

# **Rules of Procedure for the Board of Management of Volkswagen Aktiengesellschaft**

In the version resolved by the Supervisory Board on 01 March 2024

## **I. Responsibilities of individual members of the Board of Management and the Board of Management as a whole, the Chair and Deputy Chair**

1. The Board of Management manages the Company and conducts the business activities in accordance with legal provisions, the Articles of Association and these Rules of Procedure.
2. The business activities of the Board of Management are divided into the following divisions:
  - 2.1. Chair of the Board of Management
  - 2.2. Technology
  - 2.3. Finance and Operational Management
  - 2.4. HR\* and Brand Group Trucks
  - 2.5. Integrity and Legal
  - 2.6. Brand Group Progressive
  - 2.7. Brand Group Sport Luxury
  - 2.8. China
  - 2.9. IT
  - 2.10. Brand Group Core

\*This division also includes the function of the director of industrial relations as defined in section 33 German Codetermination Act.

3. Details on the allocation of functional areas to the divisions are provided in Annex I to these Rules of Procedure.
4. Insofar as the Supervisory Board has not already laid down the details on the allocation of functional areas to the divisions of the Board of Management of VOLKSWAGEN AKTIENGESELLSCHAFT (hereinafter "VOLKSWAGEN AG", the companies dependent on VOLKSWAGEN AG within the meaning of section 17 German Stock Corporation Act, the "holding companies", VOLKSWAGEN AG and the holding companies together the "VOLKSWAGEN Group" or the "VOLKSWAGEN Group companies") and the Board of Management service agreements remain unaffected, the Board of Management is authorised to lay down the details on the allocation of functional areas to the Divisions of the Board of Management by way of resolution. The Board of Management shall submit to the Supervisory Board any additional details on the allocation of functional areas and special projects to the Board of Management's divisions.
5. The Supervisory Board may appoint a member of the Board of Management as Deputy Chair of the Board of Management.
6. The Board of Management as a whole shall decide on all matters which are not allocated to an individual member by these Rules of Procedure or by a resolution of the

Board of Management pursuant to Clause I. 4. In addition, the Board of Management as a whole shall decide on matters in respect of which the law or the Articles of Association of VOLKSWAGEN AG provide for a decision by the Board of Management as a whole, in particular on:

- submissions to the Supervisory Board, in particular of transactions requiring the approval of the Supervisory Board;
- the Board of Management's reports to the Supervisory Board;
- motions for the court to appoint Supervisory Board members;
- requests for a meeting of the Supervisory Board to be convened;
- the contestation of resolutions by the General Meeting;
- the convening of the General Meeting;
- the proposed resolutions, notices and the submission of management questions to the General Meeting;
- the preparation of the annual financial statements, the consolidated financial statements, the management report, the Group management report including CSR reporting and, if applicable, a separate non-financial report, a separate non-financial Group report and a report on VOLKSWAGEN AG's relationships with affiliated enterprises as well as the submission of these reports to the auditor;
- the declaration relating to the German Corporate Governance Code pursuant to section 161 German Stock Corporation Act;

- the filing of an application for the opening of insolvency proceedings.

Furthermore, the Board of Management as a whole shall take a decision if it pertains to matters of fundamental importance and great significance, in particular on:

- the annual and multi-year plans of VOLKSWAGEN AG and the VOLKSWAGEN Group;
- the conclusion, amendment and termination of enterprise agreements within the meaning of sections 291, 292 German Stock Corporation Act.

A member may make decisions on matters of fundamental importance and great significance without the prior approval of the Board of Management as a whole if and to the extent that he/she feels that this is necessary, having duly and properly exercised his/her discretion, to avert imminent serious harm to VOLKSWAGEN AG or the VOLKSWAGEN Group. In such a case, the Board of Management member shall – insofar as this is possible – consult with the Chair of the Board of Management before making the decision. The Board of Management as a whole must be informed of this immediately afterwards.

7. Irrespective of the overall responsibility of the Board of Management, each member of the Board of Management shall have sole responsibility for his/her own division. All members of the Board of Management shall inform the other members of their activities within their own divisions.

8. The Chair of the Board of Management is responsible for communication with the Supervisory Board and the members of the Supervisory Board.

