal dialogue. To have a lasting impact, we rely on structured feedback, long-term partnerships and open forums.

A central format is "The Volkswagen Group Sustainability Forum", which took place for the second time in 2025. Here, representatives from civil society, science and business come together with Group and brand representatives to discuss progress, reflect expectations and provide concrete impulses.

In addition, we have established a **Sustainability Council** - with three external experts per strategic dimension, who work together with three

Volkswagen experts in Sustainability Practice Groups at eye level.

These practice groups provide space for regular, topic-specific exchanges in an open and constructive environment. In this way, the Sustainability Council actively challenges our strategic objectives and measures, thus ensuring continuous critical reflection. Initial impulses are already being implemented in the development of our KPI system and concrete topic-specific roadmaps. Regular exchanges with the Management Board also take place to ensure the sustainability strategy is closely linked with corporate management.

The Group Sustainability Council stands for an open and constructive dialogue, aiming to learn from each other and to jointly develop effective solutions for sustainable corporate development.



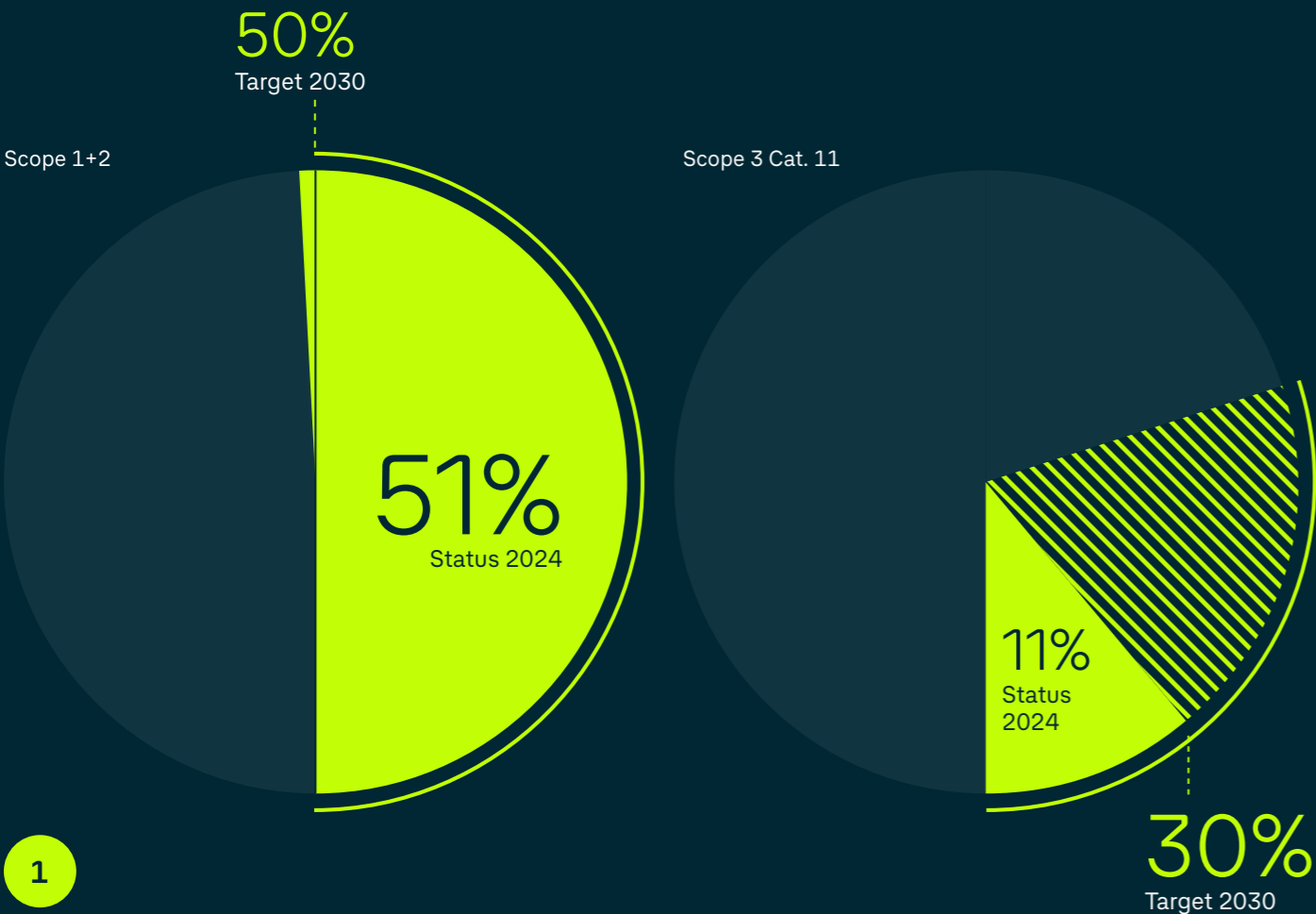
As of February 2025,  
Back row from left to right: Swen Bankwitz, Guido Eickenroth, Dr. Benedikt Finkenauer, Dr. Johanna Klewitz, Jonas Brünig, Dr. Marco Gernuks, Dr. Ralf Hanschen, Dr. Tobias Bahr, William Todts, Dr. Dirk Voeste, Marcin Piersiak, Laura-Kristine Krause, Jean-Louis Warnholz, Dr. Ina Othersen, Dr. Justus Poschmann, Andile Dlamini, Dr. Thymian Bussemer.

Front row from left to right: Barbara Snakker, Raffaella Garippo, Christina Schildmann, Rebecca Tauer, Aron Cramer, Dr. Frauke Fischer, Dr. Oliver Blume, Rosaline May Lee, Dr. Julian Zuber, Joel Hartter, Beate Brandes, Hannah Zoller

# Dimension "Nature"

## What we mean by "nature positive" – and how we measure it

With *regenerate+*, the Volkswagen Group is pursuing the goal of not only protecting nature, but actively strengthening it. This is based on a clear strategic triad: decarbonisation, circular economy and biodiversity protection. These three areas of action form the foundation for sustainable value creation – from raw material extraction to vehicle recycling.



