



ANNEX B

Corporate Responses

The research presented in "Driving Force" was drawn from publicly available sources or bills of lading available by subscription, which allowed the researchers to identify **exposure to Uyghur labor transfers** in automotive supply chains.

All companies named in "Driving Force" were emailed to provide the opportunity to contribute to the report findings. (Some emails bounced back and additional email addresses were attempted where available.) The research team invited Chinese companies to explain their relationship to the labor transfer programs and asked downstream corporations to indicate any relationship they have to the named Chinese suppliers and intermediary manufacturers and to describe efforts they have made to exclude Uyghur Region products from supply chains. The research team cannot independently verify these claims, but we allowed companies an opportunity to address the risk identified in our research.

Below are the responses received to date. These responses will be updated as new information is received.

Last Updated: February 16, 2023

CONTENTS

Bosch
Aston Martin
Mercedes Benz
ORA
Rio Tinto
Nissan
Pirelli
General Motors
Volvo
Honda
Kohler
BMW
Trafigura
Continental

BOSCH
November 16, 2022

Dear Laura,

Thank you for the email and this information. We take any indication of the use of forced labor in our supply chain very seriously and appreciate any information that we receive in this regard. Currently, we are reviewing the provided list of suppliers carefully.

In order to simplify this process, may I ask you a clarifying question?

If I understand correctly, you base your assessment on shipping data. Would it be possible to receive the data/evidence that indicates the connection of one of these suppliers to Bosch? This would help us to streamline the investigation.

I would also like to ask some small questions on the next steps of the report, if that is fine by you. Below, you state that our responds to your inquiry will be published on our landing website. Will the provided information also be included in the report itself? Will you publish the statement as is (as a quote or similar) or adapt it to the format of your publication? What will happen with the report once it is published?

Thank you so much to answer my questions. If you would prefer, I would be happy to discuss these questions on the phone as well.

Kind regards,
Ellen Bulander

December 3, 2022
[in response to additional information on the suppliers named in our report.]

Dear Prof. Murphy,

Thank you for your inquiry, and provided information, regarding your research into whether forced labor in/from the Xinjiang Uyghur Autonomous Region (XUAR) is used in the manufacturing of products relevant to the automotive industry.

Bosch is committed to ensuring that its products are not produced wholly or in part by forced labor. Regarding the XUAR, Bosch does not mine, produce or manufacture products in that region.

Materials and components from our direct suppliers also are not mined, produced or manufactured at sites in the XUAR. This includes the company CATL that you have identified to us. As to Shenzhen Deren, another company you have identified to us, this is not a direct supplier to Bosch.

In our "Basic principles of social responsibility at Bosch," Bosch states its commitments to fair working conditions and respect for human rights and specifically rejects forced labor of any kind. Our principles of social responsibility are based on the core labor standards of the International Labour Organisation (ILO) and Ten Principles of the United Nations Global Compact. Bosch's value-based corporate culture applies at all of our operations worldwide. We do not tolerate forced labor at our own sites or those of our suppliers.

We describe these commitments to our suppliers in our Terms and Conditions of Purchase and in our Code of Conduct for Business Partners. The Code of Conduct for Business Partners stipulates

that our suppliers pass these requirements on to their sub-suppliers. If there is a breach, it is to be ceased immediately.

On-site inspections are a component of our management of our supply chain. We currently use two methods as part of the regular assessment of our suppliers' sustainability performance, which includes the prohibition of forced labor. These checks are mainly carried out in potentially high-risk regions or industries, or when there are any specific indications of impropriety. If a supplier deviates from our standards, Bosch reserves the right to end the business relationship or to terminate agreements. Beyond inspections, Bosch provides training to suppliers on social responsibility and discusses social responsibility at supplier events.

Additionally, human rights form one of our six fundamental dimensions in our target vision "New Dimensions – Sustainability 2025." Bosch's sustainability report for 2021 explains in detail how we approach this dimension through due diligence on human rights. We invite you to review the report, including its discussion of management of our supply chain (pages 44-57):

https://assets.bosch.com/media/global/sustainability/reporting_and_data/2021/bosch-sustainability-report-2021.pdf

We hope that the foregoing information gives you a deeper understanding of Bosch activities on human rights and sustainability and that you will take this information into account as you prepare your report on the results of your research.

