Shaping the transformation together.

Frank Witter, Chief Financial Officer of Volkswagen AG
Citi Investor Roadshow, New York, 28th March 2018
Disclaimer

The following presentations contain forward-looking statements and information on the business development of the Volkswagen Group. These statements may be spoken or written and can be recognized by terms such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “will” or words with similar meaning. These statements are based on assumptions, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. These assumptions relate in particular to the development of the economies of individual countries and markets, the regulatory framework and the development of the automotive industry. Therefore the estimates given involve a degree of risk, and the actual developments may differ from those forecast. The Volkswagen Group currently faces additional risks and uncertainty related to pending claims and investigations of Volkswagen Group members in a number of jurisdictions in connection with findings of irregularities relating to exhaust emissions from diesel engines in certain Volkswagen Group vehicles. The degree to which the Volkswagen Group may be negatively affected by these ongoing claims and investigations remains uncertain.

Consequently, a negative impact relating to ongoing claims or investigations, any unexpected fall in demand or economic stagnation in our key sales markets, such as in Western Europe (and especially Germany) or in the USA, Brazil or China, will have a corresponding impact on the development of our business. The same applies in the event of a significant shift in current exchange rates in particular relative to the US dollar, sterling, yen, Brazilian real, Chinese renminbi and Czech koruna.

If any of these or other risks occur, or if the assumptions underlying any of these statements prove incorrect, the actual results may significantly differ from those expressed or implied by such statements.

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Development World Car Market vs. Volkswagen Group Car Deliveries to Customers\(^{1)}\) (Growth y-o-y in deliveries to customers, January to December 2017 vs. 2016)

\(^{1)}\) Figures excl. Volkswagen Commercial Vehicles, Scania and MAN.
## Development World Car Market vs. Volkswagen Group Car Deliveries to Customers\(^1\)
(Growth y-o-y in deliveries to customers, January to February 2018 vs. 2017)

<table>
<thead>
<tr>
<th>Region</th>
<th>Car Market</th>
<th>VW Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>-1.1%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Central &amp; Eastern Europe</td>
<td>-2.4%</td>
<td>4.5%</td>
</tr>
<tr>
<td>South America</td>
<td>-2.4%</td>
<td>4.0%</td>
</tr>
<tr>
<td>World</td>
<td></td>
<td>10.2%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>5.3%</td>
<td>13.5%</td>
</tr>
</tbody>
</table>

\(^1\) Figures excl. Volkswagen Commercial Vehicles, Scania and MAN.
Volkswagen Group – Deliveries to Customers by Brands
(January to December 2017 vs. 2016)

- **Passenger Cars**
  - Volkswagen Group: 10,297 → 10,741
  - January – December 2016: 10,297
  - January – December 2017: 10,741
  - Growth: +4.3%

- **Commercial Vehicles**
  - January – December 2016: 5,980
  - January – December 2017: 6,230
  - Growth: +4.2%

---

1) Incl. all brands of Volkswagen Group (Passenger Cars and Commercial Vehicles); +4.2% excl. Volkswagen Commercial Vehicles, Scania and MAN.

2) MAN incl. MAN Latin America Trucks and Busses GVW > 5t.
# Volkswagen Group – Deliveries to Customers by Brands
## (January to February 2018 vs. 2017)

<table>
<thead>
<tr>
<th>Month</th>
<th>Volkswagen Group</th>
<th>Passenger Cars</th>
<th>Commercial Vehicles</th>
</tr>
</thead>
<tbody>
<tr>
<td>January – February 2017</td>
<td>1,504</td>
<td>884</td>
<td>249</td>
</tr>
<tr>
<td>January – February 2018</td>
<td>1,636</td>
<td>941</td>
<td>280</td>
</tr>
</tbody>
</table>

**Passenger Cars**
- **Volkswagen Group**
  - +8.8%
  - 200 units January – February 2017
  - 200 units January – February 2018

**Commercial Vehicles**
- **Volkswagen Group**
  - +6.5%

1) Incl. all brands of Volkswagen Group (Passenger Cars and Commercial Vehicles); +9.1% excl. Volkswagen Commercial Vehicles, Scania and MAN.
2) MAN incl. MAN Latin America Trucks and Busses GVW > 5t.
Volkswagen Group – Deliveries to Customers by Markets\(^1\)
(January to December 2017 vs. 2016)

\(^1\)Incl. all brands of Volkswagen Group (Passenger Cars and Commercial Vehicles); +4.2% excl. Volkswagen Commercial Vehicles, Scania and MAN.
Volkswagen Group – Deliveries to Customers by Markets\(^1\)
(January to February 2018 vs. 2017)

\(^1\) Incl. all brands of Volkswagen Group (Passenger Cars and Commercial Vehicles); +9.1% excl. Volkswagen Commercial Vehicles, Scania and MAN.
# Volkswagen Group – Key Financial Figures

(December 2017 vs. 2016)

<table>
<thead>
<tr>
<th>Thousand vehicles / € million</th>
<th>2017</th>
<th>2016</th>
<th>+/- (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle Sales$^2$</td>
<td>10,777</td>
<td>10,391</td>
<td>+3.7</td>
</tr>
<tr>
<td>Sales revenue</td>
<td>230,682</td>
<td>217,267</td>
<td>+6.2</td>
</tr>
<tr>
<td>Operating profit before Special Items</td>
<td>17,041</td>
<td>14,623</td>
<td>+16.5</td>
</tr>
<tr>
<td>% of sales revenue</td>
<td>7.4</td>
<td>6.7</td>
<td></td>
</tr>
<tr>
<td>Operating profit</td>
<td>13,818</td>
<td>7,103</td>
<td>+94.5</td>
</tr>
<tr>
<td>% of sales revenue</td>
<td>6.0</td>
<td>3.3</td>
<td></td>
</tr>
<tr>
<td>Financial result$^2$</td>
<td>94</td>
<td>189</td>
<td>X</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>13,913</td>
<td>7,292</td>
<td>+90.8</td>
</tr>
<tr>
<td>% Return on sales before tax</td>
<td>6.0</td>
<td>3.4</td>
<td></td>
</tr>
<tr>
<td>Profit after tax</td>
<td>11,638</td>
<td>5,379</td>
<td>X</td>
</tr>
</tbody>
</table>

$^1$ All figures shown are rounded, so minor discrepancies may arise from addition of these amounts. Incl. allocation of consolidation adjustments between the Automotive and Financial Services divisions.

