


















# AUDI SUSTAINABILITY PROGRAM

The Audi Sustainability Program combines strategic goals in the area of sustainability with concrete measures. It is divided into the four core topics “Operations and Integrity,” “Products and Services,” “Value Creation and Production” as well as “Employees and Society.”

## OPERATIONS AND INTEGRITY






















Goal	Measure	Date	Comparison of SDGs
8 to 10 percent operating return on sales	Implementation of the projects in Strategy 2025 and in the Action and Transformation Plan	Continuous development	
21 percent return on investment (ROI)	Implementation of the projects in Strategy 2025 and in the Action and Transformation Plan	Continuous development	
6.0 to 6.5 percent research and development ratio	Implementation of the projects in Strategy 2025 and in the Action and Transformation Plan	Continuous development	 
5.0 to 5.5 percent ratio of capex	Implementation of the projects in Strategy 2025 and in the Action and Transformation Plan	Continuous development	
Self-finance the transformation to provider of sustainable, individual premium mobility	Implementation of the projects in Strategy 2025 and in the Action and Transformation Plan	Continuous development	
Implement the requirement and provisions regarding the Independent Compliance Monitor in conjunction with the settlement agreements with the U.S. authorities	Reinforcement of the whistleblower system, expansion of the Internal Control System as well as organizational development	Continuous development	
Reinforce integrity	Extension of consulting programs/awareness/training courses	Continuous development	 

PRODUCTS AND SERVICES [Table 1 of 4]

Goal	Measure	Date	Comparison of SDGs
Reduce CO <sub>2</sub> emissions from the Audi EU new car fleet by 27 percent (base year 2012)	Reduction of fuel consumption by using technologies from the modular efficiency platform	2020	 
Reduce environmental impact across the entire life cycle compared with the predecessor model	Preparation of product-based life cycle assessments for new vehicle models; validation and certification of life cycle assessments; publication of the data	Continuous development	  
Significantly reduce fuel consumption for every new vehicle compared with the predecessor model	Switching of 70 percent of new vehicles sold with combustion engine to mild hybridization	2022	 
Expand the range of electric drive concepts offered under the Audi e-tron umbrella brand	Extension of the plug-in hybrid portfolio to three Audi models	2020	 
	Ensure availability of at least one plug-in hybrid in every core segment from compact class or higher (Audi A3) <sup>[1]</sup>	2023	 
	One third of Audi new vehicles features an electric drive (availability of at least one battery electric vehicle for each core segment)	2025	 
	Production launch of the first fully electric Audi vehicle	2018	 
	Extension of the product portfolio to a total of three fully electric Audi models	2020	 



















<sup>[1]</sup> European market, status prior to publication

PRODUCTS AND SERVICES [Table 2 of 4]

Goal	Measure	Date	Comparison of SDGs
Ensure availability of charging systems for private charging to coincide with the market introduction of the first fully electric series-production model from Audi	Competitive charging lineup for electrified Audi models for domestic charging, including: - Charging equipment - Smart charging functions, e. g. PV-optimized charging - Innovative technologies	2018	  
	Further development of the charging lineup for electrified Audi models in relation to the smart integration of electric vehicles into power grids to promote the compatibility between electric vehicles and the grid; including piloting of services to network the vehicle with the power grids	2020	  
Ensure the availability of fast-charging infrastructure along the long-distance transport axes in Europe and USA to promote long-distance capability of electric vehicles <sup>[2]</sup>	Infrastructure expansion in cooperation with partners, e. g. IONITY joint venture in Europe and Electrify America in the USA, as an incentive for electric vehicles	2022	   
Extend the charging infrastructure at the Audi sites	Setup and operation of cross-site charging infrastructure at Audi sites for the SOP Audi e-tron; further needs-based expansion for processes in the plant as well as supply of company cars and employee leasing vehicles (with the introduction of further electric models)	Continuous development	
Provide sustainable charging options for fleet customers	Development of a sustainable charging solution for fleet customers	2020	   
Conserve resources through new recycling concepts for closing material cycles	Development of second-life applications for high-voltage batteries	2018	  
	Development of a recycling process for traction-battery cells	2019	  





[2] The goal “Infrastructure expansion as an incentive for electric vehicles in cooperation with partners” from the Sustainability Program 2016 was specified in detail for the 2017 program and no reference to this specific wording remains.

PRODUCTS AND SERVICES [Table 3 of 4]















Goal	Measure	Date	Comparison of SDGs
Expand the range to include fuel cell drive concepts under the Audi h-tron umbrella brand	Further development of fuel cell technology, introduction of a small series with fuel cells in the market	2022	 
	Rollout of fuel cell technology across the Group brands	2025	 
Expand the range to include CNG drive concepts under the Audi g-tron umbrella brand	Development and introduction of further engines and vehicle concepts with CNG drive	2017	 
Provide carbon-neutral energy sources from renewable energy to reduce greenhouse gas emissions	Development and advancement of synthetic liquid fuels under the Audi e-fuels umbrella brand (e-diesel, e-gasoline and e-ethanol)	Continuous development	 
	Market introduction of Audi e-fuels and Audi e-power in addition to Audi e-gas	2019	 
	Extension of strategic partnerships and cooperation agreements regarding research and development into renewable energies	Continuous development	  
	Integration of a CO <sub>2</sub> capturing plant (capturing CO <sub>2</sub> from the air) into a power-to-gas or power-to-liquid plant <sup>[3]</sup>	2018	  
Responsibility for the safety of customers and other road users	Portfolio of predictive assistance and safety systems	Continuous development	 

<sup>[3]</sup> By pooling modification work in the entire plant in Werlte this measure was postponed from 2017 to 2018.