December 5, 2022

[In response to information indicating that Shenzhen Deren names Bosch as a customer]

Dear Laura,

Thank you for your email and your follow-up question. Our statement from last Friday remains correct, we have no direct supplier relationship with Shenzhen Deren. We do not know why the company names us on their website, you may want to reach out to them directly to get further information on this. Thanks to your information, our purchasing organization will get in contact with them as well.

Kind regards,

Ellen

Mit freundlichen Grüßen / Best regards

Ellen Bulander

Corporate Office Sustainability, Environment, Health and Safety # Ideas Lab (C/SEL)

Robert Bosch GmbH

ASTON MARTIN

November 21, 2022

Dear Prof. Murphy,

Following on from my email below, we have conducted an initial review of all Aston Martin's Tier 1 and Tier 2 suppliers and have not yet been able to establish any links to the companies in XUAR you have provided.

Given the importance of responsible procurement at Aston Martin, I wanted to ask if there is any specific information you may be able to share with us from your own investigation? You mention below you have linked Aston Martin to the companies below by shipping data. Which companies are these?

Regards,
Paul

December 4, 2022

[in response to SHU providing information that Aston Martin appears to be sourcing from Joyson Safety Systems.]

Dear Prof. Murphy,

Following an internal investigation into this matter, please find an official response to your enquiry copied below. Do let me know if you have any further questions.

Statement on behalf of Aston Martin Lagonda:

Aston Martin issues a [Responsible Procurement Policy](#) to all its suppliers, which includes a zero-tolerance approach to forced labour within our extended supply chain, to which it requires all its suppliers to commit.

Since being contacted by Sheffield Hallam University, we have undertaken our own internal investigation and confirmed that there are no direct links between Aston Martin and the companies the University has identified as operating in the Xinjiang Uyghur Autonomous Region.

As the University has highlighted, Aston Martin sources several components from Joyson Safety Systems' businesses in the European Union. Aston Martin has received reassurances from this supplier that it is acting in full accordance with our Responsible Procurement Policy, along with all of Joyson's subsidiaries and suppliers. Joyson Safety Systems has reiterated its own commitment to the United Nations International Charter of Human Rights. Further, the company's [Code of Ethics and Business Conduct](#) and [Supplier Code of Conduct](#) expressly prohibit the use of forced labour, human trafficking, and other practices in violation of human rights, and they require suppliers to sign an acknowledgement agreeing to comply with the JSS Supplier Code of Conduct.

Aston Martin takes compliance with all relevant legislation seriously and will take immediate action where it identifies any failure to comply with its Responsible Procurement Policy.

Regards,
Paul
Paul Garbett, Head of Corporate and Brand Communications

MERCEDES-BENZ
November 21, 2022

Dear Laura

Your email to Andrea Berg, my Mercedes-Benz US colleague, has been forward to my Mercedes-Benz HQ colleagues in Germany. Their response is below – I've been asked to forward this as I am based in the UK.

Best
Debbie

First of all thank you very much again for bringing this to our attention. We take all such reports very seriously and follow them up.

However, to clarify the issues you raised in your request we kindly ask you to send us more detailed information on your findings.

In general, with our [Principles of Social Responsibility and Human Rights](#), we commit to upholding and respecting human rights as laid out in the International Bill of Human Rights, the International Labor Organization's Declaration on the Fundamental Principles and Rights at Work and the Guiding Principles on Business and Human Rights of the United Nations.

Our aim is to ensure that human rights are respected in all our Group companies, by our partners and by our suppliers.

As stated in our Responsible Sourcing Standards we expect compliance with these principles also from our business partners, which includes good working conditions as well as free choice of employment and environmental protection. This applies to suppliers, their employees and their subcontractors. Mercedes-Benz calls on its direct suppliers to apply the standards, which are currently being updated, in their upstream value chains and to monitor their compliance.

Debbie Hull
Communications & Events Director
Mercedes-Benz Cars UK Limited
Corporate Communications & Events

NISSAN
November 29, 2022

Dear Laura

I'm Azusa Momose from Nissan's global communications team.

Thanks for reaching out.

On your inquiry below, Nissan is committed to complying with all applicable laws and regulations in every market in which we operate.