$^2$ Volume data incl. the unconsolidated Chinese joint ventures. The joint venture companies in China are accounted for using the equity method and recorded an operating profit (proportionate) of €4.7 billion (€5.0 billion).
### Volkswagen Group – Analysis of Operating Profit

(January to December 2017 vs. 2016)

<table>
<thead>
<tr>
<th>Category</th>
<th>2016</th>
<th>2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit before special items 2016</td>
<td>14.6 € billion</td>
<td>11.4 € billion</td>
<td>-3.2 € billion</td>
</tr>
<tr>
<td>Volume / mix / prices</td>
<td></td>
<td>2.6 € billion</td>
<td></td>
</tr>
<tr>
<td>Exchange rates</td>
<td>0.2 € billion</td>
<td>0.6 € billion</td>
<td>+0.4 € billion</td>
</tr>
<tr>
<td>Product-costs</td>
<td>-2.0 € billion</td>
<td>0.7 € billion</td>
<td>+2.7 € billion</td>
</tr>
<tr>
<td>Fixed costs</td>
<td>0.0 € billion</td>
<td>0.2 € billion</td>
<td>+0.2 € billion</td>
</tr>
<tr>
<td>Commercial Vehicles 3)</td>
<td></td>
<td>-3.2 € billion</td>
<td></td>
</tr>
<tr>
<td>Power Engineering 3)</td>
<td></td>
<td>17.0 € billion</td>
<td></td>
</tr>
<tr>
<td>Financial Services Division</td>
<td></td>
<td>0.0 € billion</td>
<td></td>
</tr>
<tr>
<td>Operating profit before special items 2017</td>
<td>17.0 € billion</td>
<td>11.4 € billion</td>
<td>-5.6 € billion</td>
</tr>
<tr>
<td>Special items</td>
<td></td>
<td>-3.2 € billion</td>
<td></td>
</tr>
<tr>
<td>Operating profit 2017</td>
<td>13.8 € billion</td>
<td>8.2 € billion</td>
<td>-5.6 € billion</td>
</tr>
</tbody>
</table>

1) All figures shown are rounded, minor discrepancies may arise from addition of these amounts. 2) without FS. 3) incl.PPA.
‘Best ever’ Automotive Division Net Cash Flow (ex Diesel payments)\(^1\)
(January to December 2017)

\(^1\) Incl. allocation of consolidation adjustments between Automotive and Financial Services divisions.

\(^2\) Incl. Chinese dividends.
Automotive Division Net Cash Flow Development$^{1,2}$
(January to December 2017)

1. All figures shown are rounded, minor discrepancies may arise from addition of these amounts.
2. Incl. allocation of consolidation adjustments between Automotive and Financial Services divisions.
3. Capital expenditure for property, plant and equipment in % of Automotive sales revenue.
Automotive Division - Net Liquidity on a solid level\(^1\)
(December 31\(^{st}\) 2017)

\(^1\) All figures shown are rounded, minor discrepancies may arise from addition of these amounts.
Volkswagen Group – Analysis by Business Line
(January to December 2017 vs. 2016)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen Passenger Cars2)</td>
<td>3,573</td>
<td>4,347</td>
<td>79,979</td>
<td>105,651</td>
<td>3,301</td>
<td>1,869</td>
<td>4.1%</td>
<td>1.8%</td>
</tr>
<tr>
<td>Audi</td>
<td>1,530</td>
<td>1,534</td>
<td>60,128</td>
<td>59,317</td>
<td>5,058</td>
<td>4,846</td>
<td>8.4%</td>
<td>8.2%</td>
</tr>
<tr>
<td>ŠKODA</td>
<td>937</td>
<td>814</td>
<td>16,559</td>
<td>13,705</td>
<td>1,611</td>
<td>1,197</td>
<td>9.7%</td>
<td>8.7%</td>
</tr>
<tr>
<td>SEAT</td>
<td>595</td>
<td>548</td>
<td>9,892</td>
<td>8,894</td>
<td>191</td>
<td>153</td>
<td>1.9%</td>
<td>1.7%</td>
</tr>
<tr>
<td>Bentley</td>
<td>11</td>
<td>11</td>
<td>1,843</td>
<td>2,031</td>
<td>55</td>
<td>112</td>
<td>3.0%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Porsche Automotive3)</td>
<td>248</td>
<td>239</td>
<td>21,674</td>
<td>20,710</td>
<td>4,003</td>
<td>3,733</td>
<td>18.5%</td>
<td>18.0%</td>
</tr>
<tr>
<td>Volkswagen Commercial Vehicles</td>
<td>498</td>
<td>478</td>
<td>11,909</td>
<td>11,120</td>
<td>853</td>
<td>455</td>
<td>7.2%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Scania4)</td>
<td>92</td>
<td>83</td>
<td>12,789</td>
<td>11,303</td>
<td>362</td>
<td>230</td>
<td>3.3%</td>
<td>2.3%</td>
</tr>
<tr>
<td>MAN Commercial Vehicles</td>
<td>114</td>
<td>102</td>
<td>11,087</td>
<td>10,005</td>
<td>193</td>
<td>194</td>
<td>5.9%</td>
<td>5.4%</td>
</tr>
<tr>
<td>MAN Power Engineering</td>
<td>-</td>
<td>-</td>
<td>3,283</td>
<td>3,593</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>VW China5)</td>
<td>4,020</td>
<td>3,873</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other6)</td>
<td>-402</td>
<td>-1,638</td>
<td>-30,288</td>
<td>-56,617</td>
<td>-2,355</td>
<td>-1,343</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Volkswagen Financial Services7)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>31,826</td>
<td>27,554</td>
<td>2,460</td>
<td>2,105</td>
</tr>
<tr>
<td>Volkswagen Group before Special Items</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>17,041</td>
<td>14,623</td>
<td>7.4%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Special Items</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-3,222</td>
<td>-5,220</td>
</tr>
<tr>
<td>Volkswagen Group</td>
<td>10,777</td>
<td>10,391</td>
<td>230,682</td>
<td>217,267</td>
<td>13,818</td>
<td>7,103</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>of which: Automotive Division8)</td>
<td>10,777</td>
<td>10,391</td>
<td>196,949</td>
<td>186,016</td>
<td>11,146</td>
<td>4,668</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>of which: Passenger Cars</td>
<td>10,077</td>
<td>9,729</td>
<td>158,466</td>
<td>150,343</td>
<td>9,309</td>
<td>4,167</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>of which: Commercial Vehicles</td>
<td>700</td>
<td>662</td>
<td>35,200</td>
<td>32,080</td>
<td>1,892</td>
<td>718</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>of which: Power Engineering</td>
<td>-</td>
<td>-</td>
<td>3,283</td>
<td>3,593</td>
<td>-55</td>
<td>-217</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Financial Services Division</td>
<td>-</td>
<td>-</td>
<td>33,733</td>
<td>31,251</td>
<td>2,673</td>
<td>2,435</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

