

Whistle Blowing Policy

Contents

1.	Area of application	3
2.	Basis	3
3.	Purpose	3
4.	Terms and definitions	5
5.	Reporting of whistleblower cases.....	13
6.	Reporting to internal units.....	14
6.1	Local whistleblowing system	15
7.	Procedural principles and safeguards	15
1.	Handling of whistleblower cases implicating VWFPL.....	18
11.	Investigation process.....	22
12.	Remedy of unlawful conditions.....	27
13.	Disciplinary consequences	28
14.	Other tasks of the Central Investigation Office.....	28
15.	Coordination Committee.....	30
16.	Implementation of the policy in the group companies.....	31
17.	Quality assurance.....	32
18.	Modification of Policy	33
19.	Controls in regard to internal control system (ICS)	33

1. Area of application

This policy applies to the following:

- All employees of Volkswagen Finance Private Limited (“**VWFPL**”), including permanent as well as contractual employees;
- Directors of VWFPL;
- Business partners or their employees who wish to report any complaint relating to their operations with VWFPL; and
- Employees of the Volkswagen Group

2. Basis

Basis of this policy is:

- Companies Act, 2013 and Rules framed thereunder;
- The group policy “Volkswagen Group Whistleblower System” issued by Volkswagen AG (in its respective current version) (**Volkswagen Group Policy**);
- German Data Protection Act § 28, I, S. 1, n°2; and
- The Data Protection agreement between Volkswagen Financial Services AG (**VWFS**) and Volkswagen AG as of 22th Dec 2016.

3. Purpose

Integrity, alongside with compliance with statutory and other requirements are the foundation of our corporate policy and are top priorities for the Volkswagen Group. They lay the foundation of a good reputation for the Volkswagen Group and its brands, for the trust of its customers, the wellbeing of its employees as well as of sustainable economic success, which should not be undermined by the risk of significant financial losses from fines, disgorgement and liability for damages, or criminal prosecution.

The Volkswagen Group trusts all of its employees. They are expected to be guided by ethical values in their actions, particularly to behave in an honest way, to deal fairly with each other, with customers and business partners, to comply with the laws and the rules applicable to the Volkswagen Group (in particular, the Code of Conduct) and to fulfil the obligations under their employment contracts. The Volkswagen Group expects its executives to act as role models.

Violations of regulations, in particular violations of the law or the Code of Conduct will not be tolerated. Such violations will be sanctioned and, if need be, brought to the attention of the relevant authorities. Sanctions stemming from Regulatory Violations follow the principle of proportionality. In the addition to the severity of the violation, social data, performance within the company, responsibilities within the Volkswagen Group and the additional specific circumstances of the individual case are taken into account.

In order to prevent violations, identify them as soon as possible, take corrective measures and impose sanctions, regularly scheduled training sessions on compliance with the applicable laws and internal regulations are required, in addition to a corporate culture based on integrity as well as the selection and development of personnel. This requires vigilance by all employees, their willingness to report potential violations if Reasonable Suspicion exists, and timely, objective clarification of suspicious activity reports as well as sanctions by the Volkswagen Group for violations detected.

Whistleblowers must be protected against discrimination and retaliation. Employees against whom any disclosure is made under this policy for hints pertaining to VWFPL will be treated fairly in the investigation of violations. Until proven otherwise, they will be presumed innocent.

The Volkswagen Group has established a compliance organization to prevent and detect any and all violations as well as to provide consulting services on compliance with laws and internal regulations. The investigation offices were established, and Ombudspersons were appointed, to receive and process reports of Regulatory Violations affecting the Volkswagen Group. The Central Investigation Office along with Audit Committee of VWFPL steers, on behalf of the respective Head of Investigation Office, the Investigation of Serious Regulatory Violations.

This policy contains minimum standards such as general codes of practice for implementing, creating and executing whistleblower systems in VWFPL and sets out the competencies, responsibilities and cooperation requirements to be established within VWFPL.

The Volkswagen Group Policy governs comprehensively and concludes the activities of the Central Investigation Office and the Investigation Units concerning the investigation of Serious Regulatory Violations received through the intake channels of the whistleblower system. The Investigation Units may adopt supplementary provisions so far as these do not contradict the Volkswagen Group Policy. For Hints pertaining to VWFPL, the decision on implementation measures and implementation timelines shall be taken by the Audit Committee of VWFPL.

The Volkswagen Group Policy does not limit the independence of Internal Audit in respect of their duties and processes outside of the Volkswagen Group Policy, in particular with regard to program- and special-audits as well as with regard to direct reporting to the Management Board and the Audit Committee of the Supervisory Board.

4. Terms and definitions

- a. **Reasonable Suspicion** exists if concrete indication of a Serious Regulatory Violation is present.
- b. **Employees of the Volkswagen Group** means all employees of the Volkswagen Group, including trainees and apprentices, managers and board members.
- whose contract of work or service is suspended, because they are deployed for a specific time to a non-controlled shareholding,
 - who are exempt from their work obligation e.g., in the course of leave of absence, time asset schemes, partial retirement regulations, or
 - who have left the Volkswagen Group with a guarantee of reemployment.
- c. **Persons Implicated** are those employees, trainees, and directors engaged with the Volkswagen Group and suspected of Regulatory Violations.
- d. **Managers** are those employees from senior management (grade 29 and above).

e. **Follow-up Measures** are further steps that the relevant Investigation Office undertakes in relation to a Suspicious Activity Report after completing the Validation Procedure. Follow-up Measures specifically include:

- Carrying-out an internal investigation of a suspected Serious Regulatory Violation by an Investigating Unit
- Carrying-out an internal investigation of a suspected Other Regulatory Violation by an Investigating Unit on Group level in special cases
- Carrying-out of an in-depth investigation of facts
- Referral of the whistleblower or forwarding of the Suspicious Activity Report to another body, or
- Closure of proceedings

The process for the handling of a Suspicious Activity Report is regulated in detail in Annex 2: "Process for the handling of Suspicious Activity Reports – Serious Violations"

f. **Categorization** is defined as classification of a Suspicious Activity Report by the Central Investigation Office after completing the Validation Procedure and decision of the Follow-Up Measures.

The process for the handling of Suspicious Activity Reports is regulated in detail in Annex 2: "Process for the handling of Suspicious Activity Reports – Serious Violations"

g. **Group-relevant** is a Suspicious Activity Report either

- affects Employees of several companies which fall under the competence of various Investigation Offices, or
- so severe that it can have consequences across the entire Volkswagen Group.

h. **The Group Head of the Whistleblower System (GHWS)** heads the Volkswagen Group Whistleblower System. The Head of the Central Investigation Office reports to the GHWS. The Group Chief Compliance Officer of the Volkswagen Group performs the function of the GHWS. The Group Chief Compliance Officer of the Volkswagen Group is authorised to delegate all or part of its authority as GHWS.

i. **HR department HR Coordinator** The HR department of VWFPL support the Supervisors and the Investigation Offices with the proper and quick Investigation of any possible Regulatory Violations by Volkswagen Group Employees, as well as with the sanctioning of proven Regulatory Violations by Volkswagen Group Employees. The Executive Director of Labour Relations of the Volkswagen AG (Arbeitsdirektor) appoints an HR Coordinator who centrally performs the tasks of the HR department defined by this regulation in relation to proven Serious Regulatory Violations. The HR Coordinator may act by proxy.

j. **Hints** refer to detailed information concerning Regulatory Violations, including those coming in via whistleblower channels such as telephone, e-mail, post, oral communication and Ombudspersons.

k. **Whistleblower cases** are the information and suspicions brought to the attention of VWFPL by whistleblowers that flag potential statutory or internal violation of regulations. This information is received by the Local Investigation Office or the corresponding contact point by any possible channel, such as local contact points, other Investigation Offices etc.

l. **Need-to-know-Principle** is the principle for processing of Hints and the investigation and punishment of Regulatory Violations, accordingly, the group of persons informed about a Hint, the Persons Implicated, its processing and results, as well as the information provided to them, is limited to the absolutely necessary, unless provided for otherwise in this policy or any applicable law.