## II. Approval requirements

1. Subject to Clause II. 7 of these Rules of Procedure, the Board of Management requires the prior approval of the Supervisory Board for the following measures:
  - (1) Setting up and closing branches
  - (2) Setting up or relocating production facilities, in terms of which resolutions granting approval in these cases require a majority of two thirds of the members of the Supervisory Board
  - (3) Founding and liquidating other companies, and acquiring and selling (in particular by way of a transfer of shares (share deal) or individual assets (asset deal) or a transformation) VOLKSWAGEN AG holdings in other companies or parts of other companies as well as capital increases at other companies and payments to the capital reserves of other companies, if
    - either the other company employs or is expected to employ at least 500 workers in the first five years; and the VOLKSWAGEN Group holds or will hold at least 10% of the capital or the voting rights in the other company or
    - the measure is expected to involve a total financial expenditure or total proceeds of more than EUR 100 million for the VOLKSWAGEN Group (4) Any investment exceeding €10 million either under the scope of investment programmes submitted on a

regular basis and investments not falling within such programmes

- (4) Concluding enterprise agreements, in particular control and profit/loss transfer agreements within the meaning of sections 291, 292 German Stock Corporation Act
- (5) Investment programmes to be submitted on a regular basis and investments not falling within such programmes insofar as they exceed EUR 50 million each
- (6) Taking up loans or borrowing outside the normal course of business of VOLKSWAGEN AG as well as granting blanket approvals for capital market borrowing, including approval for the issue of bonds by holding companies
- (7) Assuming guarantees or similar liabilities and granting loans where such measures are outside the normal course of business of VOLKSWAGEN AG
- (8) Acquiring, selling and encumbering real property and rights equivalent to real property insofar as such transactions exceed EUR 10 million each
- (9) Appointing universal agents holding general powers of attorney, holders of general commercial powers of attorney and those authorised representatives with authority to represent an entire business division
- (10) Concluding, for the first time, employment contracts which provide for a gross monthly salary of more than double the highest salary provided for under the collective bargaining agreements with persons who do

not have an employment contract with a VOLKSWAGEN Group company.

- (11) In the case of holding companies, measures pursuant to (1), (2), (3), (4), (6), (7), (8) or (12) or investments pursuant to (5) not falling within investment programmes to be submitted on a regular basis, insofar as the Board of Management of VOLKSWAGEN AG decides to exert influence on the measure of the holding company, e.g. by exercising voting rights, issuing instructions or on a de facto basis. Should the crucial factor in this regard be whether a measure of the holding company is outside the normal course of business, the normal course of business of VOLKSWAGEN AG shall be decisive. In the case of real property transactions within the meaning of (8) by holding companies, an amount of EUR 50 million shall apply in derogation of (8), unless the real property or right equivalent to real property in question is to be leased or otherwise made available to VOLKSWAGEN AG
- (12) Concluding all contracts between VOLKSWAGEN AG on the one hand and shareholders of VOLKSWAGEN AG holding, directly or indirectly, at least 5% of the voting capital of VOLKSWAGEN AG on the other. Group companies owned by these shareholders or companies in which the shareholders hold a majority interest (not including VOLKSWAGEN Group companies) have the same status as the shareholders.

This shall not apply to:

- a) Contracts where the performances to be rendered by VOLKSWAGEN AG are specified, if the total value of these performances is less than EUR 5

million and – in the case of repeated performances by VOLKSWAGEN AG – the average value of these performances is less than EUR 1 million per year,

- b) Contracts whose contract value is not specified where the expected average annual value is less than EUR 1 million, as well as
  - c) Call-offs under general agreements which have already been approved by the Supervisory Board or one of its committees;
- (13) Pursuant to section 111b German Stock Corporation Act, transactions with related parties within the meaning of section 111a German Stock Corporation Act whose economic value, alone or together with the transactions concluded with the same person within the current financial year prior to the conclusion of the transaction, exceeds 1.5% of the total of the VOLKSWAGEN Group's fixed and current assets or 1.5% of the total of the corresponding assets in the consolidated financial statements for the VOLKSWAGEN Group in accordance with the international accounting standards pursuant to section 111 b (3) German Stock Corporation Act.
2. The Executive Committee of the Supervisory Board is responsible for deciding on the approval of the measures specified in Clause II. 1. (10) and (12). In all other cases pursuant to Clause II. 1. (1) to (9), (11) and (13), decisions are made by the Supervisory Board in plenary session. In urgent cases, the approval of the Executive Committee of the Supervisory Board is sufficient for the measures specified in Clause II. 1. (1), (3) to (9) and (11).



