



## Gerhard Prätorius: “Sustainability in mobility”

*In the mobility sector, Volkswagen is one of the early adaptors of sustainability. Gerhard Prätorius, head of coordination, CSR and sustainability, Volkswagen Group, explained how sustainability was driven at the company and what it means in practise.*

Between now and 2050, the global challenges related to the business environment of Volkswagen will be manifold. Climate change, scarcity of resources, growing inequity, ageing, a fast growing middle class in almost all world regions, a fast rising number of overcrowded megacities, emergence of China and India as global economic leaders and the expected peak in oil production will all have a dramatic impact.

### **Sustainability in corporate culture**

Volkswagen started moving towards sustainability years ago. Due to being technologically driven, the current decisions in car industry have an impact in the following ten years. Volkswagen aims to become the global automotive leader by 2018, not only economically but also environmentally. This means both sales increase of 47 per cent, and continuous innovation in sustainable products, production methods and structural development around manufacturing locations. The core element of sustainable automotive is increased fuel efficiency and the use of renewable energy sources. We already see an intensive innovation competition between different technological solutions. Volkswagen wants to offer a more sustainable way of mobility.

For Volkswagen, sustainability is a part of corporate culture. As for products development, Volkswagen focuses on a full spectrum of fuel and power technologies in an ongoing effort to reduce carbon emissions and increase fuel efficiency. It uses a three level approach. At this moment, energy efficient technologies are included in all models under BlueMotion Technology. Additional technologies that are extra environmentally friendly, such as hybrid, are available in specific models. Volkswagen has set up an electrification strategy to come to complete electro traction. Next to innovations, Volkswagen focuses on consumer awareness by the campaign “Think blue” which aims at changing driving behaviour.

Volkswagen has also made sustainability a leading principle in process innovation with the ‘green factory’ concept. Volkswagen keeps investing in R&D to continue these developments. It is investing in all types of technologies without having certainty of the best solution in the future.

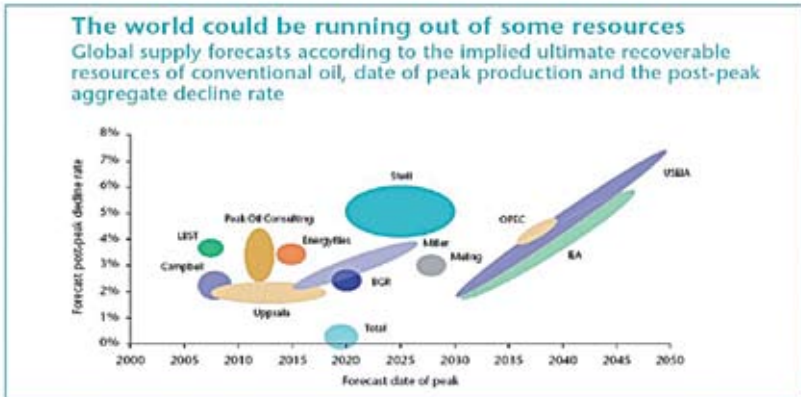
### ***Responsible corporate citizen***

Besides technical innovations, Volkswagen has a clear vision on responsible citizenship. In structural development, the manufacturer focuses on the surroundings of its production sites. It aims to develop the regions by developing people and their talents through, among others, supporting school education, HIV/Aids prevention and setting up day care centres. Company programs also include job security, competitiveness and the environment. With environmental projects, such as the Biodiversity Initiative on wildlife breeding and reforestation, Volkswagen makes use of the company thinking of helping others.

### ***From philanthropy to core business***

In its CSR strategy, Volkswagen has moved from ‘classical’ philanthropy to integrating social responsibility into its core processes. For a global company, CSR is a strategic concept. In the words of Prätorius: “In the age of a globalised economy and intensive social change, companies are required to operate more and more in a political space. In the absence of global regulatory frameworks, the challenges for the companies become more ‘political’.”

Stakeholder dialogue and transparency are essential parts of Volkswagen’s CSR strategy. The company is engaged, among others, in Global Compact, CSR Europe, the German nature and biodiversity conservation union NABU, and Econsense. In addition to NGOs and government, Volkswagen’s employees and suppliers are involved in these dialogues that contribute to the company’s license to operate.



Source: UKERC, *The Global Oil Depletion Report*, 2009  
of WBCSD Vision 2050, p. 2

Volkswagen reports on sustainability according to the Global Reporting Initiative which promotes and requires accountability and transparency. The reporting has also led to new internal control and information systems.

Strategic CSR is how the corporate ethics are implemented and is an important part of the company's contribution to a sustainable social market economy. Volkswagen has succeeded in combining the environmental, social, and economic performance. In the Dow Jones Sustainability Index 2009, Volkswagen scored clearly above the industry average.