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Leading the Transformation.

Unicredit Automotive Credit Conference

22-23 June 2022

Disclaimer

The following presentations as well as remarks/comments and explanations in this context contain forward-looking statements on the business development of the Volkswagen Group. These statements are based on assumptions relating to the development of the economic, political and legal environment in individual countries, economic regions and markets, and in particular for the automotive industry, 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. The estimates given entail a degree of risk, and actual developments may differ from those forecast.

At the time of preparing these presentations, it is not yet possible to conclusively assess the specific effects of the latest developments in the Russia-Ukraine conflict on the Volkswagen Group's business, nor is it possible to predict with sufficient certainty to what extent further escalation of the Russia-Ukraine conflict will impact on the global economy and growth in the industry in fiscal year 2022.

Any changes in significant parameters relating to our key sales markets, or any significant shifts in exchange rates, energy and other commodities or commodities relevant to the Volkswagen Group or the supply with parts, or deviations in the actual effects of the Covid-19 pandemic from the scenario presented will have a corresponding effect on the development of our business. In addition, there may be departures from our expected business development if the assessments of the factors influencing sustainable value enhancement and of risks and opportunities presented develop in a way other than we are currently expecting, or if additional risks and opportunities or other factors emerge that affect the development of our business.

We do not update forward-looking statements retrospectively. Such statements are valid on the date of publication and can be superseded.

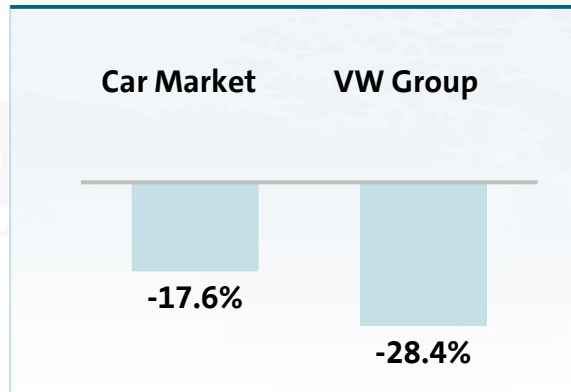
This information does not constitute an offer to exchange or sell or an offer to exchange or buy any securities.

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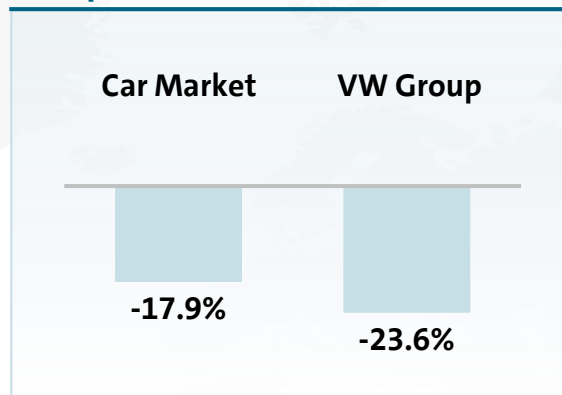
Sales Review Q1 2022

Development World Car Market vs. Volkswagen Group Car Deliveries to Customers by Regions¹ January to May 2022 vs. 2021

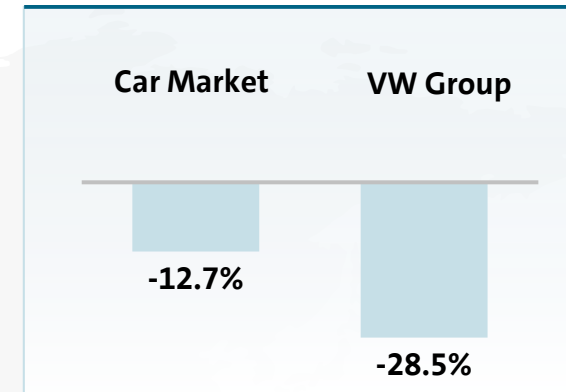
North America²



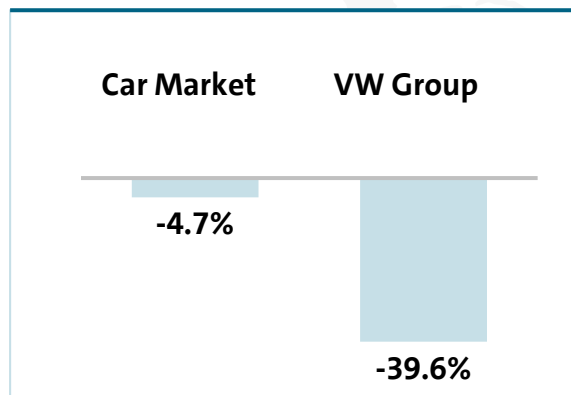
Europe



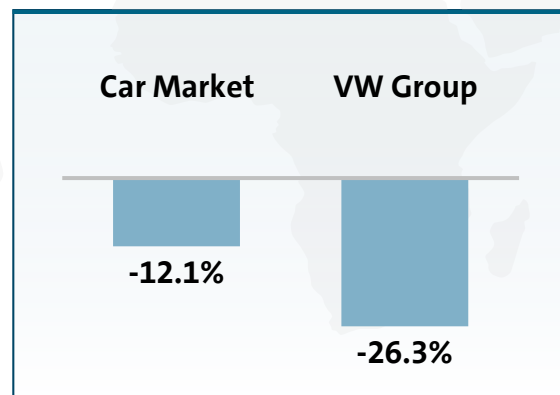
China



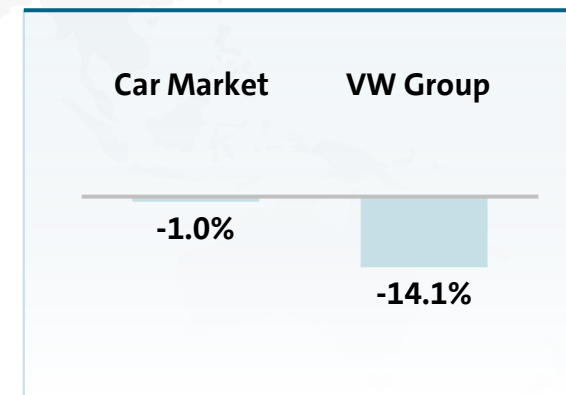
South America²



World²



Rest of the World

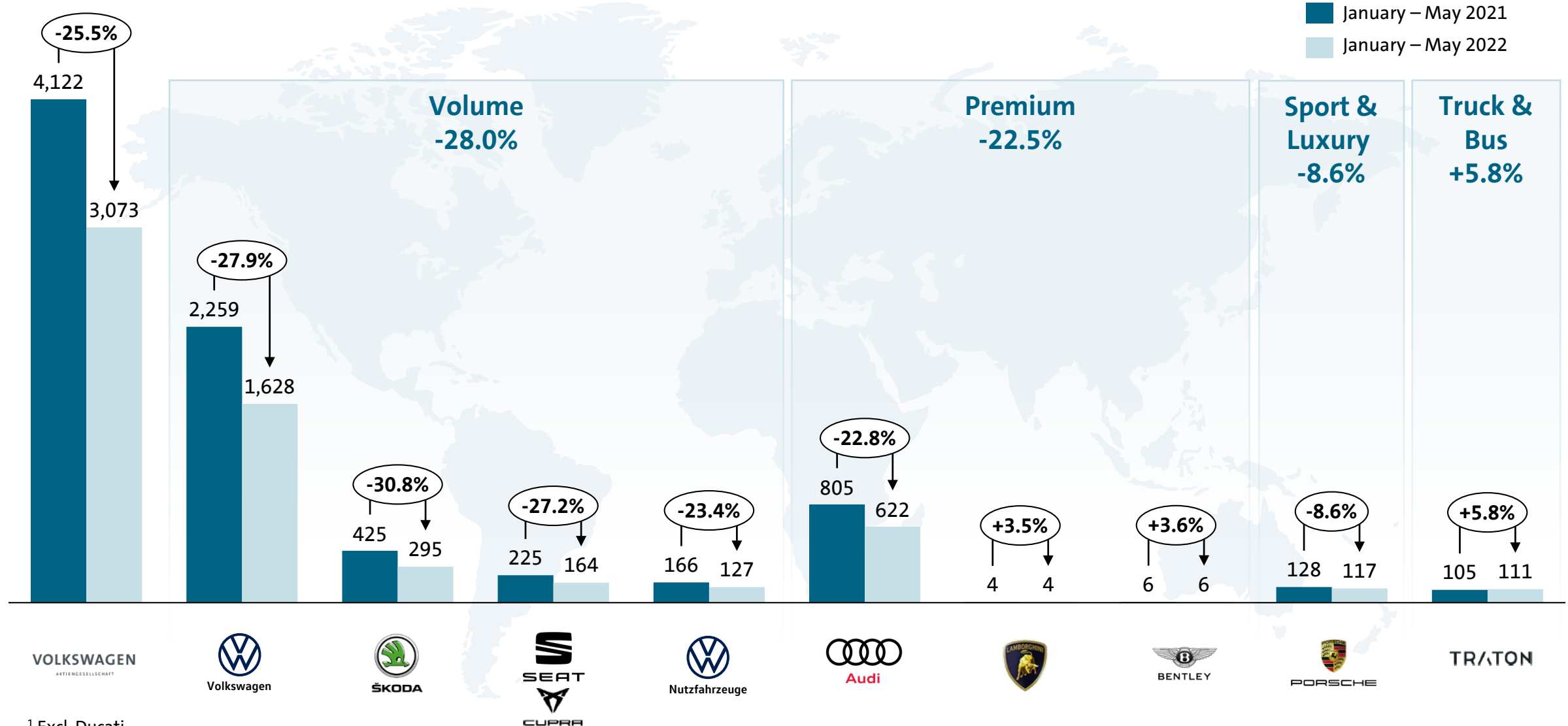


¹ Volkswagen Group Passenger Cars excl. Ducati and TRATON; ² incl. VW LCV in North America & South America

Volkswagen Group – Deliveries to Customers by Brands ¹

January to May 2022 vs. 2021

[thd. veh.]



¹ Excl. Ducati



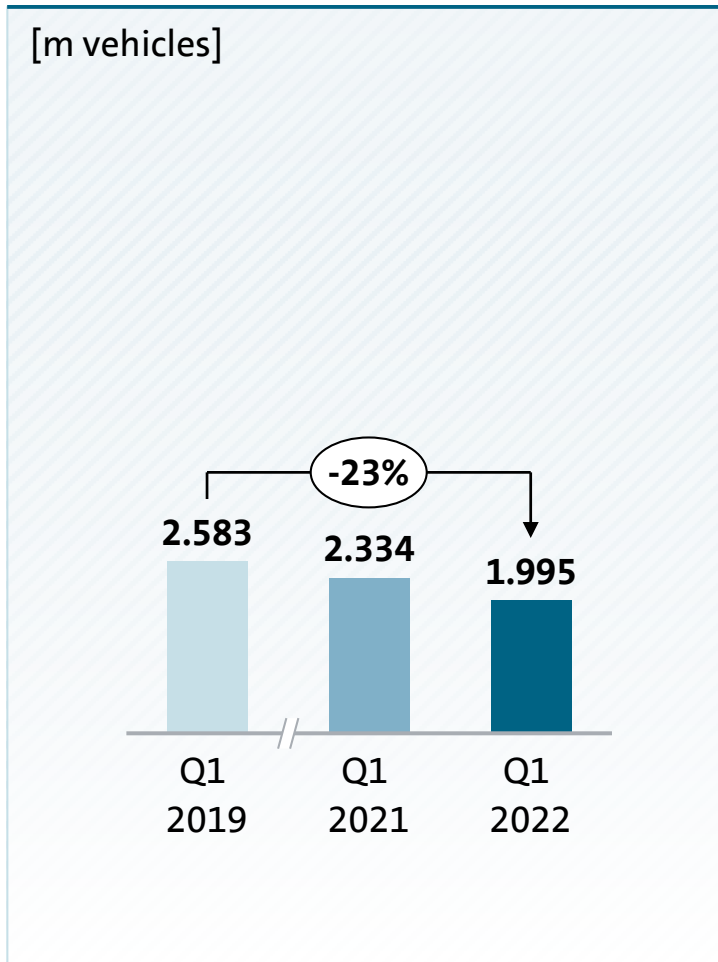
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Key Financials Q1 2022

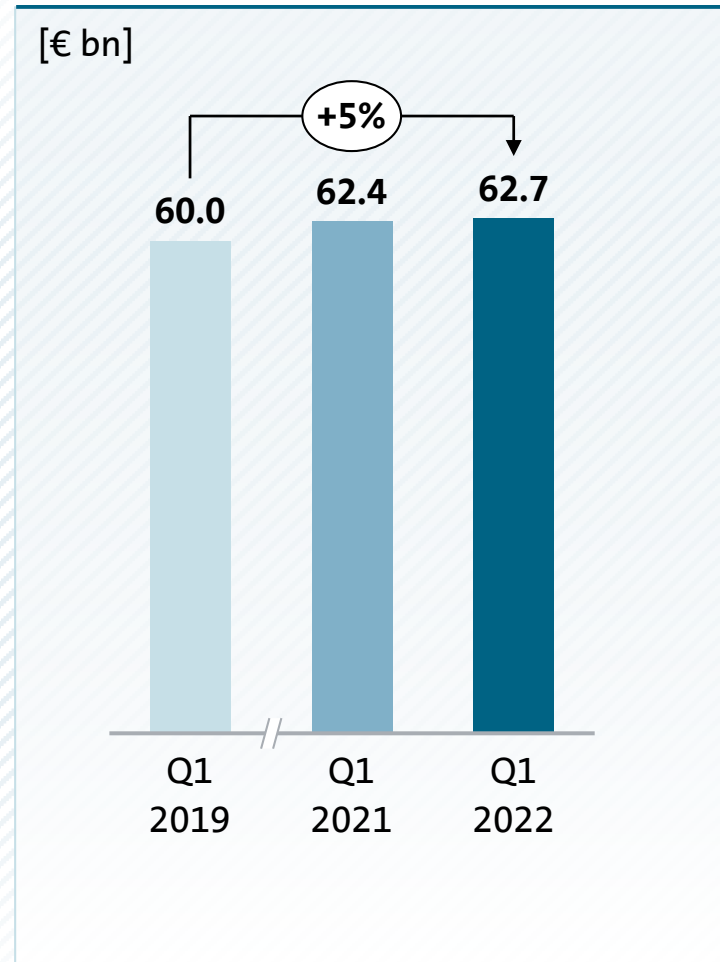
Solid Trend despite Lower Vehicle Sales are Testimony to our Robust Business Model

January to March 2019 vs. 2021 vs. 2022

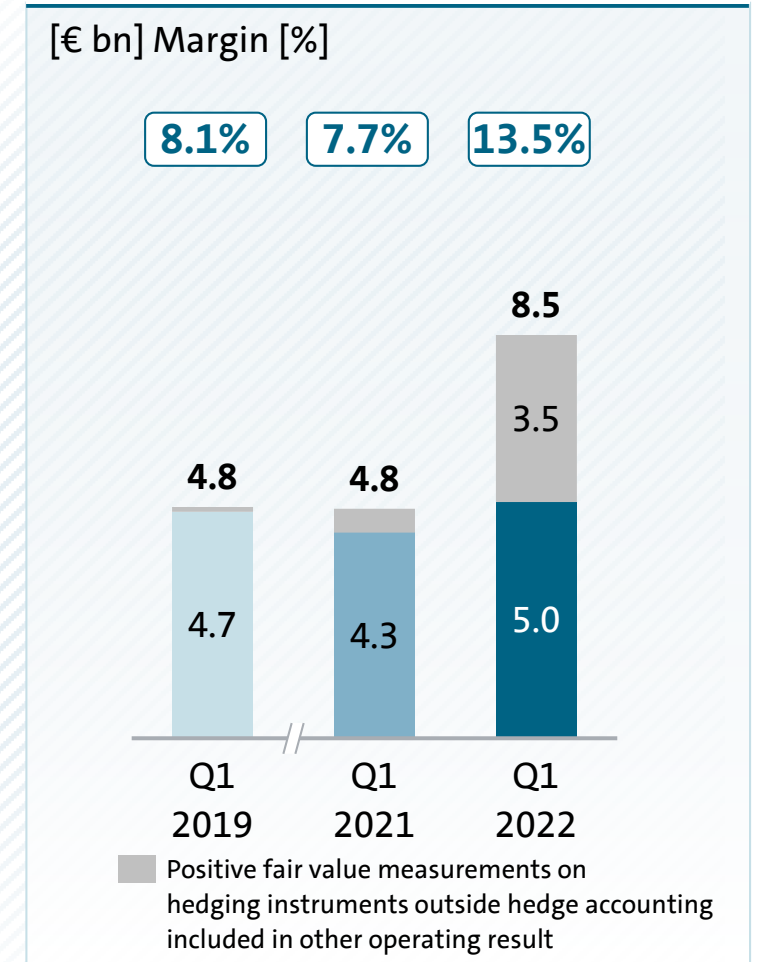
Vehicles Sales



Sales Revenue



Operating Profit ¹ and Margin



¹ before special items

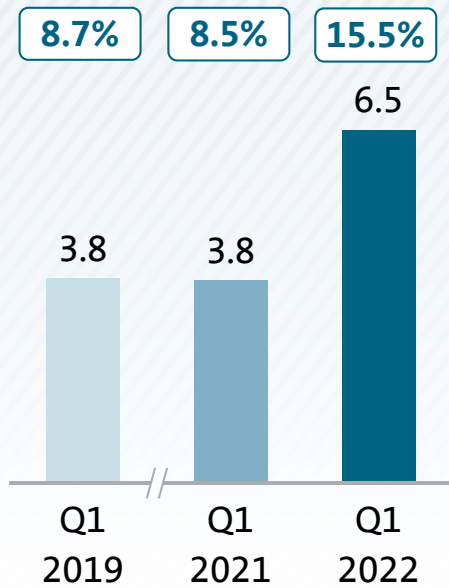
Solid Margins in all Divisions

January to March 2019 vs. 2021 vs. 2022

Automotive Division

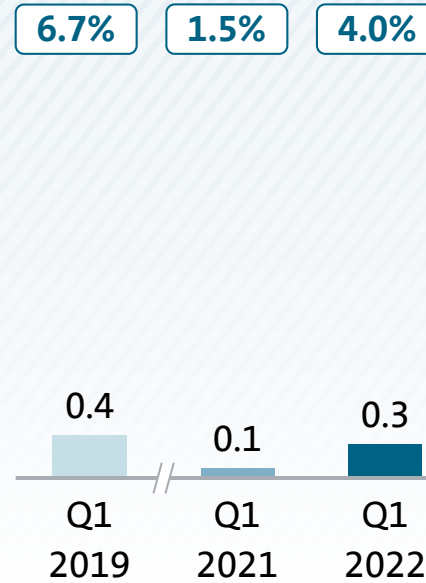
Passenger Cars^{1, 2}

EBIT [€ bn]
incl. Margin [%]



Commercial Vehicles³⁾

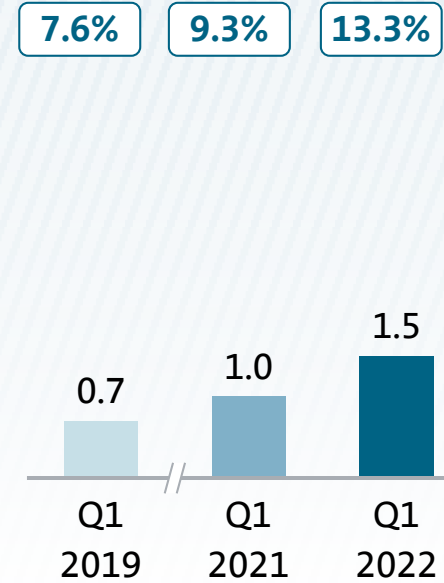
EBIT [€ bn]
incl. Margin [%]



Financial Services Division

Financial Services

EBIT [€ bn]
incl. Margin [%]



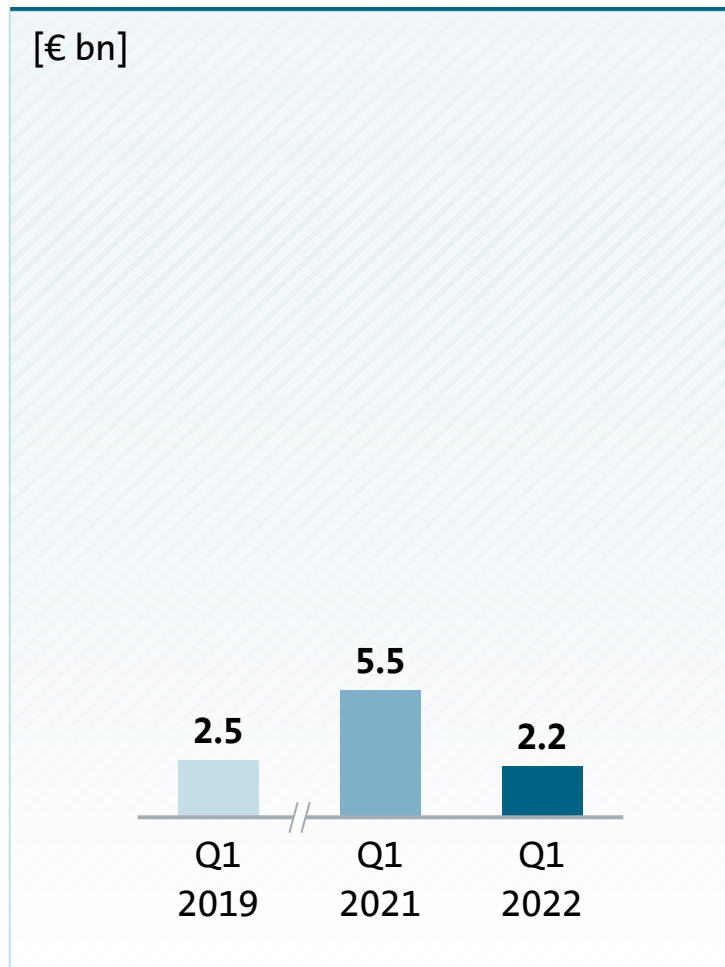
¹ before special items

² Passenger Cars = Automotive Division ./. Commercial Vehicles, Power Engineering

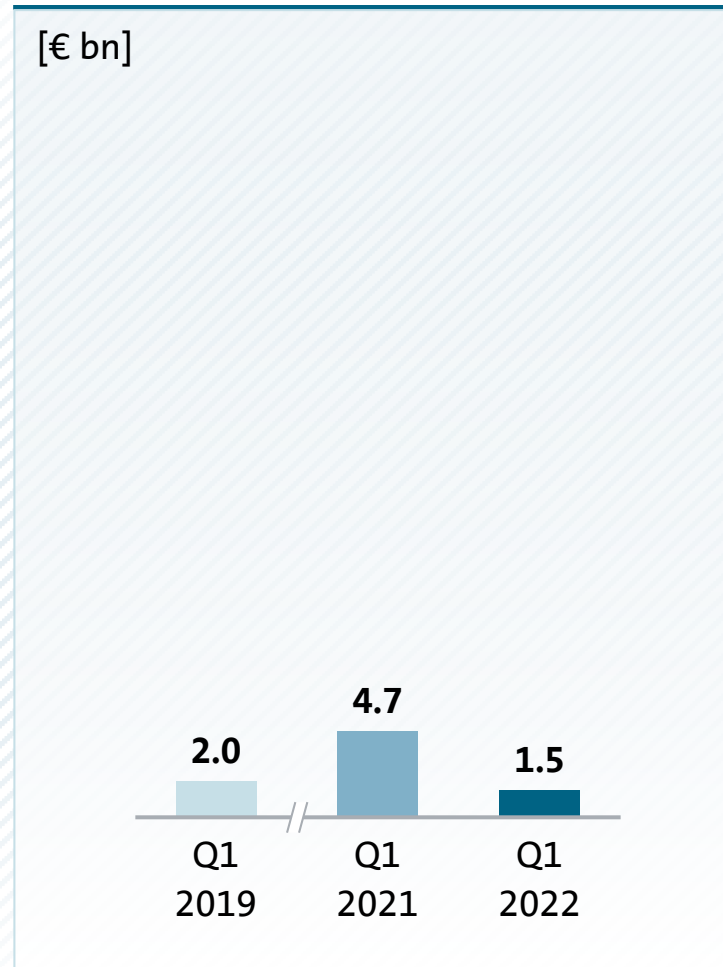
³ TRATON excluding Financial Services

Automotive Clean Net Cash in Q1 impacted by negative Changes in Working Capital; January to March 2019 vs. 2021 vs. 2022

