

AUTOMOTIVE

Audi, Porsche owner establishes sustainability code for partners

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Audi is putting the focus on sustainability, one of Volkswagen's brands. Image courtesy of Audi

By STAFF REPORTS

Automaker Volkswagen Group is heightening sustainability in its company, hoping to combat a negative image after its emissions scandal.

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Starting on July 1, Volkswagen will implement a new program in which it will rate the sustainability of its suppliers worldwide. In the Sustainable Rating, supply partners will be given questionnaires and submit documents to prove their sustainable practices.

"We are convinced that a sustainable supplier network is a guarantee of long-term corporate success," said Dr. Stefan Sommer, board member for components and procurement at Volkswagen Group, in a statement. "Sustainability is becoming a decisive business factor."

Sustainability in auto

In 2016, the automotive group reached a \$10 billion class action settlement after the brand falsified emissions data on nearly half a million diesel models sold in the United States.

The Gregg Klein v. Volkswagen Group of America, Inc. case was filed in federal court in September 2015, days after the automaker copped to deceiving U.S. regulators and consumers. The emissions scandal impacted not only Volkswagen branded diesel vehicles, but also its high-end offerings such as Porsche and Audi, which are owned by the group ([see story](#)).

Volkswagen is now introducing the Sustainable Rating to become a more sustainable company.

A third party will review the documents and questionnaire provided by suppliers, and if necessary an on-site inspection will be carried out. The automaker states that if it finds misconduct in relation to environmental, social affairs or corruption it will end its contracts with the supplier.



Porsche markets its hybrid Panamera from an artistic standpoint. Image credit: Porsche

"We are aware of our responsibility on further steps along the supply chain," said Hiltrud D. Werner, board member for integrity and legal affairs at Volkswagen, in a statement. "However, the demand for sustainability standards and integrity is actually only possible with our direct contractual partners."

"We use this lever as a matter of priority in the supply chain by requiring our contractual partners to pass on our requirements to their partners," she said.

The group has been preparing its partners for the Sustainable Rating launch for more than a year and has detailed the requirements along with others in its Code of Conduct for Business Partners. The code includes subjects such as human rights, compliance with occupational health and safety, environmental protection and the fight against corruption.

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