- m. **Unsubstantiated information** means that the report only contains random allegations or suspicion of a statutory or internal violation of regulations without any concrete facts that can be used to initiate investigative measures.
- n. **Substantiated information** is the suspicion of statutory or internal violation of this policy based on actual concrete evidence.
- o. **Plausibility** is the check to determine whether the situation described in the report is actually possible.
- p. **Regulatory Violations** are all intentional or negligent violations of regulations of applicable law (e.g. statutory laws, regulations) or internal company regulations (especially violations of the Code of Conduct or employment contractual obligations) by Employees of the Volkswagen Group, including VWFPL, committed in connection with, or based on, their employment with any member of the Volkswagen Group.

For the Investigation and sanctioning of violations, a distinction is made between **Serious Regulatory Violation and Other Regulatory Violations**. Potential sanctions are not determined by this distinction. Other Regulatory Violations might also lead to any legally permissible personnel measure, including but not limited to the termination of employment.

- q. **Serious Regulatory Violation** is a Regulatory Violation -
- that significantly affects the interests of the VWFPL or any other member of the Volkswagen Group, in particular interests of reputation or financial interests, or
 - that significantly violates the ethical values of VWFPL or the Volkswagen Group.

Examples for circumstances that, in principle, constitute a Serious Regulatory Violation are:

- Corruption, white-collar and tax criminal offences,
- Environmental criminal offences,
- Violations of human rights (e.g. prohibition of child labour),
- Violations of antitrust law and competition law,
- Money laundering and terrorism financing,
- **Substantial** Violations of product safety and technical requirements regulations,

- Substantial violation of data protection laws,
- **Substantial** Violations committed by employees from the level of upper management and above (OMK and above) that are capable to impede their function as a role model for compliance and integrity as defined in the Code of Conduct,
- High risk of company sanctions (for example, fines and levies, ban on business transactions with authorities, loss of licenses for business operations),
- Conspiracy to commit a violation involving several people,
- Systematic exploitation of company structures to commit violations.
- Violations of regulations prohibiting the discrimination of whistleblowers,
- Failure to fulfill the obligation to report to the head quarter compliance (**HQ Compliance**), in the event of proven knowledge of the aforementioned regulatory violations,
- Abuse of the Whistleblower System by knowingly making false accusations,
- Violations of US environmental regulations
- Other Regulatory Violations in particular criminal offenses
 - resulting in financial damage or a risk of financial damage for VWFPL **exceeding 4 Lac INR**
 - causing a high risk of considerable sanctioning of the company (e.g. fines and levies; exclusion from business with authorities, loss of business operation licenses);
 - **against sexual self-determination**
 - **involving very serious consequences for physical or mental health, or**
 - jointly committed or committed by systematically exploiting of existing organizational structures.

The Central Investigation Office will provide further binding explanations on the categorization of a case as a Serious or Other Regulatory Violation based on materiality, **the potential risk for the company**, scope or amount, as well as effects on environment and life and limb and publish them on the Intranet.

Such other binding explanations on Categorization of a case would be considered as Serious Regulatory Violation or Other Regulatory Violations by the Company from time to time.

The procedure for investigating Suspected Cases of Serious Regulatory Violations is regulated in detail in Annex 2: “Process for the handling of Suspicious Activity Reports – Serious Violations”.

- r. **Other Regulatory Violation** is any Regulatory Violation that is not a Serious Regulatory Violation.

It is further clarified that grievances relating to routine or operational matters are out of the scope of this policy unless breach of internal policy or prevalent law is the reason behind it. ~~Examples of out of scope grievances are customer/investor complaints, improper/inappropriate administration facilities, malfunctioning of IT Assets, compensation related issues, vendor payment and taxation related queries, recruitment/job openings, questioning of financial and other business decisions taken by management, internal complaints/non-cooperation issues with dealers/business partners.~~ The investigation of Other Regulatory Violations and imposing of sanctions is predominantly carried out in accordance with processes that are defined outside this regulation.

This applies particularly to **work errors** caused by employees resulting from negligence (incorrect or incomplete performance of defined operating processes despite appropriate instruction) and conduct merely affecting **work quality** (e.g. delayed start of work, disturbance of operational processes, lack of due care).

- s. **A Sanctioning Recommendation** issued by the Central Investigation Office contains a recommendation for appropriate disciplinary HR measures in cases where a Serious Regulatory Violation was confirmed.
- t. **Categorization** is defined as classification of a Suspicious Activity Report by the Central Investigation Office after completing the Validation Procedure and decision of the Follow-Up Measures.
The process for the handling of Suspicious Activity Reports is regulated in detail in Annex 2: "Process for the handling of Suspicious Activity Reports – Serious Violations"
- u. An **Investigation** is the internal clarification of potential compliance violations ~~by employees of the Volkswagen Group conducted by the relevant investigating unit~~ from the time of receipt of a Suspicious Activity Report at an Investigation Office until the closure of the procedure, with or without sanctioning.
- v. **A Suspicious Activity Report** is any information or alert concerning potential Regulatory Violations received by an Investigation Office, inter alia via telephone, e-mail, post, internet tool (BKMS), in person appearance and via Ombudspersons.

w. **A Suspected Case** is a categorized Suspicious Activity Report in regards to which Reasonable Suspicion of a Regulatory Violation or other legal violations was identified during the Validation Procedure.

x. **The Validation Procedure** is the assessment of a received Suspicious Activity Report by the relevant Investigation Office concerning factual and legal aspects as to what extent Reasonable Suspicions for a Regulatory Violation exist.

This is regulated in detail in Annex 2: "Process for the handling of Suspicious Activity Reports – Serious Violations".

y. A **local office** is a set up at the local company/subsidiary to collect and pre-handle the internal incoming whistleblowing cases. The local office should be located at Compliance and is responsible for all companies of the responsibility of the Compliance officer. All the court cases pertaining to Whistle Blowing mechanism will have jurisdiction in Mumbai.

z. **Contact Point** shall mean the office established where whistleblower cases are handled. The Contact Point for the brand of VW FS is established at the compliance headquarters at Braunschweig, Germany (Compliance HQ).

aa. **Audit Committee** means the Audit Committee of VWFPL constituted pursuant to the Companies Act, 2013 read with relevant Rules framed thereunder.

bb. **Local Disciplinary Committee** consists of any of the members of the Audit Committee, and the persons occupying following positions at VWFPL: Managing Directors (Back Office and Front Office), Head of the Internal Audit, Head of Compliance, Head of Legal Affairs, Head of Risk Management and Head of human resource.

It is clarified that the members of Local Disciplinary Committee are supposed to monitor the whistle blower system and liaise with the Audit Committee, Contact Point and investigation office in HQ and if needed, external experts.

cc. **Local Investigation Committee** is the committee formed after receipt of violation at VWFPL, to conduct preliminary enquiry or further investigation on the whistle blower case.

It is clarified that the Local Investigation Committee shall assist the Local Disciplinary Committee and its composition would be decided by Local Disciplinary Committee based on the nature of violation.

dd. **Disciplinary Committee** is the committee set up under the leadership of the GHWS Group Compliance, which is composed of the Head of Group Legal and the Head of Top Management Personnel. The Head of Group Audit and the Head of Group Security as investigating units are non-voting members and only participates in meetings concerning the Investigation final reports prepared by its departments. The Chairman of the Volkswagen AG Works Council is also a non-voting member of the Disciplinary Committee. In individual cases all members may appoint representatives and/or other members of their departments to attend the meetings.

ee. **Ombudspersons** are external lawyers assigned by Volkswagen AG who:

- receive reports of potential Regulatory Violations (also anonymously if desired by the whistleblower);
- advise whistleblowers in relation to the issuing of the reports;
- communicate with the whistleblowers and ask any necessary questions; and
- then forward reports in agreement with the whistleblower to the Central Investigation Office.