1

### Reduction of CO<sub>2</sub> Inventory

The Volkswagen Group wants to become a net-carbon-neutral company.

40%

Ambition 2040  
(global, excl. China)

12.5-  
26.2%

Status 2024

2

### Share of Circular Materials in Vehicles

The Volkswagen Group is working to continuously reduce our demand of primary resources.

3

### Biodiversity-Index

The Volkswagen Group protects, preserves and promotes biodiversity along its entire value chain.

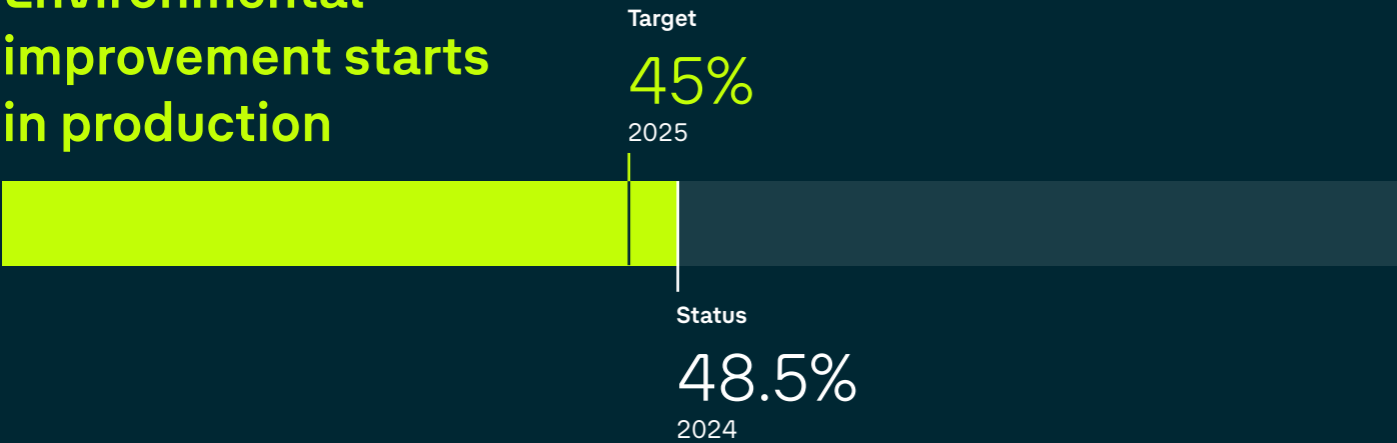
Target  
In development

Status 2024  
KPI from 2025 onwards

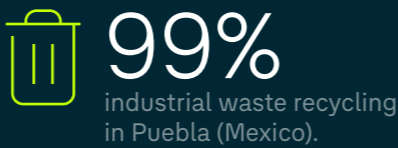
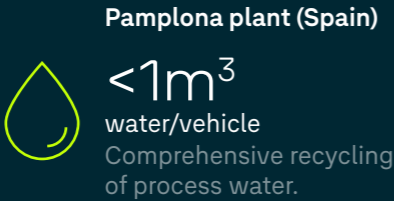
# Dimension "Nature"

Examples of how we protect nature – and create added value

## Environmental improvement starts in production



Through more green electricity, less water consumption and more recycling



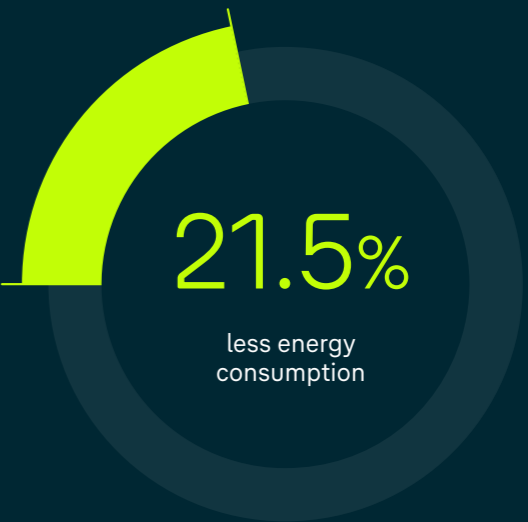
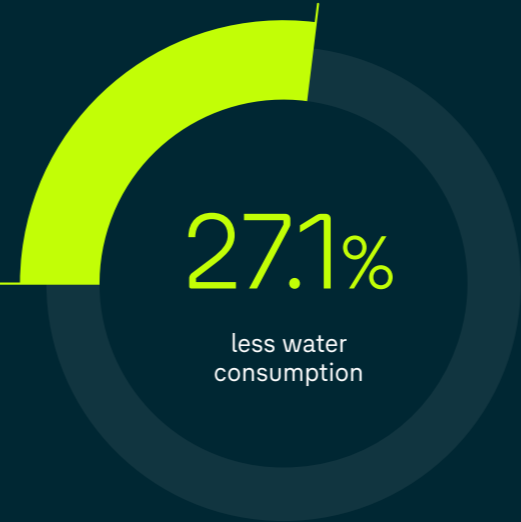
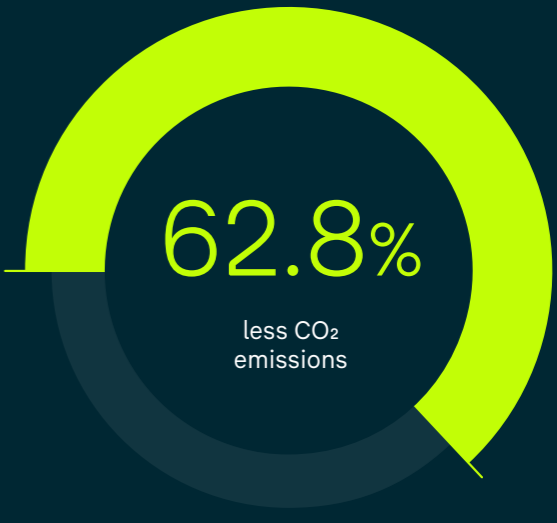
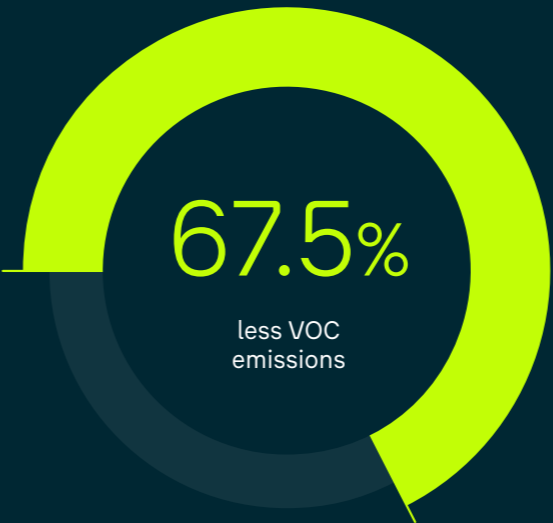
From 2018 to 2024, the Volkswagen Group reduced CO<sub>2</sub> emissions in production by almost 51%. This means we have already achieved our target for 2030 six years ahead of schedule. The most important building blocks here are the implementation of energy efficiency measures and the increased supply of renewable electricity worldwide."