In line with our global Human Rights Policy Statement, our goal is to conduct ethical, social and environmentally conscious business practices at every level of our global supply chain. In order to achieve this goal, we are committed to working with our business partners, including suppliers and contractors, to enhance transparency and traceability in our supply chain to further the objectives of our policy.

Best regards,

Azusa Momose, Nissan

ORA

November 29, 2022

Dear Mrs. Murphy,

Thank you for your e-mail!

We are seeking all relevant information and will issue a reply as soon as possible.

Best regards,

GWM Europe Team
Great Wall Motor Deutschland GmbH

RIO TINTO

November 30, 2022

Response to Sheffield Hallam University's Helena Kennedy Centre of International Justice –
Research on Forced Labour in automotive industry in Xinjiang Uyghur Autonomous Region

30 November 2022

Dear Professor Murphy

Thank you for the opportunity to respond to your email of 14 November 2022 regarding the upcoming research report to be released by Sheffield Hallam University's Helena Kennedy Centre of International Justice.

Rio Tinto rejects any form of modern slavery. We commit to respect and support the dignity, wellbeing and human rights of all people including the communities where we live and work, our workforce and others affected by our activities and business relationships.

We have just updated our [Human Rights Policy](#) which contains more details about Rio Tinto's overall approach to human rights in line with the United Nations' Guiding Principles on Business and Human Rights. Further details of our approach to human rights can be found [here](#).

We have set out our responses to your questions raised in your email below.

Can you confirm that you supply raw materials to companies in the XUAR or to companies that operate subsidiaries that process those raw materials in the XUAR?

We do not supply raw materials to companies in the XUAR. We are aware that some of our customers may have subsidiaries in XUAR, however, Rio Tinto has no commercial or business relationship with these XUAR-based subsidiaries.

All our customers go through a detailed Know Your Customer review process. This includes reviewing whether entities meet our standards in multiple areas including business integrity and human rights. We also undertake frequent review of trade sanctions and other watchlist checks for all of our customers.

The majority of our customers across commodities are long-term. These are entities with whom Rio Tinto has multi-year relationships and frequent interaction. We are committed to engage and collaborate with our customers to advance respect for internationally recognised human rights.

What do you do, if anything, to ensure that your company does not profit from companies engaged in state-sponsored labor transfer programs that experts have identified as forced labor?

We reject any form of modern slavery including forced labour, debt bondage, forced marriage and trafficking; child labour; or other labour exploitation in our activities and value chain. This includes:

- Implementing policies, standards and processes that form our overall control framework to respect human rights and help protect against our involvement in modern slavery (e.g., Supplier Code of Conduct, Human Rights Policy, contract clauses and others);
- undertaking due diligence processes to assess and mitigate modern slavery risks including our approach to training and capacity building and how we engage and collaborate with stakeholders;
- providing grievance mechanisms and remediation processes; and
- assessing the effectiveness of our actions taken and outline the process of consultation undertaken across our business.

We publish an annual statement on modern slavery, which complies with the UK Modern Slavery Act and the Australian Modern Slavery Act. Retrospective and current statements can be found here.

We would welcome a continued dialogue with yourselves on these matters. If you have any questions, please do not hesitate to reach out to me.

Melinda Buckland

Head of Communities and Social Performance

PIRELLI
November 30, 2022

Dear Professor Murphy,

Thank you for your email, and we appreciate your research aiming to advance the all-important cause of human rights.

On your first question, Pirelli is not a customer of any of the companies you listed, and we have no direct suppliers in the XUAR. We would appreciate it if you would correct your records, and not list Pirelli among companies sourcing from this region.

Our procurement program includes a rigorous selection and onboarding process with human rights contractual obligations, required adherence to Pirelli's sustainability clause, and audits both before selection and after. We also ask our suppliers to adopt the same standards with their suppliers.

1. See our policies ([The values and Ethical Code of Pirelli Supplier Code of Conduct \(pirelli.com\)](#)

[Global human rights policy \(pirelli.com\)](#)) and supplier portal: [Supplier Portal | Working Together | \(pirelli.com\)](#) (US version here: [Supplier Portal | Working Together | \(pirelli.com\)](#)). More information is available in our annual report (see pages 109-118 here: [PIRELLI_ANNUAL_REPORT_2021_ENG.pdf](#)).

