Media information



April 29, 2021

Way to Zero: Volkswagen presents roadmap for climate-neutral mobility

- Extensive package of measures aimed at accelerating the sustainable production and use of electric cars
- The company aims to cut CO₂ emissions in Europe by an average of some 17 tons per vehicle by 2030, 40 percent less than in 2018
- Investment of 14 billion euros in decarbonization by 2025
- Green electricity for vehicle's use phase: Volkswagen is the first car maker to support the extensive expansion of wind farms and solar plants in Europe
- Sustainable production: Electricity for plants in Europe and North and South America to be switched to renewables by 2030
- Ralf Brandstätter, CEO of Volkswagen: "Volkswagen stands for sustainable e-mobility for all from production through service life to recycling."

Berlin / Wolfsburg – At the first Way to Zero Convention, Volkswagen today gave details of its plans for decarbonizing the company and its products. The company intends to be net carbon neutral by 2050 at the latest. A new interim milestone is the targeted 40-percent reduction in CO₂ emissions per vehicle in Europe by 2030 – substantially outperforming the Group target of 30 percent (baseline: 2018). As a result, an average Volkswagen would emit around 17 tons less carbon dioxide. As well as accelerating the transition to e-mobility, the production (including supply chain) and operation of electric cars is to be made net carbon neutral. Added to this is the systematic recycling of the high-voltage batteries from old electric vehicles.



Volkswagen CEO Ralf Brandstätter at the Way to Zero Convention

"Volkswagen stands for sustainable e-mobility for all. We've set out on the 'Way To Zero' and are consistently placing the environment at the focus of all our activities," said Ralf Brandstätter, CEO of Volkswagen. "Our big electric offensive was just the start. We're taking a holistic approach to decarbonization: from production through service life to recycling. And we're the first car maker to support the expansion of renewable energies on an industrial scale."

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Volkswagen supports the construction of wind farms and solar plants

A key factor in achieving carbon-neutral e-mobility is to be able to charge vehicles consistently with electricity generated entirely from renewable sources. This alone would reduce CO₂ emissions by almost half compared with the standard EU electricity mix. Already today, Volkswagen offers its customers green electricity for charging at home (Volkswagen Naturstrom) and on the road (e.g. at IONITY charging stations). The

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company is now going one step further. Volkswagen is the first car maker to directly support the expansion of renewable energy on a large scale. As a result, new wind farms and solar plants are to be constructed in several regions of Europe by 2025.

Contracts for the first projects have already been signed with energy company RWE. In Germany, Volkswagen is supporting the construction of a solar plant with a total capacity of 170 million kilowatt hours each year. The associated plant will be completed in Tramm-Göthen in northeastern Germany by the end of 2021 and is being constructed without any state subsidies at all. Incorporating around 420,000 solar modules, it is the largest independent solar project in Germany.

It is planned that all projects together will generate around seven terawatt hours of additional green electricity by 2025. The amount of renewable electricity going into the grid will grow in parallel with the number of ID. vehicles. In this way, Volkswagen is improving the climate footprint of the ID. family and creating the basis for the net carbon neutral use of its electric fleet.

Green production and supply chain

As well as ensuring the green use of its vehicles, Volkswagen is also working to decarbonize both production and supply chain. Already today, the electricity used at all our European production sites comes from renewable sources. The pioneer here is the electric car factory in Zwickau, where the ID. family is produced. From 2030, all plants worldwide, other than in China, are to operate entirely on green electricity. In the future, the largest contributors to CO₂ emissions in the supply chain will be systematically identified and reduced. The role model for this is the battery cell production for the ID.3 and ID.4, which already uses green electricity only and therefore has a substantially improved carbon footprint.

This year already, Volkswagen will be switching to other sustainable components in its ID. vehicles, including battery housings and wheel rims made from green aluminum and tires from low-emission production. There are more than ten focus components which will enable us to improve the carbon footprint of the ID. family by around two tons per vehicle in the years ahead. When it comes to new vehicle projects, Volkswagen will be making CO₂ emissions a key criterion in awarding contracts to suppliers. In this way, the company intends to work with its suppliers to gradually improve their carbon footprint and ensure the sustainability of its supply chain. The company is also pursuing a clear decarbonization strategy in the in-house production of components at Volkswagen Group Components. As such the giga-factories for battery cell production announced during Power Day are to be supplied with entirely green electricity.

The systematic recycling of batteries, which will allow more than 90 percent of raw materials to be reused in the future, is intended to make a further contribution to reducing CO₂ emissions. The goal is a closed loop for the battery and its raw materials that the company has at its own disposal across the Group. Volkswagen Group Components is already operating an initial recycling facility in Salzgitter.

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Accelerating the electric offensive

At the heart of the Way to Zero is Volkswagen's new ACCELERATE strategy aimed at stepping up the pace of the electric offensive. The goal is the full electrification of the new vehicle fleet. By 2030, at least 70 percent of all Volkswagen's unit sales in Europe will be all-electric vehicles – that's substantially more than one million vehicles. This would mean that Volkswagen would significantly outperform the requirements of the EU Green Deal. In North America and China, the share of electric vehicles in sales should be at least 50 percent. In addition, Volkswagen will be launching at least one new electric car each year. One day before the Convention, Volkswagen presented the ID.4 GTX, the next model in the all-electric ID. family.

Way to Zero Convention for an open dialog with government, industry and society

"The 'Way to Zero' is our roadmap for effective climate protection, with clear and ambitious milestones. We live up to our responsibility for the environment. The 'Way to Zero' will provide us with a real competitive advantage. In the future, employees, customers and investors will give preference to those companies which place their social and environmental responsibility at the heart of their business. Sustainability will thus become a crucial factor in corporate success," said Ralf Brandstätter. "However, Volkswagen cannot shoulder the decarbonization of mobility on its own. Government, industry and society need to come together to develop good ideas and make courageous investments."

With the Way to Zero Convention, Volkswagen aims to foster an open dialog with government, industry and society. The day-long event, which was entirely digital due to the coronavirus pandemic, was attended by more than 20 speakers from political parties, NGOs, scientific institutions and other companies alongside representatives of Volkswagen.

You can find further information and media materials related to Way to Zero Convention at www.convention.vw-newsroom.com.

 $^{1)}$ ID.3 - combined power consumption in kWh/100 km (NEDC): 15.4-13.1, CO₂ emissions in g/km: 0; efficiency class: A+

 $^{2)}$ ID.4 - power consumption in kWh/100 km (NEDC): combined 16.9-15.5; CO₂ emissions in g/km: 0; efficiency class: A+

 $^{3)}$ ID.4 GTX - combined power consumption in kWh/100 km (NEDC): 19.1-18.1, CO $_2$ emissions in g/km: 0; efficiency class: A+

The Volkswagen Passenger Cars brand is present in more than 150 markets worldwide and produces vehicles at more than 30 locations in 13 countries. Volkswagen delivered around 5.3 million vehicles in 2020. These include bestsellers such as the Golf, Tiguan, Jetta or Passat as well as the fully electric successful models ID.3 and ID.4. Around 184,000 people currently work at Volkswagen worldwide. In addition, there are more than 10,000 trading companies and service partners with 86,000 employees. With its ACCELERATE strategy, Volkswagen is consistently advancing its further development into a software-oriented mobility provider.

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