Dr. Tobias Bahr, Head of Group Environment Volkswagen AG

The lead indicator UEP is a weighted average of five key environmental indicators: energy consumption, CO<sub>2</sub> emissions, water consumption, VOC emissions and waste volume – each per vehicle produced (passenger cars and light commercial vehicles).

## Concrete results in 2024

(relative to base year 2010)



# Dimension "Our People"

## Change needs people who shape it

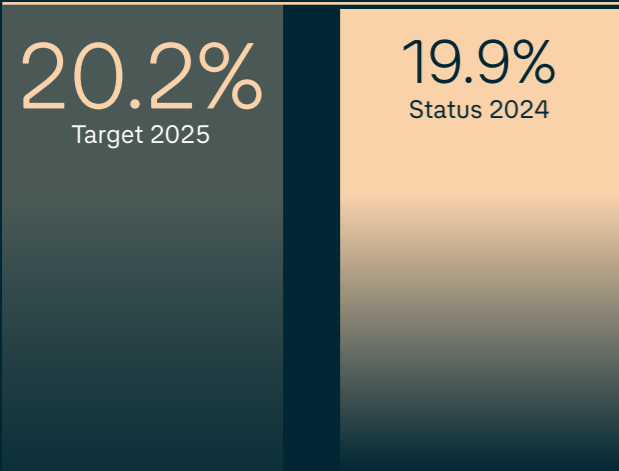
The transformation of mobility is also a transformation of work. With the dimension „Our People“, *regenerate+* focuses on the people who make this change possible: our more than 670,000 employees worldwide. The aim is to actively promote safety, participation, development and diversity in everyday working life – while at the same time positioning the Volkswagen employer brand for the future.

1

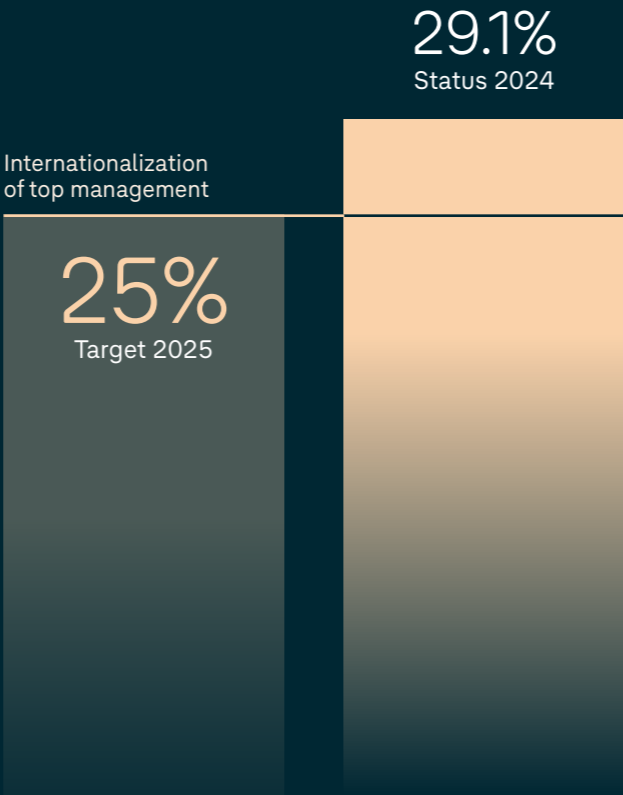
## Proportion of diversity in management

The Volkswagen Group fosters a diverse, inclusive, and holistic non-discriminatory culture.