Supply chain traceability is a priority for us. As an example, see our sustainable natural rubber policy, implementation manual, and progress report: [Sustainable Natural Rubber \(pirelli.com\)](#).

Responsible supply chain management is, of course, a journey, and every year we publish our progress in our annual report. We are grateful for the efforts of NGOs and research organizations and we believe in working together towards the common goals outlined in the UN Sustainable Development Goals.

Lastly, we believe it would be helpful if research organizations such as yours could list companies with their Chinese names and taxpayer numbers, given the opportunities for confusion.

Thank you, and please let us know if you have further questions.

Barbara Lightwood

GENERAL MOTORS

December 2, 2022

Hi Laura,

Thank you for reaching out and providing us the opportunity to address your upcoming report. Please find the statement below as our response.

We actively monitor our global supply chain and conduct extensive due diligence, particularly where we identify or are made aware of potential violations of the law, our agreements, or our policies -- such as our Supplier Code of Conduct, which is guided by the United Nations Global Compact. We use this process on a case-by-case basis to investigate issues, substantiate claims, establish the facts and act rapidly to determine the appropriate solution on a case-by-case basis, up to and including the termination of business relationships.

General Motors has a robust Supplier Code of Conduct and purchase contract Terms and Conditions that set forth expectations for ethically responsible social, business and environmental practices. Our Terms and Conditions clearly state our prohibition against any use of child labor or any other form of forced or involuntary labor, abusive treatment of employees or corrupt business practices in the supplying of goods and services to GM.

Our Code of Conduct is guided by the United Nations Global Compact, which GM signed in December 2015, and prohibits:

- Harassment and discrimination;
- Slave and forced labor;
- Employment of underage children;
- Human trafficking; or
- Interfering with the freedom of association and the right to engage in collective bargaining.

GM's commitment to respect human rights in our supply chain is aligned with our purchasing decisions. The GM [Supplier Code of Conduct](#) outlines requirements and expectations in areas related to human rights, environmental stewardship, responsible material sourcing and responsible and lawful business practices. When we become aware of violations or alleged violations of our Supplier Code of Conduct, we respond swiftly and appropriately, up to and including the termination of business relationships.

GM's success depends in part on building positive business relationships with reputable and ethical suppliers that meet our business needs. GM maintains a Supplier Code of Conduct that sets forth our expectations for ethical conduct as well as a risk-based due diligence program for our suppliers and business partners.

GM's due diligence activities consider, among other things, safety, reputation, human rights, integrity, business requirements, compliance with laws and GM's expectations for adherence to Winning with Integrity. We engage in continuous risk assessment, using a variety of tools and cross-functional resources to better understand and mitigate risk. We provide resources to our suppliers through our GM SupplyPower portal and other channels to ensure open communication and to help suppliers understand our expectations and improve their operations.

In addition, GM is actively pursuing opportunities to localize as much of the supply chain as possible with the recognition that secure, sustainable, scalable, and cost-competitive supply chains are key to enabling an all-electric, clean transportation future.

Kind regards,

Fred Gersdorff
Sr. Manager – Socially Responsible and Sustainable SC
GPSC – Central Resiliency, Sustainability, and Partnerships

VOLVO
December 2, 2022

Dear Laura,

Thank you for reaching out to Volvo Cars and giving us the opportunity to provide input to your questions and findings on your latest research. Volvo Cars is a company committed to responsible business and cascading such commitment throughout our supply chain is a cornerstone of our Sustainability journey that we take very seriously.

In the attached document, you will find our formal response to your questions.

Please do not hesitate to reach out to me if you have any queries based on the information provided!

Best regards,

Eva Bennis

Head of Procurement Sustainability| Central

Volvo Cars' answers to questions raised by Sheffield Hallam University, Helena Kennedy Centre for International Justice. 2022-12-02

Thank you for reaching out to us. Please find our answers to your questions with a deadline of December 4 2022 below.

Question: Can you confirm that your company is indeed a customer of one of the listed companies (or their subsidiaries or parent companies)? Please name all of your company's suppliers on these lists and the material/product your company sources from them, and the percentage of your supply of that material/product that comes from the named company.

