

VOLKSWAGEN

AKTIENGESELLSCHAFT

A wireframe illustration of a car, likely a Volkswagen Golf, is shown in profile, facing right. The car is composed of a network of white lines forming a mesh. The background features a stylized landscape with blue-toned mountains and hills, also rendered in a wireframe style. In the distance, there are two wind turbines and a cluster of buildings representing a city skyline. The overall aesthetic is clean, modern, and technical.

5th Annual Volkswagen Group ESG Conference for Investors & Analysts

“ESG Strategy & Decarbonization”

Ralf Pfitzner – Head of Group Sustainability

6th October 2022

Disclaimer

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. At the time of preparing these presentations, it is not yet possible to conclusively assess the specific effects of the latest developments in the Russia-Ukraine conflict on the Volkswagen Group's business, nor is it possible to predict with sufficient certainty to what extent further escalation of the Russia-Ukraine conflict will impact on the global economy and growth in the industry in fiscal year 2022.

Any changes in significant parameters relating to our key sales markets, or any significant shifts in exchange rates, energy and other commodities or commodities relevant to the Volkswagen Group or the supply with parts, or deviations in the actual effects of the Covid-19 pandemic from the scenario presented will have a corresponding effect on the development of our business. In addition, there may 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.

Agenda

Opening

Rolf Woller

Keynote

Oliver Blume

ESG Strategy / Decarbonization

Ralf Pfitzner

Green Finance Strategy

Rolf Woller

Sustainable Workforce Transformation

Thymian Bussemer

Combined Q&A Session

Risk Management & Internal Controls

Hagen Repke

Together For Integrity

Tobias Heine

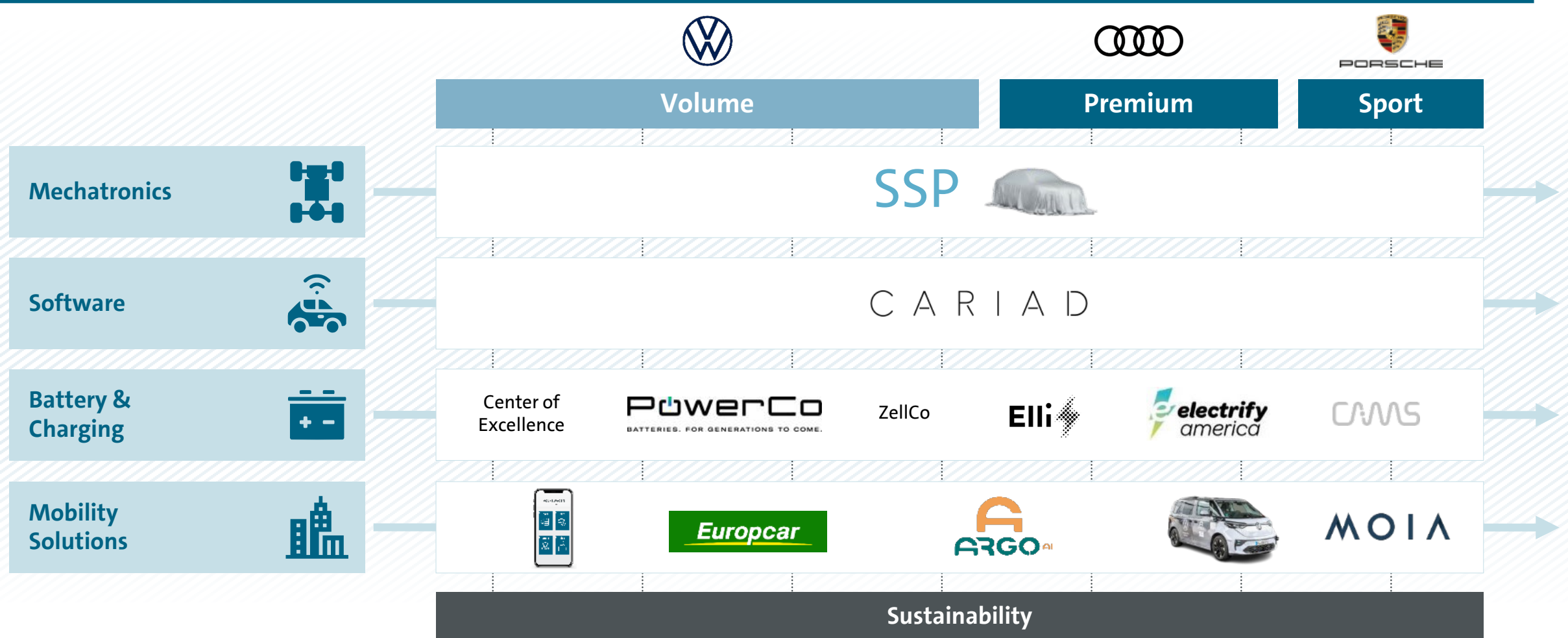
Combined Q&A Session

Closing

Rolf Woller

NEW AUTO is our strategy to win in the transformation of the automotive industry - Sustainability & ESG are firmly anchored in our strategy

Profitability 



Volkswagen ID.Buzz: Power consumption combined: 18.9 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

Decarbonization, Circular Economy, Responsibility in Supply Chain & Business, Diversity, People & Transformation and Integrity are our current ESG focus areas

IMPROVE ESG Performance

Decarbonization

go TO zero

Circular Economy



Responsibility in Supply Chain & Business



Diversity



People & Transformation



Integrity

INTEGRITY



Orientation



Reputation



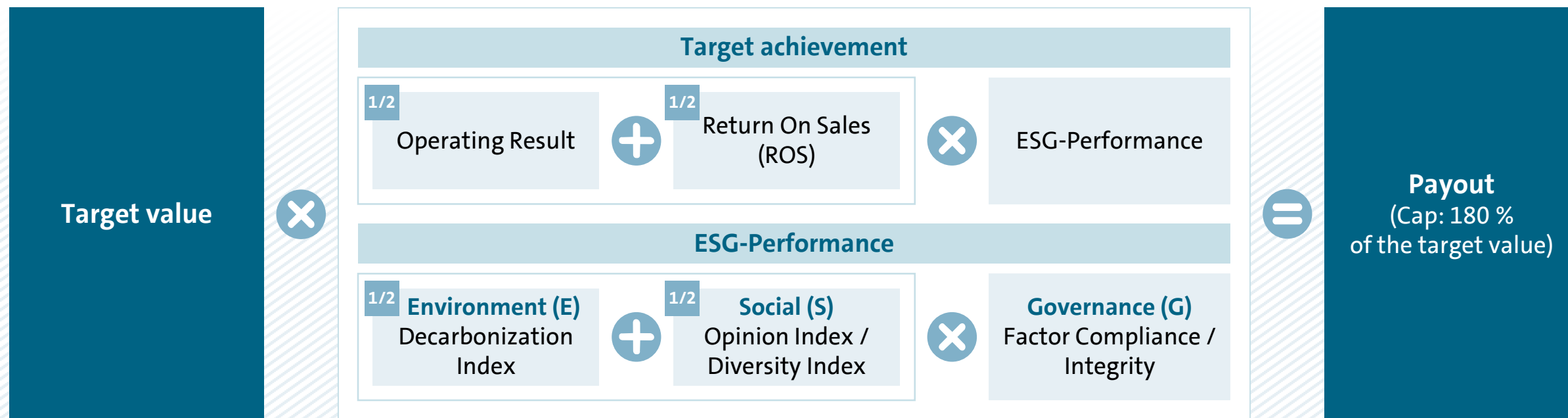
Value-Driver



Transformation

ESG targets - integral part of annual bonus of Board of Management members since 2021