Proportion of women  
in management



Internationalization  
of top management

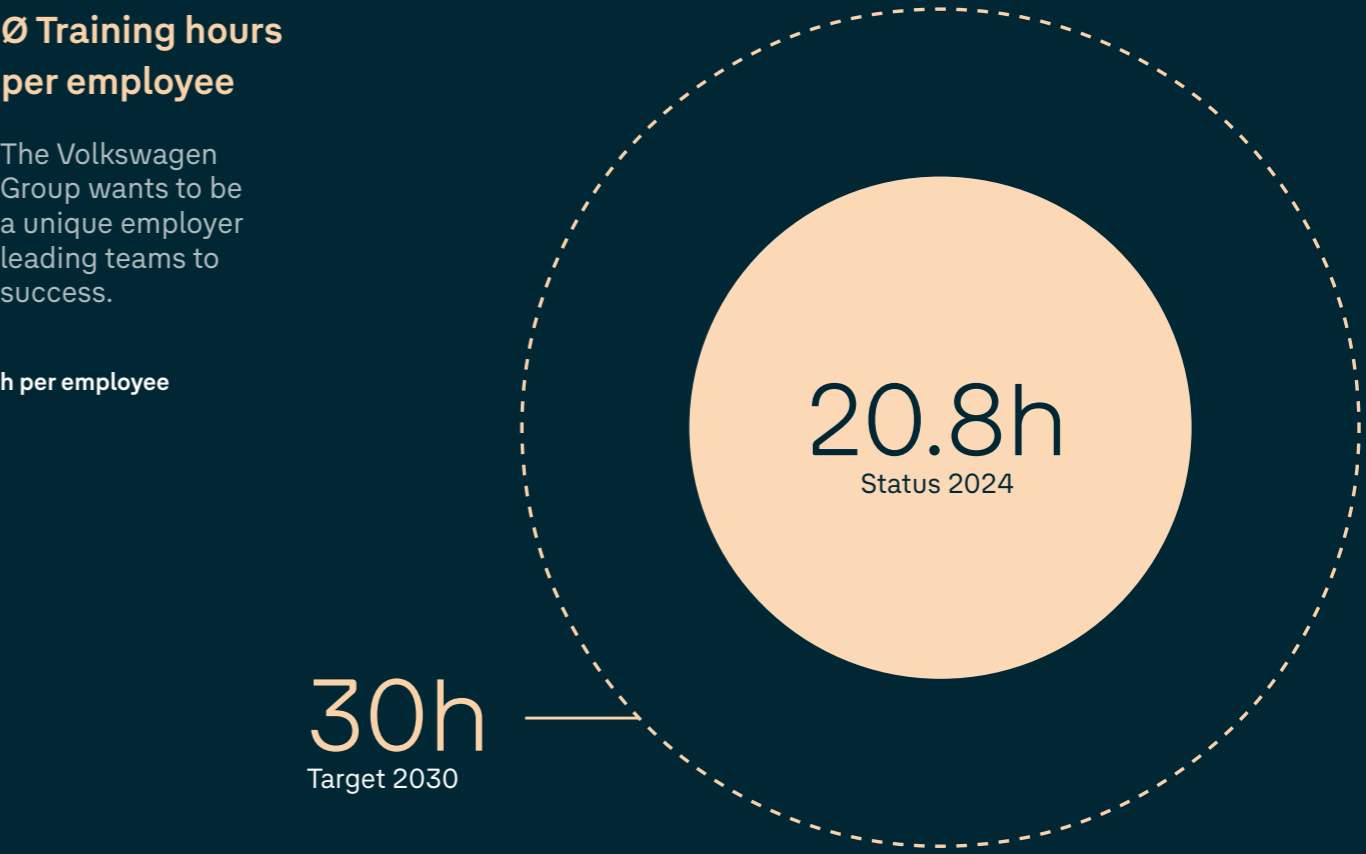


2

## Ø Training hours per employee

The Volkswagen Group wants to be a unique employer leading teams to success.

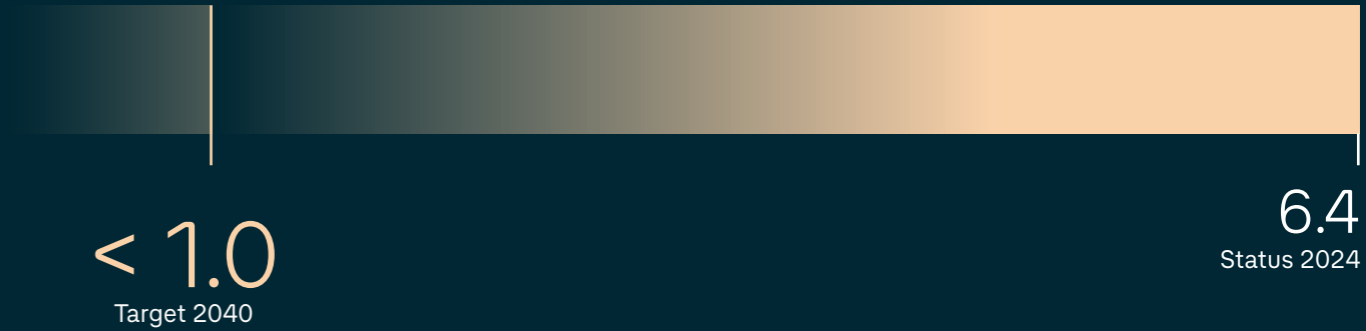
h per employee



3

## Accident frequency rate

The Volkswagen Group stands for excellent health and safety at work.



## Dimension "Our People"

### Ethics & AI: Value-based working in times of change

With the Group-wide initiative 'ETHICS & AI – We value heartbeats over bytes', Group Integrity & Compliance 2024 has defined ethical principles for dealing with artificial intelligence – and anchored these in a Group guideline. With the core statement "ETHICS & AI – We value heartbeats over bytes!", we put people at the centre of everything we do. Based on our Code of Conduct,

three core guiding principles were developed in collaboration with specialist departments: **respect, security and transparency**. These are specified in eight principles – for responsible and people-centred use of AI in everyday work. Further information can be found [here](#).



**Technologies develop faster than legislation, which is why we have established the 'Ethical Principles for AI' for the Volkswagen Group. They provide basic guidance for the responsible use of AI, particularly in areas where there are no regulations yet due to new types of applications."**

**Nicolas Heyer,**  
Group Chief Integrity and Compliance Officer,  
Volkswagen AG

### Engagement & health: Effective worldwide



**Health.Care.Run.** – This sporting event combines health, team spirit and social commitment. In 2024, employees took part at over 20 locations worldwide. With **over 3,000 participants in Palmela alone**, the Portuguese location became a global role model. This year, the running event is taking place for the third time in a row.