1) All figures shown are rounded, minor discrepancies may arise from addition of these amounts. 2) 2017 figures take account of the reclassification of companies; prior-year figures were not adjusted. 3) Porsche (Automotive and Financial Services): sales revenue €23,491 (22,318) million, operating profit €4,144 (3,877) million. 4) Incl. financial services. 5) The sales revenue and operating profits of the joint venture companies in China are not included in the figures for the Group. These Chinese companies are accounted for using the equity method and recorded a proportionate operating profit of €4,746 (4,956) million. 6) Prior year adjusted. In operating profit mainly intragroup items recognized in profit or loss, in particular from the elimination of intercompany profits; the figure includes depreciation and amortization of identifiable assets as part of purchase price allocation for Scania, Porsche Holding Salzburg, MAN and Porsche. 7) Starting January 1, 2017, Porsche's financial services business is reported as part of Volkswagen Financial Services. Prior-year figures were not adjusted. 8) Incl. allocation of consolidation adjustments between the Automotive and Financial Services divisions.
Volkswagen Group – Outlook for 2018

**Deliveries to customers**
- 2016: 10,297 thousand vehicles
- 2017: 10,741 thousand vehicles
- +4.3%

**Sales revenue**
- 2016: €217.3 billion
- 2017: €230.7 billion
- +6.2%

**Operating return on sales**
- 2016: 6.7%
- 2017: 7.4%

1) before Special Items.

**Deliveries to customers**
- Moderately above prior year

**Sales revenue**
- Up to 5% above prior year level

**Operating return on sales**
- Between 6.5% to 7.5%
Global Passenger Car Market 2017/2020

Slowdown in Western Europe due to falling demand in UK; Stagnation in USA at a high level; Recovery in Brazil and Russia from a low level; China remains largest driver of passenger car demand

million units

<table>
<thead>
<tr>
<th>Year</th>
<th>USA 1</th>
<th>Western Europe</th>
<th>Russia</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>17.3</td>
<td>14.4</td>
<td>1.5</td>
</tr>
<tr>
<td>2018</td>
<td>17.0</td>
<td>14.5</td>
<td>1.7</td>
</tr>
<tr>
<td>2019</td>
<td>16.8</td>
<td>14.2</td>
<td>2.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Brazil 1</th>
<th>World 1</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2.2</td>
<td>84.7</td>
<td>24.0</td>
</tr>
<tr>
<td>2018</td>
<td>2.5</td>
<td>86.1</td>
<td>24.3</td>
</tr>
<tr>
<td>2019</td>
<td>2.9</td>
<td>90.0</td>
<td>26.1</td>
</tr>
</tbody>
</table>

[1] Volume for North & South America includes light commercial vehicles (definition ‘Light Vehicles’)

[Data source: IHS Automotive (02.2018) | growth 2017-2020 = CAGR]
Focus model offensive: Full pipeline for 2018

- > 25 New models
  - Q8
  - Urus
  - Cupra Ateca
  - up! GTI
  - e-Crafter
  - Huracán Performante Spyder

- > 30 Successor models
  - Touareg
  - Jetta
  - Polo GTI
  - A7 Sportback
  - Q3
  - A6 Avant

- > 20 Facelifts
  - Fabia
  - 911 Carrera T
  - Aventador S Roadster
Strong Increase in our SUV mix
SUV mix by region based on expected regional Group sales

