

VOLKSWAGEN

AKTIENGESELLSCHAFT



Declaration by the Volkswagen Group on social rights, industrial relations and business and human rights

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Preamble

The Volkswagen Group anchors fundamental social rights and principles with this declaration as part of its corporate policy. The proactive management of current global challenges is a decisive factor for the Volkswagen Group in safeguarding international competitiveness and a prerequisite for ensuring good working conditions.

The Volkswagen Group is committed to fulfilling the social responsibilities that accompany its status as a global company. Recognizing that sustained economic success is only possible if ecological and, above all, social issues are taken into account at the same time, the Volkswagen Group and its employees address the associated challenges collectively. Safeguarding the future of the Volkswagen Group together with its workforce takes place in a spirit of cooperative conflict management and social commitment based on and with the goal of ensuring economic and technological competitiveness. Economic efficiency and job protection are equal-ranking and shared goals.

The Volkswagen Group is especially committed to its corporate human rights responsibilities and acknowledges the following international conventions and declarations while also reaffirming its support for the associated contents and principles. These include:

- The Universal Declaration of Human Rights, codified in particular in the International Covenant on Civil and Political Rights and in the International Covenant on Economic, Social and Cultural Rights (in addition to other applicable human rights treaties under international law, for example the UN Convention on the Rights of the Child)
- The ILO core labor standards¹
- Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy of the ILO
- The ten principles of the UN Global Compact
- The UN Guiding Principles on Business and Human Rights,
- The OECD Guidelines for Multinational Enterprises

This declaration explicitly highlights principles of central importance for shaping our corporate responsibility, especially our duty of diligence with respect to human rights. This includes the international standards mentioned above as well as respective national laws. Furthermore, the Volkswagen Group proactively advocates the promotion of human rights, primarily in the context of social projects with human rights relevance.

This declaration provides a binding basis for social and industrial relations within the Volkswagen Group.² It also serves as a benchmark for shaping relationships with suppliers and other business partners. The resulting requirements, expectations and escalation mechanisms are defined and enshrined in special business processes in accordance with the guidelines for implementing this declaration. The specific expectations regarding suppliers arising from this declaration are defined in the Code of Conduct for Business Partners. This policy must be recognized by all suppliers prior to the commencement of the business relationship.

This declaration likewise forms the basis for dialog with further internal and external stakeholders as well as local communities in the business proximity and environment.

To improve readability, the male form of address is sometimes used throughout the text. All genders are addressed equally in this respect. The shortened language form is for editorial reasons and is entirely without prejudice.

¹ ILO core labor standards C29, C87, C98, C100, C105, C111, C138 and C182.

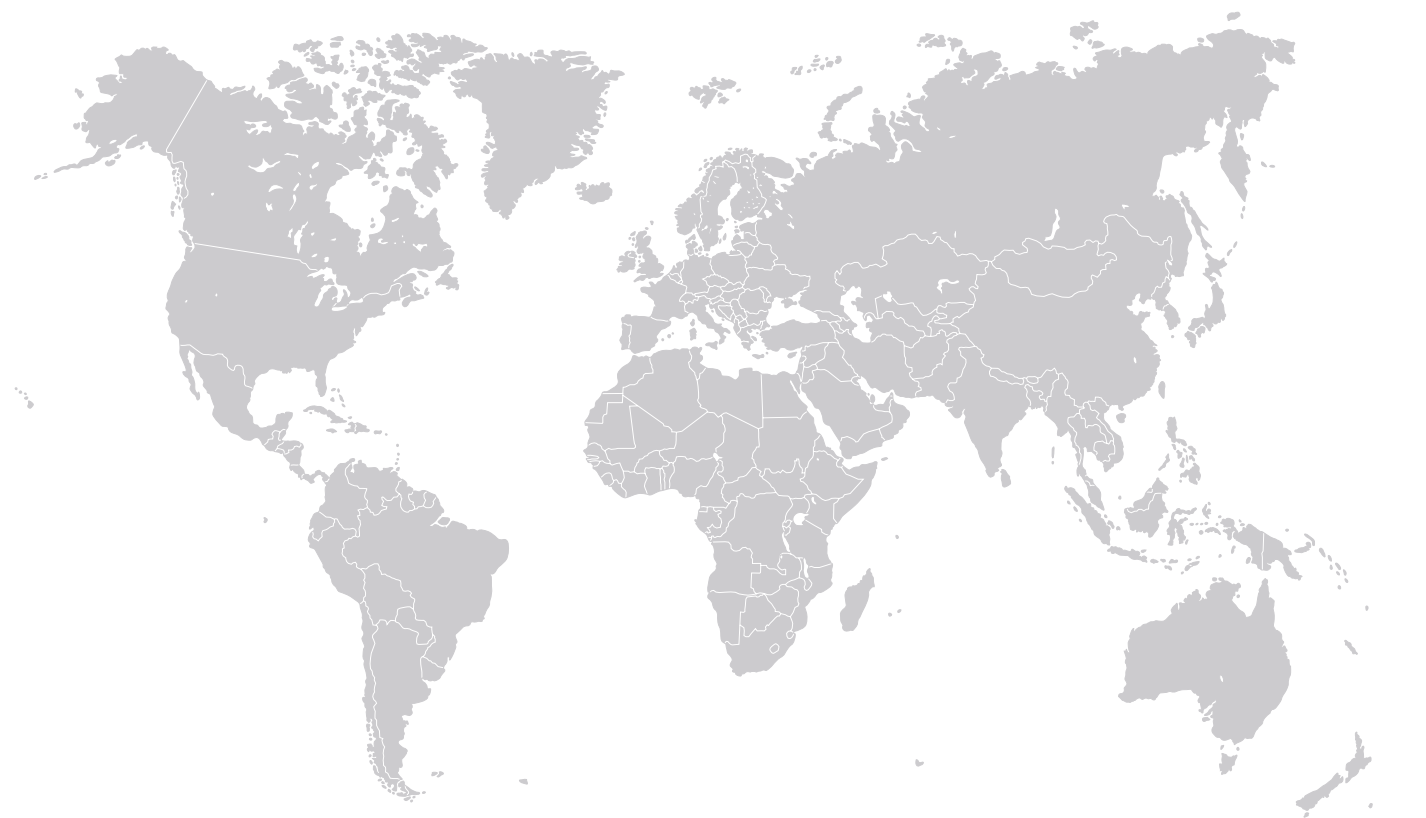
² Other important Group-wide principles and rules, for example relating to labor relations, safety and health at work, temporary work and vocational education, can be found in separate charters. They apply to the countries and companies represented in the EKBR / WKBR.