3. The Board of Management may take independent decisions on investments falling within investment programmes already approved by the Supervisory Board, as well as on investments not falling within such investment programmes which do not exceed EUR 50 million each – Clause II. 1. (5). The Board of Management shall report to the Supervisory Board on investments falling within investment programmes already approved by the Supervisory Board which exceed EUR 10 million each, and on investments not falling within such investment programmes.
4. The Supervisory Board shall be informed of any acquisition, sale or encumbrance of real property and rights equivalent to real property which does not exceed EUR 10 million each – Clause II. 1. (8).
5. The Board of Management shall also inform the Supervisory Board of all measures of holding companies pursuant to Clause II. 1. (11) of which the Board of Management takes note, but on which it does not exert any influence.
6. The Board of Management shall, as part of its regular written reports and for information purposes, inform the Supervisory Board about measures specified in Clause II. 1. (3) regarding the acquisition and sale of holdings as well as the foundation and liquidation of other companies, even if the thresholds specified in Clause II. 1. (3) are not exceeded.
7. Clause II. 1. to 6. – with the exception of Clause II. 1. (12) in conjunction with (11) – of these Rules of Procedure shall not apply to measures regarding Dr. Ing. h.c. F. Porsche AG (hereinafter “Porsche AG”) and all of the companies dependent on it within the meaning of section 17 German Stock Corporation Act (hereinafter “Porsche subsidiaries”).

The Board of Management shall however require the prior consent of the Supervisory Board insofar as the Board of Management decides to exert influence on the following measures of Porsche AG and/or of Porsche subsidiaries:

- (1) Founding of holdings through Porsche AG or through Porsche subsidiaries if the holding in question is expected to employ at least 500 workers in the first five years and to be of material importance for VOLKSWAGEN AG; acquiring, liquidating and selling holdings through Porsche AG or through Porsche subsidiaries if:
  - the holding in question employs at least 500 workers and the measure affects at least 25% of the capital or the votes in the holding or
  - the acquisition of the holding is expected to require a total related financial expenditure of more than EUR 250 million for the VOLKSWAGEN Group.
  
- (2) Taking up loans or borrowing outside the normal course of business of VOLKSWAGEN AG which, in an individual case or added together in one financial year, exceed a total volume of EUR 1 billion as well as granting blanket approvals for capital market borrowing outside the normal course of business of VOLKSWAGEN AG which, in an individual case or added together in one financial year, exceed a total volume of EUR 1 billion, including approval for the issue of bonds by Porsche subsidiaries.

The Board of Management also requires the prior approval of the Supervisory Board for the following measures:

Any sale or other transfer of ordinary or preference shares in Porsche AG indirectly or directly held by Volkswagen AG VOLKSWAGEN AG and decisions on the use of the proceeds generated therefrom; this excludes sales or transfers to VOLKSWAGEN AG or to wholly-owned direct holding companies of VOLKSWAGEN AG which have their registered office in a Member State of the European Union, the European Economic Area or the United Kingdom and do not have business operations insofar as such a sale or transfer makes it possible to achieve economies of scope according to the reasonable assessment of VOLKSWAGEN AG. The Executive Committee of the Supervisory Board shall be responsible for the decision on whether to grant approval of the sale or transfer of ordinary shares in Porsche AG indirectly or directly held by VOLKSWAGEN AG and on the use of the proceeds generated therefrom.

### III. Meetings

1. A meeting of the Board of Management shall be held at least twice a month. Meetings can also be held as a conference call or video conference. Individual members of the Board of Management can participate in physical meetings by telephone or by way of video transmission.
2. The meetings of the Board of Management are convened by the Chair of the Board of Management. The Chair of the Board of Management is obliged to convene a meeting of

the Board of Management at the request of one of its members.

3. The Chair of the Board of Management shall preside over the meetings of the Board of Management. The opinions of absent members of the Board of Management shall be obtained in writing or via telephone if the matter is of fundamental importance or special significance.

#### IV. Adoption of resolutions

1. The Board of Management shall take its decisions after discussing the matter at hand. It may also take decisions in a conference call or video conference or outside of meetings by way of votes submitted orally, in writing or via customary means of communication (e.g. by e-mail) if all members of the Board of Management are in agreement with such procedure.
2. The Board of Management is quorate if at least half of the members participate in the adoption of a resolution. In the case of matters for which the Board of Management as a whole is responsible pursuant to Clause I. 6, but which concern the division of a Board of Management member who is not participating in the adoption of a resolution, the Board of Management may discuss and adopt resolutions on these only with the consent of that non-participating Board of Management member, except in urgent cases.

Absent Board of Management members may participate in the adoption of a resolution orally, in writing or by customary means of communication (e.g. by e-mail). Members of the Board of Management who abstain from voting shall also participate in the adoption of a resolution.