**Together, we show the world that we enjoy physical activity and sport, and that we are a globally committed Volkswagen team."**

**Dr. Lars Nachbar,**  
Head of Group Health and Occupational Safety,  
Volkswagen AG



**The international Health.Care.Run. is a symbol of cohesion, movement and commitment."**

**Patron Arne Meiswinkel,**  
Board Member for Human Resources of  
the Volkswagen Passenger Cars Brand

### Diversity Month 2024

Over **2,600 participants** came together in more than 50 sessions to discuss topics such as neurodiversity, LGBTQIA+ visibility, reconciliation and inclusive leadership.

An initiative that brings diversity to life within the company - across hierarchical and national borders.

# Dimension "Society"

## Responsibility in the supply chain

As a global company, the Volkswagen Group is part of complex social systems – from raw material extraction to everyday life on site. The dimension „Society“ of *regenerate+* aims to achieve concrete impact through partnerships, global engagement and transparent responsibility in the supply chain. The goal is to minimise risks and help shape positive change.

1

## Global Reputation KPI

The Volkswagen Group is a reliable partner.	Target	Status 2024
	In development	Survey 2025

2

## Social impact by donations and projects

The Volkswagen Group increases the positive social impact of its actions.

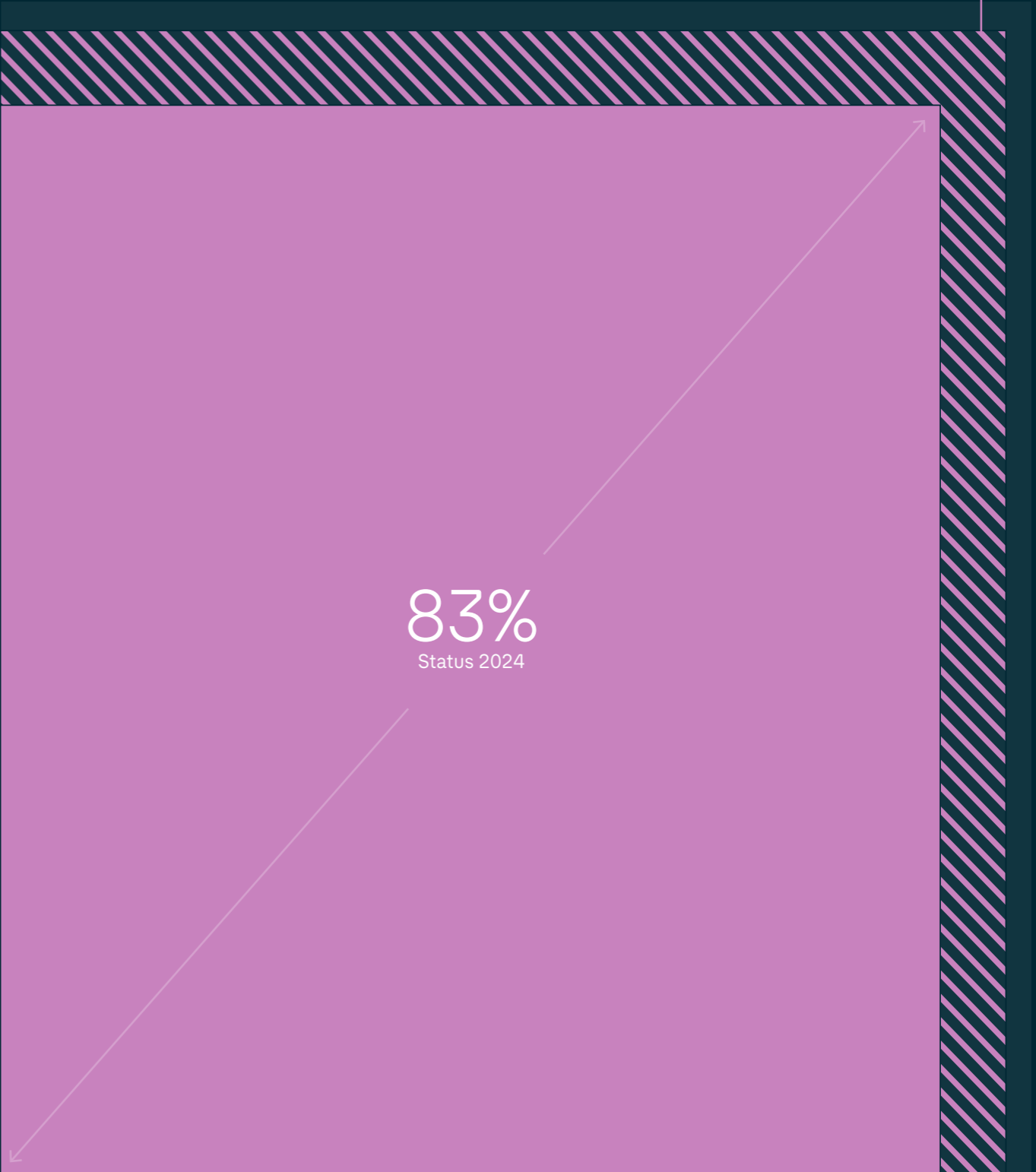
Target	Status 2024
In development	 200 projects
In development	 >€60 <sub>mn.</sub> in donations

3

## Sustainability Rating (S-Rating) Performance of suppliers

The Volkswagen Group shapes responsible and sustainable supply chains.

