

A man in a blue shirt stands with his arms crossed in front of a large, dark shadow of a muscular man flexing his arms. The scene is set against a textured, grey wall and a cobblestone floor.

Strategic Transformation VW Group Components Investor Meeting

Thomas Schmall, Member of the Volkswagen AG Board of Management | Technology
Wolfsburg, 28th January 2021

Disclaimer



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The recent outbreak of COVID-19 (commonly referred to as coronavirus) has negatively impacted and may continue to impact economic and social conditions in some of Volkswagen's primary markets, including China and Europe, as public, private, and government entities implement containment and quarantine measures. The continued spread of COVID-19 may cause shortages of necessary materials and parts from suppliers directly or indirectly affected by the outbreak and may cause operational disruptions and interruptions at Volkswagen's production facilities, leading to significant production downtimes. A negative development relating to ongoing claims or investigations, the continuation of COVID-19, an 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, and trade disputes among major trading partners 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.

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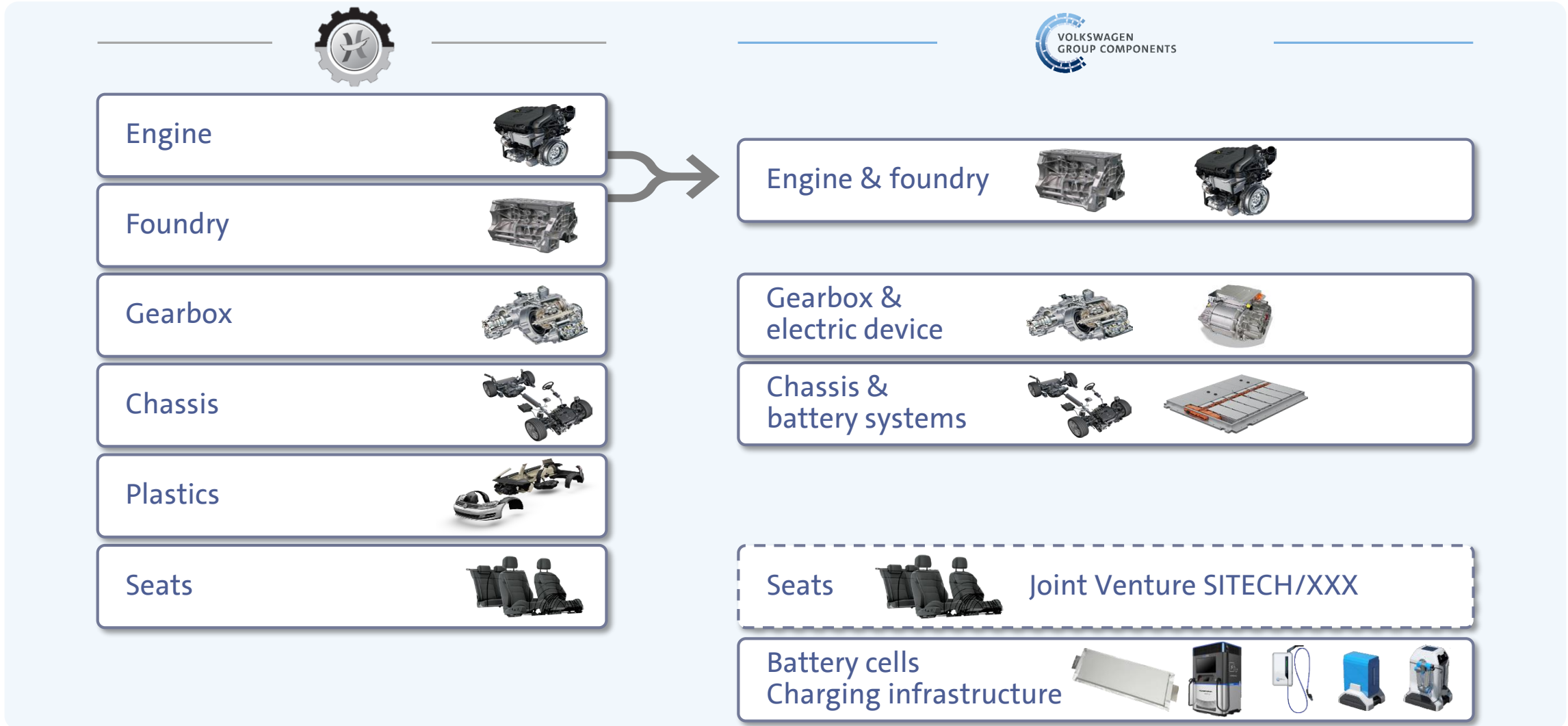
This information does not constitute an offer to exchange or sell or an offer to exchange or buy any securities.