They do not perform any additional investigations themselves. The appointed Ombudspersons are bound by professional secrecy within the terms of applicable law. To maintain the anonymity of a whistleblower, it is ensured that the Volkswagen Group is given no opportunity to obtain access to the data stored by the Ombudspersons.

ff. **'Investigation Units' or 'investigating units'** are Group Audit, Group Security and Group Legal as well as the units designated to conduct Investigations within the jurisdiction of the Brand Investigation Offices. To the extent that Investigating Units act pursuant to this regulation, they act as part of the Second Line and have to comply with instructions from the Central Investigation Office. This authority to issue instructions only relates to the activities as an Investigating Unit and is therefore limited in time to the course of an Investigation and in person to the member or members of staff made available to execute the task of the Investigating Unit.

gg. **Central Investigation Office** is the central office established by Group Compliance of Volkswagen AG, responsible for Hints coming in on Group level, all Serious Regulatory Violations according to this guideline,

as well as for the cooperation with the Ombudspersons and HQ Compliance. The Central Investigation Office reports to the GHWS and therefore to the Group Chief Compliance Officer of the Volkswagen Group.

hh. **Volkswagen Group** shall mean Volkswagen AG and all its subsidiaries, affiliates, associate companies and all other companies exercising control over, or under the control of or in common control with Volkswagen AG.

5. Functions within the Whistleblower System

Line Manager: Every Supervisor is obliged with reacting to Employee misbehaviour. Particularly, the disciplinary Line Managers and the Human Resources department are obliged to look into any potential Other Regulatory Violations whilst complying with the relevant policies, organizational structure and (HR) processes and to respond appropriately to any ascertained misconduct, particularly by imposing an appropriate sanction. Concerning potential Serious Regulatory Violations, Supervisors have to observe the regulations in particular on responsibilities and procedures (see section 8 & 9 of this regulation). In case of doubt as to the differentiation between Serious and Other Regulatory Violations they shall seek advice from the Compliance Organization or the competent Investigation Office. Supervisors shall notably support the work of the Whistleblower System and ensure that, within their area of responsibility, their Employees are given appropriate information about rights and obligations under this regulation.

Investigation Offices: As far as this regulation refers to Investigation Offices, it means the Central Investigation Office, the Brand Investigation Offices and the Regional Investigation Office China. Their tasks and responsibilities are specified in detail in this regulation (see section 10) and particularly in Annex 2 "Process for processing Suspicious Activity Reports – Serious Violations". The Central Investigation Office is established within the Group Compliance department. The Central Investigation Office is the Investigation Office for the Volkswagen AG and all Group entities, which are not assigned to a Brand Investigation Office or the Regional Investigation Office China. It handles Suspicious Activity Reports related to any Group entity that are relevant to the Group. The Central Investigation Office additionally assumes a Group-wide coordinative function, as outlined in section 10. It has the competence to monitor and coordinate the Brand Investigation Offices and the Regional Investigation Office China. It issues uniform and Group-wide regulations for the handling of Suspicious Activity Reports as defined in this regulation. The Central Investigation Office is also responsible for Group-wide reporting concerning Suspicious Activity Reports. The Central Investigation Office reports directly to the Group Chief Compliance Officer of the Volkswagen Group as well as to the member of the Board of

Management responsible for Compliance. The reports must be submitted on a regular basis and on a case-by-case basis.

The Head of the Central Investigation Office informs the Chairman of the Group Works Council regularly about the current status of the Whistleblower System via an anonymized reporting.

Compliance Organisation: The entire Volkswagen Group Compliance organization supports the work of the Whistleblower System. The Compliance Officers of the Group companies have an important role within the Whistleblower System. Their tasks with regard the Whistleblower system include amongst others:

- Advising and training their management regarding the tasks, requirements, processes and responsibilities in connection with the Whistleblower System.
- Regularly performing and providing communication and training measures on the Whistleblower System within the respective Group company and the resulting requirements. They will receive support from Group Compliance, the Central Investigation Office or the competent Investigation Office.
- Consulting Employees on the Whistleblower System. This also includes advice as to whether a Suspicious Activity Report must be submitted to the Whistleblower System in a specific case. The legal consultancy described in I-OHB regulation "Legal" remains unaffected by such compliance consultation.
- Being available to the Investigation Offices as a contact person for handling Suspicious Activity Reports. In this function, they support the Investigation Offices in performing the tasks in accordance with this regulation. Performing their own personal checks and Investigations relating to Suspicious Activity Reports according to paragraph 4 of this regulation, particularly those involving other departments, are expressly not part of the advisory function of a Compliance Officer and shall therefore only be conducted with the prior consent of the competent Investigation Office.

Disciplinary Committee for the Top Management: The respective Disciplinary Committee for the Top Management is responsible for deliberating and recommending personnel measures regarding proven Serious Regulatory Violations by Employees from the Top Management Circle upwards (TMK). Requirements for the establishment, composition and responsibilities of the Disciplinary Committee for the Top Management are regulated separately.

Suitable Body: The relevant Investigation Office may commission so-called Suitable Bodies for the handling of Suspicious Activity Reports of Other Regulatory Violations or for performance of an in-depth clarification of facts. Any organizational unit may be commissioned as a Suitable Body if – based on its responsibilities and the capabilities of its Employees – it may be assumed that this organizational unit is capable of adequately performing the responsibilities of a Suitable Body. Relevant rules on internal responsibilities of the respective Group company shall be taken into consideration whilst selecting the Suitable Body. The Suitable Body for VW FS is HQ Compliance or the local Compliance department.

6. Reporting of whistleblower cases

Employees should report suspicions of Regulatory Violations immediately through one of the channels set forth. Third parties dealing with VWFPL may also utilize this channel to report Regulatory Violations as defined in this policy. Potential Serious Regulatory Violations should be reported directly to HQ Compliance, local Compliance, the Central Investigation Office or the Ombudspersons via one of the available intake channels.

Potential Other Regulatory Violations may also be reported to HQ Compliance, local Compliance or the Ombudsperson; however, they should preferably be directed to the respective disciplinary Line Manager, the local Compliance Officer or directly to the relevant bodies within the Group

Managers are obliged to report Reasonable Suspicion concerning Serious Regulatory Violations to HQ Compliance, the Central Investigation Office of Volkswagen A.G. or the Ombudspersons. Managers can also meet their obligation to report by reporting to their supervisor, to the respective human resources department, to the respective legal department, to the respective compliance department or to the management body of its company. The recipients are obliged to document and forward the reports immediately and in full to the Local Office in case of suspicion about VWFPL and investigation office or the Ombudspersons in case of suspicion about Volkswagen Group.

~~The reporting in case of suspicion about Volkswagen Group can be made through all existing channels:~~

- ~~- Superior~~
- ~~- Email (indication@vwfs.com)~~
- ~~- Phone (+49-531-212-899785)~~
- ~~- Ombudspersons (see Paragraph 8)~~
- ~~- 24/7 Hotline (+800-444-46300)~~

This policy does not affect the rights and obligations of employees to report to governmental and official authorities.

7. Reporting to internal units

Internally (within the area of the VWFPL), an employee has the opportunity to report potential violations to any of the following units:

- Board of Directors of VWFPL
- Immediate superior
- Head of Internal Audit
- Head of Compliance
- Head of HR
- ~~Anti-Corruption Officer~~

The person to whom the whistleblower case is being addressed has to forward it to the Local Office.

8. Local whistleblowing system

VWFPL has partnered with Mitrisk Consulting LLP (“Ombudsman Agency”) to ensure that genuine concerns about breach of law or internal policies are reported without fear by employees, business partners and other persons covered by this policy.