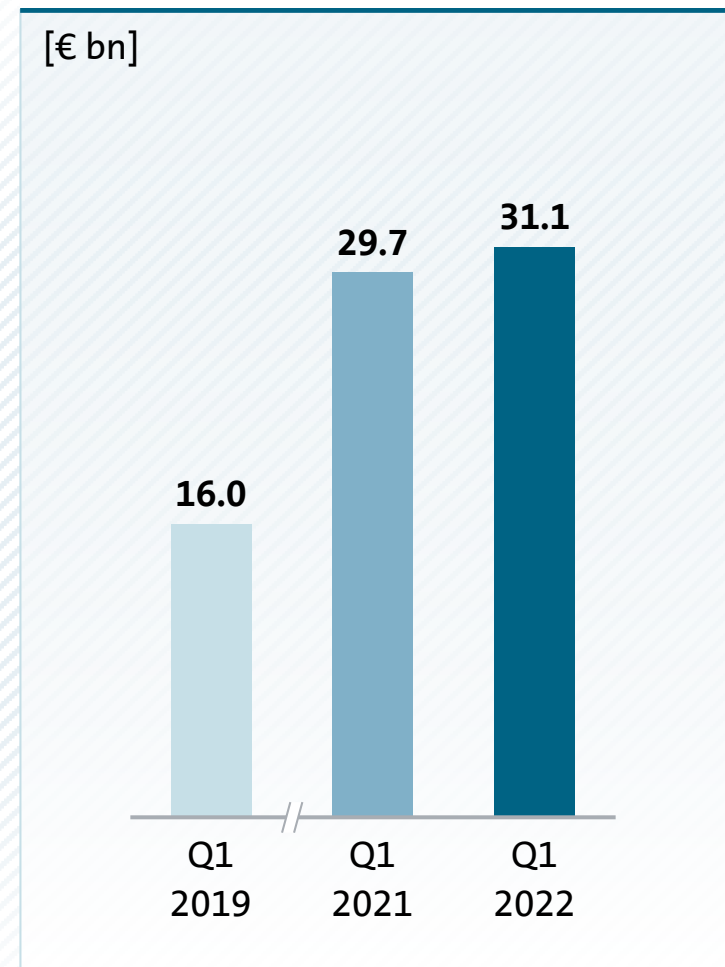
'Clean' Net Cash Flow ^{1,2}



Reported Net Cash Flow ¹



Net Liquidity ¹



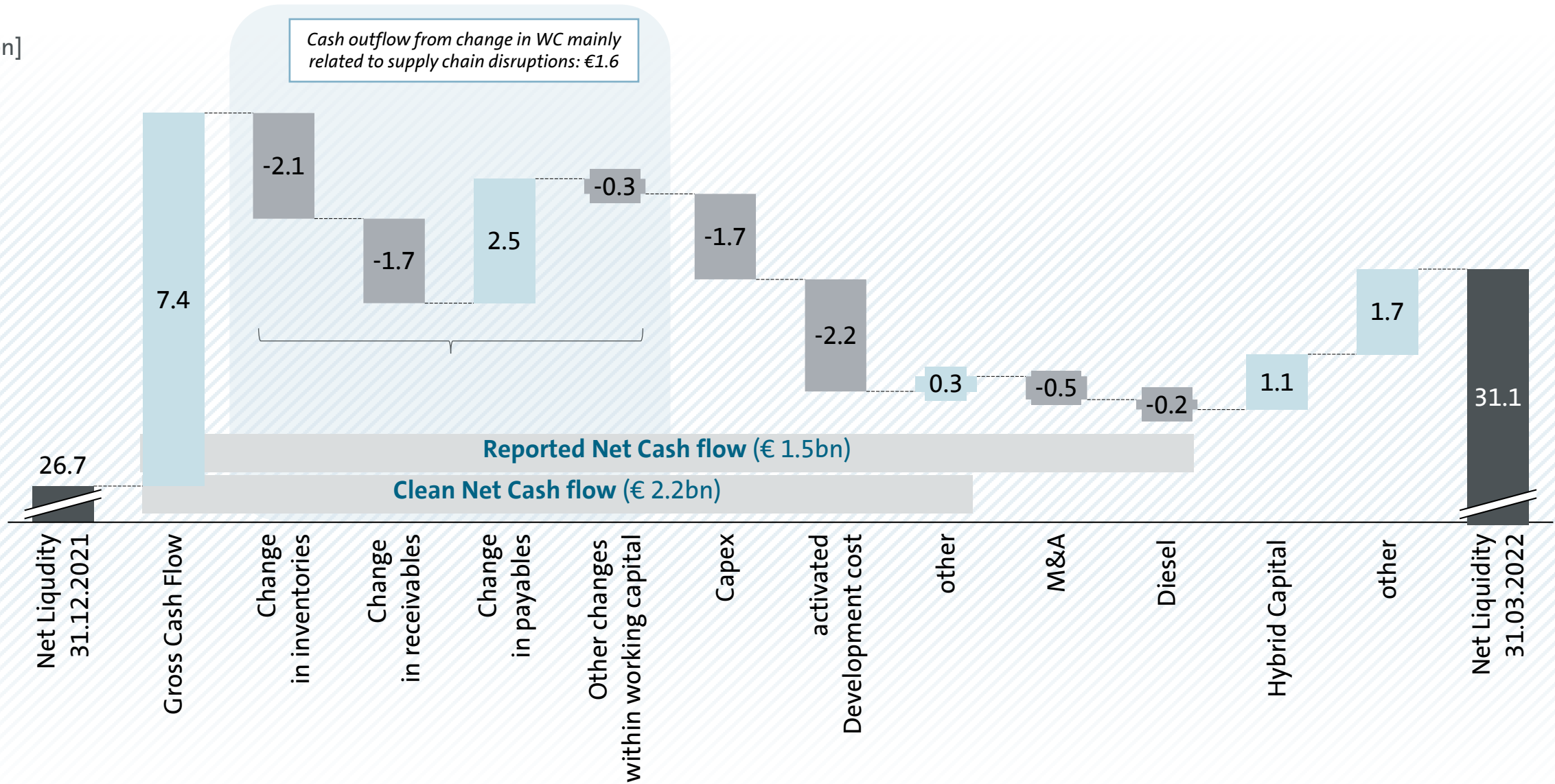
¹ Automotive Division

² Reported net cash flow before M&A and Diesel payments

Net Liquidity Bridge and Cash Flow Automotive Division

Solid Clean Net Cash Flow and DCM Activity drive Net Liquidity Position

[€ bn]





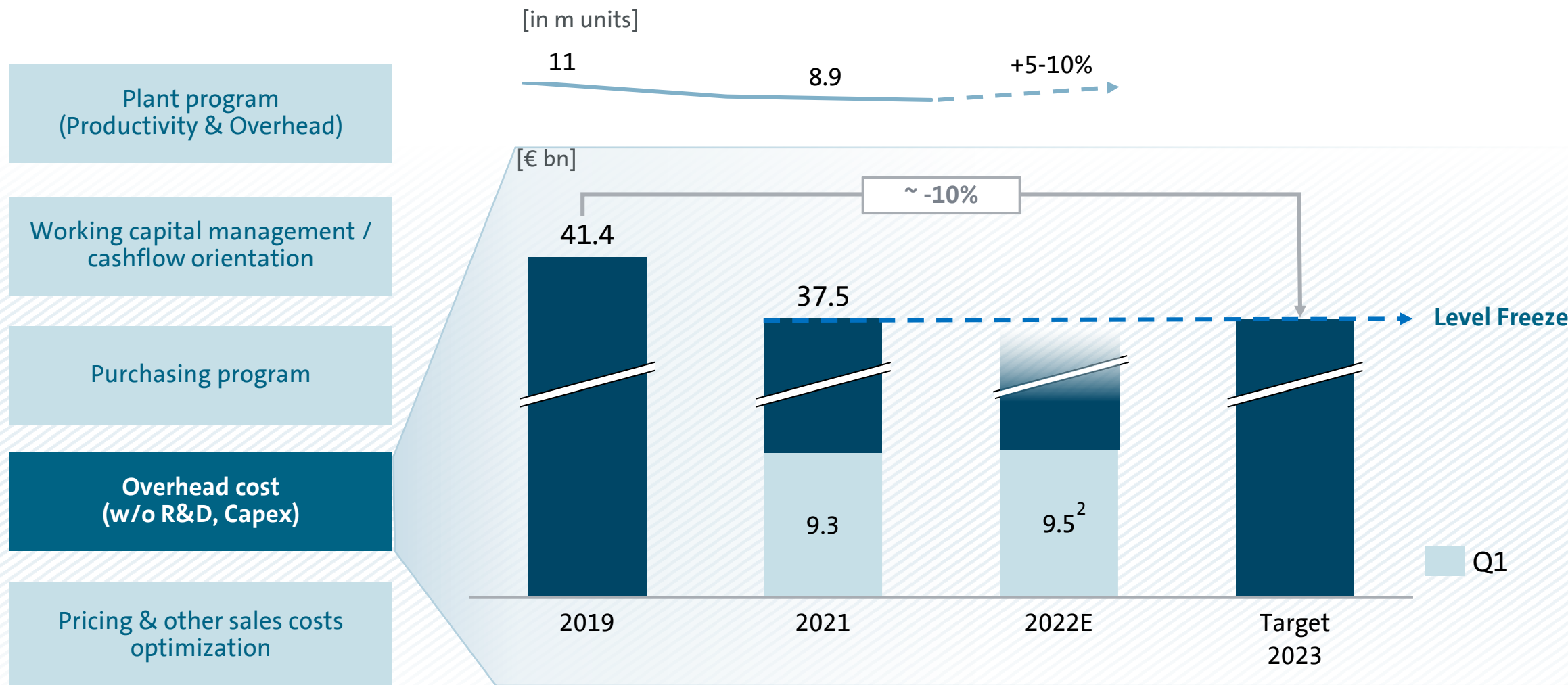
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Financing the Transformation



Financing the Transformation: Overhead Cost Program ahead of Schedule; so far allowing for compensation of Fix Cost Increase¹

Group wide Overhead Cost Program (w/o R&D, CAPEX), Deliveries to customers



¹ All figures shown are rounded, minor discrepancies may arise from addition of these amounts

² Thereof Passenger Cars €+ 0.1 bn y-o-y; Automotive Division €-0.2 bn y-o-y (Navistar not yet consolidated in Q1/21)

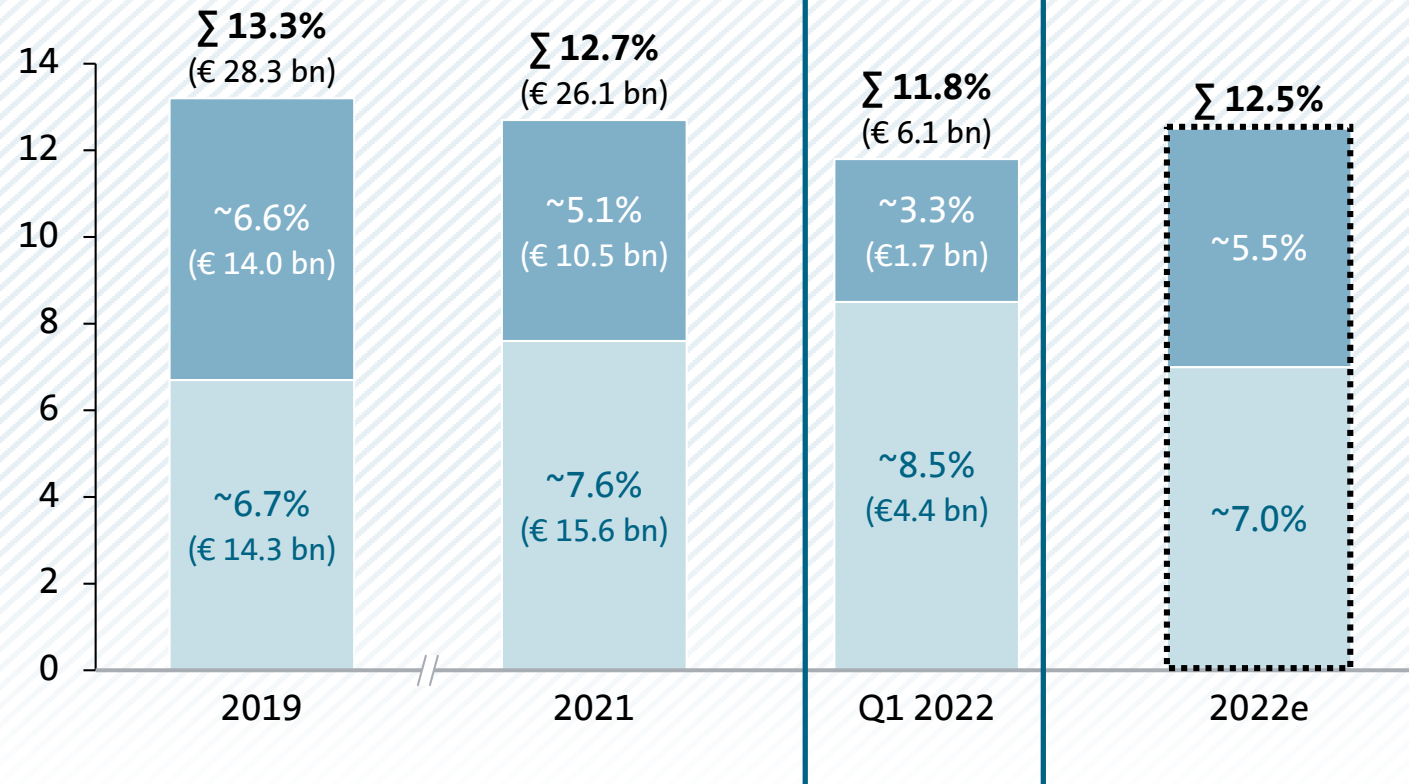
Increase in R&D especially for Software compensated by CAPEX Discipline

R&D / Capex – Absolute and Ratio (Automotive Division)

[%, €]

■ CAPEX ■ R&D

- ✓ Reducing complexity / variances
- ✓ Focus on synergies
- ✓ Multi brand production in MQB plants
- ✓ Investment in software



CARIAD business model – Software is the key differentiator for the future, scale is key

C A R I A D

E³ 1.1

ID. family

E³ 1.2

PPE platform
(Audi, Porsche)

E³ 2.0



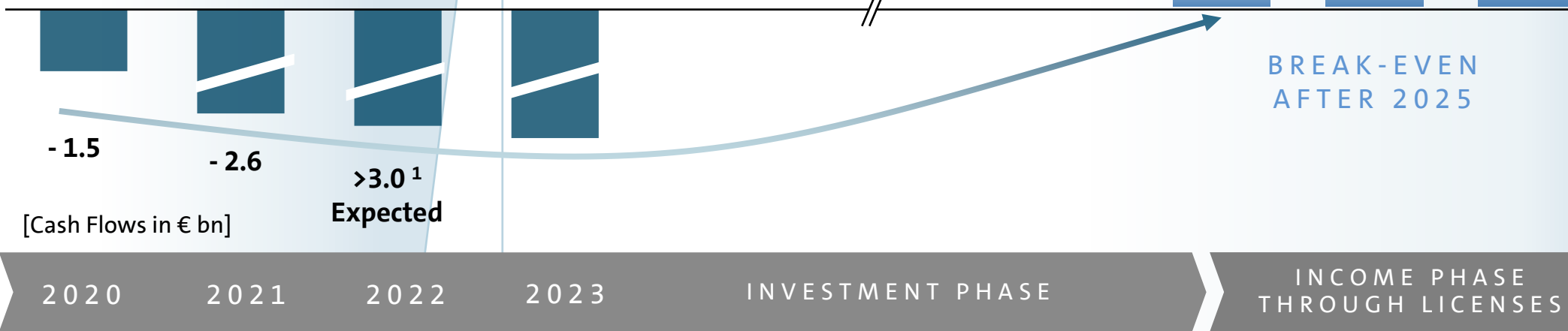
SOFTWARE STACK
Group-wide roll-out

Artemis

Trinity

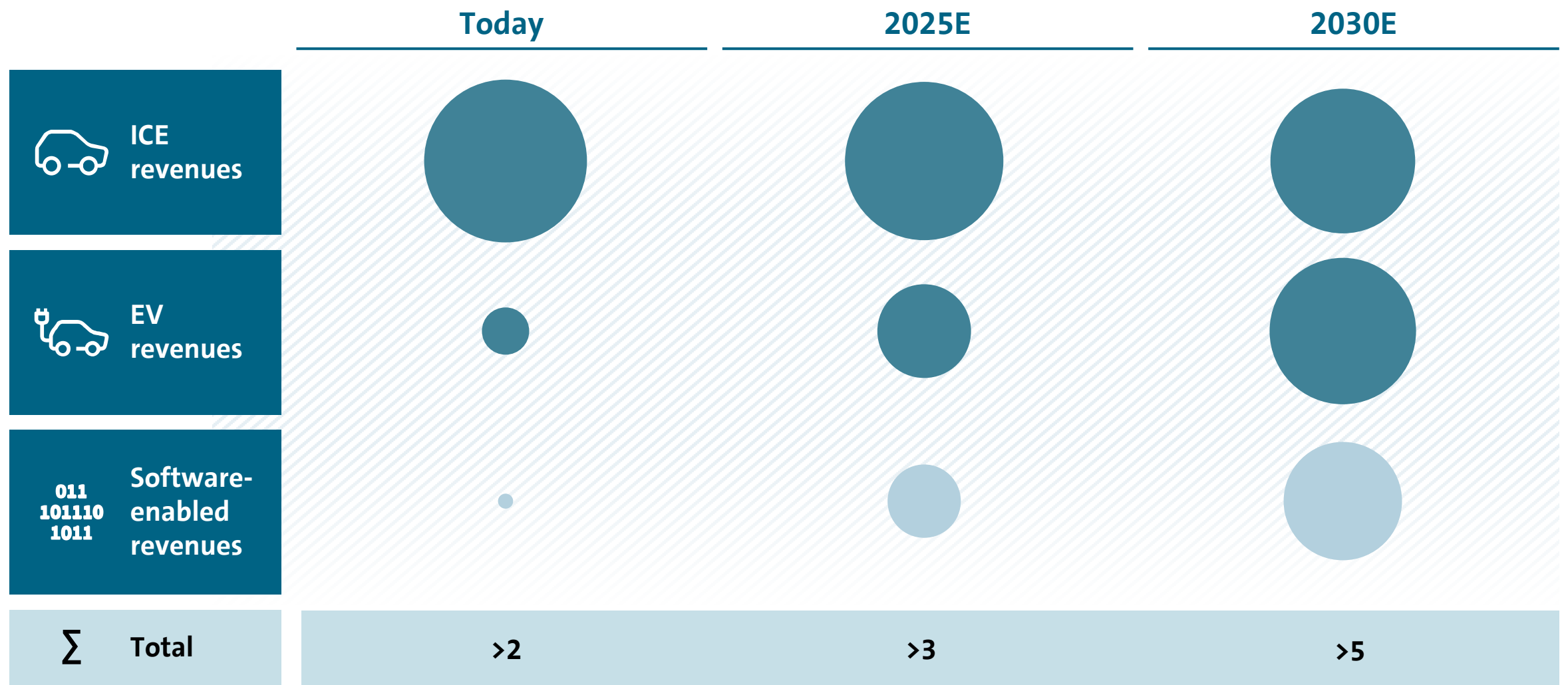
Q1 2022:

Employees:	4,900
Revenues:	€0.110 bn
R&D:	- €0.996 bn
Op. Profit:	- €0.416 bn



Automotive new car revenue pools are expected to shift fundamentally due to new technologies