Agenda 28th January 2021



- 1** | **Path of Group Components and new Group Board of Management function „Technology“**
10 minutes, T. Schmall
- 2** | **Technology roadmap battery cell**
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- 3** | **Question and answer**
40 minutes, all

Continuous further development of the product portfolio

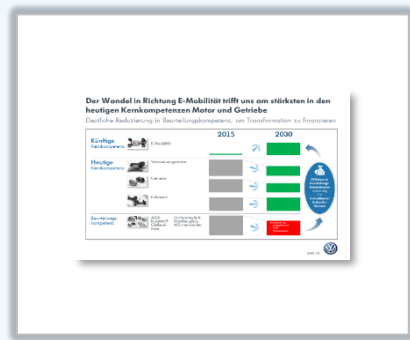


The path to Volkswagen Group Components...



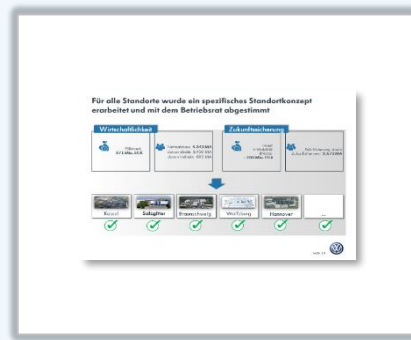
Portfolio analysis

2015



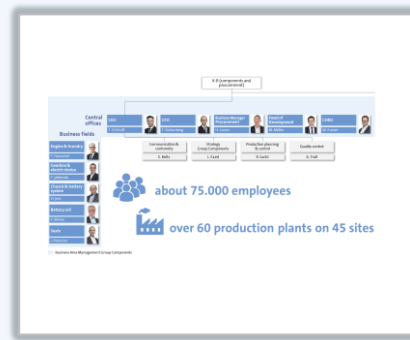
Portfolio organization/ 'Zukunftspakt'

