

Environmental Policy Statement

Volkswagen Group UK is a wholly owned subsidiary of Volkswagen AG and operates within the Automotive Industry. The scope of this policy and associated systems covers all aspects of vehicle sales, importation, aftersales, merchandising and end of life disposal within the UK. This statement sets out the Volkswagen Group UK goals in relation to environmental management.

Leadership – Our leaders, and management are aware of the potential environmental risks of their business activities and will demonstrate their commitment to comply with relevant environmental policies and requirements. Responsible for the implementation of this policy in their functions, the leadership team will ensure all employees are educated and trained in environmental issues and the potential effects of their activities. The Board of Management will consider environmental leadership with equal weight to other business criteria in key company decisions.

Compliance – Recognition that we will comply with legislation and local policy as a minimum level of performance. Our Environmental and Product Compliance Management System ensure that risk and impacts are appropriately identified, managed and assessed. We will monitor progress and review environmental performance against targets and objectives on a regular basis. Compliance with the associated policies and systems will also be reported to Volkswagen AG on an annual basis.

Environmental Protection – Volkswagen was the first automotive company to sign up to the ambitions of the Paris Climate Agreement following the COP21 Paris Conference which seeks to limit the impact of global warming. By 2030 the group plans to reduce its carbon footprint per car by 30% over its lifecycle (vs. 2018). In the same timeframe, the share of battery-electric vehicles is expected to rise to 50%, while by 2040 nearly 100% of all new group vehicles in major markets should be zero-emission. By 2050 at the latest, the group intends to operate net carbon neutral.

Additional issues relevant to our business, and which Volkswagen Group UK wishes to address are to:

- Reduce the use of all raw materials, energy and supplies
- Improve the recycling of packaging materials
- Minimise waste
- Efficient use of water and energy
- Use of sustainable transport

Stakeholder Collaboration – Volkswagen Group UK commits to communicating its environmental aims and objectives to all staff, as well as to customers, investors, its local community and other external stakeholders. To provide total compliance we require similar environmental standards from all suppliers and contractors.

Continual Improvement – Volkswagen Group UK commits to continually improve its environmental performance and manage significant impacts of our products, services, processes and facilities via our Environmental and Product Compliance Management systems. We commit to uphold environmental principles and continual improvement at all levels in our business.

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Alex Smith

Managing Director

Volkswagen Group UK Ltd