- **NAR**
  - 2016: 18%
  - 2022: ~50%

- **China**
  - 2016: 18%
  - 2022: ~40%

- **Europe**
  - 2016: 18%
  - 2022: ~34%

Source: Internal planning.
## Clear Financial Targets and Milestones

### Key financial targets

<table>
<thead>
<tr>
<th></th>
<th>2016 Actual</th>
<th>2017 Actual</th>
<th>2018 Outlook</th>
<th>2020 Targets</th>
<th>2025 Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating return on sales</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Before Special Items</td>
<td>6.7%</td>
<td>7.4%</td>
<td>6.5-7.5%</td>
<td>6.5-7.5%</td>
<td>7-8%</td>
</tr>
<tr>
<td><strong>Return on investment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automotive Division before Special Items</td>
<td>13.9%</td>
<td>14.4%</td>
<td>12-14%</td>
<td>13-15%</td>
<td>&gt; 15%</td>
</tr>
<tr>
<td><strong>Capex ratio</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automotive Division</td>
<td>6.9%</td>
<td>6.4%</td>
<td>6.5-7%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td><strong>R&amp;D cost ratio</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automotive Division</td>
<td>7.3%</td>
<td>6.7%</td>
<td>6.5-7%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Cash</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Net Cashflow Automotive Division</td>
<td>€ 4.3 bn</td>
<td>€ -6.0 bn</td>
<td>≥ € 5 bn</td>
<td>≥ € 10 bn</td>
<td>&gt; € 10 bn</td>
</tr>
<tr>
<td>b) Net Liquidity</td>
<td>€ 27.2 bn</td>
<td>€ 22.4 bn</td>
<td>&gt; € 20 bn</td>
<td>&gt; € 20 bn</td>
<td>~10% of Group turnover</td>
</tr>
</tbody>
</table>
Improving Group results despite significant challenges\(^1\)

**Industry transition**
- e-mobility
- Digitalization
- Autonomous Driving
- Mix Trend (+SUV’s/-diesel)

**Emission costs\(^1\)**
- EU -27% CO\(_2\) emission
- US -35% CO\(_2\) emission
- CN -40% l/km consumption

<table>
<thead>
<tr>
<th>Year</th>
<th>Return on Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 Base</td>
<td>6.7%</td>
</tr>
<tr>
<td>2017</td>
<td>7.4%</td>
</tr>
<tr>
<td>2020 Target</td>
<td>6.5 - 7.5%</td>
</tr>
</tbody>
</table>

\(^1\) Calculation based on 2016 figures.
CAPEX Automotive Division

(€ billion, as % of sales revenue)
R&D Costs Automotive Division
(€ billion, as % of sales revenue)
Automotive Division-Net Cash Flow (ex Diesel payments)\(^1\)
in € billion

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash Flow (in € billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>6.1</td>
</tr>
<tr>
<td>2015</td>
<td>8.9</td>
</tr>
<tr>
<td>2016(^2)</td>
<td>7.3</td>
</tr>
<tr>
<td>2017(^2)</td>
<td>10.1</td>
</tr>
<tr>
<td>2018</td>
<td>≥ 10</td>
</tr>
<tr>
<td>2020</td>
<td>&gt; 10</td>
</tr>
<tr>
<td>2025</td>
<td>&gt; 10</td>
</tr>
</tbody>
</table>

\(^1\) Incl. allocation of consolidation adjustments between Automotive and Financial Services divisions.  
\(^2\) Before around € 3 bn in 2016 and € 16.1 bn in 2017 Diesel related outflow.
Volkswagen AG – Attractive Dividend for Preferred Shares; almost doubled

**Earnings per Share (€ billion)**
- 2016: 10.30
- 2017: 22.69

**Dividend per Share (€)**
- 2016: 2.06
- 2017: 3.96

**Dividend pay-out ratio (%)**
- 2016: 19.70
- 2017: 19.00

**Within current planning round / next 5 years**

30% Dividend pay-out ratio

---

1) Total dividend in percent of net income attributable to shareholders of Volkswagen AG.
2) Proposal for the business year 2017 (adjusted for non-recurring effects related to the tax reform in the USA of € 1 bn) to be approved at the Annual General Meeting on May 3rd.
STRATEGY 2025 – Initiatives at a glance

1. Sharpen positioning of brands
2. Develop winning vehicle and drivetrain portfolio
3. Streamline modular architectures
4. Partner with regional players to win in economy segment
5. Develop self-driving system for autonomous vehicles and artificial intelligence in-house
6. Develop battery technology as new core competency
7. Develop best-in-class user experience across brands and customer touchpoints
8. Implement model line organization
9. Realign “Components” business
10. Build mobility solutions business
11. Develop and expand attractive and profitable smart mobility offering
12. Improve operational excellence
13. Optimize business portfolio
14. Drive digital transformation
15. Create organization 4.0
16. Better integrated and strategic planning process

Transform core business
Build mobility solutions business
Secure funding
Strengthen innovation power
Focus on strategy: Resolutely making progress toward sustainable mobility

Up to the end of 2022: We will be putting more than €34 billion into e-mobility, digitalization, autonomous driving and mobility services – thereof in 2018: €6.6 bn

Also putting more than €90 billion into the conventional vehicle and drive portfolio – thereof in 2018: €19.8 bn
Efficient combustion engines and alternative powertrains play a major role for the future of sustainable mobility

- Significant improvements in consumption and emissions of gasoline engines
- All new gasoline engines will be equipped with a particulate filter
- Working on synthetic fuels produced from renewable sources
- The latest Euro 6 diesel engines deliver above-average performance in the new WLTP\textsuperscript{1}) cycle
- Significantly expanding the range of CNG\textsuperscript{2}) vehicles

\textsuperscript{1}) Worldwide Harmonized Light-Duty Vehicles Test Procedure \textsuperscript{2}) Compressed Natural Gas
Responsibilities for Electric Toolkit Architecture

- Economies of scale from use of MEB across entire Group
- Higher productivity and shorter manufacturing time
- Lower material and distribution costs

- Common modules and scale effects save up to 30% development costs (compared to brand excl. developments)
- Flexibility: Architecture open for other brands to be used in the future
The Volkswagen Brand‘s I.D. family sets the new BEV benchmark in volume segment

Market launch early 2020 and onwards.
Audi e-tron will change the premium electric game

with a range of more than 500 km

Market launch August 2018.
Advances in battery technology will improve range, weight and costs

* basis: eGolf with comparable battery volume

Energy density, or volumetric energy density, reflects volume in liters (Wh/l).