2016



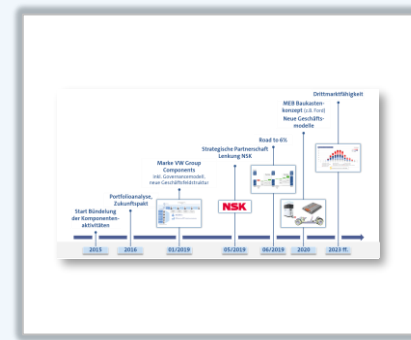
Independent entity

01/01/2019

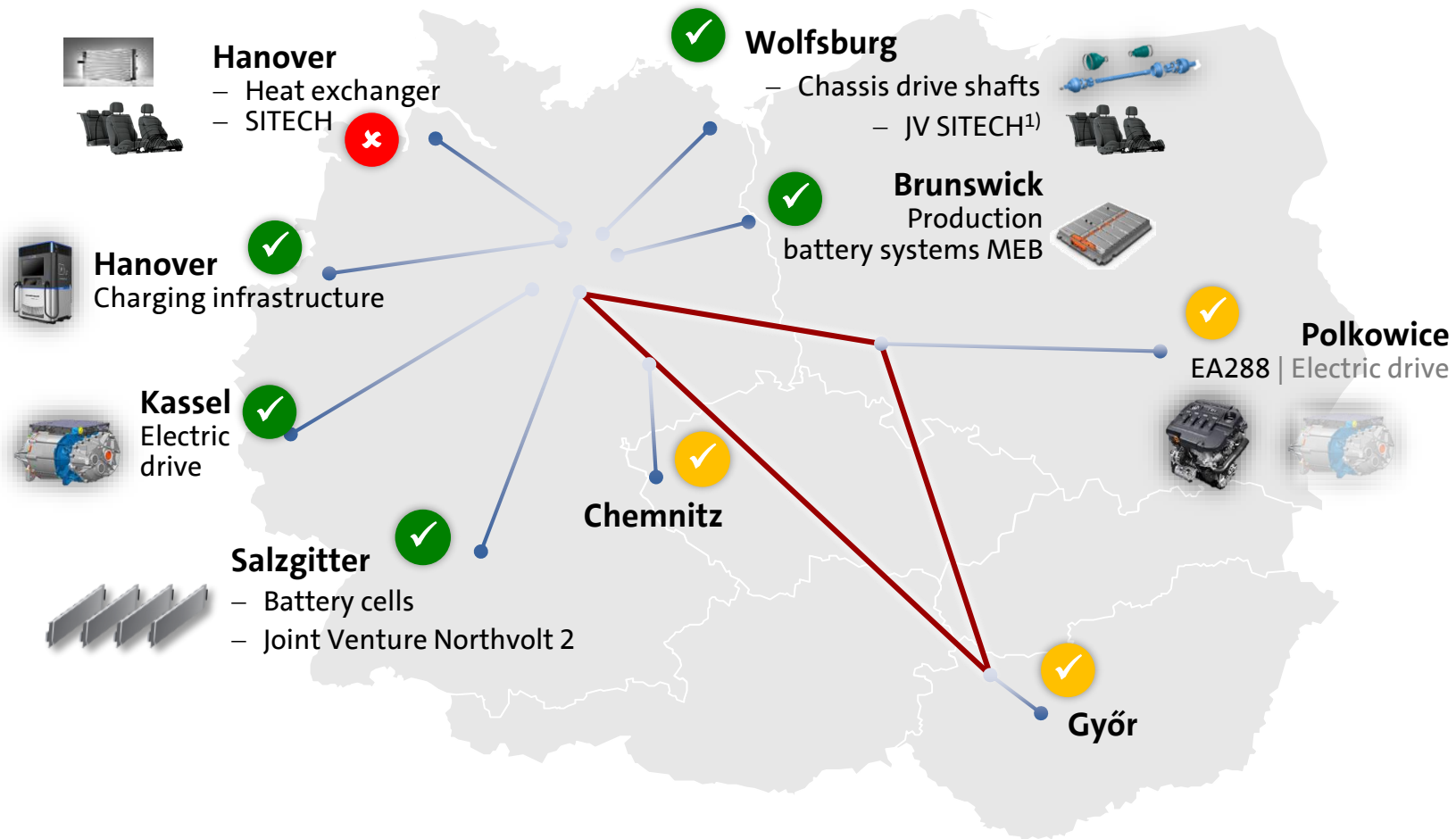


Third marketability

2019 ff.