Answer: Being an automotive company Volvo Cars has global and complex supply chain. We are actively increasing the traceability throughout our supply chain and enhance our due diligence

efforts even further to ensure that there is “no forced labor of any kind relating to Volvo Cars’ business, products and services”, as stated in Volvo Car Group Code of Conduct for Business Partners. The companies that are part of our supply chain is business sensitive information. However, as we have communicated before we signed a long-term agreement with the battery maker CATL in 2019. We take information about potential violations of our Code of Conduct for Business Partners very seriously. We will launch an investigation to follow up on any allegations highlighted in the report related to Volvo Cars.

Question: Can you tell us what, if anything, your company has done to respond to allegations of forced labor in the XUAR?

Answer: Committing to Volvo Car Group Code of Conduct for Business Partners is a precondition to supply to Volvo Cars. We are running several initiatives to increase the traceability throughout our supply base and enhance our due diligence efforts even further to ensure that there is “no forced labor of any kind relating to Volvo Cars’ business, products and services”, as stated in our Code of Conduct for Business Partners. We are also part of CSR Europe - the facilitator of www.drivesustainability.org, a network of 15 OEMs working on enhancing supply chain sustainability.

Question: Can you tell us what, if anything, your company has done to ensure your imports comply with the U.S. Uyghur Forced Labor Prevention Act ban and other due diligence legislation/standards regarding products made in whole or in part in XUAR, and/or?

Answer: Committing to Volvo Car Group Code of Conduct for Business Partners is a precondition to supply to Volvo Cars. We are continuously working to increase the transparency in our supply chain and proactively identifying potential violations of our Code of Conduct for Business Partners, through our due diligence processes. We do this through a thorough approach, which includes desktop self-assessments, audits and site visits. We take information about potential violations of our Code of Conduct for Business Partners very seriously. We will launch an investigation to follow up on any allegations highlighted in the report related to Volvo Cars.

Question: Can you tell us what, if anything, your company has done to actively prevent the use of forced labor among your suppliers and sub-suppliers?

Please see the previous answers.

HONDA

December 4, 2022

Dear Laura,

Thank you for your enquiry.

Honda Motor Company do not discuss our specific supplier relationships, but utilise Honda’s Global Sustainability Guidelines that our suppliers are mandated to follow. This increasingly strengthens the confirmation of supplier ESG compliance which is coordinated at a global level.

Regards
John

John Kingston
General Manager
Corporate Communications and Motorsport

Honda Motor Europe

KOHLER

December 4, 2022

Dear Professor Murphy,

Thank you for your email and information. Kohler Co. is committed to ensuring our global supply chain is free from the use of forced labor, human trafficking, and slavery.

We believe it is important to work with suppliers and partners who share our values and our commitment to lawful, ethical, and fair practices throughout their operations. Our suppliers are required to adhere to the [Kohler Supplier Code of Conduct](#), which communicates our expectations that all entities doing business with Kohler Co. maintain our high ethical standards, comply with the UN Guiding Principles, and adhere to the laws of the countries in which we produce, buy, and sell our products. Suppliers must be able to demonstrate compliance with the Supplier Code of Conduct at our request.

As part of our commitment to ensuring that we source from responsible suppliers, we continue to evolve and improve our [Responsible Sourcing Program](#) with the goal of reducing risk of human rights and forced labor issues within our supply chain. Our approach to supplier engagement is one of continuous improvement, working with our suppliers to identify, remediate, and prevent issues, thereby providing the best outcome for workers, suppliers, and our business. Collaborative partnerships are our goal; however, we do reserve the right to terminate business at any time for noncompliance.

Regards,
Todd Weber

BMW

December 5, 2022

Dear Mrs. Murphy,

Regarding your questions we can give you the following information:

Compliance with environmental and social standards is an integral part of the BMW Group's corporate culture. The BMW Group is expressly committed to this.

When selecting our suppliers, we evaluate all suppliers worldwide according to the same criteria. These include high requirements for quality, productivity and flexibility in supplying parts. Innovative capabilities and environmental and social sustainability are other very important criteria.

Since 2014, all direct suppliers of the BMW Group have been contractually obliged to comply with extended environmental and social standards and to introduce management systems for occupational health and safety and environmental protection. These requirements must also be contractually passed on to sub-suppliers and compliance with them must be verified.