Schematic overview



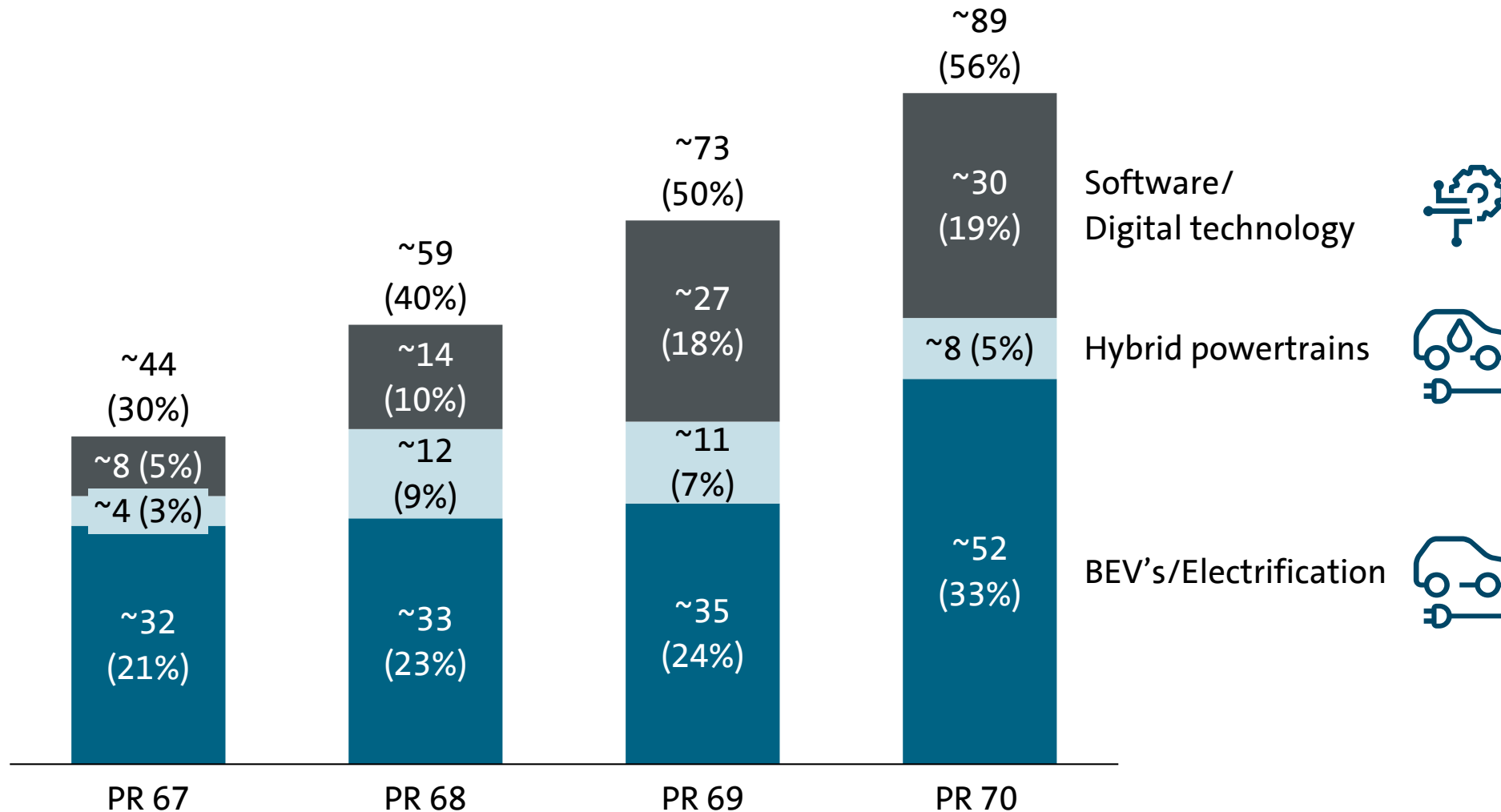
Values in € trillion

Schematic overview based on internal and external analysis

PR 70 Focus on the future – Investments in R&D and Capex 2022-2026

Significant investments planned for a successful transformation of the business

EUR billions



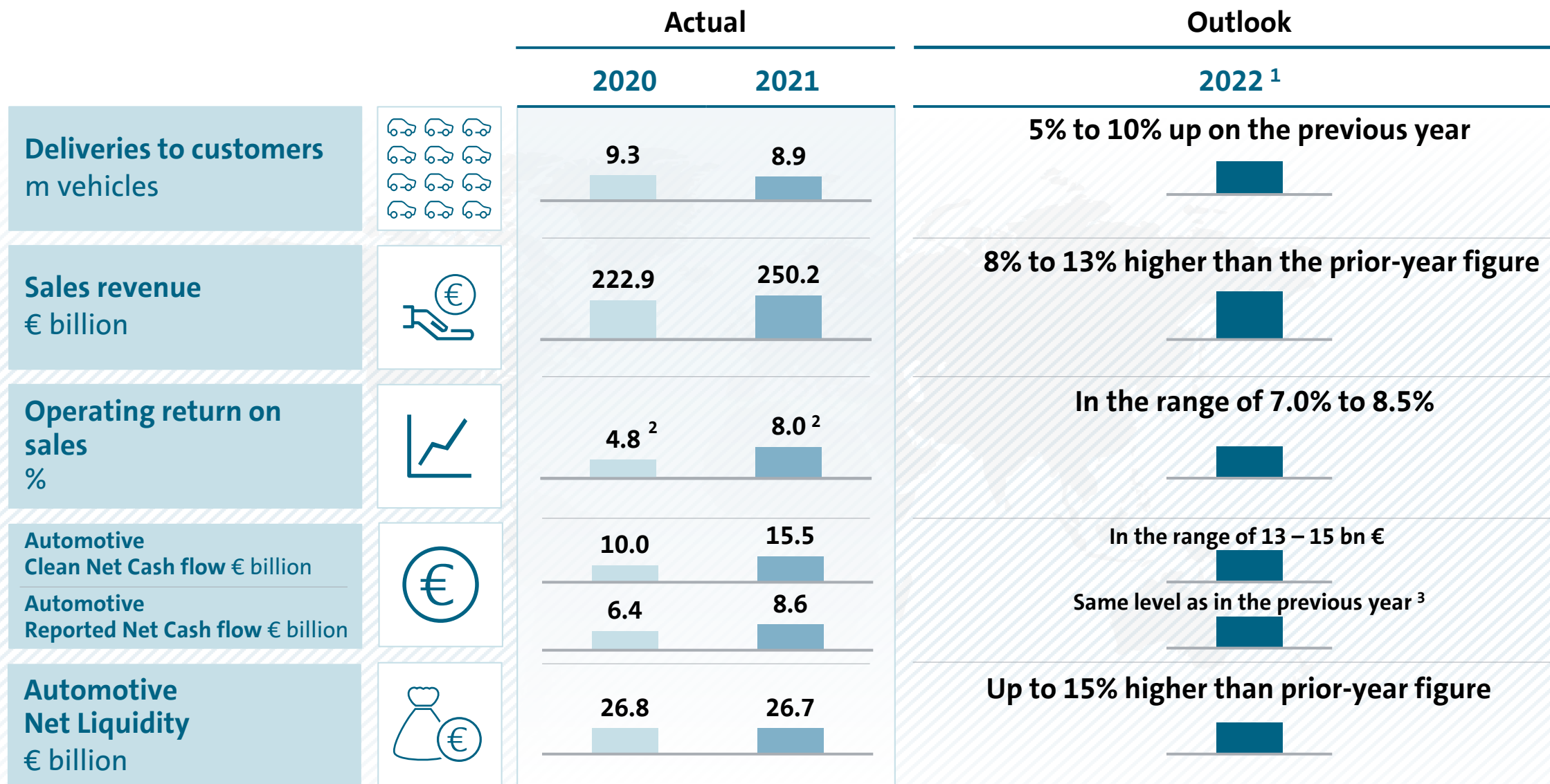
Robust business case

Key financial targets		2019 Actual	2020 Actual	2021 Actual	2023 Interim Strategic Targets	2025/26 Strategic Targets
Operating return on sales before Special Items		7.6	4.8	8.0	7-9	8-9
Return on investment Automotive Division before Special Items	Percent	12.6	7.1	10.8	~14	>15
Capex ratio Automotive Division		6.6	6.1	5.1	~6	~5
R&D cost ratio Automotive Division		6.7	8.0	7.6	~6.5	~6
Cash Automotive Division		EUR billions	13.5	10.0	15.5	13-15
a) Clean Net Cashflow Automotive Division w/o Diesel and M&A						
b) Net Liquidity		21.3	26.8	26.7	~10% of Group sales revenue	

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Outlook 2022

Volkswagen Group – Outlook for 2022 ¹ confirmed



¹ it is not yet possible to conclusively assess the specific effects of the latest developments in the Russia-Ukraine conflict on the Volkswagen Group's business, nor is it possible to predict with sufficient certainty to what extent further escalation of the Russia-Ukraine conflict will impact on the global economy and growth in the industry in fiscal year 2022

² before special items

³ including any cash outflows in connection with the EU antitrust proceedings against Scania

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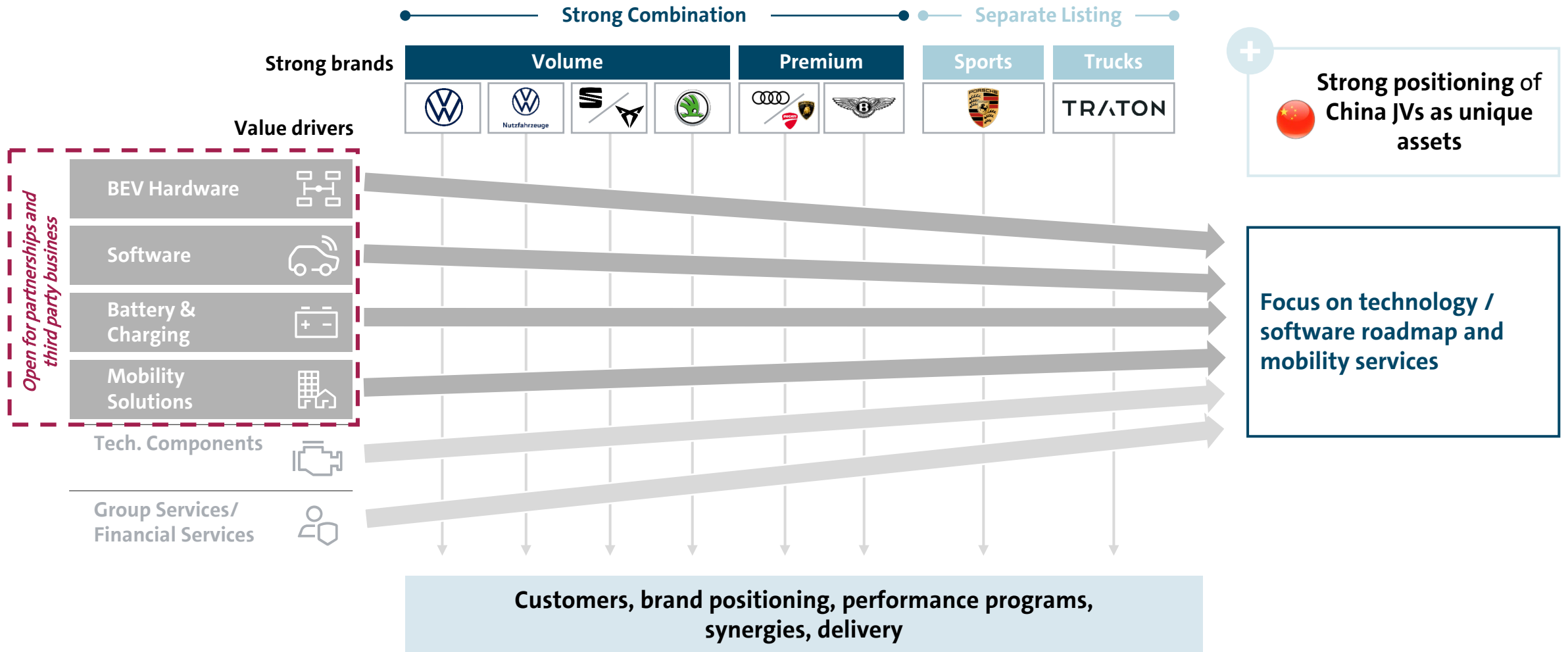
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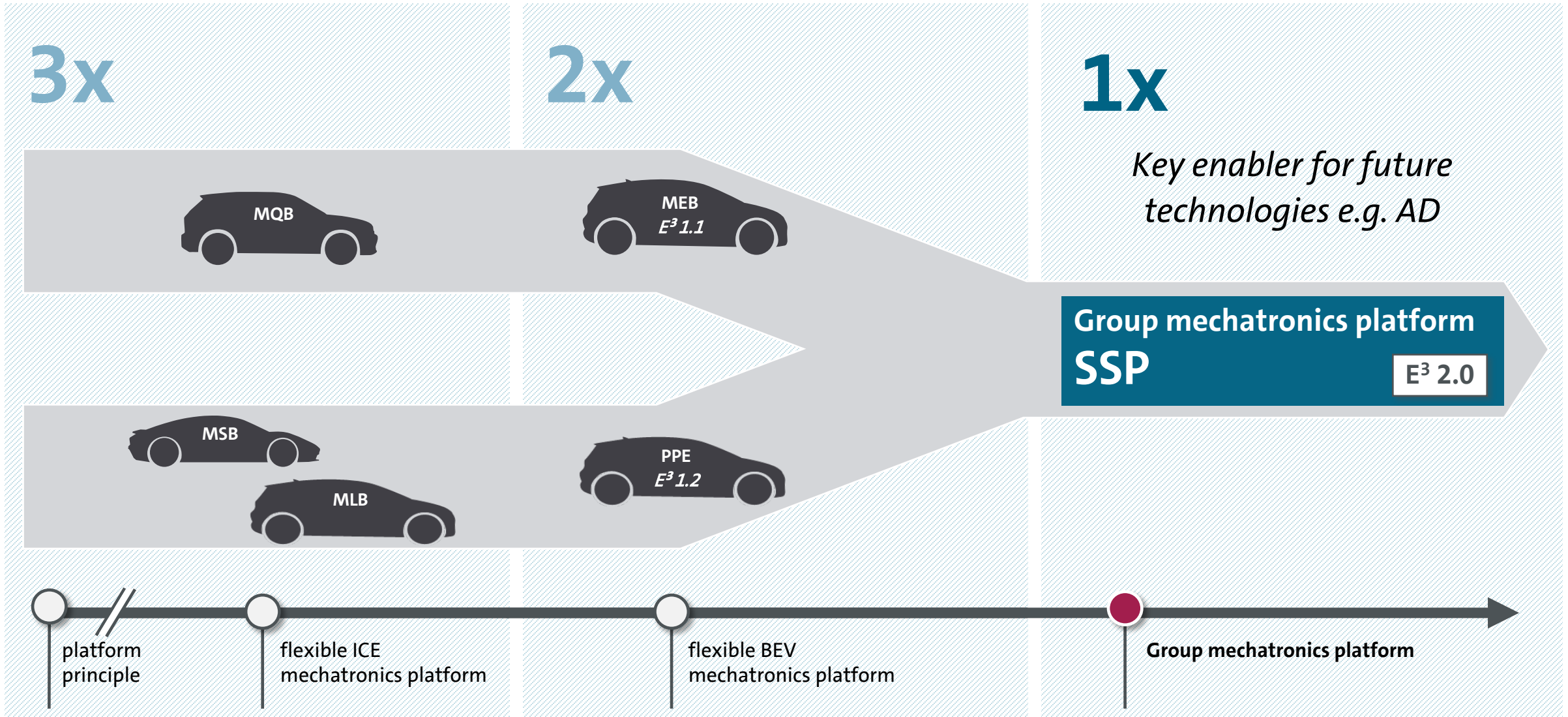
New Auto Strategy

New Auto Strategy: We will Shift the Focus towards Brand Groups and Value Drivers

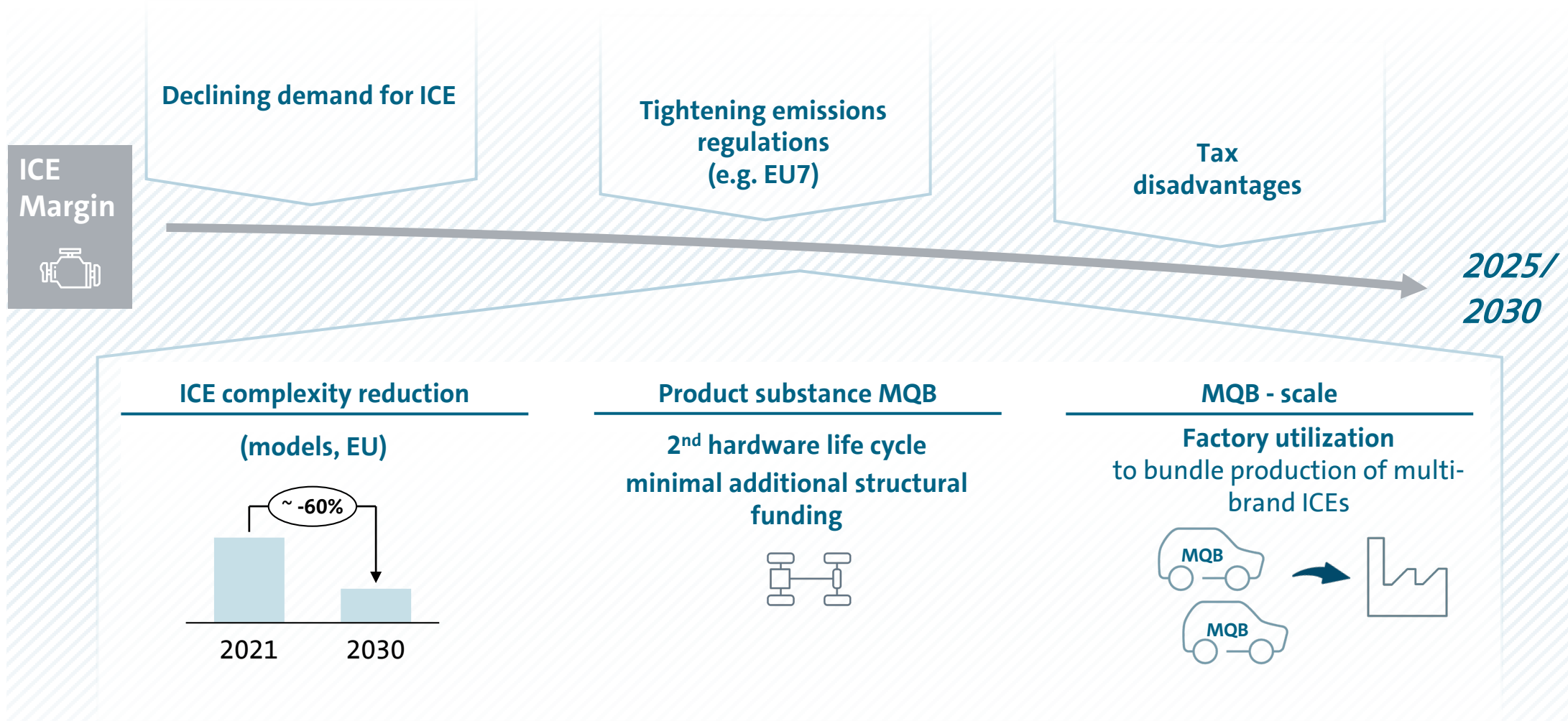
Schematic



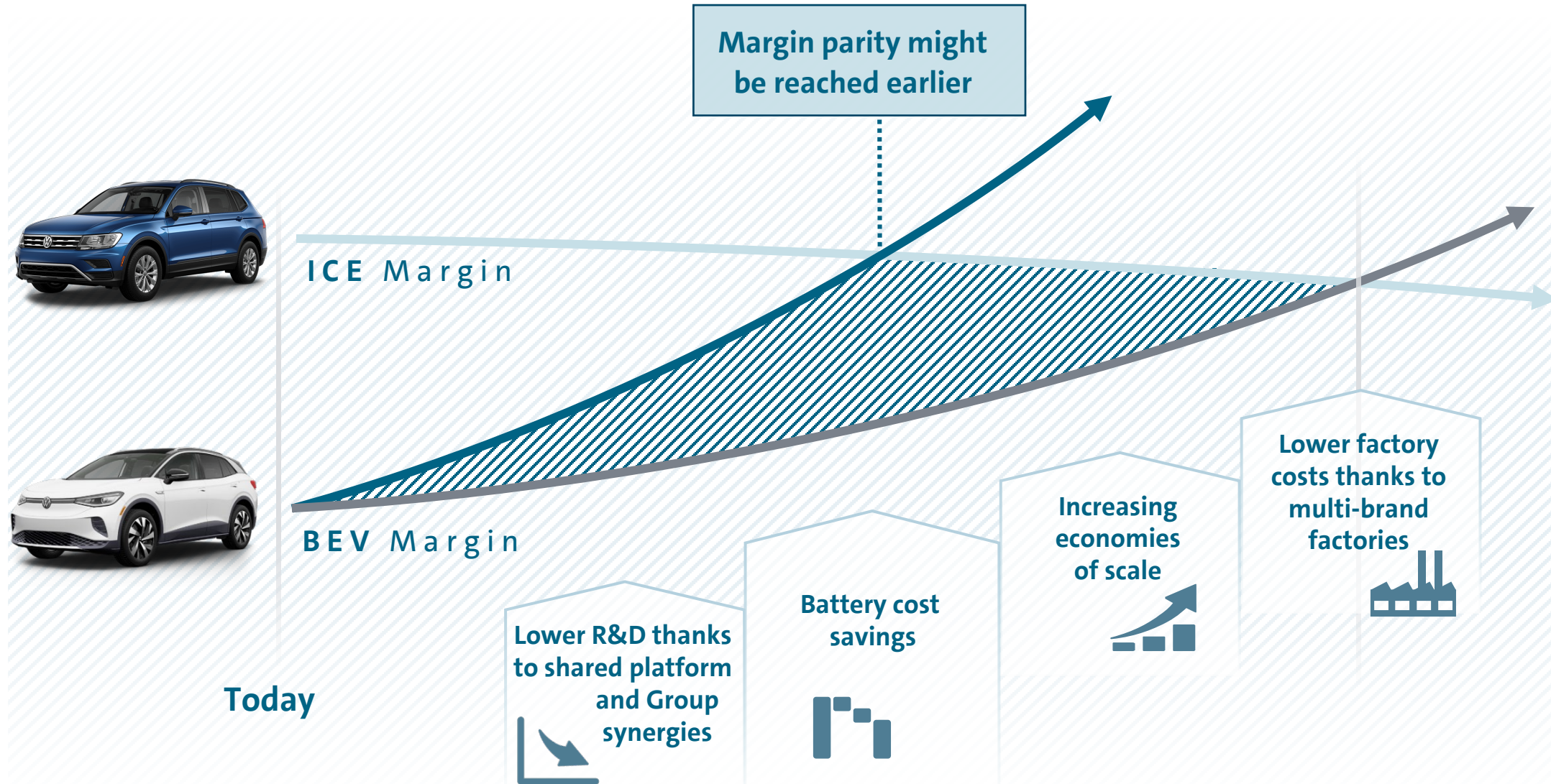
Variants are reducing complexity along the converging path towards a Group mechatronics platform – SSP (Scalable Systems Platform)