> 95%  
Target 2040



## Dimension "Society"

Lithium and Water - Partnership in the Atacama Desert

### Responsible Lithium Partnership – Chile, Salar de Atacama

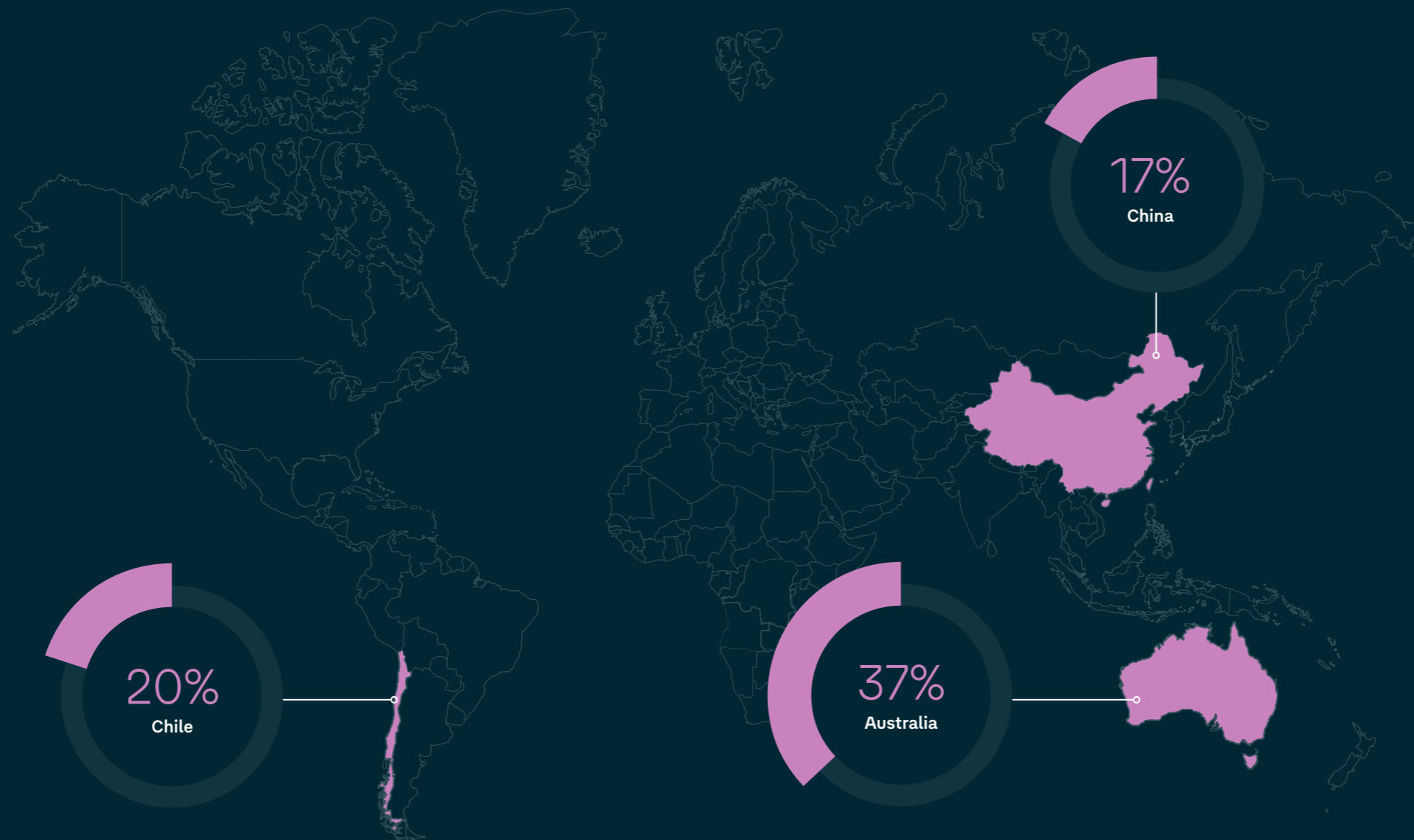
The raw material lithium is at the heart of global electric mobility – and with it comes responsibility for its sustainable extraction. Volkswagen is therefore involved in the **"Responsible Lithium Partnership"**, a multi-stakeholder project in the Atacama Desert in Chile.

In 2024, **20 local stakeholders** signed a joint action plan for the sustainable use and protection of water resources in the Salar de Atacama. The aim is to ensure participatory management of the ecosystem – on an equal footing with local civil society. Further information on the project can also be found in our [Responsible Raw Materials Report](#).

#### Countries of origin

Share of global mining/processing

● Top 3 mining countries



The success of the Responsible Lithium Partnership proves that industry can be a force for positive environmental and social impact. By working together with local stakeholders, we have helped lay the foundation for a more sustainable future in the Salar de Atacama. We look forward to seeing the Multi-Stakeholder Roundtable continue this vital mission."

Friederike Schön,  
Global Head Supplier Risk & Sustainability Management,  
Volkswagen AG

#### Key material-specific risks



##### Environment

- Water pollution and consumption.



##### Human Rights

- Forced or compulsory labor.



##### Community Life

- Protection of the rights of indigenous and local people.
- Causing harmful environmental change.

## Dimension "Society"

### Commitment worldwide: An overview of corporate citizenship

The Volkswagen Group contributes to society beyond its supply chain - through partnerships globally and locally.

206  
Corporate citizenship projects in 2024

> €60  
million in donations

### Thematic focus:

- Strengthening local communities and resilience
- Poverty reduction and social security
- Education and knowledge transfer
- Health and well-being
- Gender equality and inclusion
- Healthy ecosystems and biodiversity

### New from 2025 onwards:

In addition, the operationalisation of the Sustainability Impact Fund was prepared in 2024 - a group-wide instrument for the targeted promotion of projects related to the *regenerate+* sustainability strategy.

From 2025 onwards, projects across all four *regenerate+* dimensions will be supported, with the aim of making concrete contributions to sustainability visible and measurable.