New battery technologies

Lithium ion technology

- 2014: 190 km, 230 Wh/l
- 2017: 300 km, 410 Wh/l
- 2018: 380 km, 650 Wh/l
- 2020: 420 km, 700 Wh/l
- 2025: 700 km, 1000 Wh/l

- 2025: 500 km, 800 Wh/l

- All solid state
- Improved anode and cathode
Battery costs will decrease significantly by 2020

Target: < 100 € / kWh
Roadmap E - E-mobility model offensive of the Volkswagen Group

- 50 BEVs + 30 PHEVs
- 2-3m expected units or 20–25% Group sales intended to be purely battery-powered
- Own e-fleet requirements over 150 GWh of battery capacity
- € 50bn battery cell procurement volume up to 2025

- At least one electrified version for each of the Group's 300 or so models
Launch of Pan-European High-Power Charging Network IONITY

IONITY

• Joint Venture of automotive manufacturers enables electric mobility on long-distance journeys
• Building of a High-Power-Charging (HPC) Network for electric vehicles starts operation
• 20 stations in multiple European countries started in 2017
• IONITY will implement and operate about 400 fast charging stations across European major thoroughfares until 2020
• A charging capacity of up to 350 kW enables to reduce charging time significantly when compared to existing systems
• Multi-brand compatibility with current and future generations of electric vehicles through Combined Charging System (CCS)

1) The founding partners, BMW Group, Daimler AG, Ford Motor Company and the Volkswagen Group, have equal shares in the joint venture, while other automotive manufacturers are invited to help expand the network.
Electrify America - Powering electric mobility

**Investment of $2 billion over the next 10 years** in Zero Emission Vehicle (ZEV) infrastructure and education programs in the U.S.

**Open network for all** (even group external) OEMs and business partners

Highway sites every 70 miles on average, but no more than 120 miles apart, so shorter range ZEVs available today will be able to use this network

**1st cycle:**
We will establish a network of ~4,700+ non-proprietary electric vehicle chargers in 17 metros and on highways in 39 states

**Station chargers will be extremely powerful,** capable of delivering 150 kW or 350 kW to vehicles

Public access for all ZEV drivers will be ensured through multiple technologies (Level 2 and DC fast charging: CCS Combo and Chademo connectors)

Source: Electrify America Website
Successful launch of MOIA Shuttle at the “TechCrunch” and customers show a high demand for a “Special Purpose Vehicle”

- Prepared for Shadow/ security driver mode
- MOIA branded
- Unique recognizable design
- Connected to backend
- Customized interior with high comfort/ connectivity
- App-based ride pooling service
- 6 passenger seats with high privacy
- Electric door concept
- BEV with > 300 km real range
- <6 m
- <3.5 t

- Test phase in Hanover with 2,000 users under way
- Project start in Hamburg at end-2018: fleet will be expanded to 200 vehicles in the first phase
- Further cities planned
Intensified efforts to develop autonomous vehicles

- Autonomous Audi TTS “Shelley” climbs Pikes Peak
- SEDRIC is Volkswagen Group’s first Level 5 vehicle
- Strategic partnership with Aurora
- Urban Shuttle/Carrier/Pod

Timeline:
- 2005: “Stanley” Winner Darpa Grand Challenge
- 2010: MoIA Battery Electric
- 2017: Special Purpose Shuttle
- 2018: MOIA Battery Electric
- 2021+: Personal Autonomous Vehicles

Key Notes:
- Volkswagen Group >200 AV related patents
- Foundation AID GmbH
- Volkswagen Group
- MOIA Battery Electric
- Special Purpose Shuttle
Driving forward Strategy 2025: Implementation is accelerating

ROADMAP E launched

Center of Excellence for battery technology established

Joint venture for rapid charging network in place

SEDRIC developed and presented

MOIA pilot started and shuttle presented

Joint venture with JAC created for e-mobility

New technology partnerships agreed

Realignment of Group Components approved

Positioning of Group brands sharpened

Board Digitalization Committee established
Why our Value Proposition is one of the best in the Industry?

1. Unique and Compelling **Brands and Products** and **Scale Potential**

2. Convincing holistic **Strategy**

3. Conclusive **E-Strategy**

4. Optimal **Toolkit Infrastructure** for conventional and alternative power trains

5. We intend to deliver **Self-driving** at the touch of a button and become **Software** leaders

6. Upside Potential in **Core and Developing Markets**

7. Lead Position in **China**

8. **Truck & Bus** Global Champion Potential

9. **Culture** of willingness to change: agile, innovative and integral backed by committed management and employees

10. Priority to work on protecting our **Environment** for future generations

**Overarching vision is to become a World-leading Provider of Sustainable Mobility**
Cascading Group Targets to Brands

Group KPIs
- RoS
- Rol
- Capex
- R&D
- CF/Liquidity

Commitment

Brand KPIs
- Top-Down Targets
- Committed in Planning Rounds
Successful operating business: Strong contribution by all Group brands in 2017 – “We’re back on the offensive.”