Functionality of the annual bonus



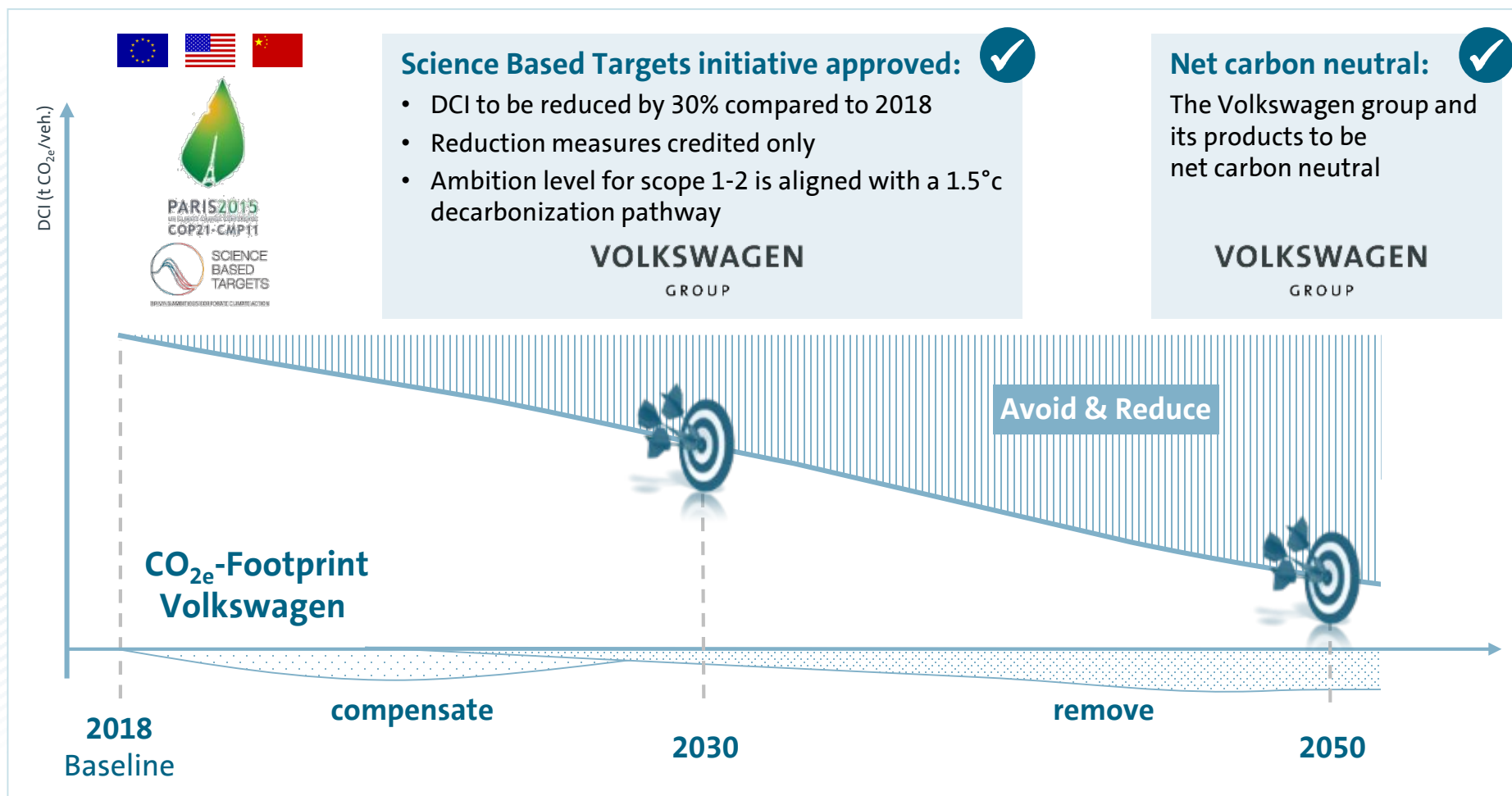
Key facts

- Basic continuation of the previous system (introduced in 2017)
- Starting with 2021 financial year, ESG multiplier is added as new dimension
- Defines a balance between financial key performance indicators and ESG targets
- Performance measures reflect Volkswagen's NEW AUTO strategy and transformation process

In our Group decarbonization program, emission reduction targets are set on a life cycle basis & measured by the DCI – net carbon neutrality to be reached by 2050

Volkswagen Group Decarbonization Path until 2050 (Scope: Passenger Cars and Light Duty Vehicles)