Strengthen  
**ecological effects**  
such as water and  
energy savings

**Social impact**  
through local  
partnerships,  
promoting inclusion  
and more equitable  
opportunities

**Economic sustainability** through,  
e.g., supporting local  
circular economy  
models

# Dimension "Business"

## Sustainable business – developing future-proof business models

The future of mobility is emission-free, connected and circular – and increasingly defined by regulations. With the dimension "Business", *regenerate+* aims to embed sustainability as a business principle by promoting sustainable business models, expanding the share of BEVs and financing through sustainable financial products.

1

### Revenues: sustainable business models

The Volkswagen Group identifies and promotes sustainability-related business areas.

Target

Status 2024

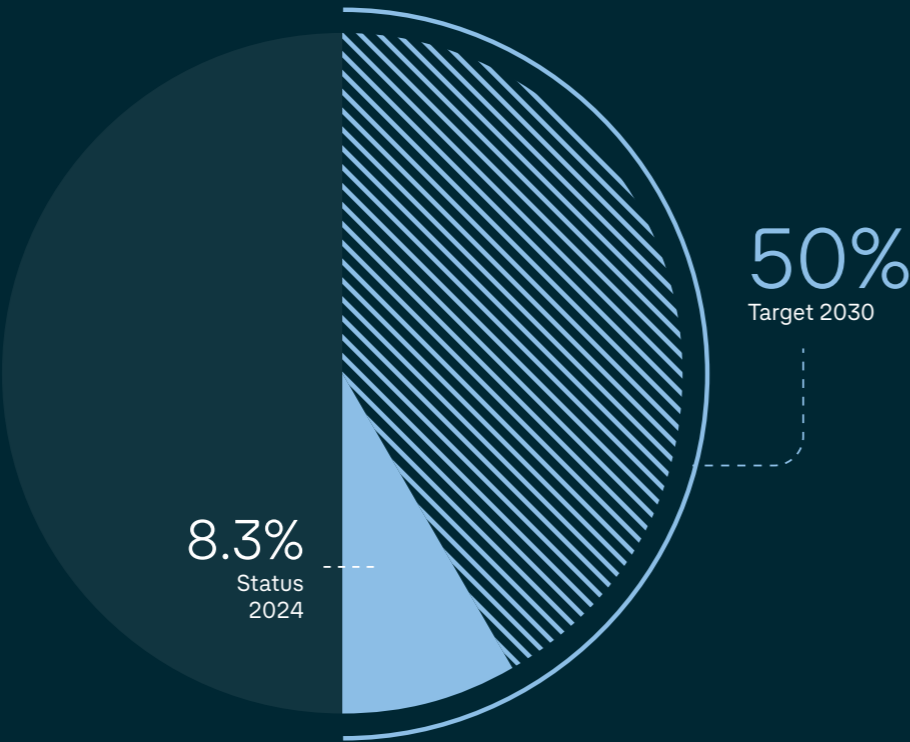
In development

KPI from 2025 onwards

2

### BEV shares

The Volkswagen Group identifies and promotes sustainability-related business areas.