- “TRANSFORM 2025+” strategy driven forward consistently
- Clear improvement in operating profit and margin, successful product initiatives
- Prior-year sales record again exceeded
- A8 as first series car in the world developed for conditional automated driving
- One millionth 911 rolls off production line, new Cayenne well received
- New records for unit sales, sales revenue and profit
- Success story continues with record unit sales, sales revenue and profit
- SUV initiative reinforced by the new Karoq
- Record sales revenue and significant increase in profit
- Powerful model initiative continues with the new Ibiza and Arona
- Further key steps on the way to becoming global champion
- Pioneering role in digitalization reinforced by launch of RIO platform
- Further record profit makes key contribution to Group’s success
- Successful return to the primary market for euro bonds
### Overview Brand Targets (RoS, RoE)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>Target 2017</th>
<th>2017</th>
<th>Target 2018</th>
<th>2020</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Return on Sales in %</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volkswagen Group</td>
<td>6.7</td>
<td>6-7</td>
<td>7.4</td>
<td>6.5-7.5</td>
<td>6.5-7.5</td>
<td>7.0-8.0</td>
</tr>
<tr>
<td>Volkswagen Brand</td>
<td>1.8</td>
<td>3-5</td>
<td>4.1</td>
<td>4-5</td>
<td>4-5</td>
<td>≥6</td>
</tr>
<tr>
<td>Audi</td>
<td>8.2</td>
<td>8-10</td>
<td>8.4</td>
<td>8-10</td>
<td>8-10</td>
<td>8-10</td>
</tr>
<tr>
<td>Porsche</td>
<td>17.4</td>
<td>&gt;15</td>
<td>17.6</td>
<td>&gt;15</td>
<td>&gt;15</td>
<td>&gt;15</td>
</tr>
<tr>
<td>ŠKODA</td>
<td>8.7</td>
<td>7-8</td>
<td>9.7</td>
<td>8-9</td>
<td>6-7</td>
<td>≥7</td>
</tr>
<tr>
<td>Volkswagen Commercial Vehicles</td>
<td>4.1</td>
<td>3-4</td>
<td>7.2</td>
<td>5-6</td>
<td>4-5</td>
<td>&gt;6</td>
</tr>
<tr>
<td>Truck &amp; Bus Business1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Scania</td>
<td>9.5</td>
<td>6-7</td>
<td>6.9</td>
<td>6-7</td>
<td>92)</td>
<td>92)</td>
</tr>
<tr>
<td>• MAN Commercial Vehicles</td>
<td>2.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Return on Equity (norm. 8%)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volkswagen Financial Services</td>
<td>15.6%</td>
<td>14-16%</td>
<td>15.8%</td>
<td>14-16%</td>
<td>14-16%</td>
<td>20%</td>
</tr>
</tbody>
</table>

1) For peer-group analysis: Truck & Bus Business RoS is calculated as the sum of Scania and MAN Commercial Vehicles.
2) Through-cycle Target.
Starting point „TRANSFORM 2025+“ STRATEGY will put the Volkswagen Brand to the top of the automotive industry

STRENGTHEN CORE BUSINESS
2% RoS\(^1\)
- SUV Offensive
- Turnaround in the Regions
- Brand Positioning
- Productivity / Costs
- New Skills

LEAP TO THE TOP OF ELECTRIC MOBILITY
≥ 4% RoS
- Electric Offensive
- Digital Ecosystem
- Operational Excellence

MAJOR TRANSFORMATION
≥ 6% RoS
- New Business Models
- New Mobility solutions
- Autonomous Driving

GLOBAL MARKET LEADER IN AUTOMOBILITY
> 6% RoS

\(^1\) Before special items.
## Volkswagen Brand Clear Financial Targets and updated Milestones

<table>
<thead>
<tr>
<th></th>
<th>Forecast 2018</th>
<th>Target 2020</th>
<th>Target 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales revenue</strong></td>
<td>up to +10 %</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Operating return on sales</strong></td>
<td>4–5 %</td>
<td>4–5 %</td>
<td>≥ 6 %</td>
</tr>
<tr>
<td><strong>Capex ratio</strong></td>
<td>4–5 %</td>
<td>4–5 %</td>
<td>4–5 %</td>
</tr>
<tr>
<td><strong>R&amp;D ratio</strong></td>
<td>~4 %</td>
<td>4 %</td>
<td>4 %</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>Positive operating cash flow(^1)</td>
<td>&gt; €1 bn</td>
<td>&gt;&gt; €1 bn</td>
</tr>
</tbody>
</table>

\(^1\) Before special items.
Further roll-out of MQB offers substantial benefits for Volkswagen Brand
Increase in competitiveness and safeguarding the future are the focus points of the Future Pact agreement

Secure the Future

- 4 additional models: 2 conventional and 2 MEB vehicles
- Investments in:
  - Electric drive trains
  - Pilot facility battery cell
  - Battery system
- Competency/capacity increase in autonomous driving, electrification, connectivity etc.
- Creation of employment in new business segments

Working Group 1
Production
- Increase of productivity by 25%
- Reduction of plant costs

Working Group 2
Components
- Increase of productivity by 25%
- Discontinuation of unprofitable products

Working Group 3
Technical Development
- Reduction of hardware-oriented development work
- Increased efficiency in development processes

Working Group 4
Administration
- Reduction of bureaucracy

Reduction in workforce based on demographic curve

1) ~ 9,350 early retirement contracts signed in 2017.
Core challenges in the commercial vehicle industry ...