How we act

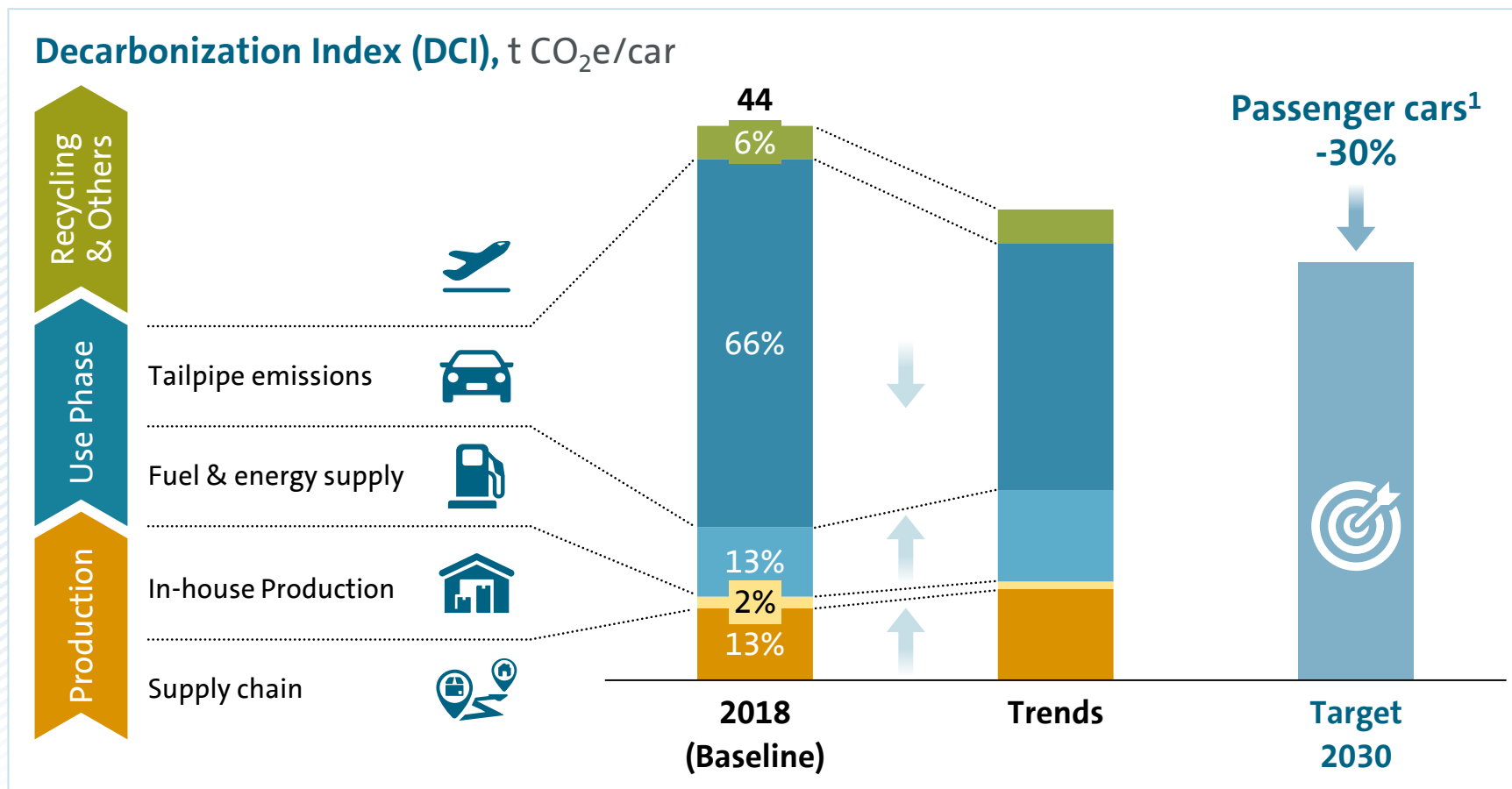


Group Decarbonization target



Our goal by 2030: Reducing 30% CO₂e/vehicle over the life cycle vs. 2018 - Portfolio transformation & decarbonization program will further accelerate reduction

Group target 2030/veh. (lifecycle)



Portfolio transformation as key lever

Significant reduction of tailpipe emissions

However, relative increase of emissions in the fields of supply chain and fuel supply

Decarbonization program primarily addresses emission hotspots in supply chain and fuel & energy supply.