Volkswagen Groups' ambition – keeping the relative scale with MQB

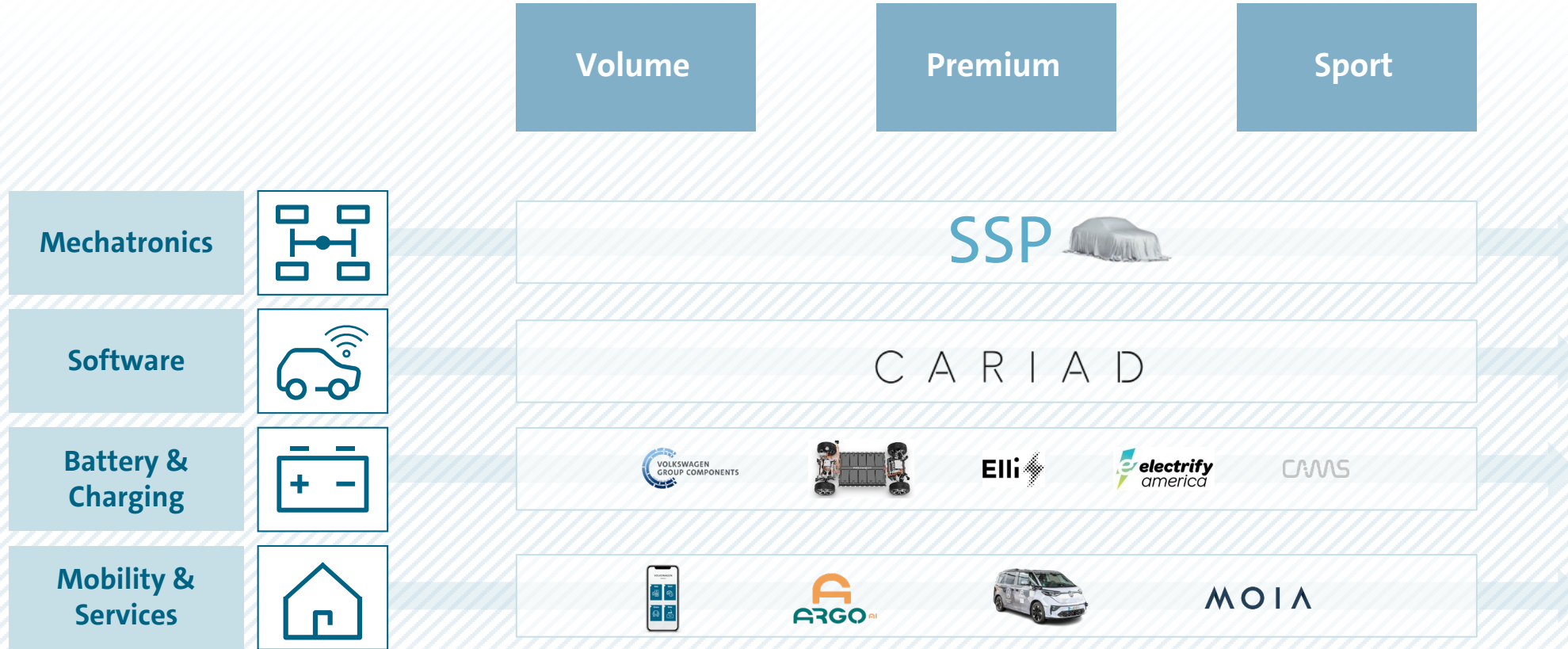


Operating Margin Parity in Western Europe between BEV and ICE progressing

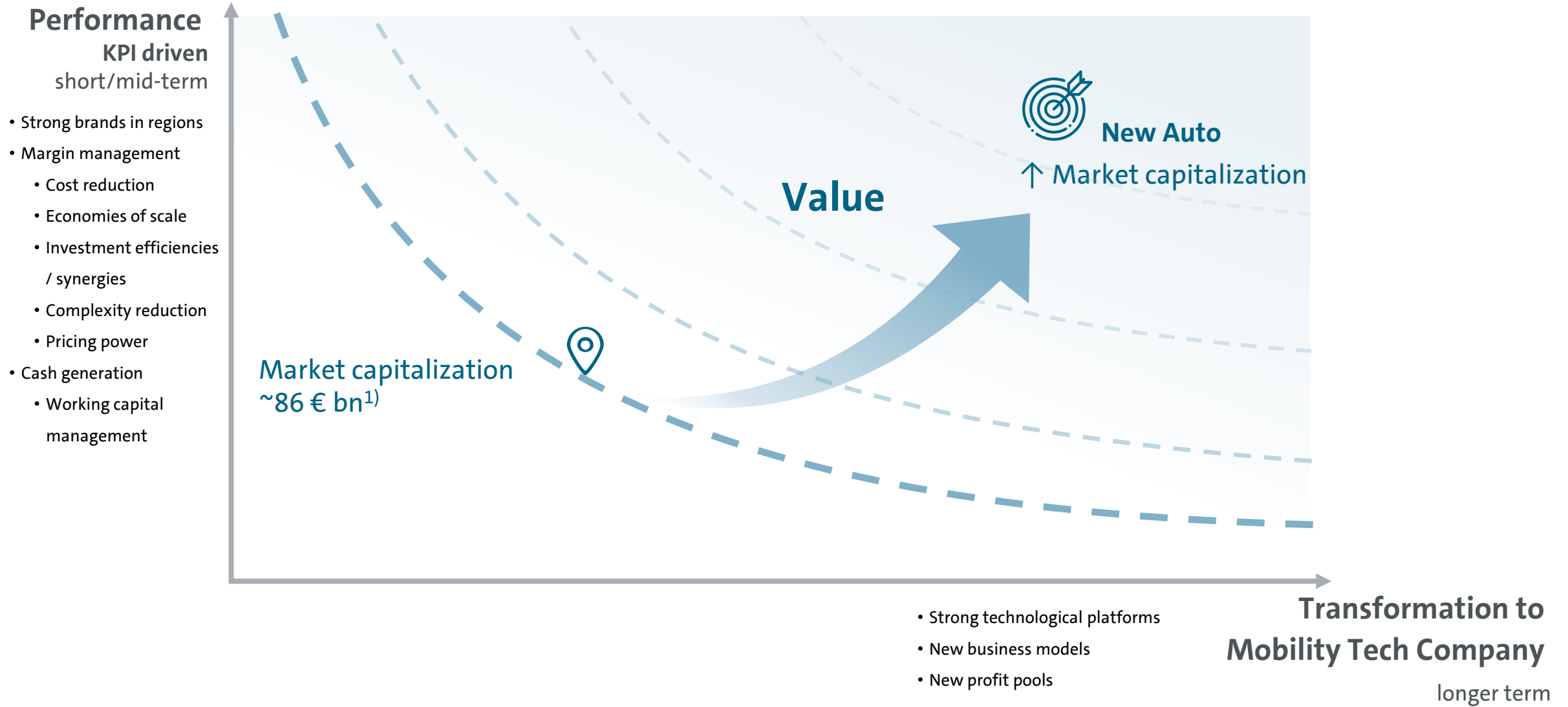


Volkswagen Tiguan TSI OPF 180 kW (245 PS): Fuel consumption combined: 7.2 l/100km (NEDC), CO₂ emissions combined: 164 g/km, CO₂ efficiency class: C
 Volkswagen ID.4: Power consumption combined: 16.3-15.6 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

NEW AUTO strategy: Towards a Vertically Integrated Mobility Company



Levers for value creation: Execution of transformation



¹ Status 09/05/2022

Increasing the footprint in North America

Ambition



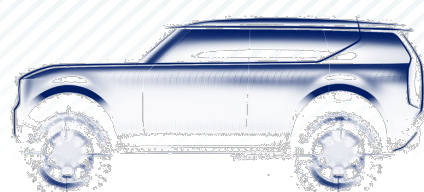
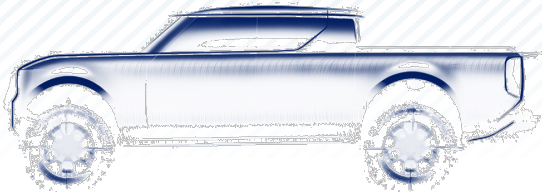
raise Group's overall market share in the US to 10% by 2030 and grow sustainable and profitable



Electrification as an opportunity to enter also new segments
>25 new BEV models by 2030 (US)



the iconic US brand Scout will be electrified
start of production in 2026 targeted

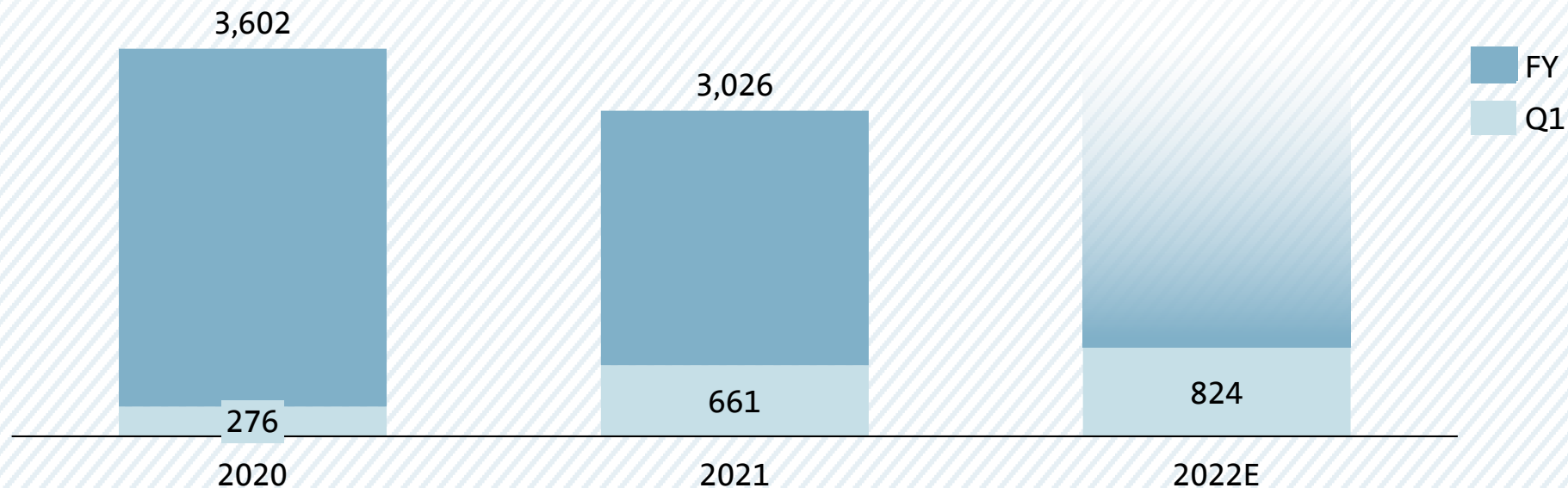


¹ Vehicles sold outside Germany.



China Joint Ventures – Proportionate Operating Profit

[€ m]

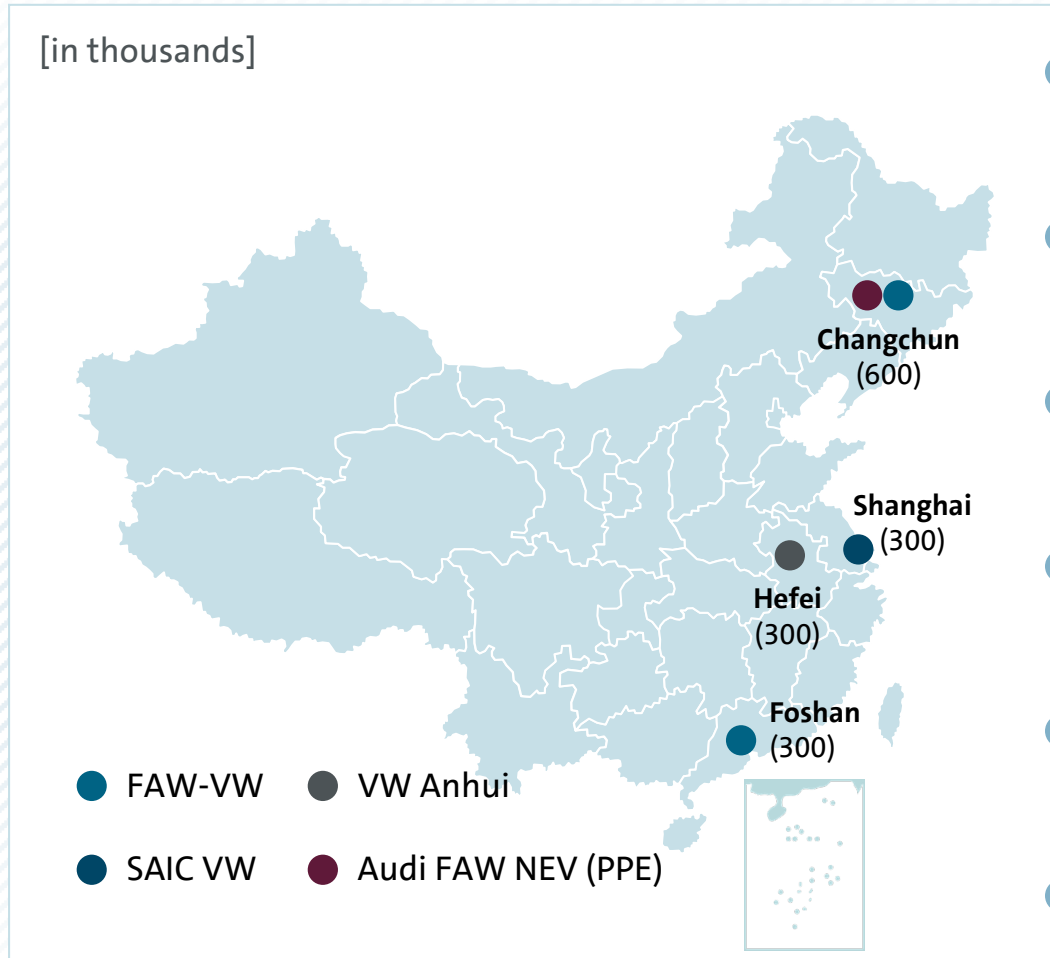


Drivers

- Continued impacts from semi supply bottlenecks and COVID related production disruptions towards the end of the 1st quarter
- Continued strong premium performance, performance of SAIC Volkswagen improved YoY
- SAIC Audi started production, thereby strengthening the local footprint
- Production catch-up program initiated



Enable NEV growth plan with ambitious ramp-up of battery and production capacity



- NEV production capacity is expected to be ramped up to > **1.0 mn** by 2025
- Continuously growing **battery cell demand**
- Partnering with **Gotion High-Tech**
- Ongoing cooperation with **local suppliers**
- Staggered approach to **build up partnerships**
- Continuous **supplier qualification** accordingly to **Volkswagen standards**



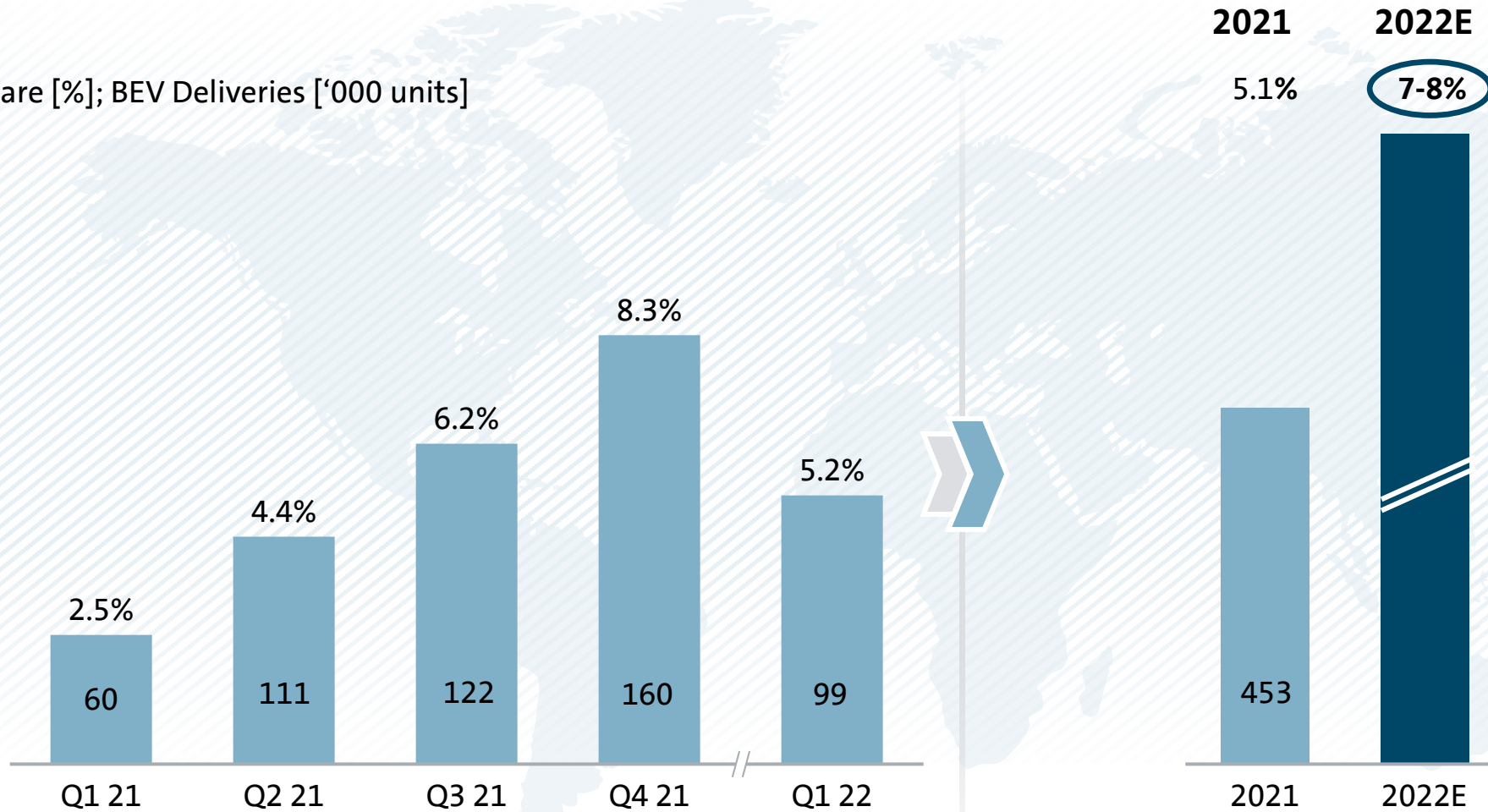
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BEV Strategy and Charging

BEV ramp up – Striving for Scale Effects

2021, Q1 2022 and Outlook

BEV Share [%]; BEV Deliveries ['000 units]



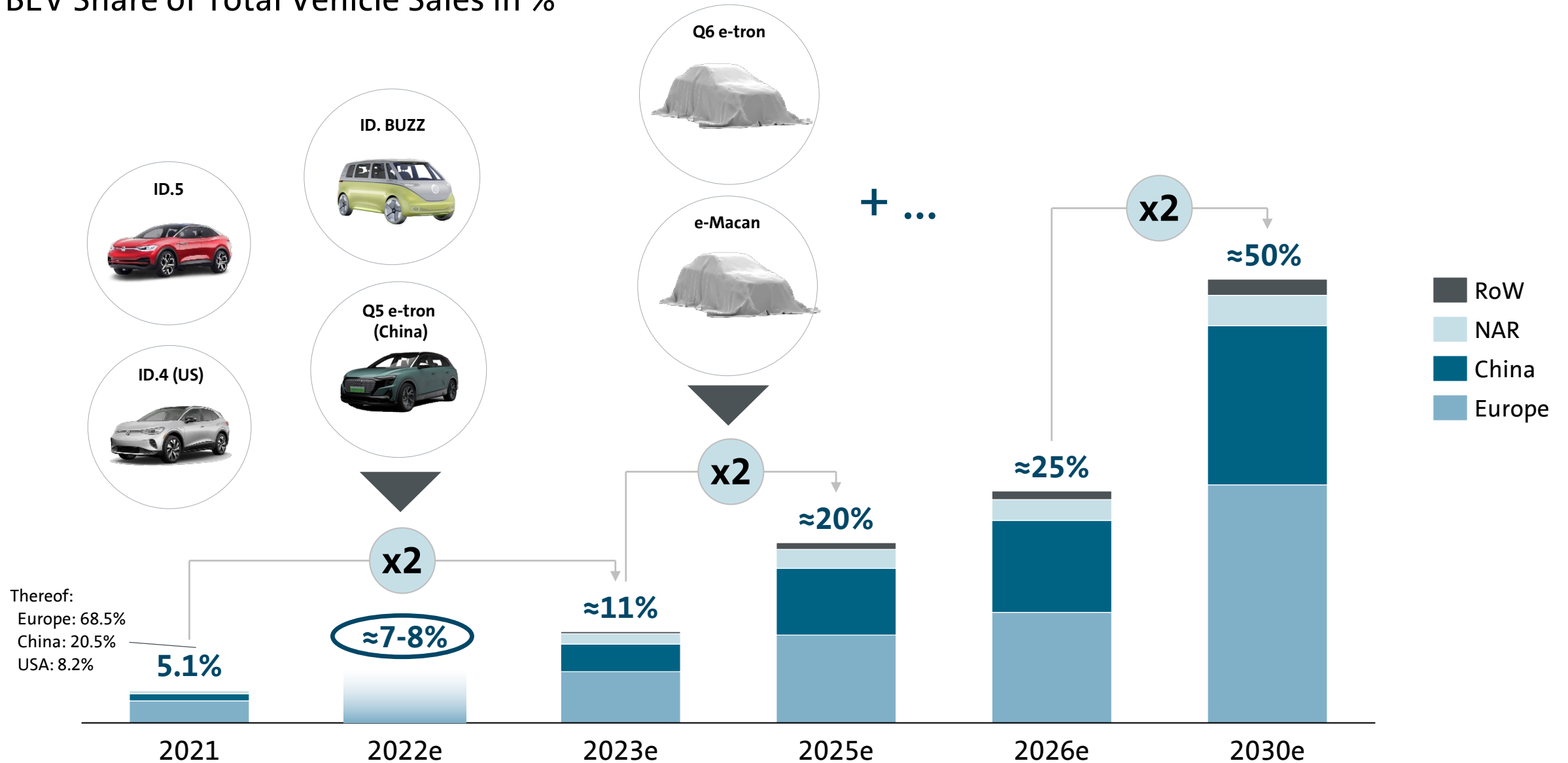
Volkswagen ID.5: Vehicle is a near-production concept car

Audi Q4 e-tron: Power consumption combined: 18.3–15.2 kWh/100 km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

Porsche Taycan GTS Sport Turismo: Power consumption combined: 26.0 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

Targeting BEV Podium Position by 2025

BEV Share of Total Vehicle Sales in %



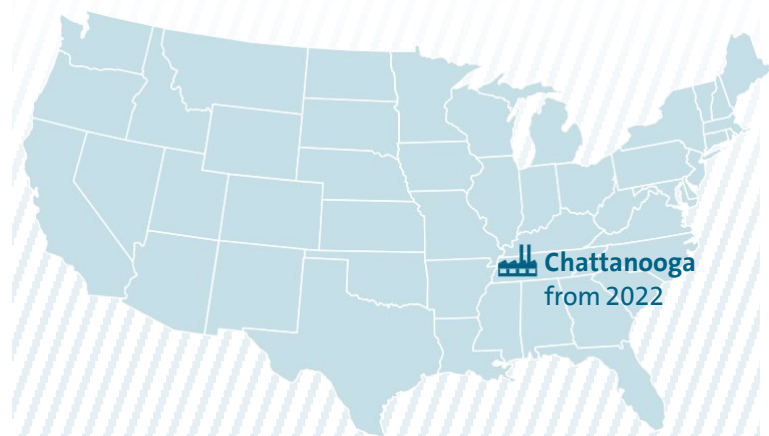
Volkswagen ID.Buzz/ID.5: Vehicles are near-production concept cars

Volkswagen ID.4: Power consumption combined: 16.3-15.6 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

Audi Q5 e-tron: Vehicle sold outside Germany

BEV starts to scale, already > one million production capacity in 2023

USA



VW ID.4 (NAR)

Europe



VW ID.3



VW ID.4



AU Q4 e-tron



VW ID. BUZZ



VW Trinity



CU Born



Skoda Enyaq

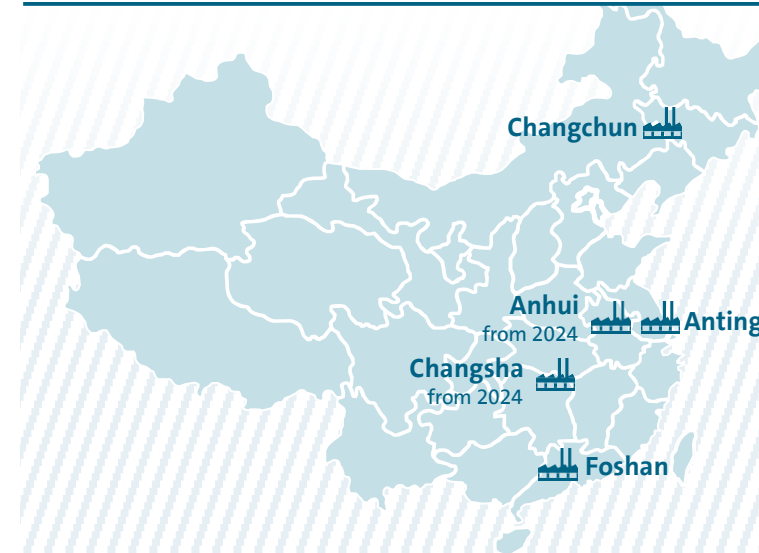


VW ID.5



PO Taycan

China



VW ID.3 (CN)



VW ID.4 (CN)



VW ID.6 (CN)



VW ID.6 X (CN)



CU Tavascan (CN)

