

A year marked by crisis

A notice of violation issued to Volkswagen by the US in September 2015 launched the toughest endurance test in the company's history.

TEXT — Sibel Şen



Rude awakening

The US Environmental Protection Agency (EPA) announces that Volkswagen has used a “defeat device” to manipulate measurements of nitrogen oxide (NO_x) emissions in diesel cars in the US. This software has been installed in eleven million vehicles worldwide, over five million belonging to the VW brand. The decision to enter the US diesel market lies a decade back. A profit warning four days later causes the share price to collapse.

9/18/2015

9/23/2015

12/9/2015



CO₂ values

There are indications of potential irregularities in the CO₂ values. The company informs authorities and the public. However, tests supervised by the KBA dispel suspicions of incorrect fuel consumption measurements.

1/4/2016



US lawsuit

The US Justice Department files suit against Volkswagen for violating environmental laws.

Change at the top

Dr. Martin Winterkorn resigns as Volkswagen Group Chairman. Matthias Müller replaces him two days later. From October onward, customers can check online whether their vehicle is affected. In November, Volkswagen presents Germany's Federal Motor Transport Authority (KBA) with solutions for technical modification of EA189 engines.



US visit

The first meeting between EPA representatives and the new Chairman is constructive and paves the way for technical solutions. In the media, this success, which is so important for future developments, is overshadowed by reports about a radio interview.

1/11/2016

Recall begins in Germany

The KBA orders the start of the recall of 2.0-liter engines. Around 2.4 million vehicles are recalled in Germany alone.



Steps toward agreement in US

After Volkswagen and the US authorities agree on a settlement in April, details are announced: the Group will pay \$4.7 billion for environmental compensation measures and the development of zero-emissions vehicles in the US, and will set up a compensation fund of over \$10 billion. Volkswagen is additionally negotiating a settlement with 44 states for over \$600 million to settle consumer protection lawsuits.

6/28/2016

1/27/2016

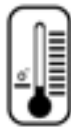
4/22/2016

6/22/2016

8/12/2016

No summer break

Just under a year after the EPA notice, Volkswagen is in the process of implementing the German recall. By August, more than half of the vehicles have been approved by the KBA – including, most recently, the Polo. Civil suits are pending in around 30 countries.



Ministry of Transport report

In retesting NO_x emissions, the KBA also finds differences between laboratory and road values in vehicles from other automakers. The ministry questions whether the “temperature window” in which exhaust filtering is reduced to protect the engine is justified in all cases.

Interim results

At the annual general meeting in Hanover, a majority of shareholders vote to discharge the former Management Board. The financial costs of dealing with the crisis amount to €17.8 billion by the end of June. The Group ends the 2015 financial year with the biggest loss in its history.