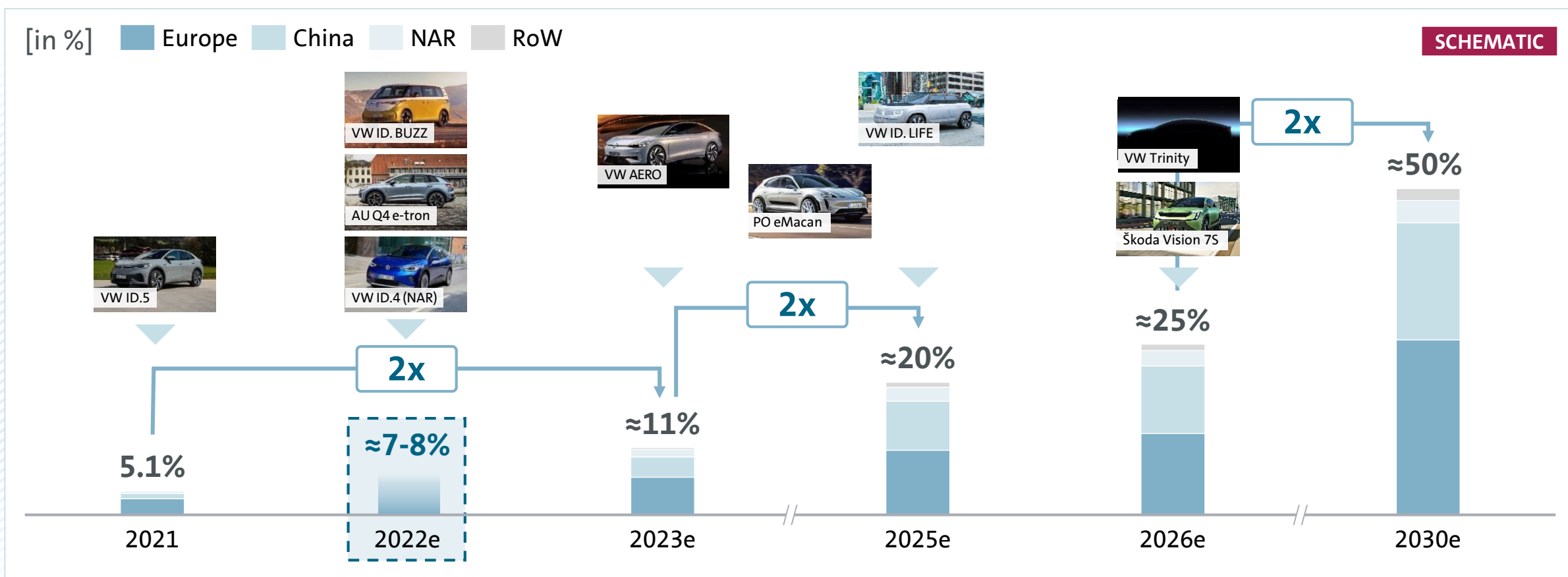
¹ Passenger cars including light duty vehicles, WLTP cycle

Audi Q4 e-tron: Power consumption combined: 18.3 - 15.2 kWh/100 km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

Volkswagen ID.Buzz: Power consumption combined: 18.9 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

ID.3: Power consumption combined: 13.5 - 12.9 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

Target BEV Share Development of Total Vehicle Deliveries ¹



¹actual future share depends on customer take rates and market developments

Volkswagen ID.4: Power consumption combined: 16.3 - 15.6 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

Audi Q4 e-tron: Power consumption combined: 18.3 - 15.2 kWh/100 km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

Volkswagen ID.Buzz: Power consumption combined: 18.9 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

ID.5 Pro: Power consumption combined: 15.9 - 14.6 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

Volkswagen ID.7/AERO, ID. Life, Porsche eMacan, Škoda Vision 7S, VW Trinity: Vehicles are near-production concept cars

Combination of portfolio transformation & the energy transition are the key levers to ensure decarbonization of individual mobility solutions in the transport sector