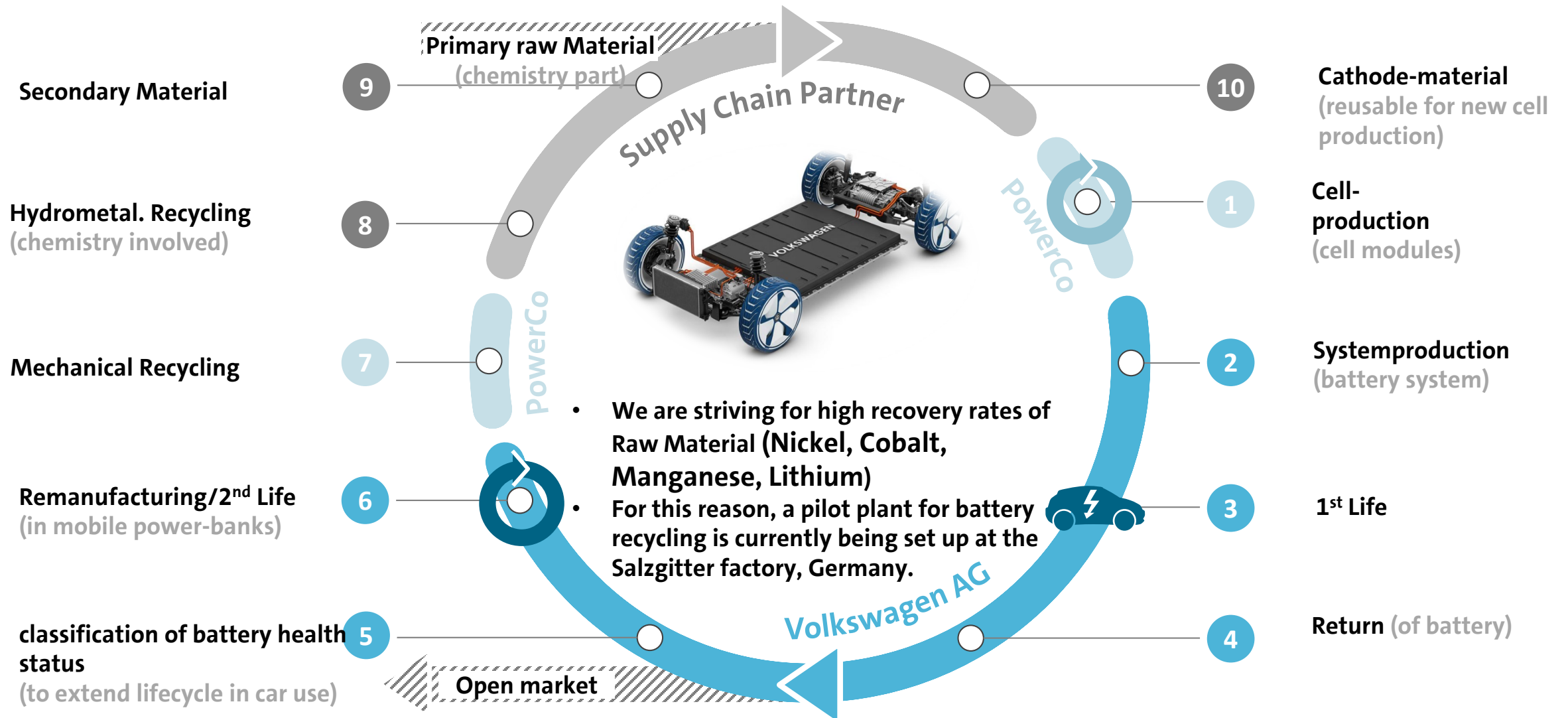


AU e-tron (CN)

Volkswagen ID.3: Power consumption combined: 14.0-13.7 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++
 Volkswagen ID.4: Power consumption combined: 16.3-15.6 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++
 Audi Q4 e-tron: Power consumption combined: 18.3-15.2 kWh/100 km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++
 Volkswagen ID. Buzz/ID.5: Vehicles are near-production concept cars

Cupra Born: Power consumption combined: 17.6 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++
 Skoda Enyaq: Power consumption combined: 13.6 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++
 Porsche Taycan: Power consumption combined: 23.9-19.6 kWh/100km (NEDC), CO₂ emissions combined: 0g/km, CO₂ efficiency class: A+++

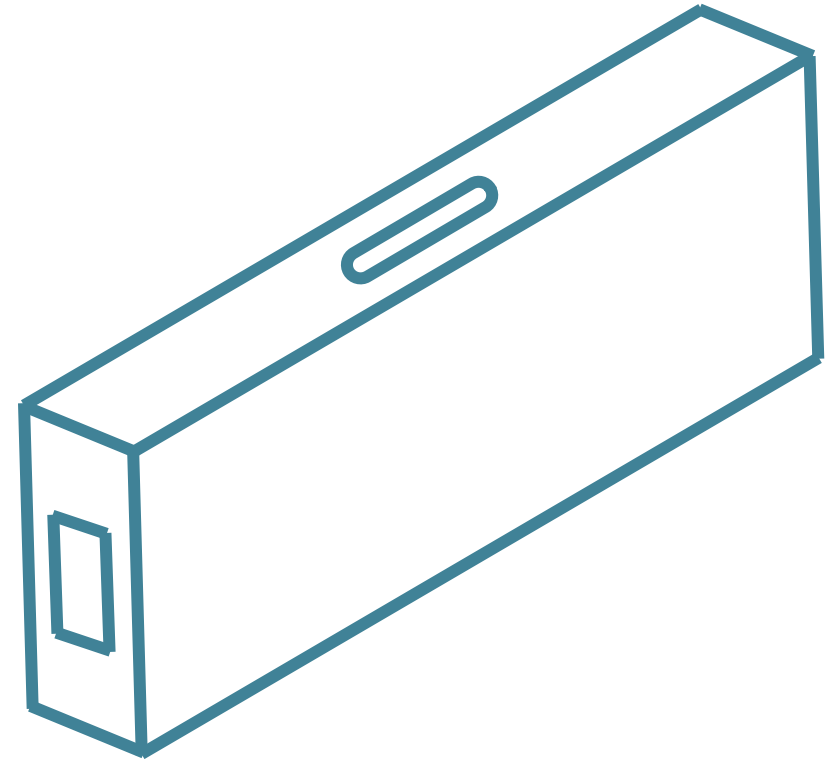
Principle of Closed Loop Battery Materials



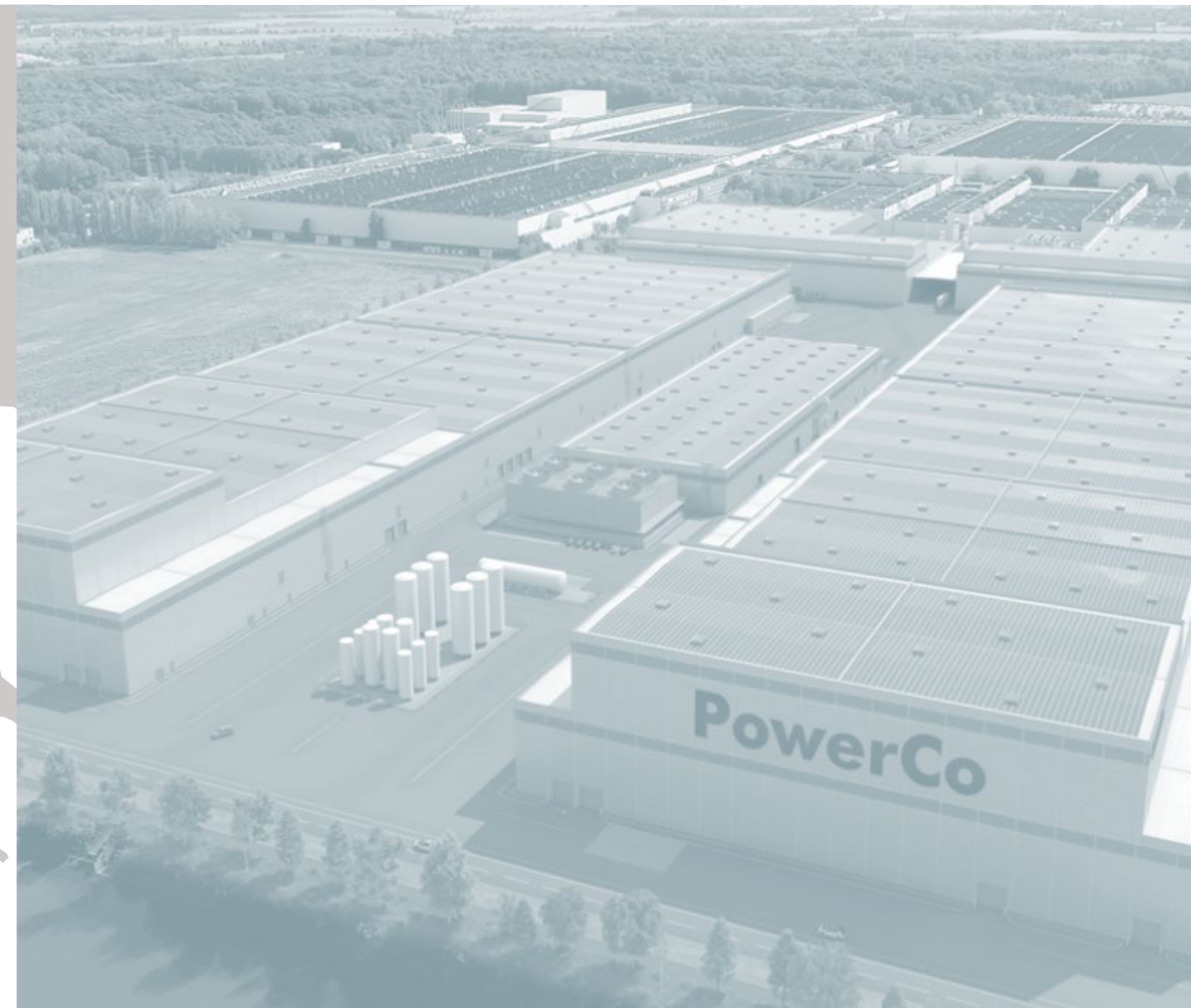
Volkswagen Group's Unified Cell: The intelligence is inside

One format

Every state of the art
chemistry

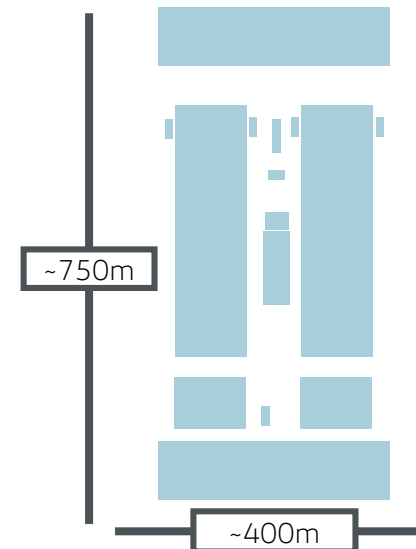


Volkswagen demand Europe: 240 GWh means 6 Gigafactories by 2030

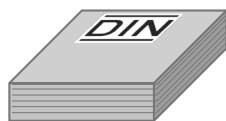


The standard factory concept: Scalable, standardized modules with a production capacity of 40 GWh¹ per year

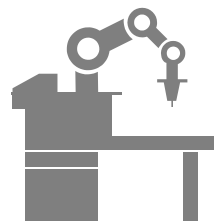
3D VISUALIZATION OF TWO STANDARD FACTORY MODULES (2x22 MILLION CELLS PER YEAR)



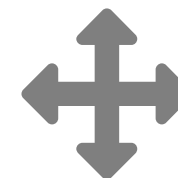
BENEFITS OF THE STANDARD FACTORY CONCEPT



EUROPEAN STANDARD
Standardized European factory to minimize planning efforts



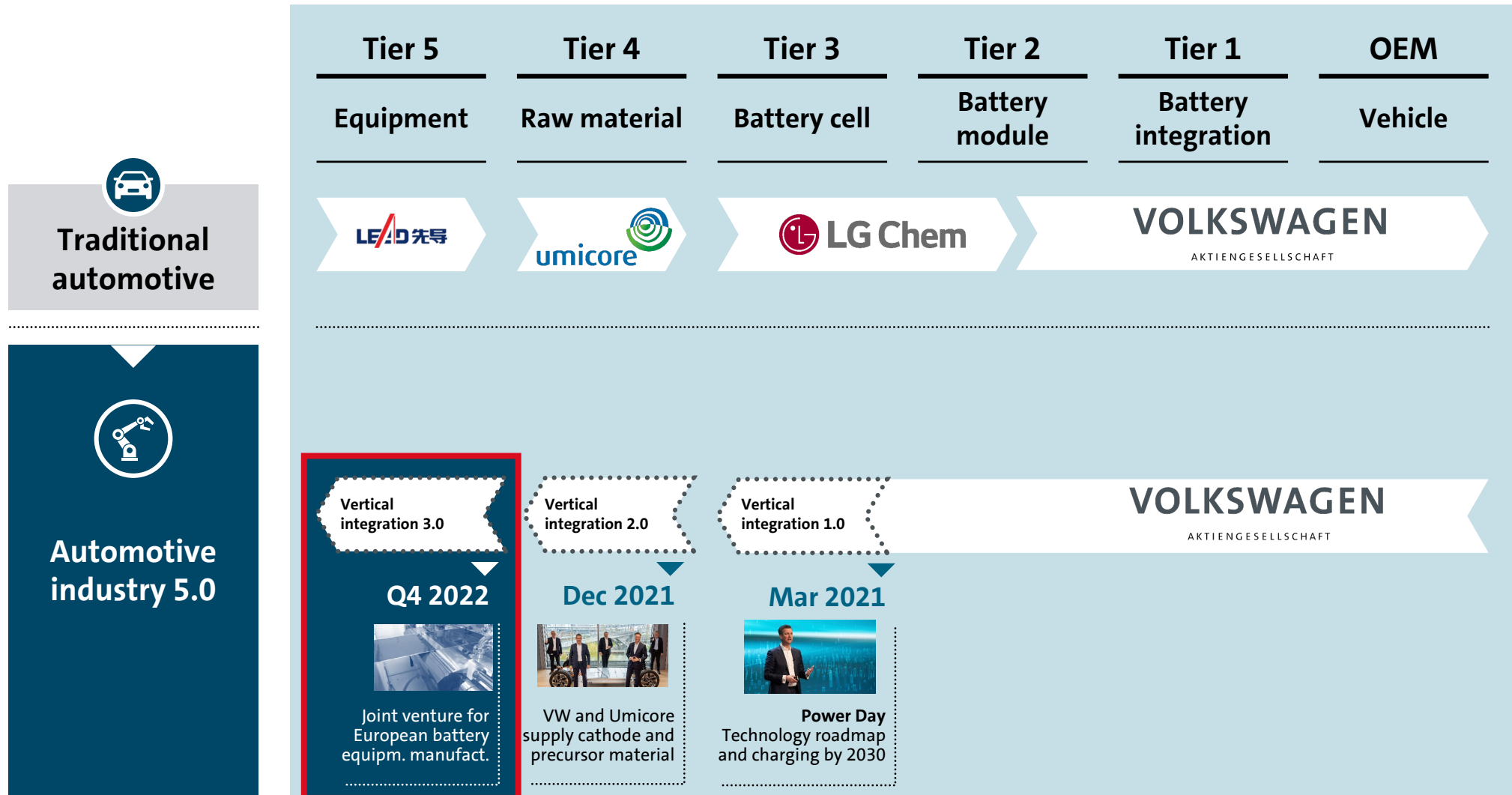
LEAN LINE DESIGN
Factory design follows value stream concept from mixing to final inspection



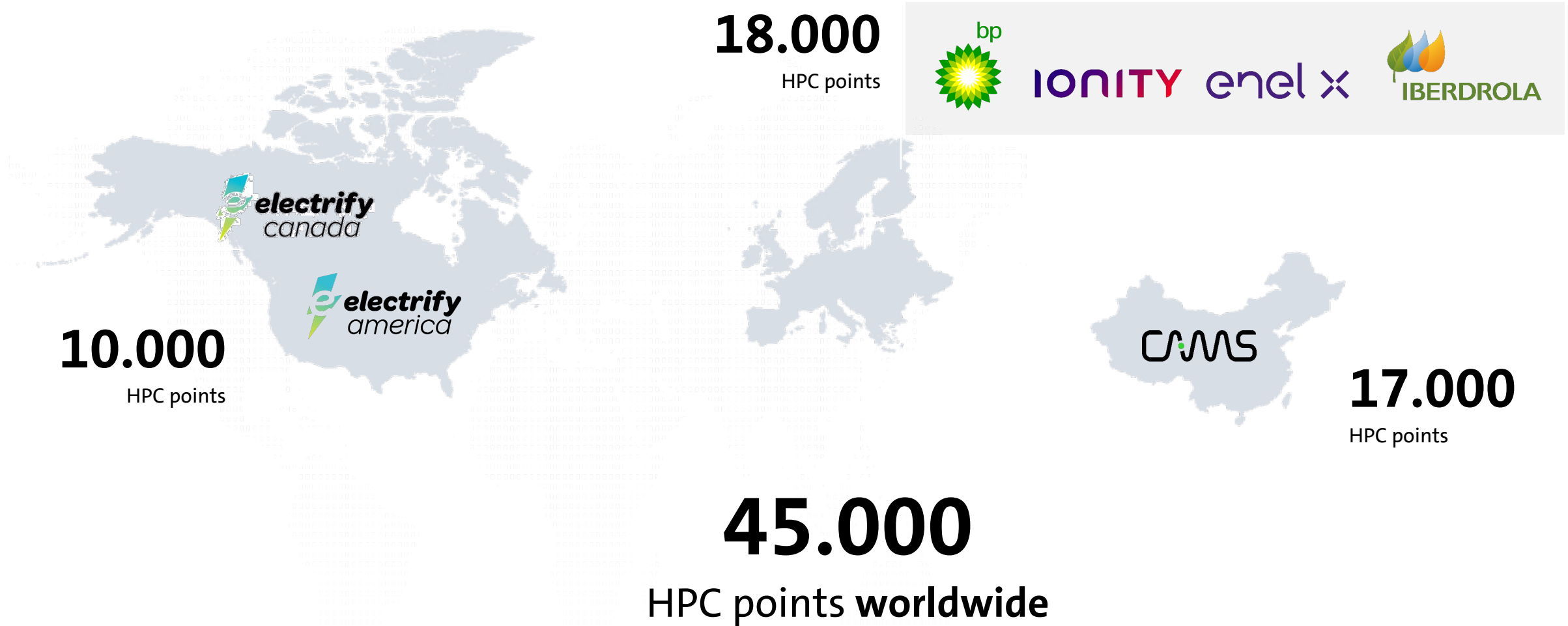
FLEXIBLE PRODUCTION FOOTPRINT
Adaptable to different cell chemistries and formats

1) 40 GWh per year using the example of Salzgitter (2 standardized modules)

Building up competences upstream the value chain to expand the profit margin and exploit new revenue stream



Volkswagen Group's High Performance Charging Boost Program is covering the most important e-mobility markets



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Mobility Partnerships



Volkswagen and Ford: Alliance delivers significant strategic and economic benefits

Collaboration Projects

VEHICLE DEVELOPMENT & PRODUCTION
PICKUP, CITY VAN,
ONE-TON VAN

Ford

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- Production of up to 8m units of the three commercial vehicles targeted; SOP of the first project since February 2022
- Through the cooperation, synergies in investments, purchasing and capacity utilization

VW TO SUPPLY MEB PLATFORM TO FORD
(MODULAR ELECTRIC TOOLKIT)

- 1.2m MEB platforms and associated components (battery systems) delivered by VW starting 2023
- >\$20bn deal value

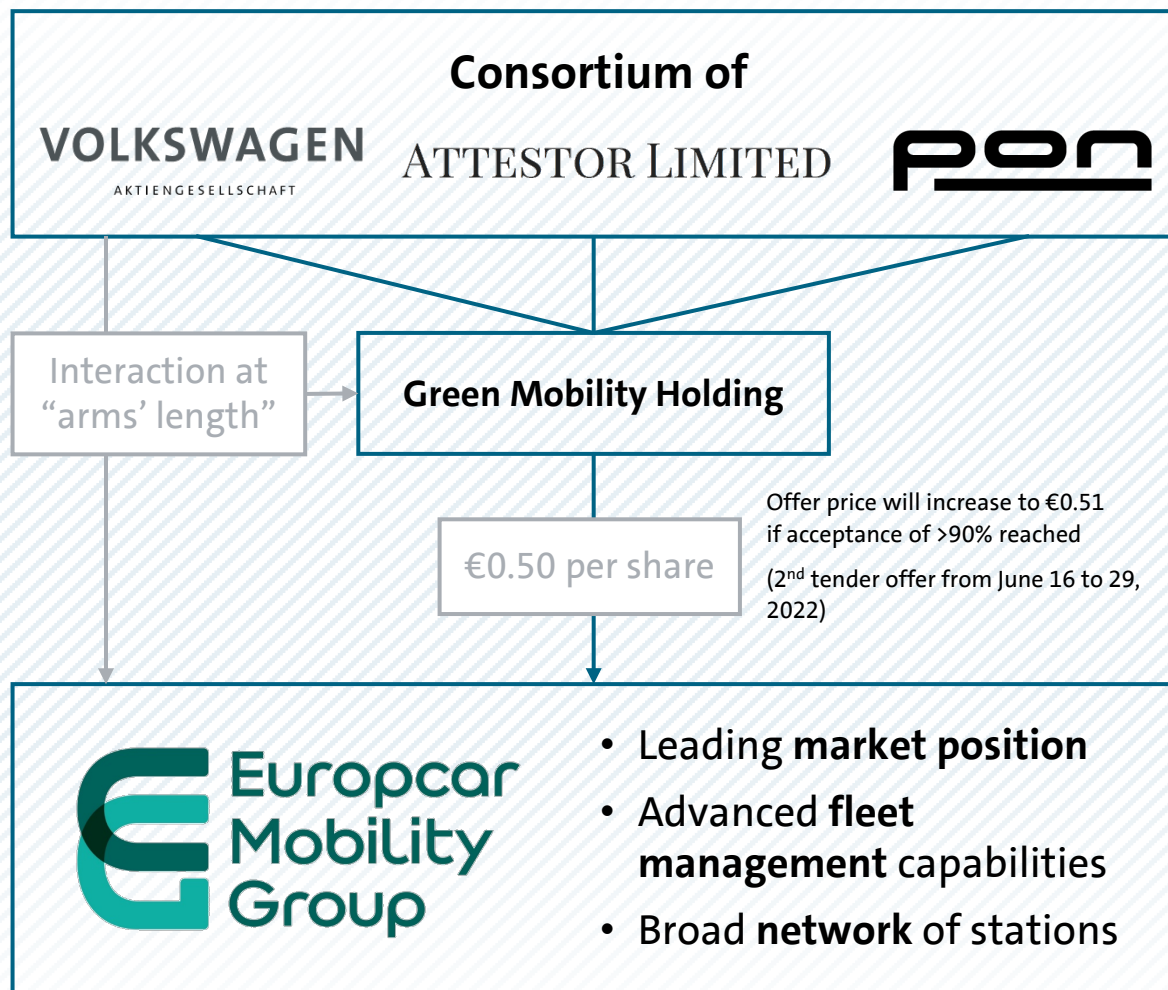
PROJECTS IN AUTONOMOUS DRIVING WITH

ARGO AI

SELF-DRIVING TEST VEHICLE

- Collaboration with Argo AI aims for industry leading autonomous vehicle technology for Mobility and Transport as a Service solutions.
- New customers, new business fields in AD transportation market

Europcar deal provides compelling opportunity to create a leading mobility platform