**Cyclical markets**

Strong correlation to GDP in developed world
Not all regions hit by economic downturns at the same time

**Further globalization**

Local OEMs dominating in BRIC markets
Improving infrastructure, stronger regulations open opportunities for Volkswagen

**Emission regulations**

Europe with aggressive regulations, focus shifting to diesel lock-outs
BRIC trailing behind, but with ambitious roadmap

**Connectivity & digitalization**

Platooning and partly-autonomous driving as transition solutions
Data management for customers and traffic of broad interest

**After sales and new business opportunities**

After sales increasingly important as alternative source of revenues
New business models (e.g. enhanced telematics) can stabilize revenues
# Global expansion on track with Navistar alliance

<table>
<thead>
<tr>
<th></th>
<th>Equity investment</th>
<th>16.9% equity stake in Navistar</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Strategic technology and supply cooperation</td>
<td>Companies to <strong>collaborate on technology</strong> for powertrain systems, as well as other advanced technologies</td>
</tr>
<tr>
<td>2</td>
<td>Procurement joint venture</td>
<td><strong>Procurement joint venture</strong> is pursuing joint global sourcing opportunities</td>
</tr>
<tr>
<td>3</td>
<td>Governance</td>
<td>2 VW T&amp;B representatives nominated to Navistar Board of Directors. <strong>Joint Alliance Board</strong> to govern overall alliance</td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Volkswagen Financial Services\(^1\): global, well diversified and successful

### Strong global presence

- \(^1\) Excl. activities of Scania and Porsche Holding Salzburg; incl. Financial Services of Porsche AG and MAN Financial Services.

### Continuous portfolio expansion

- **in ‘000 contracts**
  - 2008: 1,964
  - 2009: 2,148
  - 2010: 2,246
  - 2011: 2,691
  - 2012: 3,281
  - 2013: 3,796
  - 2014: 4,549
  - 2015: 6,322
  - 2016: 7,218
  - 2017*: 7,641

**Total portfolio**: 17,234

### Rising penetration rates

- \(^1\) Reclassification Finance / Lease contracts

### Diversified funding structure

- **Asset backed securitization**

- **Customer deposits**

- **Equity, liabilities to affiliated companies, other**

- **Bonds, Commercial Paper, liabilities to financial institutions**

31.12.2017: € 186.9 bn

---

\(^1\) Excl. activities of Scania and Porsche Holding Salzburg; incl. Financial Services of Porsche AG and MAN Financial Services.
Rollout of MQB in the North American region to realize economies of scale and efficiencies

Local MQB production is increasing from around 10% to > 80% midterm, positive impacts:

- Increasing capacity utilization
- Improving fix costs
- Higher investment efficiency as MQB basic investments are already complete
Volkswagen Brand – Turnaround in the US with new products from 2017 onwards

Deliveries to US customers, ‘000’ units

Market Share %

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share</td>
<td>3.0</td>
<td>2.6</td>
<td>2.2</td>
<td>2.0</td>
<td>1.8</td>
<td>2.0</td>
</tr>
</tbody>
</table>

SUV offensive #1

- 2017: Atlas, Tiguan, Refreshed Golf

New Sedans

- 2018-19: Jetta, Passat, Arteon

SUV offensive #2

- 2019-21: Midsize SUV 5s, Compact SUV, ID Crozz
A product offensive is initiating a new growth phase in South America

Product offensive in South America

Key measures

• Restructuring: reduce capacities and fixed costs

• Increase productivity, align products to local requirements

• Product offensive, €2.5bn investment

• New brand positioning

• New growth strategy for Latin America

Polo G

Virtus

Small SUV Global
Volkswagen Group China performance (January to December 2017 vs. 2016)

- Deliveries:
  - January – December 2017: 3,982,000 units
  - January – December 2018: 4,184,000 units
  - Increase: +5.1%

- Proportionate operating profit, January to December (in € billion):
  - 2016: 5.0 billion
  - 2017: 4.7 billion
  - Decrease: -4.2%

- Units:
  - January – December 2017: 3,980,000 units
  - January – December 2018: 5,566,000 units
  - Increase: +39.8%

1) Incl. Hong Kong, excl. Ducati. Group numbers incl. Volkswagen Commercial Vehicles, Scania and MAN.
Volkswagen Group China performance
(January to February 2018 vs. 2017)

1) Incl. Hong Kong, excl. Ducati. Group numbers incl. Volkswagen Commercial Vehicles, Scania and MAN.
### Regulatory environment for NEV and Fuel Consumption Credits in China

#### CAFC and NEV Credit System
- **Independent management of CAFC** and NEV credits
- Companies need to fulfill both requirements

#### CAFC
- Transfer between affiliated companies
- Credit carry-over to next 3 years with depreciation
- Option to use positive NEV credits

#### NEV Credits
- No transfer from CAFC credits to NEV credits
- Carry-over of positive and negative NEV credits from 2019 to 2020
- Trading of NEV credits allowed

The rules will be further supplemented.

#### MIIT\(^2\) draft for NEV Credit Calculation

<table>
<thead>
<tr>
<th>Year</th>
<th>min. NEV credit points</th>
<th>ICE(^3) Volume</th>
<th>NEV credit point ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>12%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Example 2019:
1 million ICEs need 100,000 NEV credit points

#### NEV Credit Point Attribution per NEV Type

**BEV\(^4\):**
- Basic credit = 0.012 x Range + 0.8 (max. 5 basic credits)
- BEV additional factor for low electric consumption up to 1.2

**PHEV\(^5\):**
- Basic credit = 2 (min. e-Range 50km)
- PHEV credit = 1 if e-range 50-80km and consumption ≥70% ICE

---

1) CAFC – Corporate Average Fuel Consumption.  
2) MIIT – Ministry of Industry and Information Technology.  
3) ICE – Internal Combustion Engine.  
4) BEV – Battery Electric Vehicle.  
5) PHEV – Plug-in Hybrid Electric Vehicle.
We will be prepared to deliver around 400,000 NEVs by 2020 and 1,500,000 by 2025

