

Dear Mrs. Wilks,

Thank you for your request. The Volkswagen Group takes its corporate responsibility very seriously. Respect for human rights is the ethical basis of our business activities. We stand for individual freedom, fair working conditions, open world trade, economic development and peaceful coexistence, and we condemn any form of discrimination. Therefore, we reject forced labor and all forms of modern slavery including human trafficking.

Automobile supply chains are vast and complex. Nevertheless, Volkswagen Group (VWG) would like to assure you that we take indications of forced labor in the supply chain very seriously. Despite the numerous challenges we face—including, among others, regulatory challenges, a lack of available verification tools, limited business partner readiness to co-operate and difficulties in accessing local data in China—we share the goal of combatting forced labor in global supply chains. Therefore, Business Partners must reject all conscious use of forced and compulsory labor as well as all forms of modern slavery and human trafficking. Bonded labor or involuntary prison labor are not acceptable. We require that employment relationships are entered into on a voluntary basis and may be terminated by employees at their own discretion and within a reasonable notice period.

Our sustainability requirements for business partners are based on national and international provisions and conventions, such as the principles of the UN Global Compact, the Business Charter for Sustainable Development of the International Chamber of Commerce, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the relevant conventions of the International Labor Organization, as well as the Guiding Principles to Enhance Sustainability Performance in the Supply Chain released by the Drive Sustainability partnership. Our sustainability requirements (including those addressing forced labor) are anchored in our Code of Conduct for Business Partners. Since 2019, we have been assessing the sustainability performance of our relevant business partners with a Sustainability Rating prior to making final sourcing decisions. The analysis and evaluation of the sustainability performance of our business partners is carried out by means of a self-assessment questionnaire. Risk-based on-site audits are carried out after an initial analysis of supplier data. To date, we have conducted over 50 audits in raw material supply chains and over 4,300 sustainability on-site reviews at direct suppliers' locations (including employee interviews, review of working conditions, etc.).

In 2020, VWG adopted a Raw Material Due Diligence Management System, which focuses on high-risk raw materials (risk factors include, e.g., child and forced labor). Our targets for responsible raw material sourcing are set within this Raw Material Due Diligence Management System. In order to increase transparency in our supply chains we have conducted mappings and, for specific raw materials, such as cobalt, we are conducting extensive forensic supplier audits. With respect to battery raw materials, one of our objectives is to gain 100% supply chain transparency and assure that suppliers meet our requirements, including at mine site level, through ambitious mapping and auditing efforts. As part of our use of the Raw Material Due Diligence Management System, VWG has been requiring in all new contracts the full disclosure of suppliers in the supply chain (i.e., up to the mine) for battery raw materials.

VWG maintains a Supply Chain Grievance Mechanism through which we learn about supply chain-related allegations, including allegations of sub-suppliers using forced labor. Upon learning of allegations regarding direct or indirect suppliers, including based on hints coming from publicly available research articles or Reports, VWG investigates them immediately using the Supply Chain Grievance Mechanism. Serious violations such as those relating to forced labor could result in termination or non-renewal of the contract with the supplier if mitigation measures fail. The

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mechanism is accessible via our website, an email address and an anonymized channel and is open to all stakeholders and potentially affected persons such as employees of suppliers, social organizations or representatives of communities in the immediate vicinity of our production sites.

In case of the Report “Driving Force” from the Sheffield Hallam University, we are currently in the process of investigation and assessment and contacted mentioned companies connected to Volkswagen Group. This process is still ongoing.