Accelerated delivery of mobility services targets

- Customers increasingly demand **new and innovative on-demand mobility solutions**, such as subscription and sharing models
- Building a **leading mobility platform** is a key priority of NEW AUTO strategy through 2030
- Leveraging the strong **transformation capabilities of Attestor** as well as the **international mobility services and customer experience of Pon**
- **Develop and transform** Europcar's business and **selectively add further services** from Volkswagen Group brands

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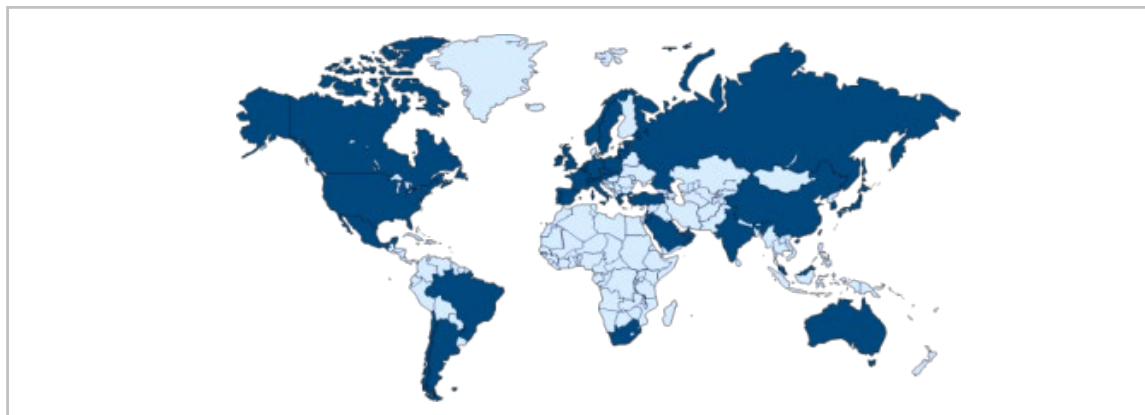
Funding

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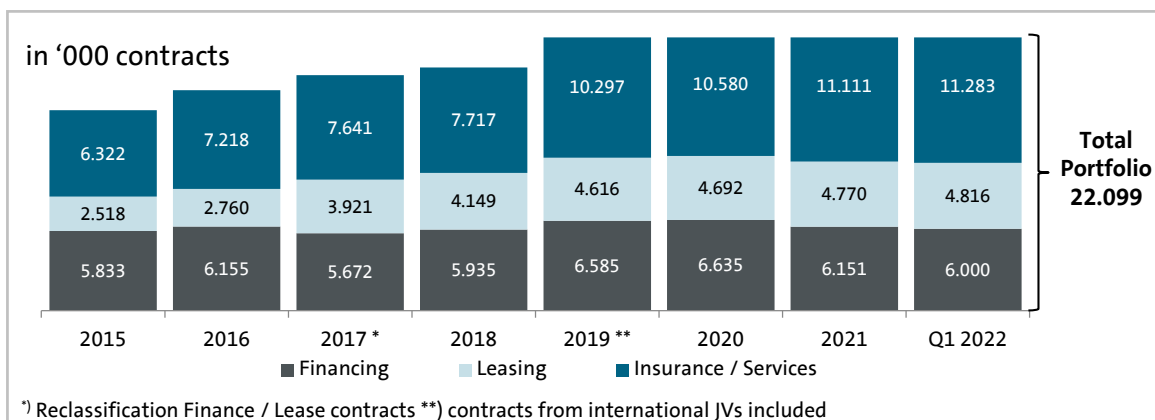
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Volkswagen Financial Services ¹⁾: global, well diversified and successful

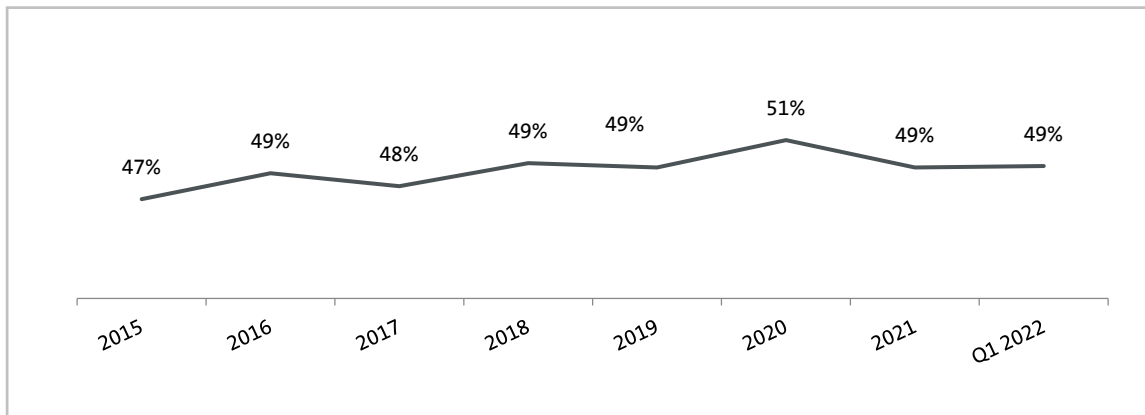
Strong global presence



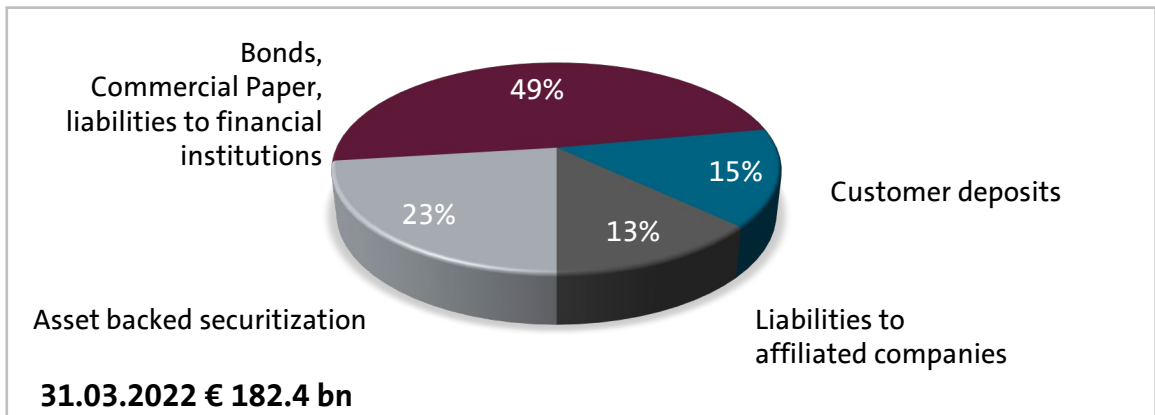
Continuous portfolio expansion



Rising penetration rates (without China)

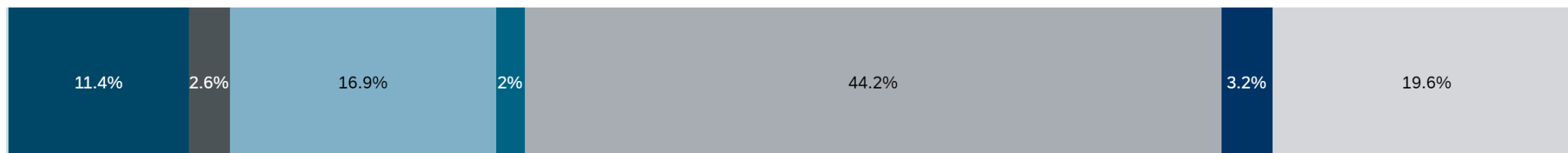


Diversified funding structure



¹⁾ Excl. activities of Scania, Navistar and Porsche Holding Salzburg; incl. Financial Services of Porsche AG and MAN Financial Services.

Volkswagen Group – Well Diversified Funding Mix totaling €226bn as of March 31, 2022



Other Direkt Banking Deposits Leasing Loans Bank Loans Schuldschein Bonds Commercial Papers ABS

Capital Market Borrowings

in Billion EUR

2/3

Totals	150.9
> ABS	44.1
> Commercial Papers	7.3
∨ Bonds	99.6
> Bond/MTN	84.2
> Bonds Hybrid	15.4

Money Market Borrowings

in Billion EUR

1/3

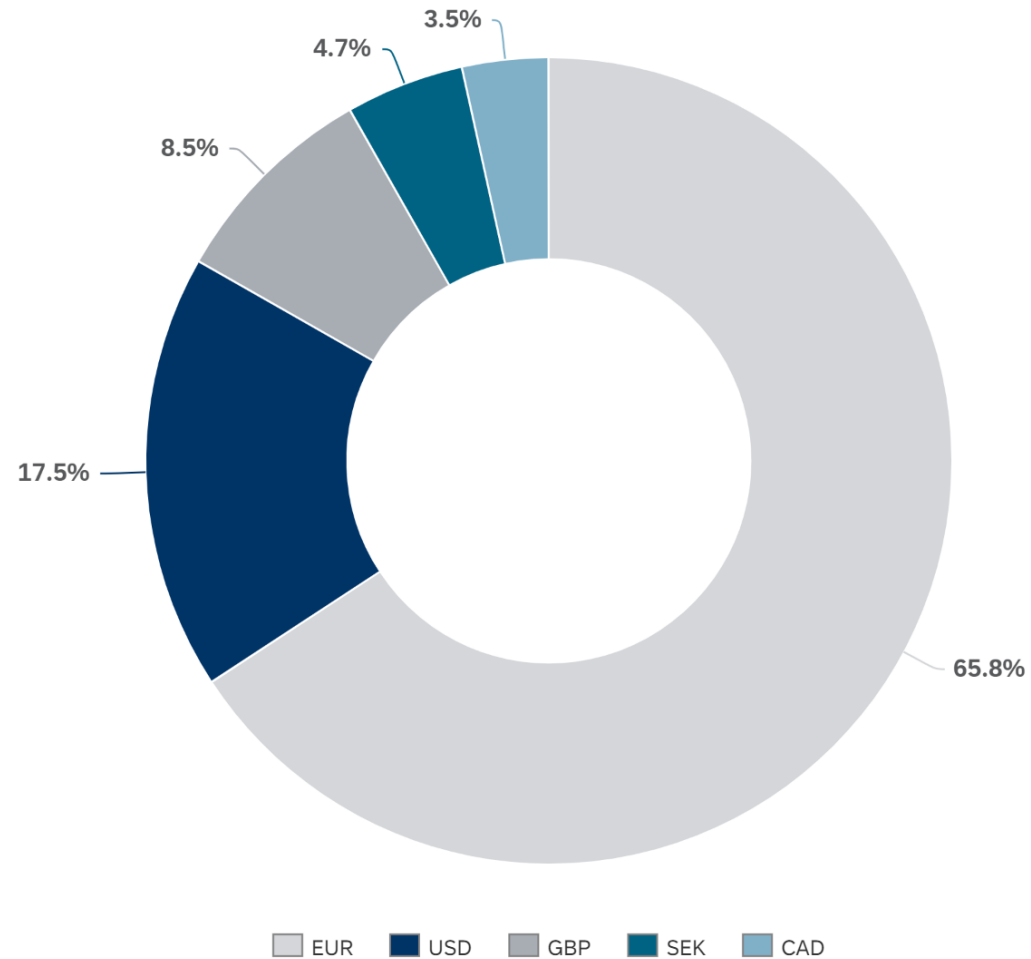
Totals	74.4
> Bank Loans	38.1
> Direkt Banking Deposits	25.8
> Leasing Loans	5.8
> Schuldschein	4.2
> Other	0.6

Sums may differ due to rounding effects. | Source: Volkswagen AG

Volkswagen Group Funding – CM Borrowings Diversification of unsecured funding as of March 31, 2022

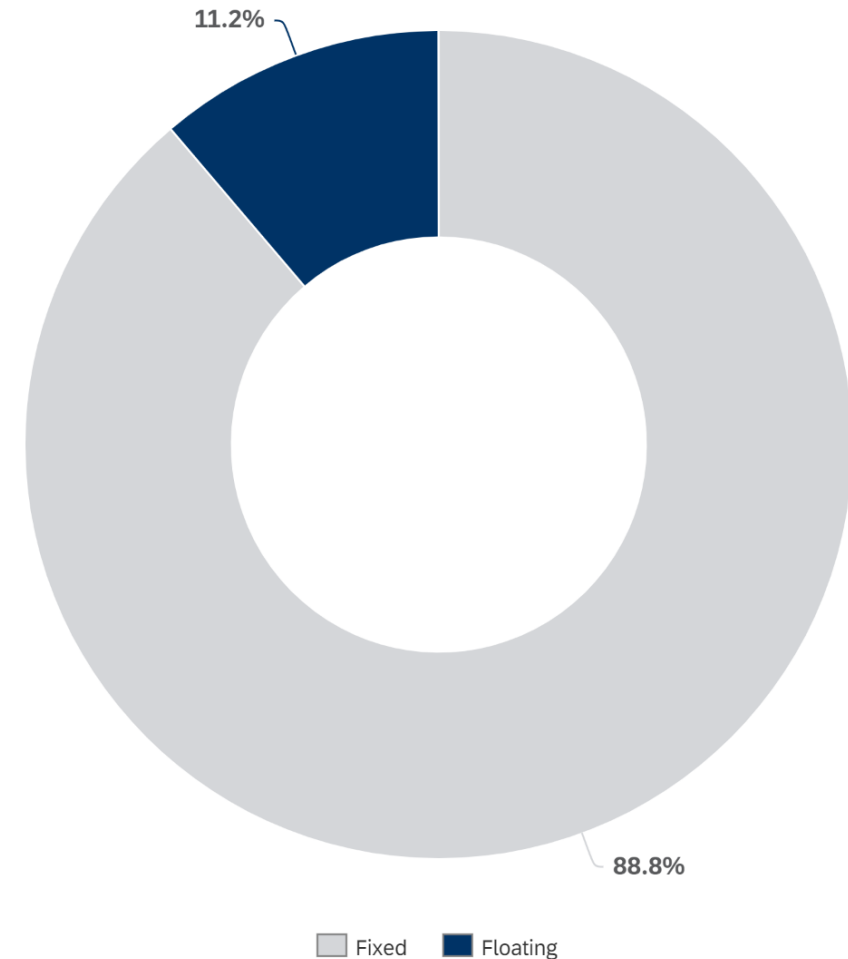
Top 5 Currency Breakdown Commercial Paper and Bonds (excl. Hybrid)

in EUR



Fix vs. Float Bonds (excl. Hybrid)

in EUR



Sums may differ due to rounding effects. | Source: Volkswagen AG

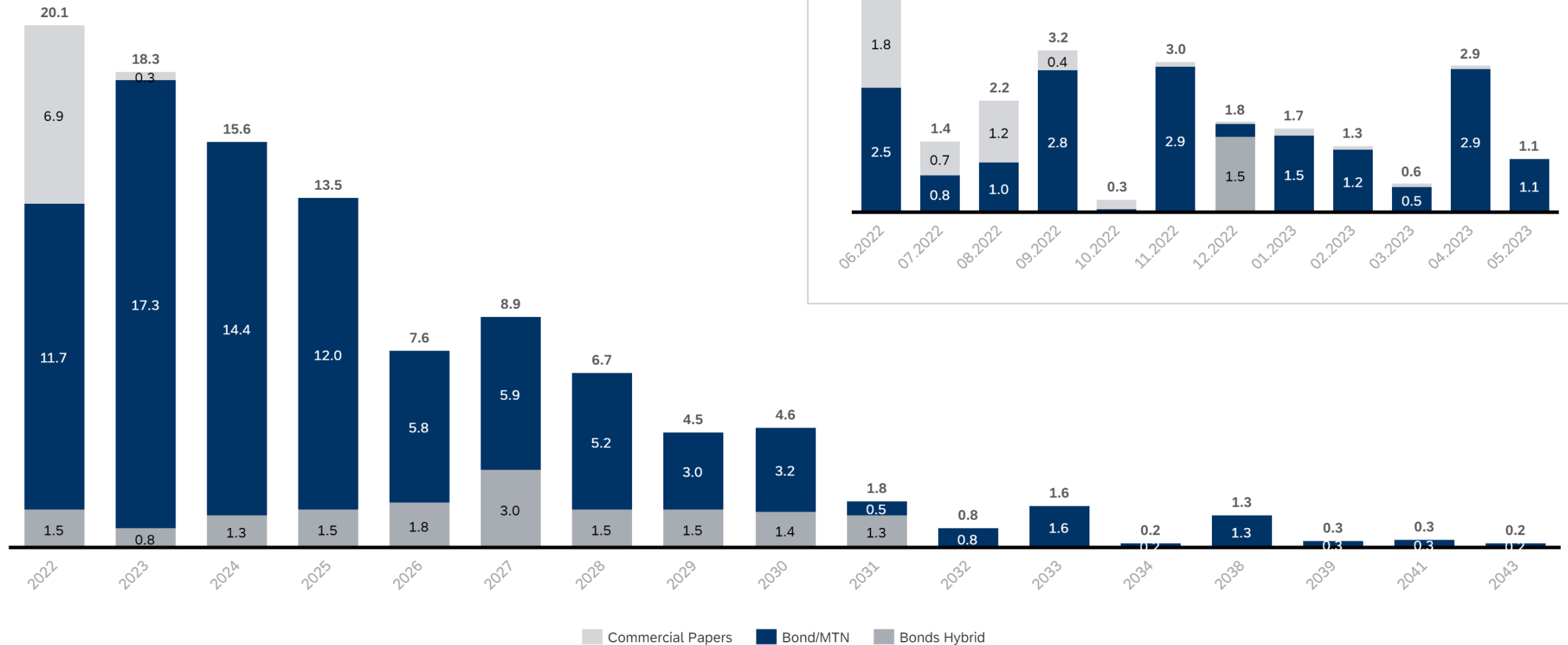
Volkswagen Group Funding – Bond Maturity Profile (including CPs) as of March 31, 2022

0-3y: 55.7bn (52%)

4-6y: 29.2bn (27%)

>6y: 22.3bn (21%)

in Billion EUR



Sums may differ due to rounding effects. | Source: Volkswagen AG

Volkswagen Group – Second Green Bond Deal Review

Volkswagen is committed to complying with the United Nations' Paris Agreement. The goal is to become a company with a carbon-neutral footprint by 2050. As early as by 2025, the Group plans to reduce the total life-cycle greenhouse gas emissions from passenger cars and light commercial vehicles by 30% compared to 2015. In addition, the Group has set a decarbonization target confirmed by the Science Based Targets initiative (SBTi), which envisages a reduction of 30% from 2018 to 2030 without offsetting. SBTi confirmed in April 2022 after a scientific review that Volkswagen Group's new scope 1 and 2 emissions reduction targets are aligned with the ambition to limit global warming to 1.5 degrees.

The Volkswagen Group believes that Green Debt Instruments are effective tools to channel investments to projects that have demonstrated climate benefits and thereby contribute to the achievement of the Paris Climate Agreement and the United Nations' Sustainable Development Goals ("UN SDGs").

Summary of Terms and Conditions

Pricing / Settlement	21 June 2022 / 28 June 2022	
Tranche	EUR 2.75yrs Fixed	EUR 5.25yrs Fixed
Size	EUR 750m	EUR 750m
Coupon	3.125%, annual	3.75%, annual
Final Spread	EUR MS +115bps	EUR MS +155bps
Re-offer price	99.939%	99.546%
Use of Proceeds	Funds to be used for the modular electric drive matrix (MEB) and the BEV models ID.3 ¹ and ID.4 ²	
External Review	Certified by the Climate Bonds Initiative (CBI)	

¹ID.3 - ID.3 Electricity consumption combined 15.4 - 14.5 kWh/100 km; CO₂ emissions combined 0g/km, efficiency class: A+
²ID.4 – Electricity consumption combined 16.9-15.5 kWh/100 km; CO₂ emissions combined 0g/km, efficiency class: A+

Long Term Rating Volkswagen Group as of 14.06.2022

MOODY'S

S&P Global
Ratings

Investment grade	Aaa	
	Aa1	
	Aa2	
	Aa3	
	A1	
	A2	
	A3	VW AG (S), VW FS AG (S), VW Bank (S) ¹⁾
	Baa1	
	Baa2	TRATON (S)
	Baa3	

Investment grade	AAA	
	AA+	
	AA	
	AA-	
	A+	
	A	
	A-	
	BBB+	VW AG (S), VW FS AG (S), VW Bank (S)
	BBB	TRATON (S)
	BBB-	

Subinvestment grade	Ba1	
	Ba2	
	Ba3	
	B1	
	B2	
	B3	

Subinvestment grade	BB+	
	BB	
	BB-	
	B+	
	B	
	B-	

Outlook: **(P)**ositive, **(S)**table, **(N)**egative, **RfD** = Rating under review for Downgrade, **RfU** = Rating under review for Upgrade

¹⁾ Moody's unsecured debt rating for Volkswagen Bank GmbH; Deposit and issuer ratings: A1 (stable)

Leading the Transformation.

ESG, Integrity & Compliance

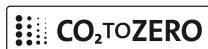


Decarbonization, Circular Economy, Responsibility in Supply Chain & Business, Diversity, People & Transformation and Integrity are our ESG focus areas.

IMPROVE ESG Performance

Decarbonization

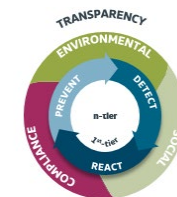
go TO zero



Circular Economy



Responsibility in Supply Chain & Business



Diversity & Inclusion



People in the Transformation



Integrity

INTEGRITY



Orientation



Reputation



Value-Driver



Transformation

Investor Relations Team

We are pleased to answer your inquiries regarding Volkswagen shares and other capital market related questions.



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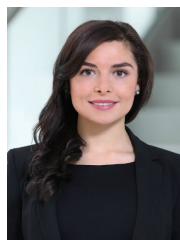
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Equity & Key Contact China/Asia-Pacific

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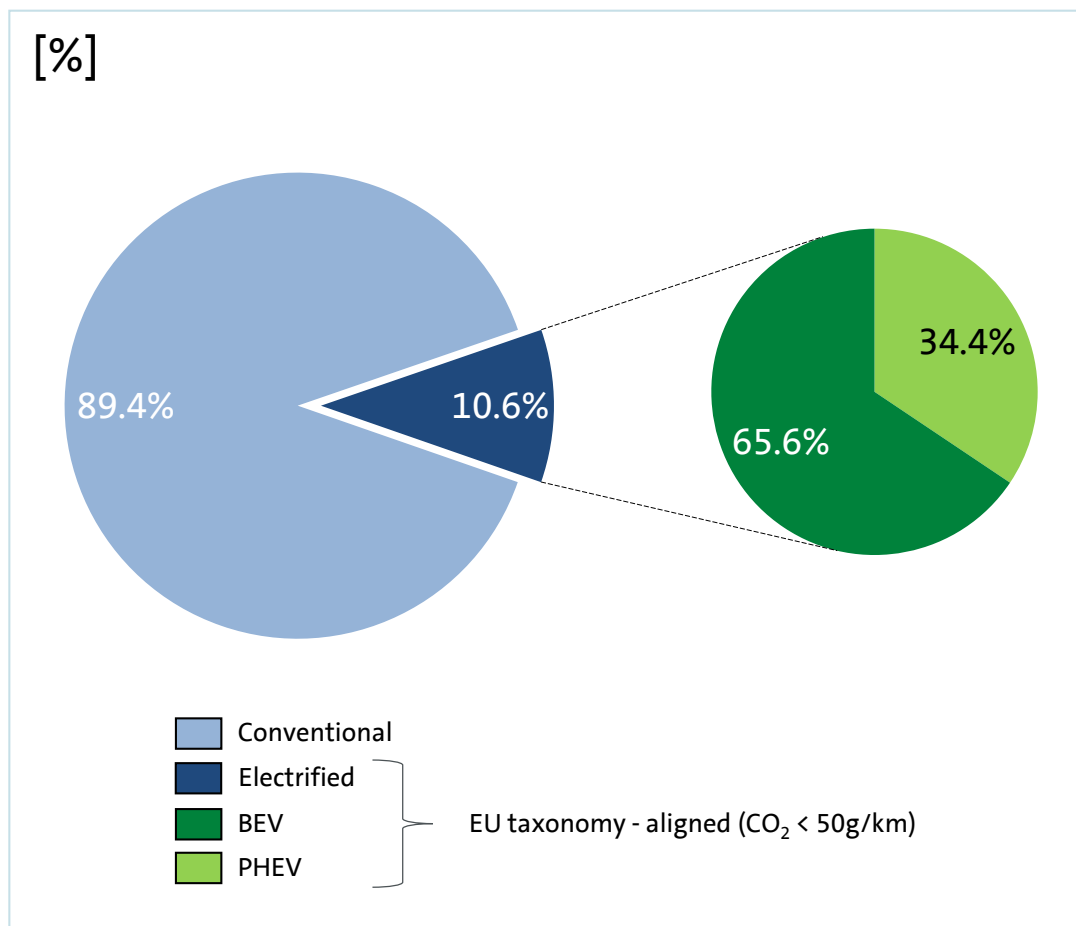
Telephone: +86 151 0151 0625

Leading the Transformation.

