
Media information

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Volkswagen Group Joins Responsible Sourcing Network

- **Application of Blockchain Technology to Trace Minerals**
- **Network Covers Whole Supply Chain**
- **Focus on Responsible Sourcing of Cobalt**

Wolfsburg – April 18, 2019 – Today Volkswagen joined [an open industry collaboration](#) for the responsible sourcing of strategic minerals that will use blockchain technology to increase efficiency, sustainability and transparency in global mineral supply chains. Joining the collaboration will enable the Volkswagen Group to gain greater insight into the provenance of cobalt used in lithium-ion batteries for electric vehicles and other types of minerals used elsewhere in the production of vehicles.

Blockchain technology complements both current assessment and audit procedures as well as supports responsible sourcing standards developed by the Organization for Economic Cooperation and Development (OECD), enabling a permanent record to help address compliance requirements. Traditionally, miners, smelters and consumer brands had to rely on third-party audits and laborious manual processes to establish compliance with generally accepted industry standards.

Built on the IBM Blockchain Platform and powered by the Linux Foundation's Hyperledger Fabric, the new platform for enabling the traceability and provenance of minerals is designed to provide easy access for interested parties of all sizes and roles in the supply chain. Participants in the network, validated by RCS Global Group for compliance with responsible sourcing standards, can contribute and access immutable data in a secure and permissioned way to trace and record the flow of minerals across the supply chain in near real-time.

Today, the blockchain network includes participants at each major stage of the supply chain from mine to end-user. Other members of the collaboration are Ford Motor Company, Huayou Cobalt, IBM and LG Chem along with co-founding responsible sourcing specialists RCS Global Group.

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Volkswagen Group will contribute its vast business acumen to the initiative being one of the world's leading automotive OEMs with suppliers and production facilities worldwide as well as first-hand knowledge of sustainability in supplier relations and mineral sourcing at a global scale.

Based on its open and democratic structure, the group will further expand membership to focus on industries such as aerospace, consumer electronics and mining operations.



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About the Volkswagen Group:

The Volkswagen Group, with its headquarters in Wolfsburg, is one of the world's leading automobile manufacturers and the largest carmaker in Europe. The Group comprises twelve brands from seven European countries: Volkswagen Passenger Cars, Audi, SEAT, ŠKODA, Bentley, Bugatti, Lamborghini, Porsche, Ducati, Volkswagen Commercial Vehicles, Scania and MAN. The passenger car portfolio ranges from small cars all the way to luxury-class vehicles. Ducati offers motorcycles. In the light and heavy commercial vehicles sector, the products include ranges from pick-ups, buses and heavy trucks. Every weekday, 664,496 employees around the globe produce on average 44,567 vehicles, are involved in vehicle-related services or work in other areas of business. The Volkswagen Group sells its vehicles in 153 countries.

In 2018, the total number of vehicles supplied to customers by the Group globally was 10,831 million (2017: 10,741 million). The passenger car global market share was 12.3 per cent. In Western Europe 22.0 per cent of all new passenger cars come from the Volkswagen Group. Group sales revenue in 2018 totalled €235.8 billion (2017: €231 billion). Earnings after tax in 2018 amounted to €17.1 billion (2017: €11.6 billion).