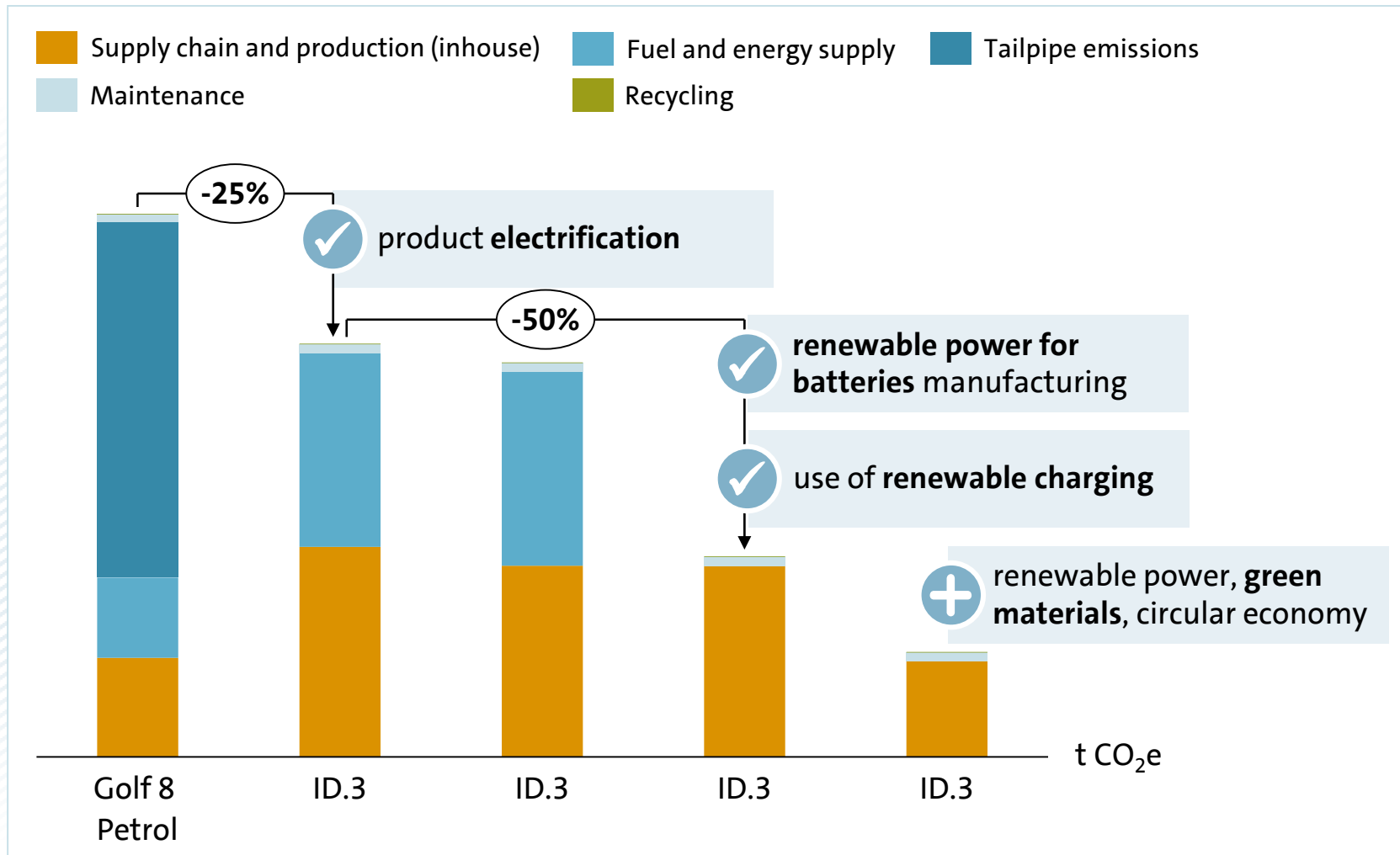
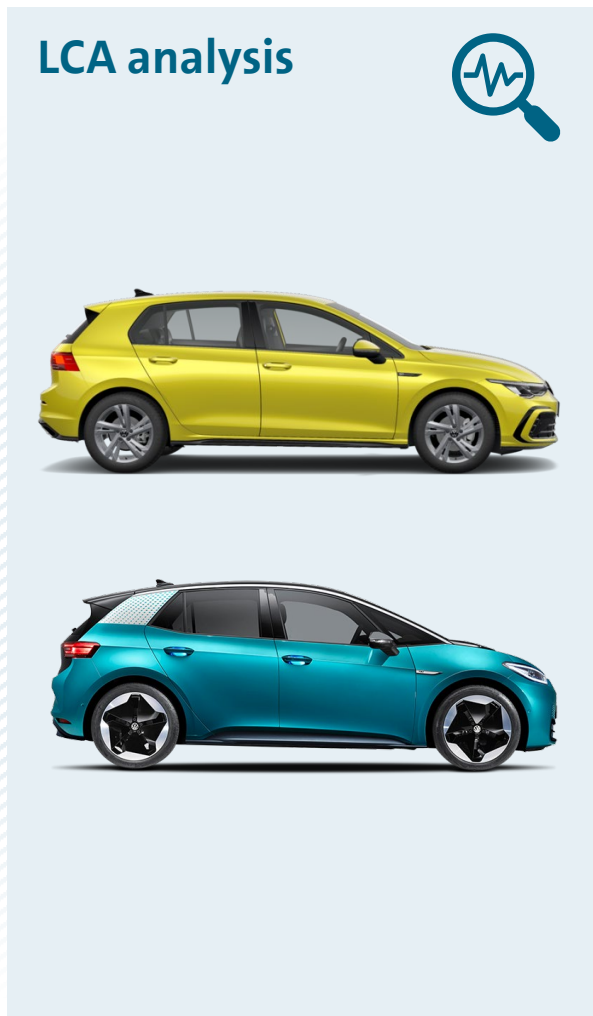