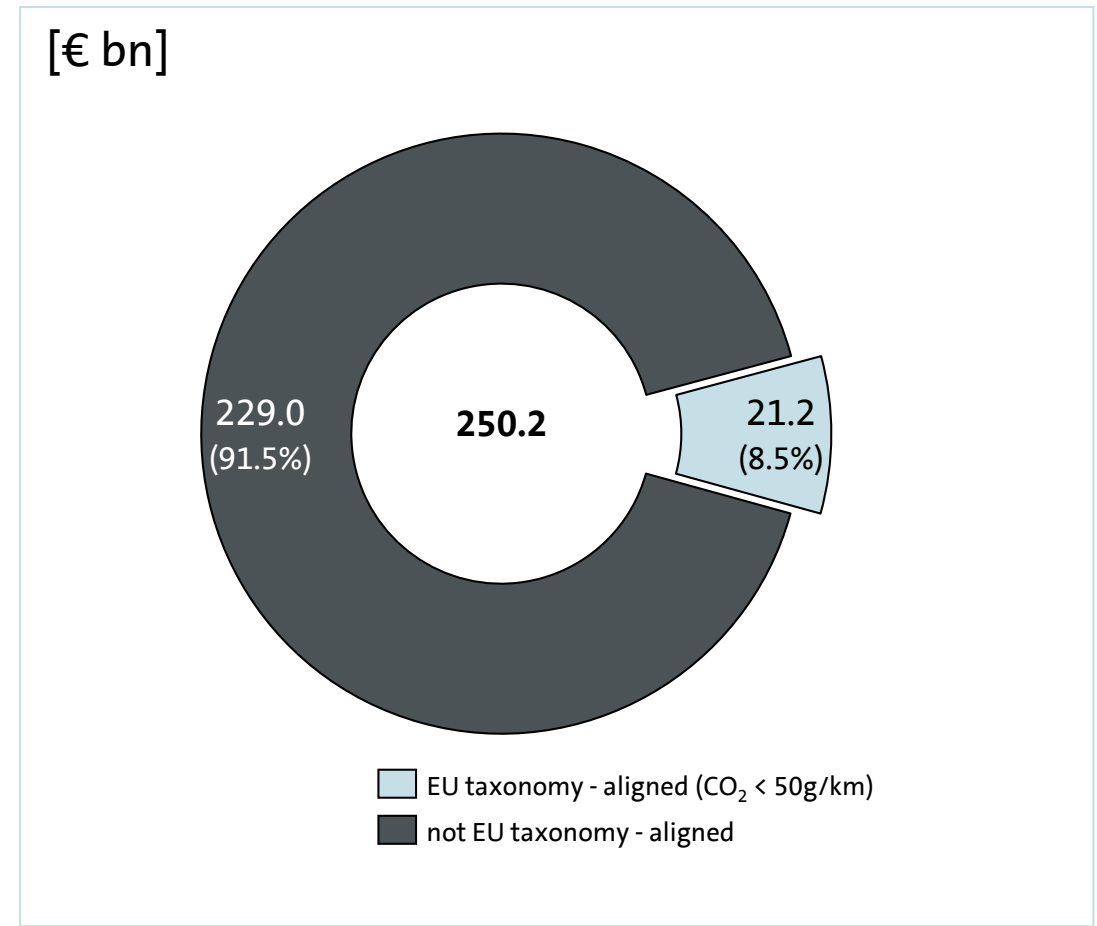
Appendix

Passenger Car (PC) and Light Commercial Vehicles (LCV) Sales according to EU Taxonomy already above 10% of total Sales ¹ January to December 2021

Sales in % according to EU Taxonomy



Sales Revenues PC and LCV according to EU Taxonomy

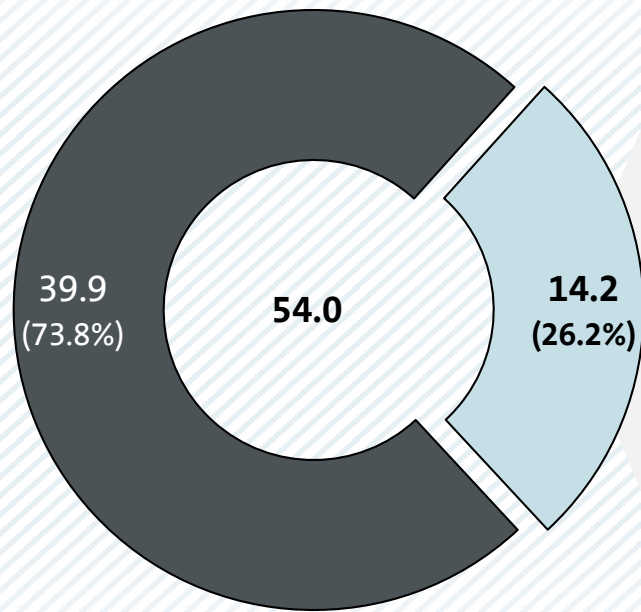


¹excluding Chinese Joint Ventures

Capital Expenditure according to EU Taxonomy – Passenger Cars (PC) and Light Commercial Vehicles (LCV)

January to December 2021

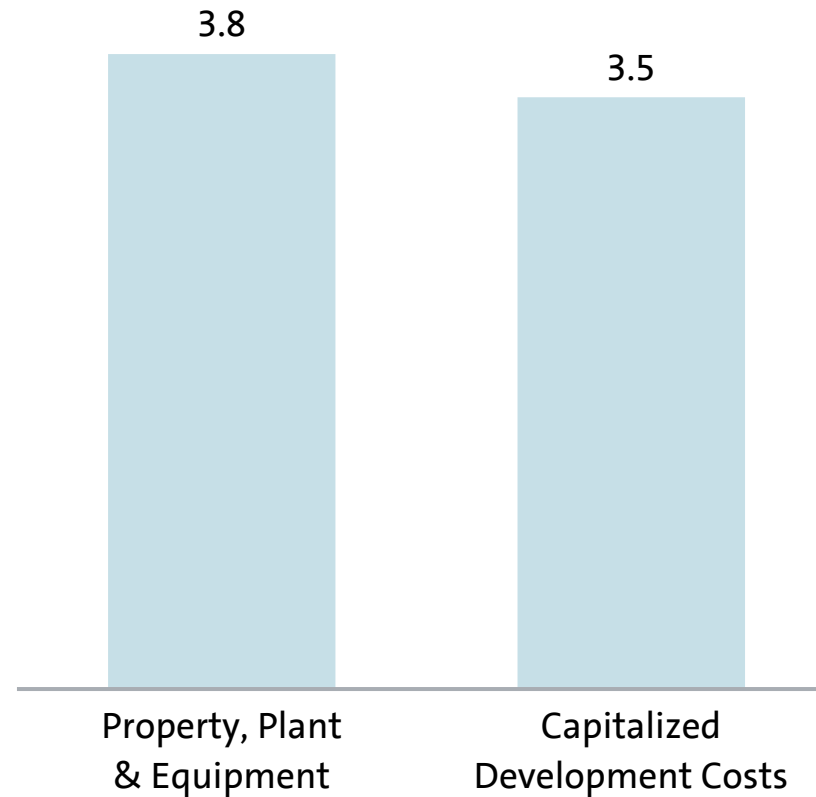
[€ bn]



- EU taxonomy - aligned (CO₂ < 50g/km)¹
- not EU taxonomy - aligned

¹ Capital expenditure for BEV und PHEV (CO₂ < 50g/km)

Taxonomy - aligned Capital Expenditure for BEV only



VOLKSWAGEN

AKTIENGESELLSCHAFT

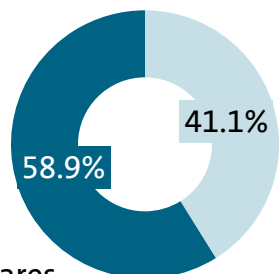
Leading the Transformation.

Shareholder Structure

The Shareholder Structure, Supervisory and Management Board

Shareholder Structure of Volkswagen AG

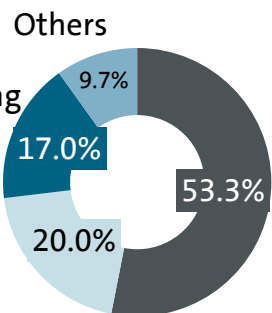
Number of Outstanding Shares



Preferred shares
206,205,445

Ordinary shares
295,089,818

Current Voting Rights Distribution



Porsche SE,
Stuttgart

State of Lower
Saxony, Hanover

(as at December 31, 2021)

Supervisory Board of Volkswagen AG

Chairman	Hans Dieter Pötsch
Members	Mansoor Ebrahim Al-Mahmoud Dr. Hessa Sultan Al Jaber Dr. Bernd Althusmann Daniela Cavallo Mathías Carnero Marianne Heiß Dr. Arno Homburg Jörg Hofmann Dr. Louise Kiesling Simone Mahler Peter Mosch Daniela Nowak Dr. jur. Hans Michel Piëch Dr. jur. Ferdinand Oliver Porsche Dr. rer. comm. Wolfgang Porsche Jens Rothe Conny Schönhardt Stephan Weil Werner Weresch

Board of Management of Volkswagen AG¹⁾

Chairman of the Board of Management of Volkswagen AG	Dr. Herbert Diess
Procurement	Murat Aksel
Finance	Dr. Arno Antlitz
Brand Group 'Luxury'	Oliver Blume
Chief Executive Officer of the Volkswagen Passenger Cars brand	Ralf Brandstätter
Integrity and Legal Affairs	Dr. Manfred Döss
Brand Group 'Premium'	Markus Duesmann
Human Resources and Truck & Bus	Gunnar Kilian
Technology	Thomas Schmall-von Westenholt
IT	Hauke Stars
Sales	Hildegard Wortmann

¹⁾ Each Board Member is responsible for one or more functions within the Volkswagen Group. The work of the Board of Management of Volkswagen AG is supported by the boards of the brands and regions as well as by the other group business units and holdings.

A nighttime cityscape featuring several illuminated skyscrapers and a road with light trails from moving vehicles. The scene is dominated by blue and white light trails, with some yellow streetlights visible on the right side. The buildings are lit up, showing windows and architectural details.

**VOLKSWAGEN
FINANCIAL SERVICES**
THE KEY TO MOBILITY

The Key to Mobility Creating Value with Volkswagen Financial Services

Investor Update

Volkswagen Financial Services AG and Volkswagen Bank GmbH

Unicredit Automotive Credit Conference, 22 - 23 June 2022

Disclaimer

The following presentations as well as remarks/comments and explanations in this context contain forward-looking statements on the business development of the Volkswagen Group. These statements are based on assumptions relating to the development of the economic, political and legal environment in individual countries, economic regions and markets, and in particular for the automotive industry, 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. The estimates given entail a degree of risk, and actual developments may differ from those forecast.

At the time of preparing these presentations, it is not yet possible to conclusively assess the specific effects of the latest developments in the Russia-Ukraine conflict on the Volkswagen Group's business, nor is it possible to predict with sufficient certainty to what extent further escalation of the Russia-Ukraine conflict will impact on the global economy and growth in the industry in fiscal year 2022.

Any changes in significant parameters relating to our key sales markets, or any significant shifts in exchange rates or commodities relevant to the Volkswagen Group or the supply with parts, or deviations in the actual effects of the Covid-19 pandemic from the scenario presented will have a corresponding effect on the development of our business. In addition, there may be departures from our expected business development if the assessments of the factors influencing sustainable value enhancement and of risks and opportunities presented develop in a way other than we are currently expecting, or if additional risks and opportunities or other factors emerge that affect the development of our business.

We do not update forward-looking statements retrospectively. Such statements are valid on the date of publication and can be superseded.

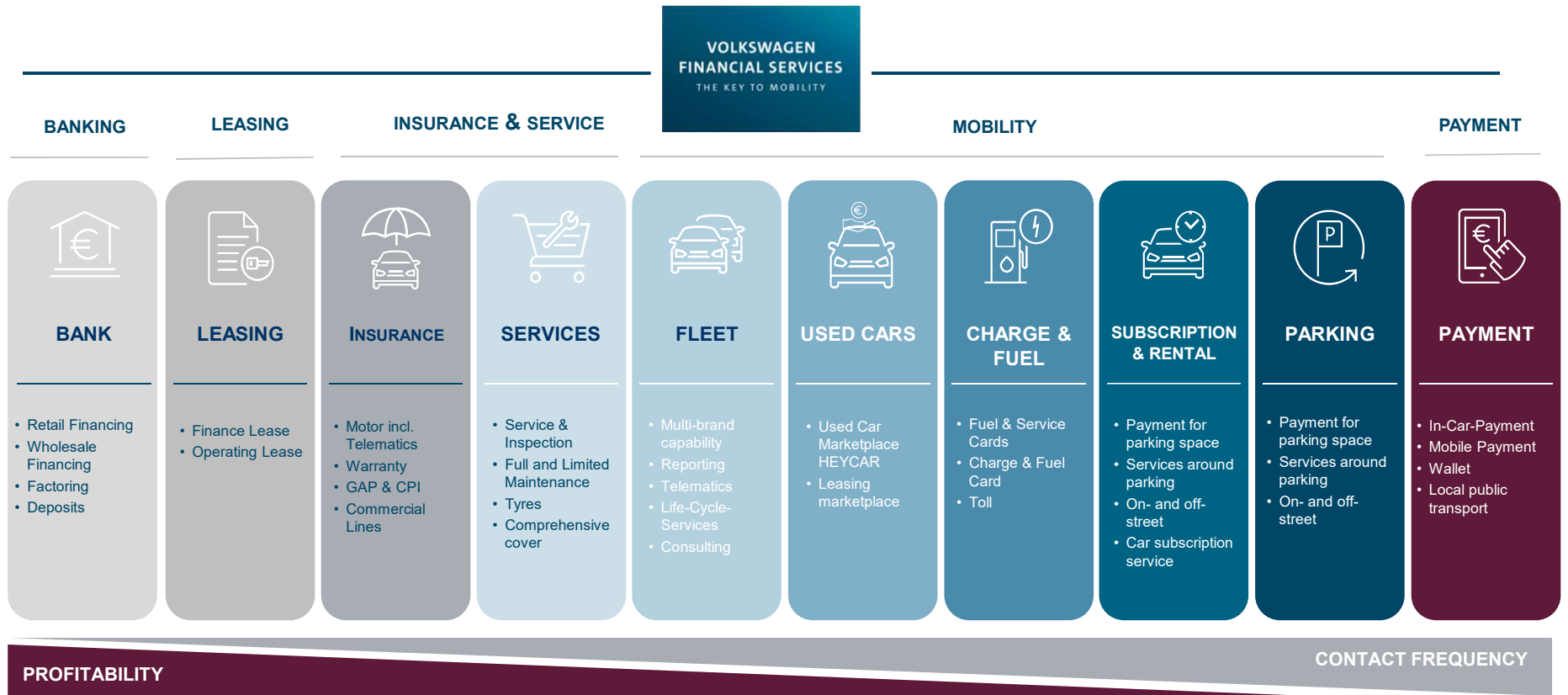
This information does not constitute an offer to exchange or sell or an offer to exchange or buy any securities.

Under the brand "Volkswagen Financial Services – the key to mobility" the subsidiaries of Volkswagen Financial Services AG as well as its sister company Volkswagen Bank GmbH render various services under the joint brand "Volkswagen Financial Services". Such services are banking services (through Volkswagen Bank GmbH), leasing services (through Volkswagen Leasing GmbH), insurance services (through Volkswagen Versicherung AG, Volkswagen Autoversicherung AG) as well as mobility services (inter alia through Volkswagen Leasing GmbH). In addition, insurance products of other providers are offered.

Volkswagen Financial Services – organisational structure



We offer the whole range of services under one roof*



* Displayed portfolio depends on the market; products offered or mediated by different operative subsidiaries.

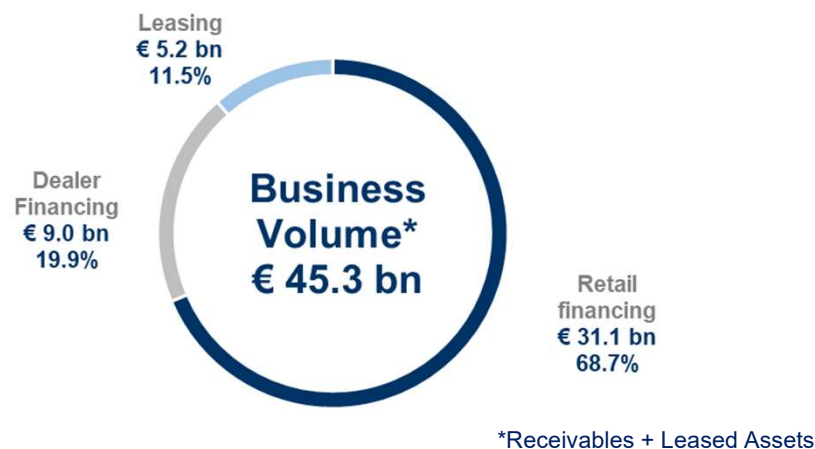
Volkswagen Financial Services – in a nutshell



At a glance as of 31.12.2021

Volkswagen Bank GmbH

Total assets	€ 67.3 billion
Equity	€ 10.9 billion
Customer deposits	€ 26.5 billion
Operating profit	€ 1,137 million
Contracts (units)	3.3 million
Employees	1,906



Volkswagen Financial Services AG

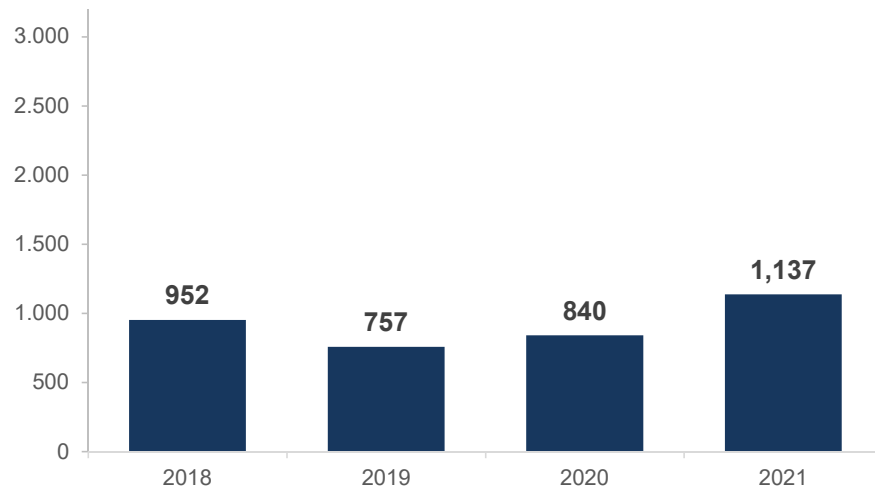
Total assets	€ 124.6 billion
Equity	€ 14.4 billion
Operating profit	€ 2,987 million
Contracts (units)	15.8 million
Employees	11,021



Operating income

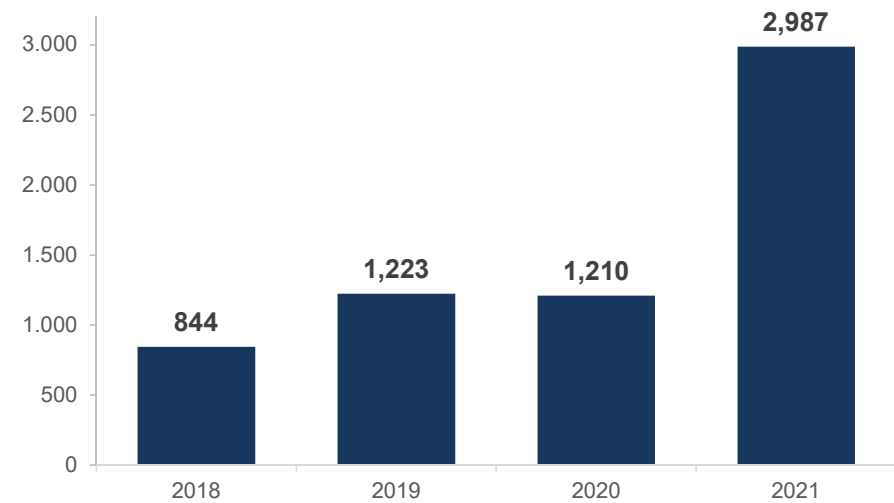
Volkswagen Bank GmbH

€ m



Volkswagen Financial Services AG

€ m



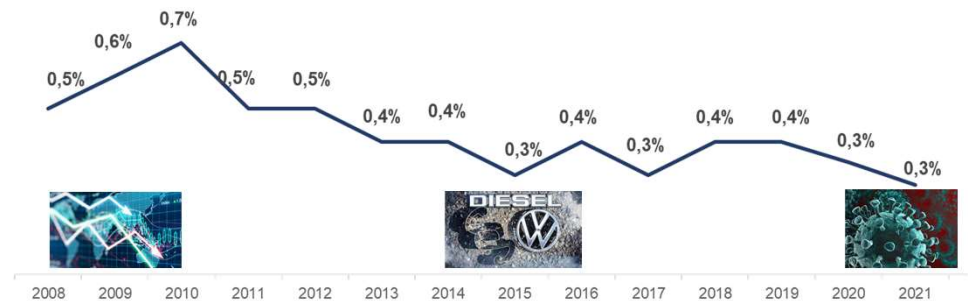
Credit risk management at Volkswagen Financial Services

- The Covid-19 pandemic has not significantly influenced the credit risk development of the VW FS.
- In history and until today our credit losses (dynamic loss ratio = drawings on provisions including direct write-offs relative to the average volume of receivables) have been on a very low level (**0.27% as of 31.03.2022**).
- The credit risks are appropriately covered by provisions.