The BMW Group continuously monitors compliance with the requirements through a variety of assessments. Potential breaches of the required standards are followed up by a dedicated Supply Chain Response Team. If necessary, an escalation process is initiated and corrective action plans are developed with the supplier. If a supplier fails to take effective corrective action, this can ultimately lead to the termination of the business relationship by the BMW Group.

We ask for your understanding that, as a principle, we do not disclose individual suppliers in our supply chain.

More details can be found here: <https://www.bmwgroup.com/en/sustainability/our-focus/environmental-and-social-standards.html>

Kind regards,
Sandra Schillmöller

BMW Group
Sandra Schillmöller
Konzernkommunikation und Politik (AK-31)
Pressesprecherin Einkauf und Lieferantennetzwerk
Spokesperson Purchasing and Supplier Network

TRAFIGURA
December 5, 2022

Dear Professor Murphy

Thank you for your email. The following response can be attributed to a Trafigura spokesperson:

“Trafigura does not purchase product from the Xinjiang region to deliver to international customers, including for the automotive industry.”

Kind regards
Victoria

Victoria DIX
Head of Media Relations | Corporate Affairs

December 5, 2022

[In response to a series of questions regarding the evidence provided in the report regarding Trafigura being named as a top customer of XJNF, Xinxin, and Zijin, and of it holding equity in Tianshan Aluminum]

Dear Laura

Thank you for your email. The following can be attributed to a Trafigura spokesperson:

To reiterate, the Group has no investments in Tianshan Aluminum. This is evident from our 2021 full year report onwards.

The companies that you've listed include operations outside of China, for example in Africa and Europe. As we've stated, Trafigura does not purchase product from the Xinjiang region to deliver to international customers.

Kind regards
Victoria

December 6, 2022

[upon publication of the report on this date]

Dear Dr Murphy

Would it be possible to update the page on Trafigura in your report published today to reflect our responses below please?

Many thanks

Kind regards
Victoria

We followed with a letter indicating that we had included the first Trafigura statement but could not find evidence of the claims made in the second letter and requesting evidence of the transfer of the Tianshan equity, as well as information regarding to whom the company

does sell its Xinjiang sourced materials. We received no response to those requests and cannot locate documentation of the transfer.

VOLKSWAGEN

December 7, 2022

Dear Laura,

First I would like to thank you for your inquiry and please apologize, that we were not able to meet your deadline as our internal processes took a little more time to evaluate all information you have been asking for.

Please find below our statements regarding your questions:

- 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. This includes 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.
- As a global acting company, we share and live by our values worldwide. Cooperation with our sites, controlled companies and direct suppliers is based on our corporate values and principles, including our Social Charter (e.g. respect for minorities, social and employment standards).
- The Volkswagen Group has a Code of Conduct for Business Partners. This details the Group's expectations regarding the attitude and conduct of business partners in their corporate activities, particularly with regard to suppliers and sales partners. The requirements are regarded as the basis for successfully shaping the business relationship between the Volkswagen Group and its partners. They include observance of human rights, such as the prohibition of child labour, human trafficking and slavery, as well as ensuring environmental protection and preventing corruption.
- 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.