Anyone to whom this policy is applicable and who wishes to report a concern, may use any of the following channels:

By calling Ethicsline India (Toll-free) at: **1800-102-6969**

Online at: <https://vwfs.integritymatters.in> (Access Code: VWFS)

By Email: **Report@integritymatters.in**

By mailing a letter to: **Integrity Matters Unit 1211, CENTRUM, Plot No C-3, S.G. Barve Road, Wagle Estate, Thane West – 400604, Maharashtra, India**

9. Procedural principles and safeguards

9.1 Procedural principles and safeguards

The procedural rules laid out in Annex 1: “Procedural principles and safeguards” must always be observed when handling Suspicious Activity Reports in the Whistleblower System, particularly relating to Investigations of potential cases of Serious and Other Regulatory Violations by or on behalf of the relevant Investigation Office.

9.2 Prohibition of discrimination, adverse effects or obstruction

Discrimination, intimidation and hostility towards whistleblowers, as well as other reprisals against whistleblowers due to their Suspicious Activity Reports are inadmissible and must not be tolerated.

In addition, whoever participates in good faith in an investigation, particularly by providing documents and information in the context of investigations, shall not be subject to any disadvantages, intimidations, hostility or otherwise be subject to reprisals due to this participation.

The impairing or hindering of investigations, in particular influencing witnesses and suppressing or manipulating documents or other evidence, is not permitted.

Whistleblowers and Employees who support whistleblowers or the investigations initiated because of Suspicious Activity Reports must be protected as much as

possible from discrimination and reprisals due to their submissions or participation in the investigation within the limits of the possibilities of the company.

Whistleblowers or other Employees who suffer from or get knowledge of discrimination due to their submissions, statements or other provision of information should contact the Local Office in case of VWFPL or the Central Investigation Office in case of Volkswagen Group. The Central Investigation Office must open a case and investigate the facts in accordance with this regulation (e.g. paragraph 4 serious violation).

~~The following procedural principles and safeguards apply to all Investigations concerning suspicion of Serious Regulatory Violations and Other Regulatory Violation within the Volkswagen Group.~~

7.1 — Procedural fairness

~~The principle of procedural fairness applies to all Investigations. Only information acquired legally may be used for investigative purposes, including subsequent authorizations. The Persons Implicated in the suspected wrongdoing and respondents must be treated fairly and with respect.~~

7.2 — Presumption of innocence

~~Investigations must be conducted in a neutral and objective manner in accordance with the presumption of innocence. In addition to incriminating evidence, potentially exonerating evidence must also be examined.~~

~~The presumption of innocence shall not preclude any personnel measures that may be taken on the basis of a concrete suspicion.~~

7.3 — Whistleblower protection

~~Whistleblowers will be protected. Statements made by the whistleblower are handled confidentially. Their identity will not be disclosed, if so desired and legally permissible. Whistleblowers who are disadvantaged as a result of their report should contact the Local Office in case of VWFPL or the Central Investigation Office in case of Volkswagen Group. The concerned office shall take up the case and clarify the facts in accordance with this policy.~~

~~Discrimination, intimidation or hostilities towards whistleblowers, as well as retaliation against whistleblowers due to their report, will not be tolerated and will be investigated and possibly sanctioned under this policy.~~

~~Whistleblowers, if not kept anonymous, will always be informed as to whether a Regulatory Violation has been identified.~~

Any statutory and official disclosure and reporting obligations shall not be affected by the aforementioned provisions.

7.4—Reasonableness

~~Investigations are limited in framework to the subject of the Investigation. Investigations will only be conducted on the basis of Reasonable Suspicion. Investigative measures must observe the principle of reasonableness, i.e. they must be suitable, necessary and appropriate to satisfy the purpose of the Investigation.~~

7.5—Conducting Investigations

~~During Investigations, policies and work instructions of the investigating units apply. Regulatory Violations handled directly by the investigating units, must be reported to the Central Investigation Office, if there is suspicion before or during the Investigation that a Serious Regulatory Violation could have occurred.~~

7.6—Applicable laws and data protection

~~When processing Hints and carrying out Investigations, all applicable laws, including relevant data protection laws shall be complied with, in addition to internal group regulations.~~

7.7—Right to be heard, informing the Persons Implicated

~~Persons Implicated will be informed that they are under Investigation as soon as possible, and as far possible, without jeopardizing the purpose of the Investigation.~~

~~Persons Implicated shall be given the opportunity, at the latest before the end of the Investigation, to make a statement on the allegations. This statement will be taken into account.~~

~~If it becomes clear at an early stage in the Investigation that a Regulatory Violation has not occurred, the obligation to inform the Person Implicated and that person's right to make a statement may be disregarded, as far as this is allowed under data protection rules.~~

~~In the context of the Need to know Principle, the Managers of the Person Implicated will only be informed during an Investigation insofar as this is necessary to clarify the facts.~~

~~Once the findings have been set down in the Investigation report, the HR Coordinator or the responsible department in HR ensures that the Persons Implicated in having committed a Regulatory Violation are properly informed of the facts.~~

~~Persons implicated, for whom the findings of the investigation report have not revealed any regulatory violation, are informed about this by the Central~~

~~Investigation Office regarding Serious Regulatory Violations and by HQ/VWFPL Compliance regarding Other Regulatory Violations.~~

~~7.8 — Right to counsel~~

~~Persons Implicated have the right to be advised by a member of the employee representatives or a legal counsel at any time during the Investigation, and to be accompanied in interviews. This does not affect the right of the Volkswagen Group to set a timeline for the Investigation. In principle, the Person Implicated bears the costs of his/her legal counsel.~~

~~7.9 — Confidentiality and secrecy~~

~~The employees responsible for handling the Hints and the investigations must, in principle, treat the information obtained as confidential and may not disclose it to other parties. This applies in particular to personal data. They may only inform other persons on a strictly need-to-know basis, or if it is expressly provided for in this policy.~~

~~7.10 — Principle of legality~~

~~There is no discretionary authority as to whether Hints are processed and Investigations carried out and whether sanctions are imposed in the event of a finding of a Regulatory Violation.~~

~~7.11 — Rehabilitation~~

~~If the result of the Investigation concludes that no Regulatory Violation has occurred, the Person Implicated may be supported, if so desired, by HQ Compliance in charge or another department chosen by him, to clarify this in an appropriate manner in the person's working environment, to avoid any reputational damage. The Person Implicated may especially decide in such cases whether his/her supervisor should be informed, insofar as they have not yet been informed. At the request of the Person Implicated, the supervisor or other managerial authority may clarify that the Person Implicated was wrongly accused.~~

~~7.12 — Obligations to cooperation~~

~~All group companies and employees are obliged to fully support Investigations pursuant to this policy. This includes, in particular, making documents and data available in their entirety and providing comprehensive and truthful information.~~

~~The impairing or hindering of Investigations, in particular influencing witnesses and suppressing or manipulating documents, is not permitted and will also be investigated as a Regulatory Violation and sanctioned, if applicable.~~

10. Handling of whistleblower cases implicating VWFPL

10.1 Whistle Blowing mechanism

In order to maintain highest level of confidentiality, VWFPL has appointed Ombudsman Agency to operate the whistle blowing mechanism.

After a whistle blower case is received, it will be filtered by the Ombudsman Agency to identify the category to which it belongs and will be then forwarded to the Local Disciplinary Committee, to initiate further action. Each of the whistle blower cases should also be necessarily forwarded to Contact Point in HQ.

Based on the facts provided by the whistle blower and guidelines provided in “whistle blower response plan”, the Local Disciplinary Committee will initiate preliminary enquiry, for this purpose, the Local Disciplinary Committee may form a Local Investigation Committee to make a preliminary enquiry or further investigation. Based on the nature of complaint, Local Disciplinary Committee shall nominate the employees/external investigators on Local Investigation Committee. For whistle blower cases pertaining to other Volkswagen group companies, no action would be required from Local Disciplinary Committee. The Contact Point in HQ shall take forward such whistle blower cases in accordance with the Volkswagen Group Policy.

Attempt will be made to take immediate action against the cases received, subject to the prevailing circumstances.

Whistle Blower will be provided with a reference number for his case. He/she can use it for future reference to know the status of his complaint and actions taken from the Ombudsman Agency.