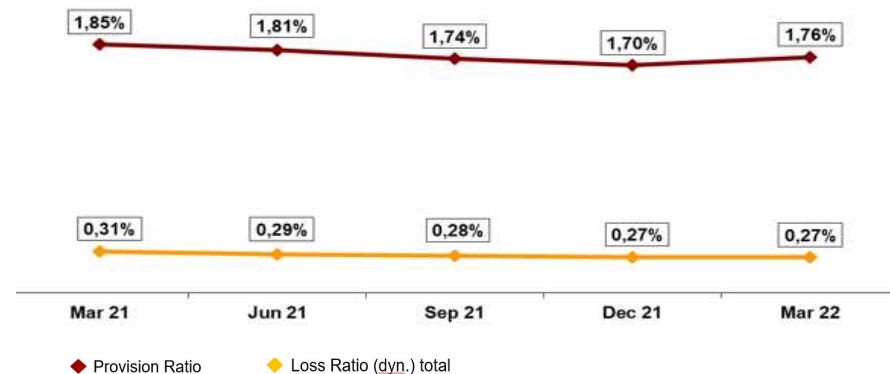
Forecast:

The risk situation will remain challenging because of the ongoing Corona pandemic, the crisis situation in the Ukraine as well as expected increasing interest rates.

Credit loss ratio historically on a very low level



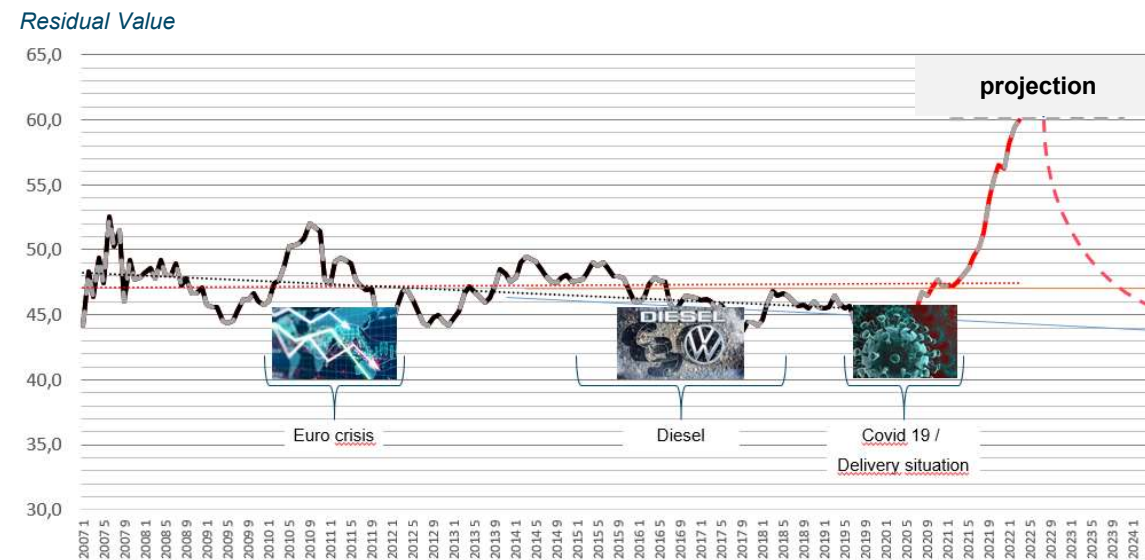
Provision- vs. Loss Ratio



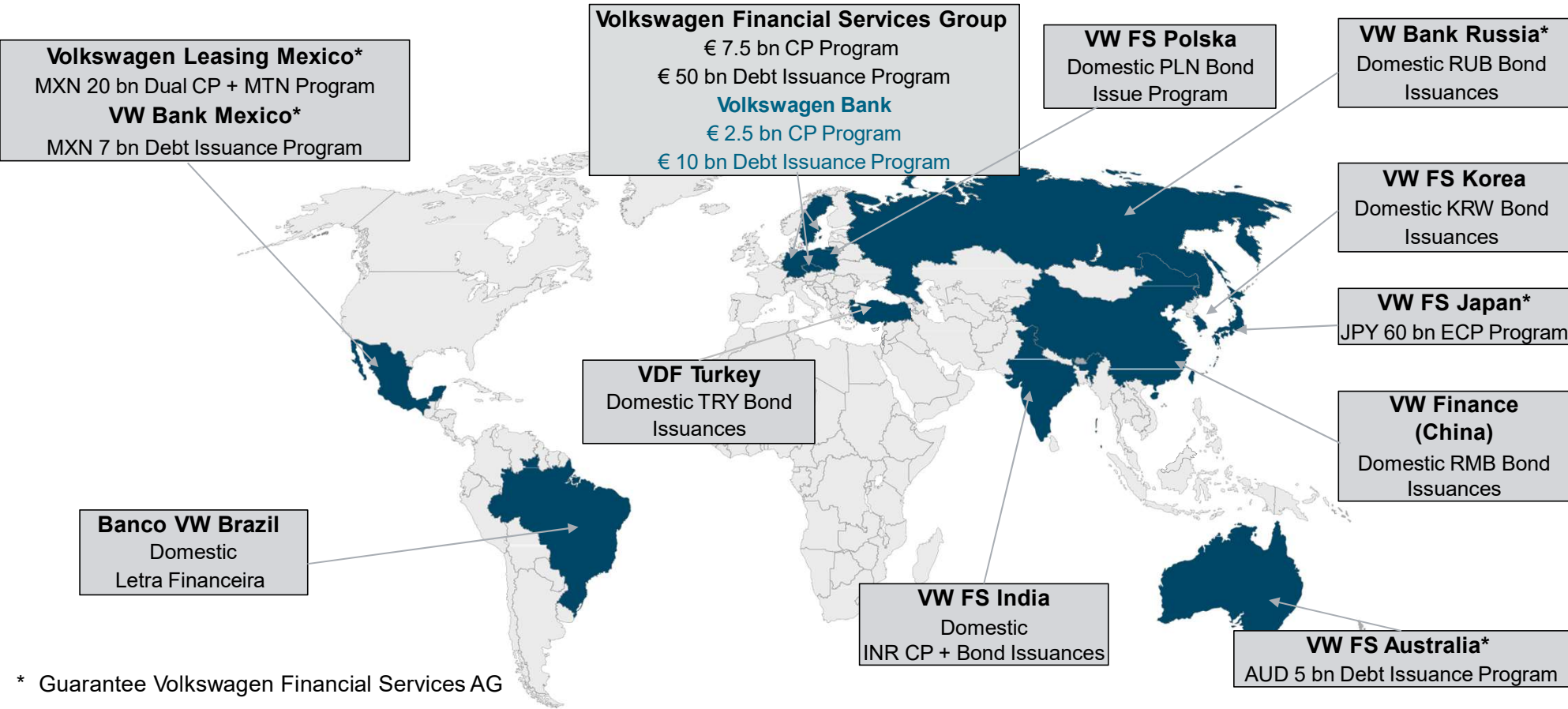
Residual value risk management at Volkswagen Financial Services

- The current positive trend in the development of used car prices is related to an **increased demand in the used car market**, driven by the current shortage of new car deliveries due to the chip shortage and the current crisis situation in the Ukraine. We assume this trend to be a **short term effect** only.
- As soon as the situation will relax we do expect the demand on used cars to **step-by-step return to prior crisis level**. This is why **we did not adapt** our Residual Values for new business.
- Even in **2022** the **still high used car prices** will have a positive effect on our operating profit but this will be lower than in 2021.

Re-marketing situation used car center

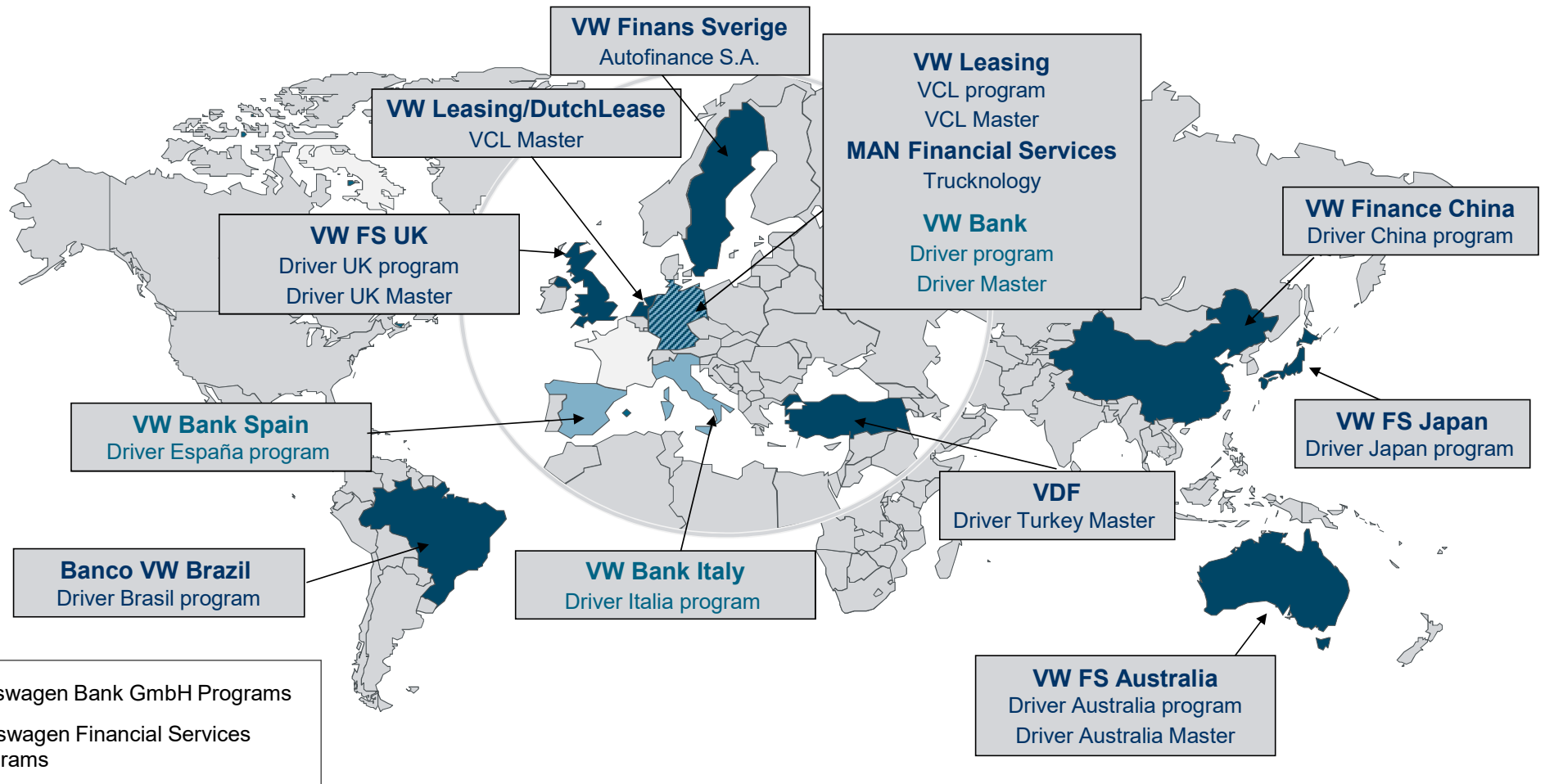


Worldwide capital market activities



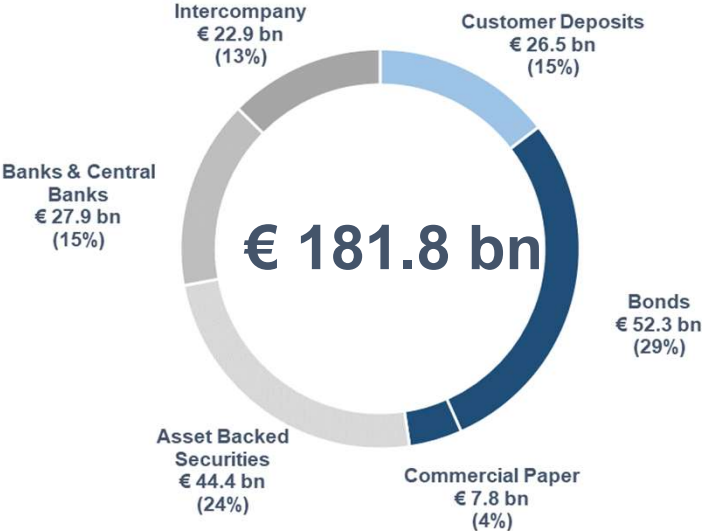
* Guarantee Volkswagen Financial Services AG

Worldwide ABS activities

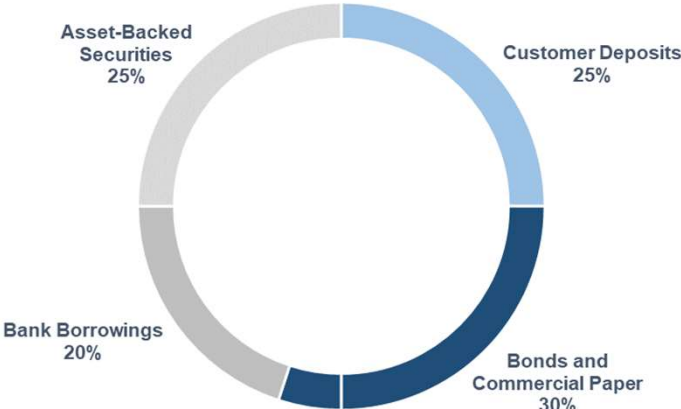


Funding allocation of segment Volkswagen Financial Services as of 31.12.2021

Volkswagen Financial Services



Strategic Funding Mix



Changing customer preferences reduce the dependency on dealerships and lead to direct sales and cross-country competition and solutions



Changing customer behavior ...



... is being actively addressed by many market players

Strong trend towards fully **digital transactions** in **consumer business**



Digital vehicle purchase and financing

Direct Customer contact and **sales** in **European fleet business**



International conditions and multi-brand

Calls for digital easy-to-use **used car reselling options**

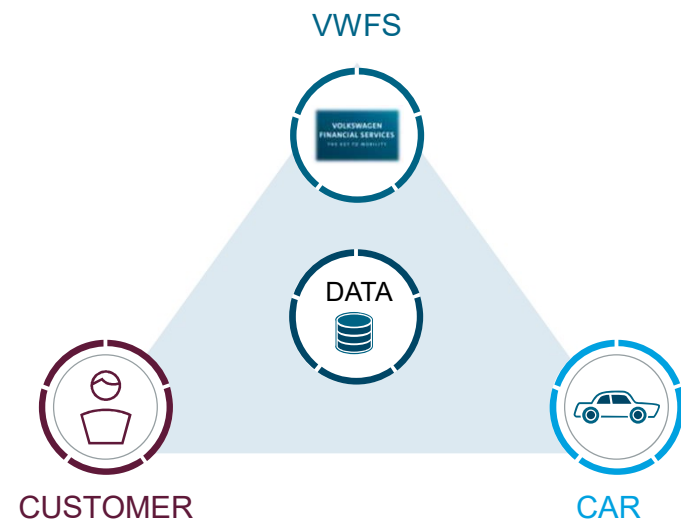


European platforms

In the existing business model, VW FS has mainly indirect contact to customers, therefore we are adding a “Digital & Direct” channel

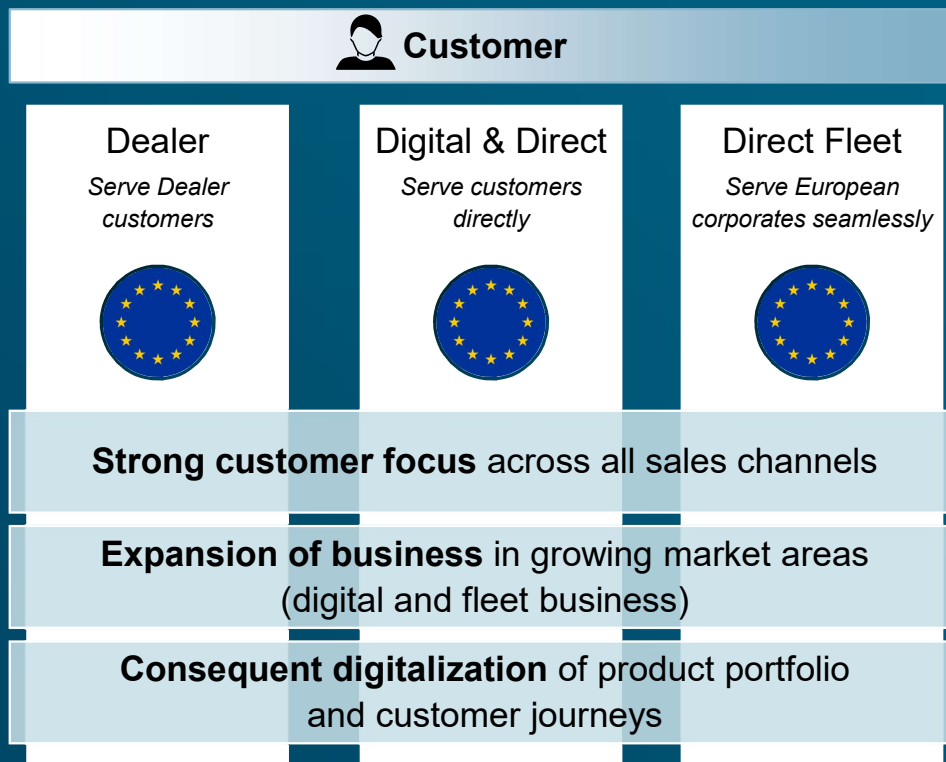


» Enabler Model «



» Digital & Direct «

ETOM lays the organizational foundation for customer centricity along three Sales channels



We rely on the strong foundation of our strengths ...



... and consequently explore new business areas at the same time

A person stands on a mountain peak with their arms raised in triumph, overlooking a vast landscape of snow-capped mountains and a large lake. The scene is dramatic, with a cloudy sky and a misty atmosphere. The overall tone is one of achievement and success.

We aim to be #1 in Dealer, #1 in Digital & Direct and #1 in Fleet

#1
in Dealer

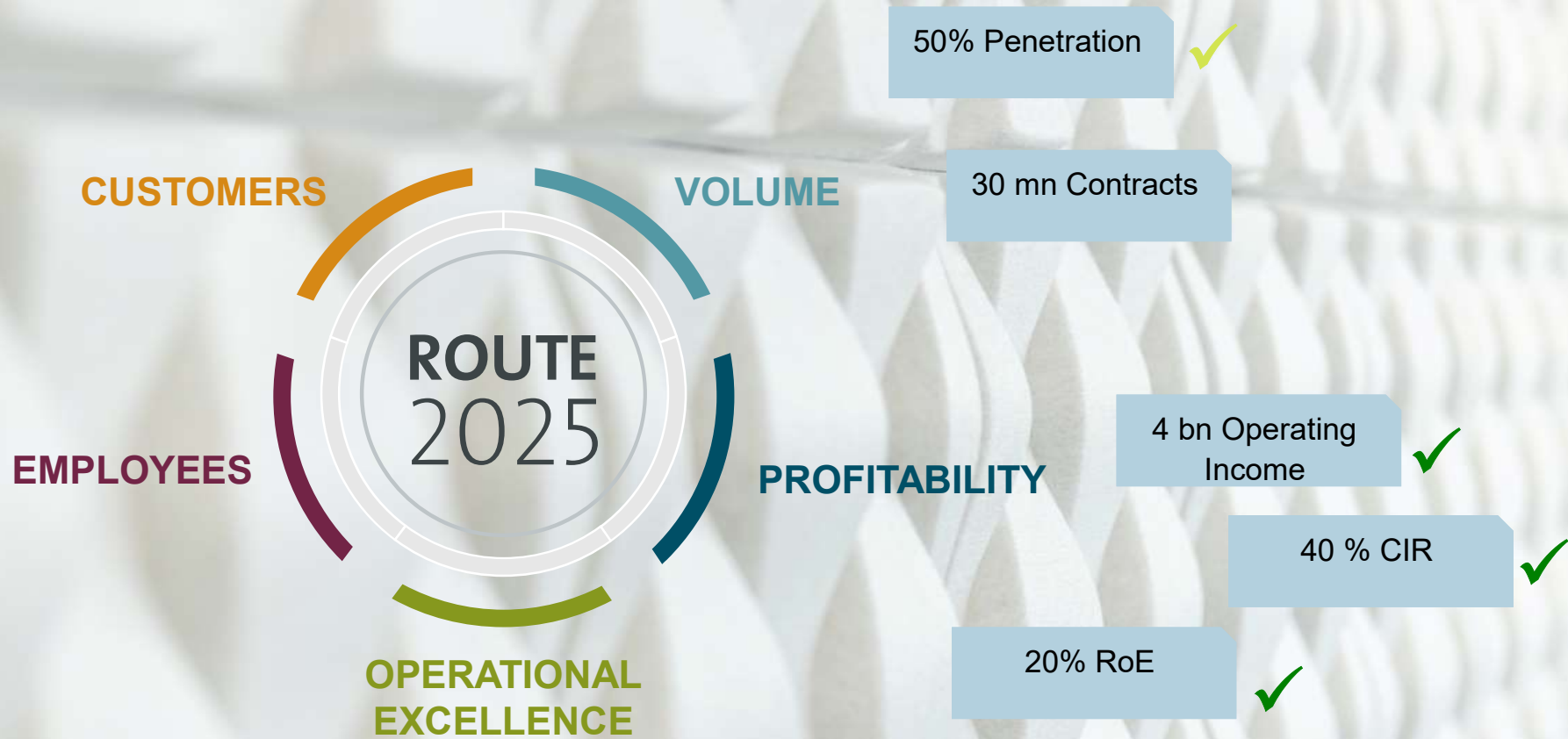
#1
in Digital & Direct

#1
in Fleet

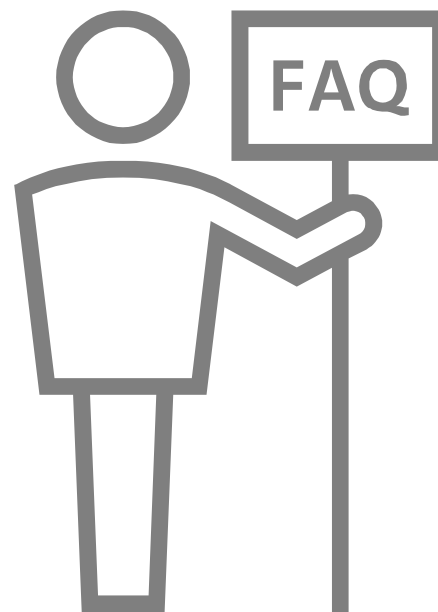
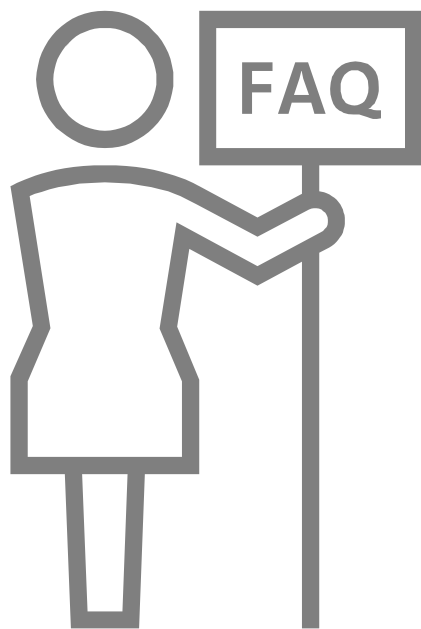
Vision and targets of Route2025



Route 2025 – almost there!



Questions?



**VOLKSWAGEN
FINANCIAL SERVICES**

THE KEY TO MOBILITY

Thank you!

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Leading the Transformation.