PRODUCTS AND SERVICES [Table 4 of 4]

Goal	Measure	Date	Comparison of SDGs
Enhance road safety	Further development of technologies toward piloted/autonomous driving	2025	 
Develop urban mobility offerings in collaboration with urban stakeholders	Piloting of services and technologies to reduce emissions, optimize traffic flows and increase space efficiency in cities worldwide	2018	 









VALUE CREATION AND PRODUCTION [Table 1 of 2]

Goal	Measure	Date	Comparison of SDGs
Integrate sustainability into supplier relationships	Training for all procurement employees to build on sustainability standards in supplier relationships	Continuous development	  
	Introduction of a sustainability rating, which uses a questionnaire and an on-site check as a basis to determine the fulfillment of sustainability requirements with relevant first-tier suppliers at the production site	2020	 
	Involvement in industry standards and Group tools to ensure compliance with environment-related and social standards in the supply chain	Continuous development	  
Integrate sustainability into the supply of raw materials	Development of circular economy concepts for the supply chain (focus: aluminum and HV battery)	2020	
	Analyze CO <sub>2</sub> emissions in the supply chain and derive potential measures for their reduction	2020	 
Involve dealerships in implementing Audi's sustainability strategy	Setting up two pilot dealerships in Germany in order to test sustainability projects with a focus on the environment and in preparation for a rollout. Piloting of battery storage devices for charging electric vehicles at the dealer's	2018	
	Communication of sustainability topics to importers and dealers / integration of sustainability topics into existing training formats and development of new formats	2018 (Achieved in 2017)	 
	Development of a consulting/measure package including energy consulting for dealerships	2019 (Achieved in 2017)	
	Establishment of a parts range from certified used parts for Audi service partners for repair in line with a vehicle's current value	2019 (Achieved in 2017)	

VALUE CREATION AND PRODUCTION [Table 2 of 2]

Goal	Measure	Date	Comparison of SDGs
Reduce waste for disposal, freshwater consumption, CO <sub>2</sub> and VOC emissions as well as overall energy consumption at the production sites by 25 percent per reference unit (base year 2010); within the scope of energy supply, a reduction target of 40 percent per reference unit by 2020 (base year 2010) is in effect for the German sites for CO <sub>2</sub>	Detailed planning and implementation of site-specific packages of measures for achieving Group-wide reduction targets	2018	   
Expand and develop measures for reducing freshwater consumption at national and international sites	Realization of water recycling at the Ingolstadt site using a membrane bioreactor; reduction target for freshwater requirements: 40 percent	2018	  
	Investment in projects with the long-term goal of wastewater-free production in Mexico	2018	  
Systematic reduction of energy consumption	Reduction of overall energy consumption by targets derived from the prior-year consumption and corresponding specific implemented and documented individual measures in the operator and planning areas	Continuous development	 
CO <sub>2</sub> -neutral site in Brussels	Reduction of all possible CO <sub>2</sub> emissions by adoption of energy-efficiency measures and utilization of renewable energy sources as well as offsetting	2018	 



EMPLOYEES AND SOCIETY <sup>[4]</sup> [Table 1 of 2]

Goal	Measure	Date	Comparison of SDGs
Make working hours and place of work more flexible	Establishment of mobile working	Continuous development	
	Piloting of measures to promote more flexible working hours in the shift system	2018	
Methodical updating of content of vocational and advanced training	Extension of digital learning methods	2025	
	Modification of content of vocational and advanced training in relation to strategic future-oriented topics	2025	
Promote employee health	Further development of occupational health & safety at international sites	2020	
	Setup of digital offerings as part of Company health promotion	2022	
Promote equal opportunities	Increase in the proportion of women in the first management tier below the Board of Management to 8 percent and to 16 percent in the second management tier	2021	
Strengthen cultural diversity	Expansion of the proportion of international managers within AUDI AG, global employee rotation of the workforce, international young talent programs, intercultural awareness and training	2025	

<sup>[4]</sup> The goal “Expand corporate image” from the 2016 Sustainability Program was specified in detail for the 2017 program and no reference to this specific wording remains.



EMPLOYEES AND SOCIETY <sup>[5]</sup> [Table 2 of 2]

Goal	Measure	Date	Comparison of SDGs
Promote work-life balance	Expansion of childcare	Continuous development	
	Focus on the issue of care as part of employee information events	Continuous development	
	Expansion of services to cover daily demand near to the workplace (e. g. service boxes)	2018	
	Promotion of employee mobility by extending the provision of job tickets and promoting car pooling	Continuous development	
Further develop voluntary programs	Needs survey through annual dialogue events at the Audi sites	2018	
Promote leadership and collaborative culture in tune with the corporate values and the Code of Cooperation	Group-wide introduction of a role model program for managers and establishment of an Audi culture catalog	2018	

<sup>[5]</sup> The goal “Expand corporate image” from the Sustainability Program 2016 was specified in detail for the 2017 program and no reference to this specific wording remains.