**Introduction of locally produced NEV**

**Phase 1**
Plug-in hybrids based on current toolkits

**Phase 2**
Pure electric vehicles based on current toolkits

**Phase 3**
Pure electric vehicles based on scalable electric toolkit

**Mass market BEV cooperation**

**Deliveries**

**Key Financials & Cash**

**Outlook & Operative Excellence**

**Strategy**

**Our Brands**

**Our Markets**

**Diesel**

**Integrity & Compliance**

**Commitment**

---

**Our Brands**

**Our Markets**

**Diesel**

**Integrity & Compliance**

**Commitment**

---

56
# New product offering with an expanded SUV line-up ¹)

## China deliveries by bodystyle (in ‘000 units)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Others</td>
<td>41%</td>
<td>45%</td>
</tr>
<tr>
<td>SUV</td>
<td>47%</td>
<td>43%</td>
</tr>
<tr>
<td>MPV</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Hatchback</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Sedan</td>
<td>7%</td>
<td>66%</td>
</tr>
</tbody>
</table>

### Total market
- 2016: 22,835 units
- 2017: 23,852 units

### Volkswagen Group
- 2017: 4,173 units

---

## SUV offensive of Volkswagen Group China

- **4 Volkswagen brand SUV in 2018**
  - 3 of which are new models
- **6 additional Audi SUVs in the next 2-3 years**
- **3 new ŠKODA SUVs in 2018**

---

¹) Source: IHS. ²) Schematic overview – does not show all models.
### Diesel related and other

<table>
<thead>
<tr>
<th>Year</th>
<th>Diesel</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Legal</td>
<td>Restructuring:</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td>Truck Business</td>
<td>0.2</td>
</tr>
<tr>
<td></td>
<td>Other items</td>
<td>Passenger Cars South America</td>
<td>0.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Airbags Takata</td>
<td>0.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>16.9</td>
</tr>
<tr>
<td>2016</td>
<td>Mainly legal risks</td>
<td>6.4</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Scania Anti-Trust Proceedings</td>
<td>0.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Others</td>
<td>0.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>7.5</td>
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<tr>
<td>2017</td>
<td>Buyback/retrofit program</td>
<td>2.2</td>
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<tr>
<td></td>
<td>Legal</td>
<td>Scania Anti-Trust Proceedings</td>
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<td></td>
<td></td>
<td>Others</td>
<td>1.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>3.2</td>
</tr>
<tr>
<td>Total to date</td>
<td></td>
<td></td>
<td>25.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>27.6</td>
</tr>
</tbody>
</table>

A significant amount of the Diesel Dollar-related provisions are hedged and a further substantial amount of the provisions have been utilized as we had cash outflows of around €3 bn in 2016 and €16.1 bn in 2017.
Resolving the diesel crisis: Substantial progress in all markets

**Worldwide recall/service campaigns driven forward:**
Software Flashes in Germany currently 93% complete; Substantial progress also in Europe (74%) and worldwide (68%)

**Group environmental incentive makes significant contribution to improving air quality in German cities:**
160,000 customers already decided to switch to environmentally friendly vehicles

**Major progress in modifications in North America:**
On target for modifications/buybacks for 2.0 liter TDI engines; field fix started for 3.0 liter TDI engines

**Electrify America underway:**
Investment plan for zero emissions vehicles (ZEV) approved by authorities

**Timeframe of legal proceedings expected to be long!**
Integrity, Compliance & Culture: a selection of three current activity areas

1. Implementation of Holistic Integrity Programme:
Six action fields form the basis for a holistic integrity programme:

2. Evolution of Group Compliance:
Three areas were defined:
1. Development of Group Compliance Values
2. Clear definition of Group Compliance Objectives
3. Adjustment of Group Compliance structure

Compliance scope:

3. Development of Code of Cooperation:
Mutual rules and guidelines of working together were developed:
• Cross functional
• Aims at corporate culture
• Includes all brands
New corporate culture: Change is happening

Sustainable strengthening of compliance systems taking effect
- Substantial progress in improving processes, structures and policies
- Zero tolerance of violations of values

Focus on values, integrity and Code of Collaboration becoming firmly rooted in corporate culture
- Volkswagen Convention: Training for 7,600 managers and works council members on integrity, culture and compliance
- Group-wide management development with new requirement profiles launched
- Role model program helps to implement change by example
Upcoming tasks to master challenges and make use of opportunities

**Continue to resolve the diesel crisis**
- Conclude worldwide recall campaigns and service actions
- Manage legal proceedings worldwide

**Improving the Core Business**
- Profitability in NAR / SAM / Russia
- Implementation Future Pact Brand Volkswagen
- Cash Generation and Capex/R&D discipline

**Transformation towards more E-Mobility**
- CO₂ Compliance / WLTP implementation
- Profitability of Electric Vehicles
- Governance / Compliance / Culture

**Strengthen Innovation Power**
- Digitalization & Connectivity
- Profitable Mobility Services
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The new remuneration system is designed to be completely forward-looking

Current system: backward-looking

- LTI (4 years retrospectively)
- Special remuneration (2 years retrospectively)
- PLB
- Fixed remuneration

Future: forward-looking

- Performance Share Plan (3 years forward-looking)
- Annual Bonus
- Fixed remuneration

Adjusted recommendation of no. 4.2.3 sec. 2 German Corporate Governance Code

“Variable remuneration components shall generally be based on a multi-year assessment, which shall be materially related to the future.”
Volkswagen I.D. VIZZION
Audi A7 Sedan
Porsche Cayenne
Bentley Continental GT
Lamborghini Urus
Volkswagen Amarok
Scania G 450 XT 8x4
“We are on the right path and are gaining momentum. We still have plenty of work ahead of us. But: we will reach our goal.”