

Volkswagen Group Response to Allegations regarding Business Human Rights (27.02.2024)

Xinjiang:

- **Are there any other sites in Xinjiang owned or operated by the SAIC Volkswagen JV that were not considered during the audit?**

A: Besides the site in Urumqi and the test track in Turpan there are no other sites/operations in Xinjiang operated by subsidiaries of the SAIC Volkswagen JV or the JV itself.

- **Volkswagen reportedly employed Uyghur laborers that were subject to PRC state-sponsored "poverty alleviation campaigns", can you please comment on this?**

A: To date, we have no evidence of human rights violations in our operations. We have no indication of violation of ILO standards at our operations in China. There are also no reports that we (ourselves) employ Uyghurs from these programs. Volkswagen Group does not tolerate any forced labor.

- **Volkswagen used forcibly transferred Uyghur laborers to build and manage various aspects of the facility (i.e. test track), can you please comment on this?**

A: please refer to the statements on the previous question.

- **A Volkswagen spokesperson said the cars only contained "one tiny part" made with Uyghur forced labor, can you please comment on this?**

A: We never stated that any of our products contained any part made with forced labor. We have been notified by a supplier that a component of its product sold was manufactured by a UFLPA-listed company. A spokesperson for the Volkswagen Group confirmed that the part produced by the sub-supplier to the supplier was small in size and value. The Volkswagen Group actively informed the US authorities when it was informed that the sub-supplier of the part in question was on the US Department of Homeland Security Entity list, effective December 11, 2023.

- **The US Department of Homeland Security has a "blacklist" of 71 Chinese Companies with indication to forced labor, has Volkswagen Group, its suppliers (direct or indirect) relations to any of these companies?**

A: Volkswagen Group has a Code of Conduct for Business Partners ([VW Group Supply - Sustainability Requirements](#)). All Business partners are required to comply with the conventions of the International Labor Organization (ILO) in particular the fundamental rights at work. Non-compliance with the Code of Conduct for Business Partners can lead to a termination of contracts or an exclusion from future awards. Potential violations of the sustainability requirements can be reported to the Whistleblower System of the Volkswagen Group, including potential non-

compliances of our employees, direct suppliers as well as sub-suppliers. [Our Whistleblower System | Volkswagen Group \(volkswagen-group.com\)](https://www.volkswagen-group.com)
We are currently reviewing the list and are investigating if all business partners complied with above mentioned rules and procedures.

- **Has Volkswagen Group directly or indirectly relations to Xinjiang Blue Sky Petrochemistry?**

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A: In general, we do not provide any information about our supplier relationships and observe the contractual confidentiality obligations. Please be assured that we will take such information as an opportunity to review our supply chain. To date, the company "Xinjiang Blue Sky Petrochemistry Logistics" (which we suspect is the correct name) is not listed on any sanctions list known to us."

US customs:

- **Please could you clarify the order of events regarding the vehicles that were prevented from entering the US?**

A: The Volkswagen Group was informed by a supplier that a sub-supplier of a part was on the UFLPA entity list whereupon the Volkswagen group immediately took action to address the issue and pro-actively and voluntarily informed U.S. Customs and Border Protection.

- **Can you confirm that VW notified customs officials in the first instance?**

A: Yes, see above.

- **Are you able to disclose what sort of component is in question?**

A: We talk about a relatively minor part („a small electronic part – part of a larger control unit"). Small in size and value.

- **How and at what point in time was the discovery made and how much confidence can you have that other components also do not fall foul of restrictions?**

A: Volkswagen Group was informed by a supplier on January 11, 2024, proactively and voluntarily informed U.S. Customs and Border Protection about the issue on January 17, 2024 and subsequently provided the complete information to U.S. Customs and Border Protection.