A report on whistle blowing cases and update on action taken shall be presented in the next Audit Committee Meeting.

10.2 local office

VWFPL has established compliance department as Local Office in terms of I-OHB Whistle blower system. The *Local Office* collects all whistleblower cases received within the sphere of the VWFPL and acts as an intermediate between the VWFPL and Headquarter.

10.3 Categorization

After checking for Plausibility, the Local Office allocates Hints to one of the following categories:

- Unsubstantiated/unfounded (also includes obviously incorrect and insubstantial hints)
- Suspicion of Other Regulatory Violations
- Suspicion of Serious Regulatory Violations

Each of the whistle blower cases should also be necessarily forwarded to Contact Point in HQ. (via e-mail: indication@vwfs.com) **immediately**. The correspondence must be in English or German language. The Local Office has to check against

existing local data protection laws and that whether the information provided in the whistleblower case is allowed to be forwarded to the Contact Point at HQ Compliance for further handling. Local restrictions that hinder the data transfer have to be cleared with HQ Compliance.

10.4 Dealing with other regulatory violations

Whistleblower cases that are considered as Other Regulatory Violations are to be handled locally as per above procedure. The Local Office or the Compliance Officer is in charge of coordinating any further action.

VWFPL shall document such whistleblower cases including the results.

10.5 Exceptions from handling

Whistleblower cases that implicate any member of Disciplinary Committee/Audit Committee will be sent without delay to other members of Disciplinary Committee/Audit Committee. The member of the Disciplinary committee/Audit committee shall recuse himself/herself from proceedings of the Disciplinary committee and provide full co-operation for Investigations.

Whistleblower cases that implicate Managing Directors of VWFPL will be sent without delay to the members of the Audit Committee (except the Managing Director who has been implicated) and the Chairman of the Board of Management of VW FS. The member of the Board of Management at Volkswagen AG with responsibility for Integrity and Legal Affairs will be informed immediately, provided they are not personally implicated in the report.

Whistleblower cases that implicate employees of subsidiaries of Volkswagen Group in countries other than India will be out of the purview of Local Disciplinary Committee and Audit Committee of VWFPL. The contact point in HQ shall take forward such whistle bower cases in accordance with Volkswagen Group Policy.

11. Responsibilities

11.1 Responsibilities of HQ Compliance

Every employee of VW FS, to whom a whistleblower entrusts his or her Suspicious Activity Report is obliged to report the suspected case immediately to HQ Compliance (e.g. via email: indication@vwfs.com).

If Hints are received by HQ Compliance that does not fall within their areas of responsibility, they have to be passed on to the responsible Investigation Office (e.g. Investigation Office of another Brand)/Local Disciplinary Committee in case of VWFPL immediately. If the information is relevant for the Volkswagen Group, it has to be forwarded to the Central Investigation Office for further processing.

11.2 Information concerning certain employees

Any Hints that raise suspicions against board members of the VW FS AG and that are not querulous, clearly inaccurate or lacking in substance, must be submitted without delay by HQ Compliance to the chairman of the Supervisory Board of VW FS, who shall decide on further actions. The member of the Board of Management responsible for Integrity and Legal Affairs of the Volkswagen AG shall be simultaneously informed about this.

Any Hints that are not manifestly inaccurate or insubstantial and raise suspicions against members of the Board of Management or Managing Directors of group companies shall immediately be reported by HQ Compliance to the chairman of the Board of Management of Volkswagen Financial Services AG who shall decide on further actions. The Volkswagen AG Board of Management member responsible for Integrity and Legal Affairs and the Chief Compliance Officer of the Volkswagen Group shall be simultaneously informed about this, as long as they are not themselves affected by the Hint and the person implicated is top management or higher.

Any Hints that raise suspicions against employees of the office of the corporate secretary of VWFS must immediately be submitted by HQ Compliance to the Chief Compliance Officer as well as to the chairman of the Board of Management. They have to decide on further actions.

Any Hints which raise suspicions against HQ Compliance employees must immediately be submitted to the Chief Compliance Office, the head of Internal Audit as well as to the chairman of the Board of Management. They have to decide on further actions.

Any Hints that raise suspicions against members of the Supervisory Board of the VWFS must be immediately submitted without delay by HQ Compliance to the chairman of the Board of Management, who shall decide on further actions. The member of the Board of Management responsible for Integrity and Legal Affairs and the Chief Compliance Officer of the Volkswagen Group shall also be immediately informed.

Any Hints that raise suspicions against members of the Supervisory Board of group companies, whose Board of Management members or Managing Director are at the level of top management or higher, must be immediately submitted by HQ Compliance to the Managing Director of the respective company. At the same time, the chairman of the Board of Management of VWFS shall be informed. The chairman of the Board of Management or the Managing Director of the respective company shall decide on further actions. The board member responsible for Integrity and Legal Affairs and the Chief Compliance Officer of the Volkswagen Group shall also be immediately informed. If the member of the Supervisory Board of the group company is also a member of the Management Board of Volkswagen

AG, Hints shall be submitted to the Central Investigation Office or to the GHWS of Volkswagen AG, who shall decide on further actions.

12. Investigation process

12.1 Handling of Suspicious Activity Reports

The specific procedural steps for handling of Suspicious Activity Reports, including the relevant tasks and responsibilities and the possible Follow-up Measures, are defined in detail in Annex 2: "Process for the handling of Suspicious Activity Reports – Serious Violations".

The Investigating Units' or Suitable Bodies' guidelines and process standards shall apply in a supplementary manner.

12.2 Remedy of unlawful conditions

If an Investigation Office becomes aware of continuing unlawful conditions, it shall, while observing the procedural principles and procedural safeguard (see Annex 1: "Procedural principles and safeguards"), immediately inform a body responsible to remedy the respective violations, regardless of Categorization.

12.3 Obligation to co-operate

All Group companies and their Employees are obliged to fully support investigations carried out in accordance with this regulation during all stages. This particularly includes making documents and data available in full and providing comprehensive and truthful information.

Reports into the Whistleblower System do not release employees from reports to other departments within VW FS.

~~11.1 Receipt, recordings and pre-check~~

~~HQ Compliance receives all Hints for violations via all entry channels in German and English as well as every other official language of the respective country and records those. If translations are required, confidentiality is ensured through agreements with the translation offices. Special intake channels allow also anonymous reporting and communication.~~

~~After receiving and recording of the Hints, a pre-check regarding substantiation is conducted. If any indication shows a possible Serious Regulatory Violation (see Paragraph 4), HQ Compliance forwards the Hint for Plausibility check and Categorization to the Central Investigation Office.~~

~~As well receipt, recording as pre-check have to be documented.~~

~~Information that does not relate to Regulatory Violations may be passed on by HQ Compliance to another body within the Volkswagen Group.~~

11.2 Plausibility check

In preparation for Categorization, the Central Investigation Office reviews the Hints for Substantiated Information. This comprises the preliminary investigation of the Regulatory Violation described in the Hint. Wherever possible and necessary, the Central Investigation Office will ask the whistleblower to obtain additional information for the Categorization. In order to conduct an efficient preliminary investigation, the Central Investigation Office may assign investigating units.

The findings of the Plausibility check may be documented with the investigation mandate or the assignment of a suitable body with further processing of an Other Regulatory Violation.

11.3 Categorization

After checking for Plausibility, the Central Investigation Office allocates Hints to one of the following categories:

- Unsubstantiated/unfounded (also includes obviously incorrect and insubstantial hints)
- Suspicion of Other Regulatory Violations
- Suspicion of Serious Regulatory Violations

Suspicion of Other Regulatory Violations respectively Serious Regulatory Violations exists, if there are sufficient actual indications of Other Regulatory Violations respectively Serious Regulatory Violations.

11.4 Initiation of internal investigation

Suspicions of Serious Regulatory Violations are dealt with by the Central Investigation Office. It issues an Investigation mandate and recommends the case to an investigating unit or an appropriate law firm, auditing company, or other company suitable for carrying out internal Investigations. In the event that a law firm should take on the case, the legal department is responsible for the selection and commissioning of that firm.