Scope

The Volkswagen Group, the Volkswagen Group European Works Council and the Volkswagen Group Global Works Council (EKBR / WKBR) adopt this declaration on behalf of Volkswagen AG and on behalf of controlled affiliated group companies of Volkswagen AG.³

Volkswagen strives to promote the same principles and objectives in companies in which the Volkswagen Group has an interest, but which are not affiliated group companies.

The principles and objectives set out below are realized with due regard for and in compliance with the applicable laws in the different countries and locations. In cases where national requirements fall short of the self-imposed standards, the Volkswagen Group promotes the advancement of the following principles and objectives.



³ Controlled Entities within Volkswagen Group are all direct or indirect controlled entities. This applies for the following: (1) Volkswagen AG or by Volkswagen AG controlled entities hold more than 50% of shares or the share capital of the entity or (2) Volkswagen AG can execute more than 50% of the voting rights in committees or the executive body of the entity based on effective shareholders agreements (e.g. voting agreements) and regulations (e.g. articles of association).

Principles and objectives

Freedom of association and collective bargaining

The Volkswagen Group recognizes the basic right of all employees to establish and join unions and employee representations.⁴ In this context, the Volkswagen Group commits itself to safeguarding neutrality. This precludes any form of discrimination based on union activities.⁵

If this basic right is constrained by local laws, alternative and lawful possibilities to establish employee representation shall be fostered.

The Volkswagen Group recognizes the right to collective bargaining.⁶ The Volkswagen Group and unions and/or employee representations engage collectively in social dialog. Thereby collective bargaining is a special expression of this social dialog.

The Volkswagen Group respects the right to strike insofar as this right is exercised in accordance with the respective national legal systems.

No forced labor

The Volkswagen Group rejects forced labor and all forms of modern slavery including human trafficking.⁷ This includes, in particular, work carried out involuntarily by people due to intimidation, penalty or threat of being disadvantaged (e.g. debt slavery or involuntary prison labor). Employment relationships are based on voluntary participation and can be terminated at any time by the employees of their own free will and within a reasonable period of notice.



No discrimination and no harassment

The Volkswagen Group rejects all forms of discrimination, harassment or unwarranted disadvantage. This applies, in particular, to discrimination due to ethnic or social origin, skin color, gender, nationality, language, religion, physical or mental limitations, gender identity, sexual orientation, health status, age, marital status, pregnancy / parenthood, union membership or political persuasion, insofar as this is based on democratic principles and tolerance towards differently minded persons.⁸ The Volkswagen Group is committed to equal opportunities and equal treatment and promotes an atmosphere of mutual respect and diversity in which employees are chosen, hired and promoted only based on their suitability, qualifications and abilities. The Volkswagen Group is committed to ensuring a healthy work-life balance and fulfills the requirements to achieve this.