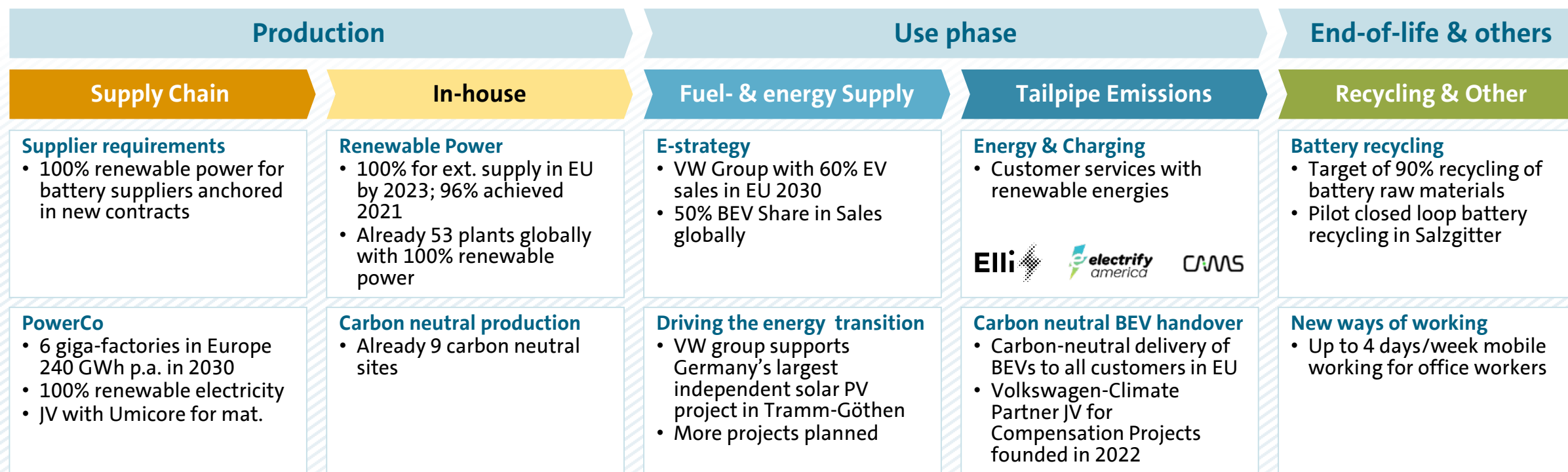
Chart data quality: DQ 1.0 = certified value

Golf eHybrid: Fuel consumption in l/100 km: combined 1.6-1.4; power consumption in kWh/100 km: combined 10.8-10.1; CO₂-emissions in g/km: combined 36-33, CO₂ efficiency class: A+++

ID.4 Pro: Power consumption combined: 17.2 - 15.7 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