If an investigating unit objects to its selection, it may, in agreement with another investigating unit, suggest an exchange of units to the Central Investigation Office. The Central Investigation Office then decides on an exchange of the investigating unit. If an investigating unit disagrees with the decision of the Central Investigation Office, it may request the GHWS to review the decision. The GHWS then decides on the further course of action.

The investigation mandate describes the results of the Plausibility check, including an examination of data protection requirements and the subject of the investigation, including naming the persons implicated. The Central Investigation Office can make binding specifications for the conduct of the investigation and the preparation of the investigation report, including in generalized instructions or by template. With the

~~investigation mandate, the Central Investigation Office provides the investigating unit with already existing and required information and documents.~~

~~Suspensions of Other Regulatory Violations shall remain with HQ Compliance for the purpose of an independent investigation and to suspend and sanction confirmed regulatory violations. In cases of Other Regulatory Violations, HQ Compliance can suggest that one of the investigating units take over the case. For Other Regulatory Violations no investigation mandate is issued.~~

~~If a case has been categorized as Unsubstantiated/unfounded, the case shall be closed and no Investigation will be carried out for Regulatory Violations. If relevant new information is available, a new Plausibility check shall be carried out.~~

11.5 Investigation of serious regulatory violations

~~In addition to action taken by Local Disciplinary Committee, the *Contact Point* (at HQ) will proceed with the whistleblower cases which are classified as a *Serious Regulatory Violation*.~~

~~Investigations are only permissible on the basis of an Investigation mandate. This shall not apply to Investigations conducted by Internal Audit on behalf of the Board of Management or the Supervisory Board. In the event of imminent danger, in particular in the event of imminent danger of a loss of evidence, the investigating unit may perform individual investigation measures before an investigation mandate is issued; they shall inform the Central Investigation Office of this without delay. Investigations have to be processed by the investigating unit in accordance with the investigation mandate and the instructions of the Central Investigation Office. Supplementary and subordinate to this policy, the internal rules of the investigating unit shall apply. It may, in consultation with the Central Investigation Office, ask other bodies within the group for specific support and subcontract tasks to its own decentralized divisions. The investigating unit, however, maintains responsibility for the Investigation as a whole. If during the Investigation, participation rights of employee representations exist, in consultation with the Central Investigation Office, the investigating unit shall involve the relevant departments.~~

~~The investigating units must inform the Central Investigation Office on the status of Investigations upon request. When necessary, the Central Investigation Office shall advise the investigating unit and can participate in interviews with informants and Persons Implicated and receive access to documents.~~

~~If, during the Investigation, findings are discovered, which indicate regulatory violations beyond the Investigation mandate, the investigating unit has to inform the Central Investigation Office without delay so that the Central Investigation Office can decide to extend the Investigation mandate or to open a new case.~~

~~In the event of imminent danger, in particular in the event of imminent danger of a loss of evidence, the investigating units may perform individual investigation measures before an investigation mandate is issued in accordance with the procedural principles and safeguards set out in this policy. The investigating units shall inform the Central Investigation Office of this without delay and ensure (e.g. providing an audit report) that the Central Investigation Office receives the factual information required to fulfil its duties and obligations pursuant to this policy.~~

~~Upon completion of the Investigation, the investigating unit shall prepare an investigation report and provide it to the Central Investigation Office exclusively.~~

~~The Central Investigation Office checks the investigation report with regard to whether the investigation mandate has been comprehensively and duly completed. The Central Investigation Office can assign an investigating unit with conducting supplementary investigation measures and additions or amendments to the investigation report. If the investigating unit cannot carry out the additional investigation mandate for substantive or capacity reasons, the investigation mandate could be handed over to a law firm, accounting firm etc. to conduct the supplementary investigation. If an investigation unit disagrees with the decision of the Central Investigation Office, it may request the GHWS to review this decision. The GHWS then decides on the further course of action.~~

~~The Central Investigation Office decides, after additions or amendments, if necessary, on a final investigation report and recommends in the event of confirmed regulatory violations appropriate personnel measures. For cases that require expertise in employment law beyond the expertise of the in-house attorneys working in the Central Investigation Office, it obtains legal advice of the legal department responsible for employment law with regard to the recommendation of personnel measures. It shall submit the investigation report, together with its recommendation of appropriate personnel measures, to the HR Coordinator. The Central Investigation Office works towards the implementation of the recommended personnel measure of the HR Coordinator or a department within HR acting on his behalf. Following the final assessment of a whistleblower case (confirmation or non-confirmation of suspicion), the Contact Point initiates that the Audit Committee of VWFPL will be informed of the result. Contact Point shall co-operate with Audit Committee for any information/report on investigation that may be sought in this regard. The implementation measures suggested by Central Investigation Office in the final investigation report shall be recommendatory in nature for Hints pertaining to VWFPL. For Hints pertaining to VWFPL, the decision on implementation measures and implementation timelines shall be taken by the Audit Committee of VWFPL.~~

~~If the investigation report (also) confirms that other regulatory violations have occurred, these other regulatory violations shall be processed in line with this policy.~~

~~The HR Coordinator shall, within the limits of his or her possibilities and authorizations and in accordance with applicable law, implement the recommended measures personally or via a Human Resources department without delay taking the principle procedural fairness as well as company regulations into consideration. The HR Coordinator shall then report to the Central Investigation Office regarding implementation. If the implementation differs from the recommended sanction of the Central Investigation Office/Audit Committee of VWFPL, the HR Coordinator or the HR department commissioned with the implementation must provide a reasoned explanation without delay. In the latter case, the HR Coordinator coordinates the explanation provided by the commissioned department.~~

~~If a regulatory violation has been confirmed, the HR Coordinator or the responsible department in HR shall, in the context of the implementation of the recommended sanction, also inform the supervisor of the person implicated, unless there are substantial grounds for not doing so.~~

~~The Central Investigation Office assesses whether and to what extent implemented personnel measures — taking the applicable laws and data protection rules into account — shall be communicated within the company in particular due to generally preventive considerations or training purposes. This does not restrict the internal communication of personnel measures by the personnel and communication departments. The Central Investigation Office assesses and regularly checks the implementation of recommended sanctions for tendencies and potential objections with regard to subject, location and level of the Persons Implicated.~~

~~11.6~~ ~~Expeditious and in-depth investigations~~

~~Investigations must be executed expeditious and thoroughly.~~

~~To ensure an efficient and expeditious process the Central Investigation Office establishes binding target timelines for the duration of the various steps in the processing of Hints. The Central Investigation Office consults the investigating units and the HR Coordinator for the target timelines concerning them. The Central Investigation Office documents and communicates the target timelines to the investigating units and the HR Coordinator.~~

~~The investigating units and the HR Coordinator provide upon request the Central Investigation Office with significant information and data on their investigations or the implementation of personnel measures, including processing times and any exceeding of target timelines.~~

~~If it is predictable for the investigating units or the HR Coordinator that they will not comply with the relevant target timelines when processing a Hint, they shall immediately inform the GHWS and explain the reasons for the predictable non-compliance or exceedance.~~

~~The Central Investigation Office immediately informs the GHWS if target timelines are likely to be significantly exceeded and discusses possible remedial measures with the GHWS. Where investigating units or the HR Coordinator are concerned, the Central Investigation Office or the GHWS shall discuss possible remedial measures with them. If the remedial measures are unsuccessful, the Chief Compliance Officer of the Volkswagen Group informs the member of the Board of Management responsible for Integrity and Legal Affairs and the member of the Board of Management responsible for the investigating unit or the HR Coordinator.~~

~~The Central Investigation Office regularly reviews the appropriateness of the target timelines and takes into account, among other things, legal developments and increases in processing efficiency. Any adjustments shall be documented and communicated.~~

~~The correctness and thoroughness of investigation of whistleblower cases must not be affected by the target timelines.~~