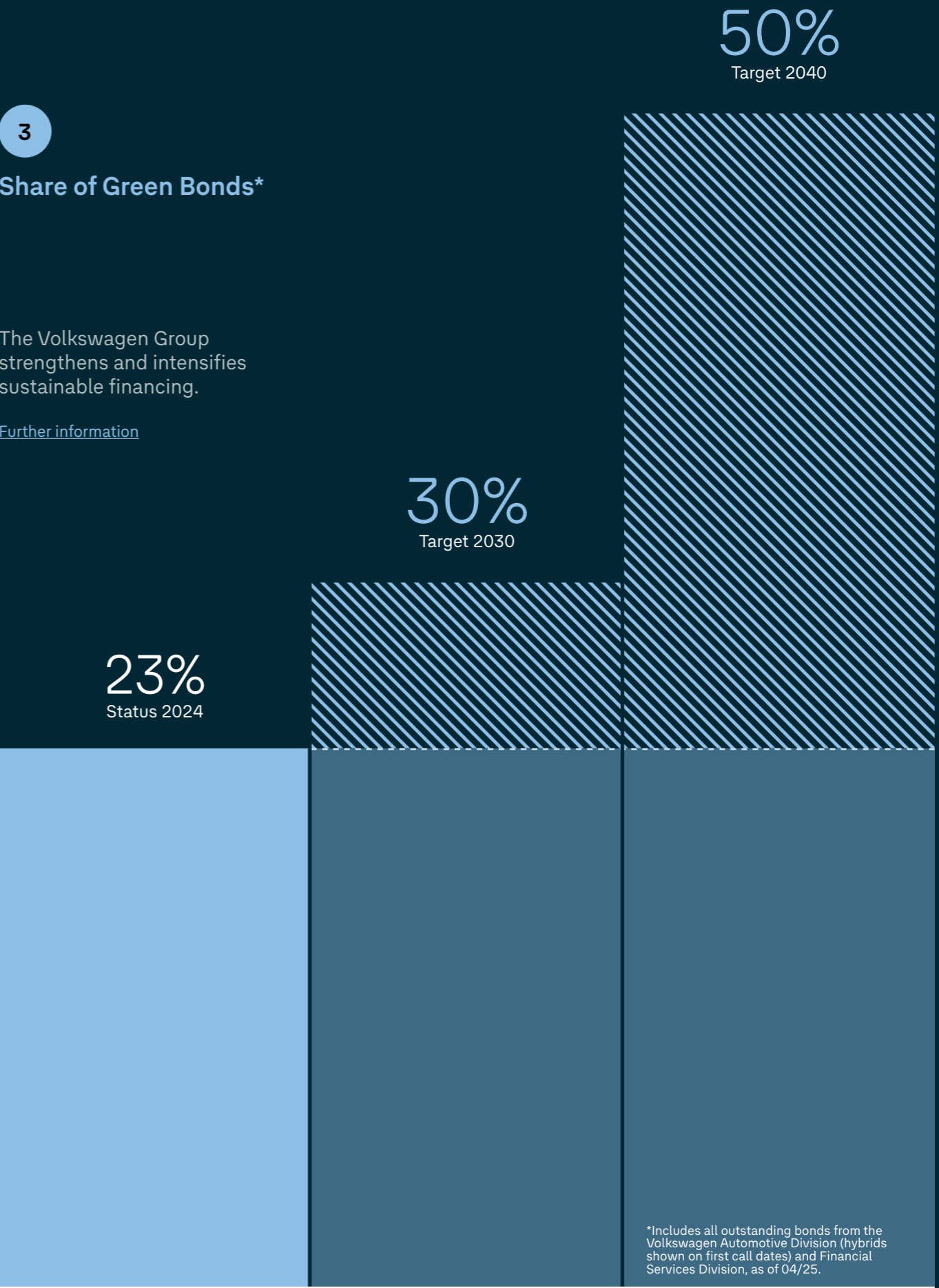


3

### Share of Green Bonds\*

The Volkswagen Group strengthens and intensifies sustainable financing.

[Further information](#)



\*Includes all outstanding bonds from the Volkswagen Automotive Division (hybrids shown on first call dates) and Financial Services Division, as of 04/25.

## Dimension "Business"

### Fully electric ahead – with a diverse model portfolio

In 2024, the Volkswagen Group launched over 30 new models – including a large number of fully electric vehicles. This underscores our commitment to making electric mobility accessible to different target groups as a Group

with strong brands: from the premium segment to compact city cars. In 2024, the Volkswagen Group delivered a total of 744,800 BEVs, with a global BEV share of 8.3%.

#### Top 5 most sold BEV in 2024

Volkswagen  
ID.4/ID.5



Volkswagen  
ID.3



Audi Q4 e-tron  
(incl. Sportback)



Škoda Enyaq  
(incl. Coupe)



CUPRA  
Born



# 30

## new Models in 2024

This model offensive lays the foundation for achieving the 50% target by 2030.

### Everllence

#### Technologies for climate-friendly industrial processes

As part of the Volkswagen Group, **Everllence** is rapidly driving the decarbonization of industrial energy systems. The focus lies on:

- 1 Green methanol production for maritime transport
- 2 H2-ready turbomachinery for industrial applications
- 3 Decarbonized data centers through highly efficient energy management solutions

These solutions not only contribute to the Group transformation – they also enable **new sustainable business models** in the B2B sector.



**With a clear focus on climate protection and as a driver of industrial value-creation, Everllence will continue to drive forward sustainability and the future viability of mechanical engineering in Germany, as well as the global energy transition."**

**Gunnar Kilian,**  
Chairman of the Supervisory Board of Everllence and member of the Board of Volkswagen AG

# What we tackle next – Outlook for 2025

After the strategic introduction of regenerate+ in 2024, our focus in 2025 will be on continuing to implement sustainability consistently, making it measurable, and increasingly integrating it into operational processes. At the center of this effort are five prioritized fields of action:

# 1

## Establish new metrics – for transparency and steering

- Introduction of the new reputation KPI based on a revised stakeholder study.
- Methodological enhancement of the Biodiversity Index.
- Introduction of new KPI for revenues from sustainable business models.

## Scale the circular economy – from pilot projects to serial application

Further development of material cycles and gradual integration of circular materials into series vehicles.

# 2

# 3

## Deepen stakeholder relations systematically

Expansion of dialogue formats with investors, NGOs, and academia – especially on key topics such as raw material sourcing, CO<sub>2</sub> targets, and circular economy.

# 4

## Promote impact more effectively – through new instruments

- Operationalization of the Sustainability Impact Fund: Support for initial Group-wide projects with local impact at production sites.
- Launch of the Biodiversity Fund: support for external projects from 2025 onwards.

## Expand the digital ESG reporting structure









- Further development of digital tools for ESG data collection and KPI aggregation across business units.
- Data-based progress evaluation for internal reviews and external ratings.

# 5

# Our progress at a glance – the 12 TOP KPIs of *regenerate+*

The following key figures form the backbone of our sustainability management  
They apply across the entire Group, are strategically prioritised and reviewed  
regularly. This enables us to create transparency – both internally and externally.

	KPI	TARGET
Nature		
	 <b>Reduction of CO<sub>2</sub>eq Inventory</b>	The Volkswagen Group wants to become a net-carbon-neutral company.
	 <b>Share of Circular Materials in Vehicles</b>	The Volkswagen Group is working to continuously reduce our demand of primary resources.
	 <b>Biodiversity-Index</b>	The Volkswagen Group protects, preserves and promotes biodiversity along its entire value chain.
Our People		
	 <b>Proportion of diversity in management</b>	The Volkswagen Group fosters a diverse, inclusive, and holistic non-discriminatory culture.
	 <b>Ø Training hours per employee</b>	The Volkswagen Group wants to be a unique employer leading teams to success.
	 <b>Accident frequency rate</b>	The Volkswagen Group stands for excellent health and safety at work.

	KPI	TARGET
Society		
	 <b>Sustainability Performance of supplier in S-Rating</b>	The Volkswagen Group shapes responsible and sustainable supply chains.
	 <b>Global Reputation KPI</b>	The Volkswagen Group is a reliable partner.
	 <b>Societal impact by donations and projects</b>	The Volkswagen Group increases the positive social impact of its actions.
Business		
	 <b>Revenues: sustainable business models</b>	The Volkswagen Group identifies and promotes sustainability-related business areas.
	 <b>BEV shares</b>	
	 <b>Share of Green Bonds</b>	The Volkswagen Group strengthens and intensifies sustainable financing.

# Further information and publications

The following resources are available for  
everyone wishing to dive deeper:

**Sustainability strategy online**

**Sustainability Report 2024 (integrated in Annual Report)**

**ESG Factbook 2024**

## Contact

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We look forward to exchanging ideas with you –  
about our progress, our goals and our joint path  
towards sustainable mobility.