Board of Management members who did not participate in the adoption of resolutions are to be informed of the adopted resolutions without undue delay.

3. Resolutions of the Board of Management are adopted via majority vote. In the event of a tie, the deciding vote is cast by the Chair of the Board of Management.
4. The voting method is determined by the member presiding over the meeting.
5. The resolutions of the Board of Management shall be recorded, signed by the meeting participants and forwarded to all members of the Board of Management.

#### V. Absences

The Board of Management shall lay down the rules governing the stand-in arrangements should members be absent. If the Supervisory Board has appointed a Deputy Chair of the Board of Management (I.5.), such Deputy Chair shall represent the Chair of the Board of Management.

#### VI. Reimbursement of expenses

The Chairman of the Supervisory Board shall, subject to special provisions in travel expense guidelines issued by the Supervisory Board for the Board of Management, be responsible for authorising the necessary expenses of Board of Management members while complying with the relevant resolutions adopted by the Supervisory Board. Should it not be clear from the relevant Supervisory Board resolutions whether or not expenses are to be authorised, the Executive Committee shall be responsible for the authorisation.

## VII. Reporting to the Supervisory Board

Reporting by the Board of Management to the Supervisory Board shall be governed by the Information rules attached to these rules of procedure as Annex II.

## VIII. Conflicts of interest; outside professional interests

All members of the Board of Management shall immediately disclose conflicts of interest to the Chairman of the Supervisory Board and the Chair of the Board of Management and inform the other members of the Board of Management accordingly.

The prior approval of the Executive Committee of the Supervisory Board or the Supervisory Board shall be required for inside and outside professional interests and particularly for the acceptance of Supervisory Board mandates.

## Annex I

### Allocation of functional areas

The following functional areas are allocated to the divisions specified under Clause I.2 of the Rules of Procedure for the Board of Management of Volkswagen Aktiengesellschaft:

1. Chair of the Board of Management
  - Strategy
  - Quality
  - Design
  - Auditing
  - CARIAD
  - Communication
  - Group Technology Architect
  - Management Backbone / SSP
  - Group Research and Development
2. Technology
  - Components
  - Battery Systems
  - Charging and Energy Systems
3. Finance and Operational Management
  - Controlling
  - Treasury
  - Tax and customs
  - Group accounting and external reporting
  - PHS

4. Human Resources and Brand Group Trucks
  - HR policy and standards
  - Occupational safety and health
  - Corporate security
  - Brand Group Trucks (MAN, Scania, Navistar, Volkswagen Truck & Bus)
  - Personnel, top management
5. Integrity and Legal
  - Compliance
  - Legal affairs
  - Risk Management
  - Data Protection Officer and Data Protection
6. Brand Group Progressive
  - Brand Group Progressive (Audi, Lamborghini, Bentley, Ducati)
  - Group Sales
7. Brand Group Sport Luxury
  - Brand Group Sport Luxury (Porsche)
8. China
9. IT
  - IT
  - Organization
10. Brand Group Core
  - Brand Group Core (Volkswagen Passenger Cars, Volkswagen Commercial Vehicles, Skoda, SEAT / CUPRA, MOIA)
  - Group Production
  - Group Procurement



Appendix II  
Information rules

I. General

1. The Board of Management shall in principle submit reports to the Supervisory Board in plenary session. Insofar as the Supervisory Board has transferred certain competencies and responsibilities to one of its committees, the Board of Management shall primarily report to this committee on matters falling under those competencies and responsibilities. On other important developments, the Board of Management shall submit reports to the Chairman of the Supervisory Board.
  
2. The Board of Management shall submit its reports to the Supervisory Board or its committees as far as possible in good time and - with the exception of re-ports to the Chairman of the Supervisory Board based on other important developments pursuant to section IV. - as a rule in text form.
  
3. The reports of the Board of Management shall comply with the principles of conscientious and true accounting. In this regard, the Board of Management shall also take into account the requirement of clarity and continuity of information. For the rest, the Board of Management shall decide how and in what form reports are to be drawn up. The Board of Management shall distribute the documents relating to the regular reports pursuant to section II. and the special reports pursuant to section III. as a rule two weeks prior to the respective meeting of the Supervisory Board. This rule does not apply to documents which, due to the

short-term nature of the issues, can only be prepared later, or which, due to their particularly confidential nature, are only presented directly at the respective meeting as well as documents which, due to the high work-load involved, can only be completed later, such as, for example, the planning session and the annual financial statements. The latter documents shall be distributed no later than one week before the respective meeting.

4. For the reporting by the Board of Management accounts what significance the issues have for the public as well as the expected public impact in connection with the reports and their urgency.