~~11.7 Investigation of Other Regulatory Violations~~

~~HQ Compliance investigates all Other Regulatory Violations. The authorized function processing a suspected case of other regulatory violations is obliged to clarify the issue independently, comprehensively and in a timely manner, as well as to recommend suspension and sanction of any confirmed cases of regulatory violations pertaining to VWFPL. If necessary, assistance shall be provided by other offices within the group.~~

~~Upon completion of the investigation of a suspicion of Other Regulatory Violations, the Local disciplinary committee shall prepare a closure statement documenting the course of the investigation and the findings, and the result for each person implicated (regulatory violation confirmed or not). The documentation of any adopted measures (in particular, reprimand, warning or separation) must be performed either by the Audit Committee or the person assigned by it to execute personnel measure (e.g. responsible personnel department or superior). The fulfilment of this requirement may be reviewed by audits according to this guideline.~~

~~If offices are commissioned within Volkswagen AG, the commissioned office shall send the closure statement to HQ Compliance.~~

~~If the Local Disciplinary Committee identifies circumstances, indicating that a Serious Regulatory Violation has occurred, it has to inform HQ Compliance, which immediately forwards the case to the Central Investigation Office for re-categorization according to this guideline.~~

~~HQ Compliance may issue templates and general framework that must be adhered to when processing suspected cases of Other Regulatory Violations.~~

13. Remedy of unlawful conditions

If Central Investigation Office/ HQ Compliance / local office become aware of continuing unlawful conditions, they shall, while observing the procedural principles and safeguards, immediately inform a body responsible to remedy the respective violations, regardless of the Categorization.

Existing reporting obligations to the Internal Audit or the Risk Owner within the ICS-Steering-approach remain unaffected and shall be processed additionally. It is then the responsibility of Internal Audit to decide whether such risks are to be recorded as a basis for the audit planning.

14. Disciplinary consequences

The Audit Committee decides, under consideration of the principle of legality, about the recommendation of suitable personnel measures with regard to employees from the level of top management or higher that are confirmed to have conducted a Serious Regulatory Violation. The recommendation is decided on the basis of the Investigation report and the sanctioning proposal from the Central Investigation Office/Local Disciplinary Committee under consideration of the principle of legality of this policy. Statutory powers of the Supervisory Board over members of the Board of Management and upper management remain unaffected.

The Local Disciplinary Committee issues a recommendation (incl. a recommendation regarding a possible complaint against the employee) for the whistleblower case. The recommendation must be justified in writing. They must be forwarded immediately to the Members of the Audit Committee of VWFPL, to the HR Coordinator for implementation and simultaneously to the Central Investigation Office, in particular for discussing possible measures with the VWFPL.

The *Contact Point* is to be informed about the implementation of a recommendation by the Audit Committee. By adding the decisions to the documentation on the whistleblower case the *Contact Point* will close the case documentation.

15. Other tasks of the Central Investigation Office

15.1 Maintenance of internal intake channels

The Central Investigation Office maintains intake channels through which Employees of the Group and other natural persons can contact the Central Investigation Office to file Suspicious Activity Reports either verbally or in writing.

Attention must be paid to possible synergies. Therefore, the Group-wide intake channels maintained by the Central Investigation Office – adapted if necessary – must primarily be used.

15.1.1 Focus on internal reporting channels

These intake channels are dedicated to receive, in particular, reports of suspicious situations concerning:

- Serious Regulatory Violations as defined in paragraph 4 of this regulation;
- other violations of any applicable statutory laws, other public regulations or directly applicable acts of the European Union (including such violations by direct suppliers of Volkswagen AG or one of its Group companies) that may be attributable to Volkswagen AG or one of its Group companies; as well as
- other potentially abusive practices of Volkswagen AG or one of its Group companies.

The Chief Compliance Officer may extend the scope of the intake channels to also include reports concerning violations of due diligence obligations related to human rights or the environment in supply chains of the Volkswagen AG or its subsidiaries.

15.1.2 Topics not covered

The reporting channels are generally not intended to be used for:

- questions, submissions and complaints from customers and other users of the Group's products unless involving Regulatory Violations;
- criticism of the general business policy of the Group and its companies;
- requests for the review of incidents relating to the contractual employment status of the reporting person;
- requests for the review of decisions made by Volkswagen AG or one of its Group companies concerning the reporting person, which are or have already been subject of proceedings before state courts or in comparable arbitration mechanisms.

15.2 Operation of an IT-based Case Management System

The Central Investigation Office operates an IT-based case management system, document and archive in their area of responsibility, the Investigation of Hints that suspect incidences of Serious Regulatory Violations. On this basis, it provides meaningful statistics, which are included in the risk assessment of Volkswagen Group compliance and taken into account for the further development of the Compliance Management System of the Volkswagen Group. Anonymized statistics on confirmed cases of Regulatory Violations may be published internally within the company taking into account data protection law.

~~The Central Investigation Office reports directly to the GHWS and therefore, to the Chief Compliance Officer of the Volkswagen Group. The reports shall be provided on a regular basis and as needed. They shall include the aforementioned statistics as well as the results of the investigations, personnel measures adopted and recommendations on any further measures to avoid future incidents of regulatory violations and to improve the Compliance Management System. These reports should also clarify the causes and planned countermeasures in the event that the indicative target timelines as defined in expeditious and in depth investigation have been exceeded.~~

15.3 Notification Obligations

Insofar as data protection law permits and without impairing the protection of whistleblowers, the protection of Persons Implicated and the success of the investigation, the Central Investigation Office informs the Chief Compliance Officers of the group companies at cycles to be determined by the Central Investigation Office about relevant cases of whistleblowing in its area of responsibility.

The respective Investigation Office supports the Compliance Organization and the Risk Management with regard to the performance of risk analysis and the further development of the compliance and risk management systems by providing appropriate information and insights that are obtained from the processing of Suspicious Activity Reports.

The Investigation Offices are obliged to fulfill the reporting obligations to the audit and risk management within the framework of the risk management system.

Group companies in execution of respective HR Compliance processes may inquire at the Central Investigation Office whether employees, who are to be promoted, are subject of ongoing investigations for alleged Serious Regulatory Violations or whether employees against whom personnel measures are to be taken might enjoy protection as whistleblowers. In order to ensure compliance with all applicable data protection laws and regulations, a respective binding process for those inquiries is jointly set by the Central Investigation Office and the department Konzern Personalpolitik und -standards at Volkswagen AG.

~~The Management Board of Volkswagen AG shall regularly arrange a risk-based audit of the Volkswagen Group Whistleblower System by a suitable auditing company, law firm or other external company suitable for the audit. The scope of the audit, as well as the suitable service provider must be approved by the Audit Committee of Volkswagen AGs Supervisory Board. The subject of the audit is the end-to-end process of all process steps in the respective units. The audit shall include the investigating units (also in the brands), the HR Coordinator as well as risk-based selected group companies. The details of the audit are determined by the Audit Committee of Volkswagen AGs Supervisory Board. The audit reports of the external company must be submitted to the Audit Committee of the Supervisory Board and the Board of Management of Volkswagen AG.~~

16 — Coordination Committee

14.4 Establishment of a Coordination Committee

Each Investigation Office establishes a Coordination Committee in order to facilitate the professional exchange of stakeholders involved in the entire investigation process. The respective head of the Investigation Office will convene and chair the meetings of the Coordination Committee.

The Coordination Committee serves the purpose of exchanging opinions between the Investigation Office and the other participating departments and supports the efficiency of managing internal Investigations. Sessions may be held via phone, Skype, Teams or similar methods.

The Investigation Office will set the meeting cycle and the agenda and will establish rules of procedure..

15.5 Qualification

Employees of the Investigation Offices and the Investigating Units are to be trained regularly, especially with regard to data protection requirements for the handling of Suspicious Activity Reports.