The Volkswagen Group is committed to cultural diversity and respects the rights of ethnic, religious or comparable minorities and promotes teamwork characterized by mutual respect.

The Volkswagen Group respects and protects the rights of vulnerable groups, such as expectant mothers, people with disabilities, migrants, elderly employees as well as indigenous peoples.

The Volkswagen Group does not tolerate any form of harassment, either sexual or moral. This applies, in particular, to violence and harassment in the working environment, which occurs during, in relation to or as a result of work being carried out.⁹ The signatories are therefore of the opinion that preventing and prohibiting such behavior using suitable measures is imperative and a prerequisite for ensuring well-being at work.

⁴ ILO Convention 87.

⁵ ILO Convention 135.

⁶ ILO Convention 98.

⁷ ILO Conventions 29 and 105.

⁸ ILO Convention 111.

⁹ ILO Convention 190.



No child labor and protection of young workers

Child labor is prohibited.

The minimum age for acceptance for employment is determined according to the standards of the International Labor Organization and the requirements for prohibition of hazardous child labor.¹⁰

Compensation and benefits

The compensation and benefits paid or received for a normal work week correspond at least to the legally valid and guaranteed national minimum. In case legal or collective bargaining regulations do not exist, branch-specific tariff compensation and benefits are used as an orientation that are customary to the respective location and ensure an appropriate standard of living for the employees and their families.

The Volkswagen Group recognizes the principle of equal pay for work of equal value, especially between different genders.¹¹

Work hours

The Volkswagen Group recognizes the principle that work hours must correspond at least to the respective national legal requirements or to the minimum standards of the respective national economic sectors. The Volkswagen Group promotes social and societal dialog where possible based on collective bargaining in order to ensure that work hours are humane and compatible with health.

Occupational, health and fire safety and environmental protection

The Volkswagen Group recognizes the importance of occupational, health and fire safety and environmental protection and is committed to creating a safe working environment and ensuring healthy employment conditions in accordance with applicable international standards. In this respect, it ensures occupational, health and fire safety at the workplace at no cost for employees at least in the context of the relevant national regulations and in harmony with the requirements of the corresponding Compliance Management System. The Volkswagen Group will take appropriate (e.g. technical, organizational or personal) protective measures in this respect and ensure as well as track their compliance and continuous enhancement using the existing management systems and in cooperation with the social partners. The same applies to corporate environmental protection measures. In its environmental mission statement and policy, the Volkswagen Group commits itself to environmentally compatible actions and prudent use of resources in all of its activities.

Protection of confidential information

The Volkswagen Group is committed to protecting personal data and protecting confidential information. At the same time, the Volkswagen Group is aware of the major importance of data, for example for digital business models. At the same time, this implies responsible use of data.

The collection, storage, processing and other use of personal data requires the consent of the data subject, a contractual regulation or some other legal basis.

¹⁰ ILO Conventions 138 and 182.

¹¹ ILO Convention 100.

Protecting the freedom of conscience, expression and religion

The Volkswagen Group respects the right to freedom of conscience, expression and religion. In cases where these rights are subject to state restrictions, it advocates societal dialog.

Protection of bodily integrity, ban on torture

The Volkswagen Group considers that the protection of bodily integrity is of primary importance and uses appropriate measures in a company context and as part of its duty of care to ensure adequate safeguarding of this legally protected right.

The Volkswagen Group acknowledges its past and its historical responsibility and respects international human rights in this context.

Any involvement including complicity or involvement in kidnappings, torture, killings or such acts is strictly repudiated.

Use of management systems for implementing this declaration

The observance and realization of the principles and objectives set out in this declaration are tracked by using the existing and risk-exposure-driven compliance management systems, which are benchmarked in regard to recognized standards.

The content-based design and orientation of these existing management systems are described in greater detail in dedicated guidelines for implementing this declaration. The local implementation is tasked to the regionally responsible employee at the respective site.

Within the Volkswagen Group, respective measures for the implementation of this declaration are derived from applicable laws and company rules in close collaboration with the employee representations. In particular, this applies to measures involving training and communication.

The signatories affirm their commitment to continually monitor the compliance with this declaration and evaluation of its application. This shall happen at least once a year during the meeting of the Volkswagen Group European Works Council and the Volkswagen Group Global Works Council (EKBR / WKBR). The right of local employee representations to call on local management to initiate this evaluation during the course of the year shall hereby not be infringed.

Wolfsburg, November 27, 2020

for the Volkswagen Group
European Works Council and
Group Global Works Council

Final provisions

Upon signature, this declaration enters into force and replaces the previous „Declaration on social rights and industrial relations at Volkswagen“ as amended 11 May 2012. No individual or third-party rights can be derived from this declaration.