II. Regular reports (section 90(1), sentence 1, nos. 1 to 3  
German Stock Corporation Act)

1. The Board of Management shall report at least annually on the intended business policy and other fundamental corporate planning issues of the company and the group. The report shall in particular include comments on the intended development and strategic alignment, for example on the respective current strategy programme. Issues pertaining to corporate planning shall in particular include financial, investment and staff planning, for example in connection with the Pact for the Future, as well as production, sales, procurement, development and cost planning. In its report, the Board of Management shall explain any relevant deviations of the actual development from earlier reported targets, giving the reasons for these. The Board of Management shall furthermore submit reports without undue delay, if changes in the situation or new issues demand this. The Board of Management shall report

on plans relating to issues for the future, such as digitalisation, at least every six months.

2. The Board of Management shall report on the profitability of the company and the group, the profitability of strategically important investments, in particular on the profitability of the equity capital, at the meeting of the Supervisory Board at which the annual financial statements and consolidated financial statements are discussed. This report shall also include a comparison with the previous year and previous planning and explanatory notes on the earning power of the group, on the one hand, and the individual corporate divisions, on the other, based on meaningful financial figures and performance indicators. This shall include a depiction of the cash flow, financial debts, inventories as well as the return on total investment and the return on sales. The Board of Management shall also report on the earnings per share. The Board of Management shall furthermore submit reports in a timely manner and with particular regard to section I.4, if substantial changes in the situation or new issues demand this.
  
3. The Board of Management shall report to the Supervisory Board on the state of business, especially the turnover, and the situation of the company and the group on a regular basis, and at least once a quarter. These reports shall include information on the earnings, financial and net worth position, current developments in the operative business (structured according to regions and brands, with the primary focus on the Volkswagen brand), the risk situation and risk management, compliance (e.g. developments in connection with the Golden Rules, whistleblower system and monitorship), the competitive position, personnel

development, product safety and environmental topics as well as significant administrative and court proceedings. In its report, the Board of Management shall explain any relevant deviations of the actual development from earlier reported targets, giving the reasons for these. The Board of Management shall furthermore submit reports in a timely manner and with particular regard to section I.4, if substantial changes in the situation or new issues demand this.

III. Special reports (section 90(1), sentence 1, no. 4 German Stock Corporation Act), approval requirements

1. The Board of Management shall report to the Supervisory Board on transactions that can be of considerable significance for the profitability or liquidity of the company or the group, also on measures that are subject to approval by the Supervisory Board.
2. Reports under this section III. must if possible be submitted in a timely enough manner to give the Supervisory Board the chance to comment on the transactions before they are carried out. Reports on measures that are subject to approval by the Supervisory Board must be submitted in a timely enough manner to allow the Supervisory Board or a competent committee of the Supervisory Board to decide on whether to grant its prior approval.
3. If, in urgent cases, the Executive Committee of the Supervisory Board has decided on granting consent to measures that are subject to approval by the Supervisory Board (Clause II. 2 of the Rules of Procedure for the Board of Management of VOLKSWAGEN

AKTIENGESELLSCHAFT), the Supervisory Board must be informed of the matter immediately afterwards.

IV. Reports to the Chairman of the Supervisory Board (section 90(1), sentence 3 German Stock Corporation Act)

1. The Board of Management shall submit reports to the Chairman of the Supervisory Board without undue delay based on other important developments, especially in the case of serious disruption of operations, an impending industrial dispute, significant official requirements, material product safety and product liability issues, possible voluntary or officially ordered recalls, material back tax charges or losses, the outcome of a material proceeding, serious compliance violations as well as other important matters that require the immediate attention of the Chairman of the Supervisory Board, e.g. important developments in official or court proceedings. Business activities at affiliated enterprises which may have a major impact on the situation of the company and of which the Board of Management has become aware are also to be regarded as important developments in this respect.
  
2. The Chairman of the Supervisory Board, in particular taking into account the aspects referred to in section I.4 and depending on the relevance of the matter, shall inform the Supervisory Board members about these reports in a timely manner, but by no later than at the next Supervisory Board meeting.

V. Reports on request (section 90(3) German Stock Corporation Act)

The Supervisory Board and each individual member of the Supervisory Board may at any time request that the Board of Management submit a report on matters of the company, legal and business relationships between the company and affiliated enterprises as well as business activities at these enterprises which may have a major impact on the situation of the company. Such a report must always be submitted to the Supervisory Board as a whole even if it was requested by an individual member of the Supervisory Board.