15.6 Target timelines for processing

To ensure efficient and expeditious processing of Suspicious Activity Reports, the Central Investigation Office establishes binding Target Timelines for the duration for the various processing, and it will communicate them to the other Investigation Offices, the Investigating Units and the Group HR Coordinator. The Heads of the Brand Investigation Offices will inform their Investigating Units and their respective HR Coordinator.

The relevant Investigation Office will inform the respective Chief Compliance Officer about any significant exceedances of the Target Timelines, and will discuss possible remedial actions with it. If the remedial actions do not succeed, the Chief Compliance Officer shall inform the responsible member of the Board of Management.

The adequacy of the Target Timelines must be reviewed annually by the Central Investigation Office. Legal developments and improvements of efficiency in processing must be taken into account.

In the course of issuing and review of Target Timelines, the Central Investigation Office shall consult the heads of the other Investigation Offices, Investigating Units and the Group HR Coordinator. Particularly, the Central Investigation Office shall, on request, be provided with meaningful information and data on Investigations or the implementation of HR measures, including processing times and exceeding the Target Timelines.

~~17 — Implementation of the policy in the group companies~~

~~HQ Compliance has to report Hints of Other Regulatory Violations to the Central Investigation Office on a statistical level.~~

~~The details are to be established by the Central Investigation Office.~~

~~This Policy does not preclude the establishment or maintenance of local channels at group companies designed to allow reporting of Regulatory Violations, provided that it is ensured that the group companies forward any Hint regarding Serious Regulatory Violations to HQ Compliance. The Central Investigation Office is authorized to make specifications regarding the structure of the local offices and to review the accurate performance of tasks.~~

~~18~~ **Quality assurance**

~~The Central Investigation Office may request explanations of the final statements from the offices responsible for processing in addition to the corresponding documentation insofar as this is legally permissible.~~

16. Specification for Group companies

16.1 Implementation of the regulation

Any changes in the Group Policy must adopt this regulation without undue delay. Deviations from the content of this regulation are only permissible if they are mandatorily required by provisions of national law, public regulations or specific agreements with the respective company. These mandatory circumstances must be reported, in writing and without delay, to HQ Compliance. Any necessary amendments must be agreed with HQ Compliance

16.2 Support of the Whistleblower System

All Group companies shall fully support the Group-wide Whistleblower System and further promote awareness about the Whistleblower System within their respective Group company. With regard to communication measures, they have to observe the requirements of the Central Investigation Office.

16.3 Other internal reporting bodies

This regulation does not preclude the establishment or maintenance of local channels at Group company level designed to allow reporting of Regulatory Violations, provided that it is ensured that information concerning potential Serious Regulatory Violations is forwarded to HQ Compliance and respectively the Central Investigation Office. The Central Investigation Office is authorized to issue specifications regarding the structure of the local channels and to review the proper performance of their tasks.

Group companies must not implement and maintain supplementary internal reporting channels without prior consultation and approval of HQ Compliance and respectively the Central Investigation Office.

16.4 Dedicated local contact person for the Whistleblower System

Group companies with headquarters within the European Economic Area with more than 50 Employees must designate a dedicated local contact person for the Whistleblower System in coordination with HQ Compliance and the Central Investigation Office. The nomination and any changes must be notified to HQ Compliance and the Central Investigation Office without undue delay. They must be included in the publications of the relevant Group company relating to the Whistleblower System.

The local contact persons shall be made available to the Employees of the relevant Group company for any questions regarding the Whistleblower System. They support and advise the Central Investigation Office whilst performing the tasks according to this regulation, particularly regarding local regulations relevant for the processing of Suspicious Activity Reports.

If and to the extent Suspicious Activity Reports cannot be forwarded to or processed by the Central Investigation Office for legal reasons in individual cases, the local contact persons will take over the tasks of the Central Investigation Office and will comply with the applicable group requirements (Art. 9 of Directive (EU) 2019/1937). In the performance of these tasks, they must coordinate – as far as legally permissible – in each case with the Central Investigation Office. The Central Investigation Office may examine the correctness and quality of the performance of tasks.

The local contact person should preferably be in the Compliance department and must be regularly trained in relation to the requirements for the operation of the Whistleblower System and the handling of Suspicious Activity Reports.

17. Modification of Policy

Any amendment to this policy shall be approved by the Audit Committee and shall be disseminated to the employees and noted by the Board of Directors.

18. Controls in regard to internal control system (ICS)

- There are no controls with 4-eye-principal associated with this I-OHB-document.
- Controls with 4-eye-principal related to this I-OHB regulation are not described within this document. Controls are documented in separate file/stored in:

Annexes

Annex 1: Forensics

Annex 2: Investigation Mandate

Annex 3: Investigation Report

Forensics (investigation and investigation assignments)

The guideline competence lies with Corporate Security (SH-SC).

1. Subject of this Annex

Regulation of the responsibilities for investigation and investigation mandates after receipt of a hint. The responsibilities are distributed among the respective organizational units (OU).

- Internal Audit
- Legal
- Security

Volkswagen Financial Services AG and its legal entities are structured as

- [S] Focus-OE (lead function)
- [A] Alternative OE (depending on the thematic focus)
- [U] Support-OE (advisory function, information gathering,...)

Regardless of the allocation below, Legal, Compliance and Security ensure that the Internal Audit department is informed promptly about the relevant processes. The Internal Audit reserves the right to carry out independent audit procedures for all processes.

Distribution Criteria after receiving a hint	Internal Audit	Security	Legal	other
Human Rights, esp. discrimination, disadvantage and harassment		A	U	S: Human Resources
Accounting	S			
Anti-Corruption	S	A	U	
Fraud & Embezzlement	S	U	A	
Competition & Antitrust Law	A	U	S	
Anti-Money Laundering	A	U	A/U	S: Compliance
Tax Regulations	S	U	A	
Product Compliance & Product Security	S	U	A	
Environmental Regulations	U	S	A	
Data Protection	S	U	A	
Work Safety		S	A	
Retaliation of Whistleblower	S	U		
Other Criminal Law	A	S	U	

Investigation mandate for Other Regulatory Violations, Version 1.0, valid as of 2021/06/30

Master File Data	Required
HQ Compliance Reference-no.:	<i>e.g. VWFS-2020-0100</i>
Date of reception of the hint:	<i>e.g. 2020/XX/XX</i>
Country:	<i>e.g. Italy</i>
Legal Entity:	<i>e.g. VW Financial Services S.p.A.</i>

Hint Key Data	Required
Persons implicated:	<i>First- and Surname, Department</i>
Potential violation / Code of Conduct:	<i>e.g. Conflict of Interest</i>
Potential violation / internal regulation:	<i>e.g. I-OHB regulation, local work instruction</i>
Potential violation / local legislation:	<i>e.g. Data Protection, Anti-Corruption or Regulatory Act</i>
Whistleblower known / can be contacted:	<i>Yes / no, Contact data of Whistleblower</i>
Whistleblower already contacted:	<i>Yes / no</i>

Result of Substantiation
- <i>Summary of the result of the substantiation</i>

Optional: Further Topics for the Investigation
- <i>E.g. special requirements regarding scope and subject of the investigation</i>
- <i>E.g. Employees which should be interviewed or responded (First- and Surname, Department)</i>

Investigation Report for hint of other regulatory violation

Reference Number GH-GI	VWFS-JJJJ-NNN (e.g. VWFS-2021-001)	Respective Country	Germany, etc.
Investigation Mandate from	TT.MM.JJJJ	Respective Company	VW FS AG, VW Leasing, etc.
Investigation Unit	HR, Internal Audit, etc.	Result	Allegation confirmed yes/no

Investigated potential allegation(s)

- 1.
- 2.
- 3.
- ...

Investigation report: brief description of how the result was achieved in line with the process guarantees (e.g. which interviews were conducted, which documents were requested, which coordination took place) - if a separate final report is available (e.g. audit report, minutes of the interview), this can be attached and referred to

Suspected Abuse of the Whistleblower System	Yes / No	Documentation ensured in Investigation Unit	Yes / No
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