This declaration has no retroactive effects.

This declaration will be reevaluated regularly during the meetings of the Volkswagen Group European Works Council and the Volkswagen Group Global Works Council to determine a need for modification and can be adjusted in mutual agreement. Should any provision of this declaration be legally invalid, the parties agree to establish a new provision that approximates the invalid provision as closely as possible.

In case of ambiguity regarding the interpretation or application of this declaration, the German version prevails. The signatories agree to consult each other in this occurrence. The declaration must be appropriately communicated by the signing parties within their respective area of responsibility immediately following the signing of the declaration.

für the Volkswagen
Group Management

Guidelines for implementing the declaration

In order to ensure compliance with this declaration in day-to-day business, appropriate measures will be defined in close collaboration between the company and the EKBR / WKBR within the framework of the applicable laws and company regulations, including definition of clear responsibilities, internal regulations and where needed, improvement of existing processes. The Volkswagen Group integrates the topic of business and human rights into its existing Compliance Management System (CMS) in order to implement its duty of diligence with respect to human rights („business & human rights due diligence“). Other relevant documents are e.g. the Code of Conduct (CoC) of the Volkswagen Group as well as the CoC for business partners and internal Group regulations.

The „Business and human rights“ department is responsible for this topic area and its coordination in the Volkswagen Group in consultation with Group HR policy and standards, insofar as employees and/or internal processes in the HR division are affected.

The local implementation is tasked to the regionally responsible employee at the respective site, who accordingly reports to the respective Group functions. They are supported in this respect both centrally and decentrally by business units (e.g. HR, Procurement, Sustainability, Integrity and Law, especially Compliance) as well as by the employee representatives.

Regular site inspections are also being carried out using a risk-based approach. Risk analysis of supplier relationships and the relationships of the supplier with other business partners serve as a means of establishing actual and potential adverse impact on human rights. Where in-depth analysis are carried out locally, this may include consulting potentially affected population groups or their representatives if necessary.

In addition, further preventive measures (e.g. training for employees and suppliers as awareness-raising measures, adaptation of management systems or stakeholder dialogs) will also be taken. The reporting on the topic of business and human rights is the joint responsibility of the Group business and human rights coordination department and the Group sustainability department.

Suspected violations of applicable law or this declaration can be highlighted both by employees and third parties using the Group-wide whistleblower system via io@volkswagen.de. In addition, also available are reporting channels through the employee representatives and ombudspersons.

This declaration will be distributed to internal and external stakeholders e.g. through publications on websites. Those with the central responsibility for implementing this declaration are being informed and trained separately.

MAN Energy Solutions SE, 86224 Augsburg, Germany

To whom it may concern

Augsburg, November 2021

Ref.

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Declaration on the implementation of the declaration at MAN Energy Solutions

MAN Energy Solutions fully commits to its business human rights responsibility. In order to implement the "Declaration by the Volkswagen Group on social rights, industrial relations and business and human rights" appropriate measures are being defined in compliance with the applicable laws and in close collaboration with Volkswagen AG.

MAN Energy Solutions pays the utmost attention in particular to the salient human rights issues. The salient human rights issues identified for MAN Energy Solutions are as follows:

Vorsitzender des Aufsichtsrates:
Gunnar Kilian
Vorstand: Dr. Uwe Lauber (Vorsitzender),
Wayne Jones, Jürgen Klöpffer,
Martin Oetjen, Martin Rosik

Sitz der Gesellschaft: Augsburg
Registergericht: Amtsgericht Augsburg,
HRB 22056

Ust.Id.-Nr.: DE 811 136 900

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SWIFT: DEUTDEMM720
Commerzbank Augsburg
DE91 7204 0046 0121 6456 00
SWIFT: COBADEFF720
Deutsche Bank Oberhausen
DE46 3657 0049 0415 8721 00
SWIFT: DEUTDEDE365
Commerzbank Oberhausen
DE81 3654 0046 0380 0877 00
SWIFT: COBADEFF365



The concerned departments are closely collaborating to safeguard that human rights are respected by MAN Energy Solutions and our suppliers. Human rights have long been part of the MAN Energy Solutions Code of Conduct and the MAN Energy Solutions Code of Conduct for Suppliers and Business Partners.

Tip-offs on potential human rights violations can be made to the Volkswagen AG whistleblower system. You can find the whistleblower system and additional contact data under <https://www.volkswagenag.com/hint>. In addition, tip-offs on potential human rights violations by our suppliers can be reported to sustainability-supplychain@man-es.com.

MAN Energy Solutions SE

Dr. Uwe Lauber
Chief Executive Officer
Chief Technology Officer

Martin Rosik
Member of the Executive Board
Chief Human Resources Officer