- Suppliers have to accept our sustainability requirements and commit to fulfilling them to enter into a business relationship with the Volkswagen Group. Our direct suppliers are expected to pass on these sustainability requirements to their business partners throughout the supply chain. Since 2019, we have been assessing the sustainability performance of our relevant business partners with a Sustainability Rating (S-Rating) prior the final sourcing decision. If a supplier does not meet our requirements for compliance with sustainability standards, it is fundamentally not eligible for the award of contracts. There is thus a direct incentive for suppliers to improve their sustainability performance.
- However, if the Volkswagen Group learns of allegations, it investigates them immediately by using our “Supply Chain Grievance Mechanism”. Serious violations such as forced labor could result in termination of the contract with the supplier if mitigation measures fail. That is why we review and actively use our existing processes and seek new solutions to prevent forced labor in our supply chain. The mechanism is accessible via our website, an email address and an anonymised channel and is open to all stakeholders and potentially affected persons such as employees of suppliers, social organisations or representatives of communities in the immediate vicinity of our production sites. The cases are handled according to a binding policy, managed by the Group and processed together with the Volkswagen Group brands and regions.
- The Volkswagen Group takes its corporate responsibility for human rights very seriously in all regions of the world – including China – adhering closely to the UN Guiding Principles on Business and Human Rights. These principles form part of the company’s Code of Conduct. Throughout the world, Volkswagen stands firmly against forced labor in connection with its business activities. We not only set high standards within the Group, but also work to maintain these values throughout the supply chain. Today, we already implement processes to protect human rights and systematically determine our risks, developing measures to prevent human rights violations on this basis.
- We actively use our Sustainability Rating (S-Rating) in this context. Volkswagen AG implements a thorough partner and supplier selection process and monitoring measures worldwide. Suppliers in the People’s Republic of China directly commissioned by the Volkswagen Group are already included in the “Scope of Sustainable Purchasing” and commit to complying with our Code of Conduct for Business Partners.
- To make it clear: We strictly oppose any form of forced labor in all our business operations.
- It is a fact of life that plants cannot be built or closed down overnight. Investments have a decades-long horizon. Furthermore, the impact on employees at a plant must be taken into consideration. That also applies to the joint venture plant in Urumqi. Moreover, all employees at the joint venture plant in Urumqi are employed directly by SAIC VOLKSWAGEN.
- We found no evidence that SAIC VOLKSWAGEN employees are forced to work there. Employees are hired on the basis of their skills – irrespective of age, religious beliefs or ethnic origin.
- The majority of employees have been working there since the opening of the SAIC Volkswagen plant in 2013. We are not aware of any cases where employees of SAIC VOLKSWAGEN were or are in internment camps.

- The proportion of Uyghurs and other minorities remains at around 27 percent. This corresponds to the ethnic composition of the population in the Ürümqi region.
- SAIC VOLKSWAGEN also has a code of conduct, a whistleblower system and an external ombudsman system to prevent or detect possible misconduct or violations.
- Xinjiang has been affected by lockdowns due to Covid-19 for the past two years. In 2021, shutdown days were also added at the Ürümqi site due to the semiconductor shortage. As a result, the number of vehicles manufactured dropped significantly last year. The number of employees was reduced by around 1/3 from the original level of around 600. at around 27 percent.
- Overall, production at all plants in China continues to be significantly impacted by the lack of availability of semiconductors and COVID-19 restrictions, as well as the resulting limited logistics.

I would very much appreciate if you could update all published reports accordingly.

Thank you very much for your kind understanding and your patience.

Regards,

Nicolai Laude
Director Litigation Communications, Issue & Incident Communications
Volkswagen Group Communications

December 7, 2022

[In response to a further query to explain relationships to suppliers listed in report and inquiries as to whether the comments regarding slow processes to open and close factories was a suggestion that the VAW-SAIC plant may be in the process of closing]

Dear Laura,

Due to confidential agreements as part of our usual contracts with all our suppliers we do not comment on individual suppliers in general.

Please allow me to underline, that this plant is not a "VW plant". It's operated by a JV in which we are a non-controlling partner. Making clear that we cannot close or open or reallocate any plant on short notice does not allow conclusion that the operating JV is considering closing this plant.

Regards,

Nicolai

CONTINENTAL

February 9, 2023

Dear Laura,

it is my pleasure reaching out to you. I am the Responsible Value Chain Officer for our Group Sector Automotive.

You can imagine that your report provided us with valuable information and kept us quite busy and at the same time.

We very carefully checked the report and the sources and took appropriate actions.

We noticed that the only source for the connection between Continental and Deren is the information on Derens English website.

After diligently reviewing our business portfolio and supply base, we could deduct that the business relation with Deren was ended already a few years back. We engaged Deren with this and in the meantime, they updated the information accordingly.

How do you suggest to continue with this? I am also curious to understand which directions you take for further analysis in your research field and how we as responsible businesses can benefit from it.

Keep up the good work!

Have a good day and best regards,

Florian

#CallMeFlorian #GernPerDu

Mit freundlichen Grüßen / Best regards,

Florian von Reitzenstein

Manager Responsible Value Chain &
Automotive Responsible Value Chain Officer
Automotive Sustainability
Automotive

Besucheradresse / Visitor address:

Continental Automotive Technologies GmbH