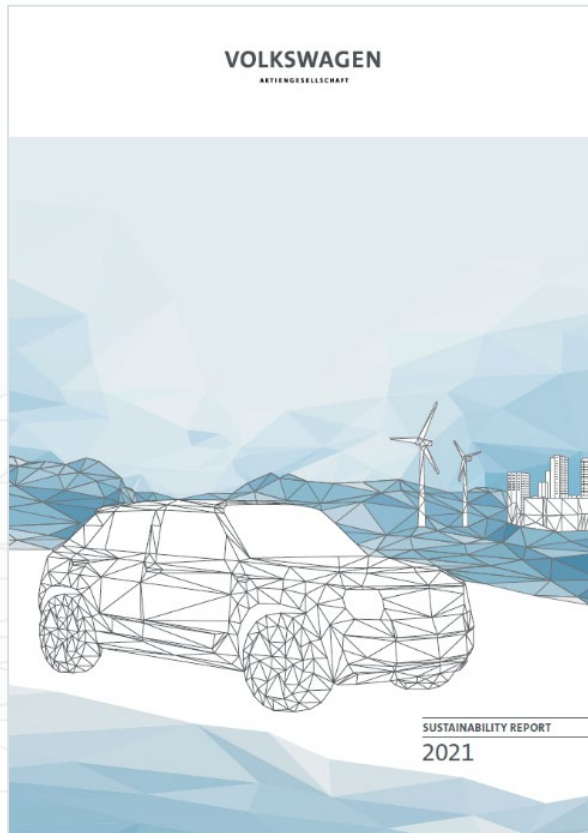
The decarbonization program covers measures in all areas of the life cycle - Clear priority: Avoid, reduce & compensate non-avoidable emissions

Volkswagen takes leadership in decarbonization along our value chain and beyond

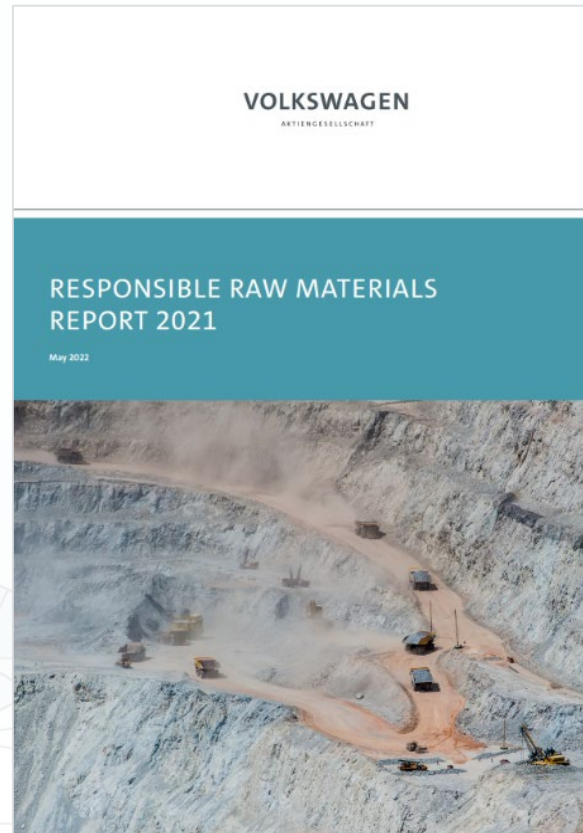


<p>Volkswagen leadership across industries</p>	<p>Scania partnering on low carbon steel with</p> <p>VW Group and Salzgitter AG signed MoU for low-CO₂ steel:</p> <p>H2green steel</p> 	<p>CEO Alliance for Europe's Recovery, Reform & Resilience</p> 	<p>Partnerships for renewable power generation and public charging infrastructure</p> <p>enel IBERDROLA bp</p>
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ESG relevant reports & sources of information



www.volkswagenag.com > sustainability > reporting

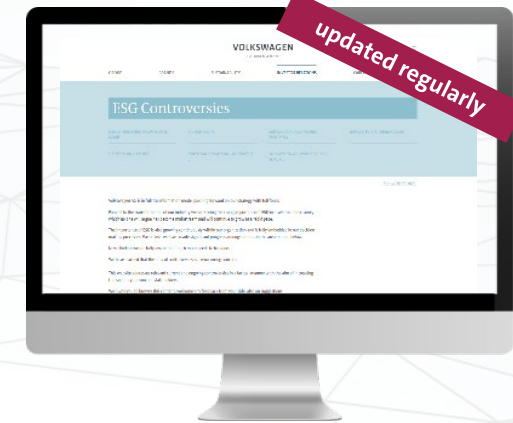


www.volkswagenag.com/presence/nachhaltigkeit/documents/supply-chain/Volkswagen-Group-Responsible-Raw-Materials-Report-2021.pdf

“The Green Finance Framework consistently links our corporate objective of carbon neutrality in 2050 with our financing strategy.”



Green Finance Report
www.volkswagenag.com > investor relations > fixed income > green finance *



www.volkswagenag.com > Investor Relations > Corporate Governance > ESG Controversies