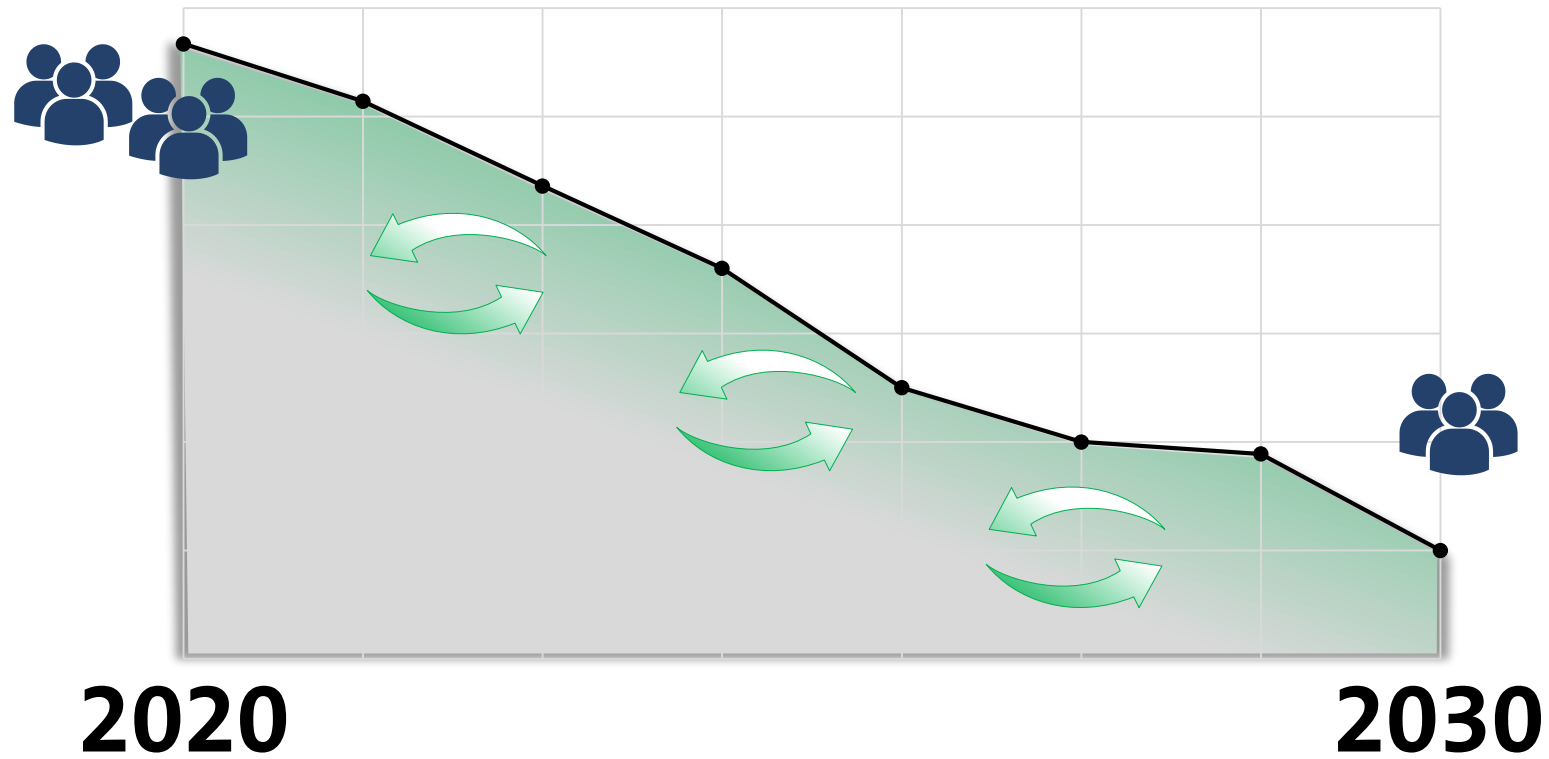


Transformation map of the component plants



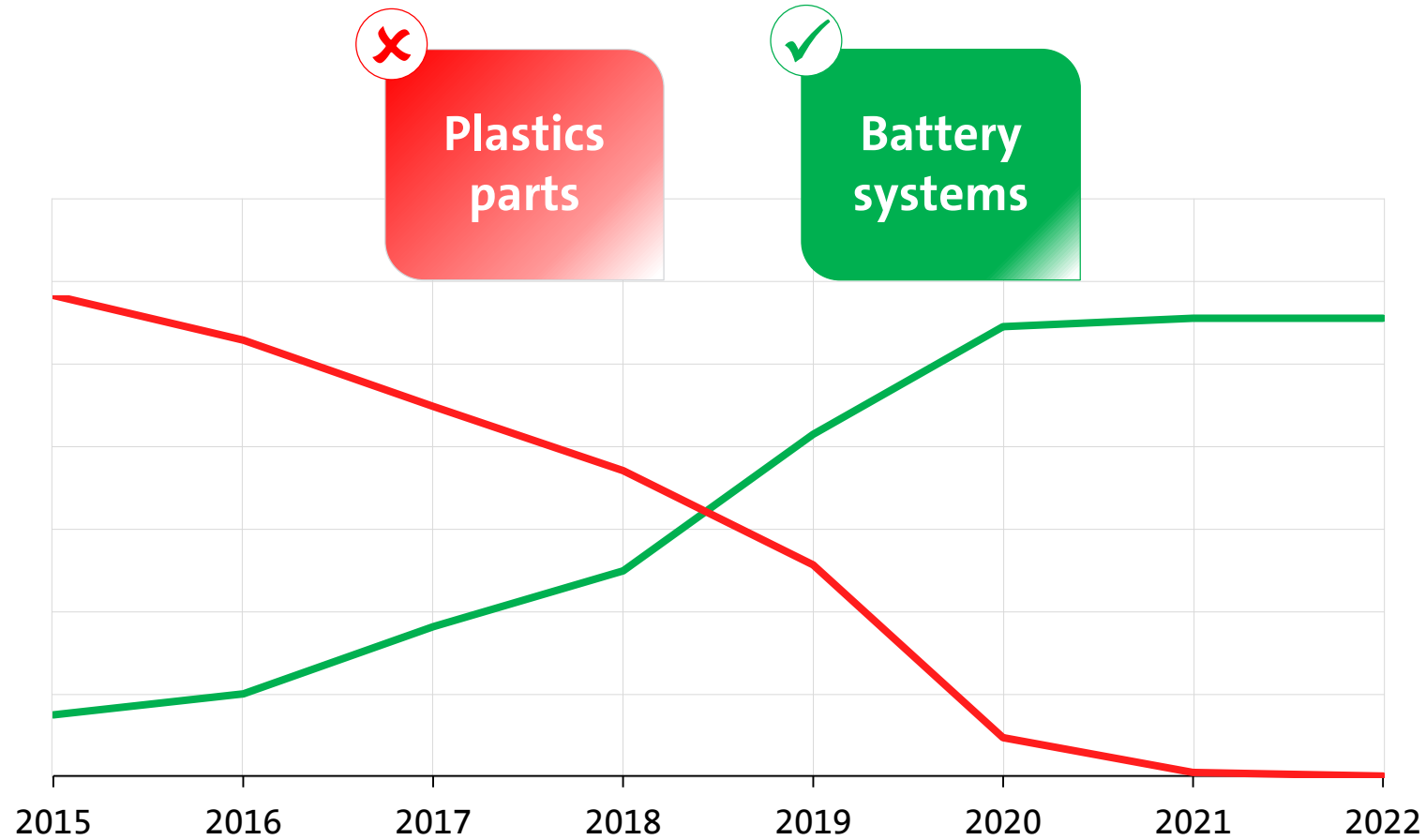
1) Deconsolidation of the Volkswagen Group; Joint Venture is in phase "due diligence"

Key value along the demographic curve



1) German component plants, direct staff

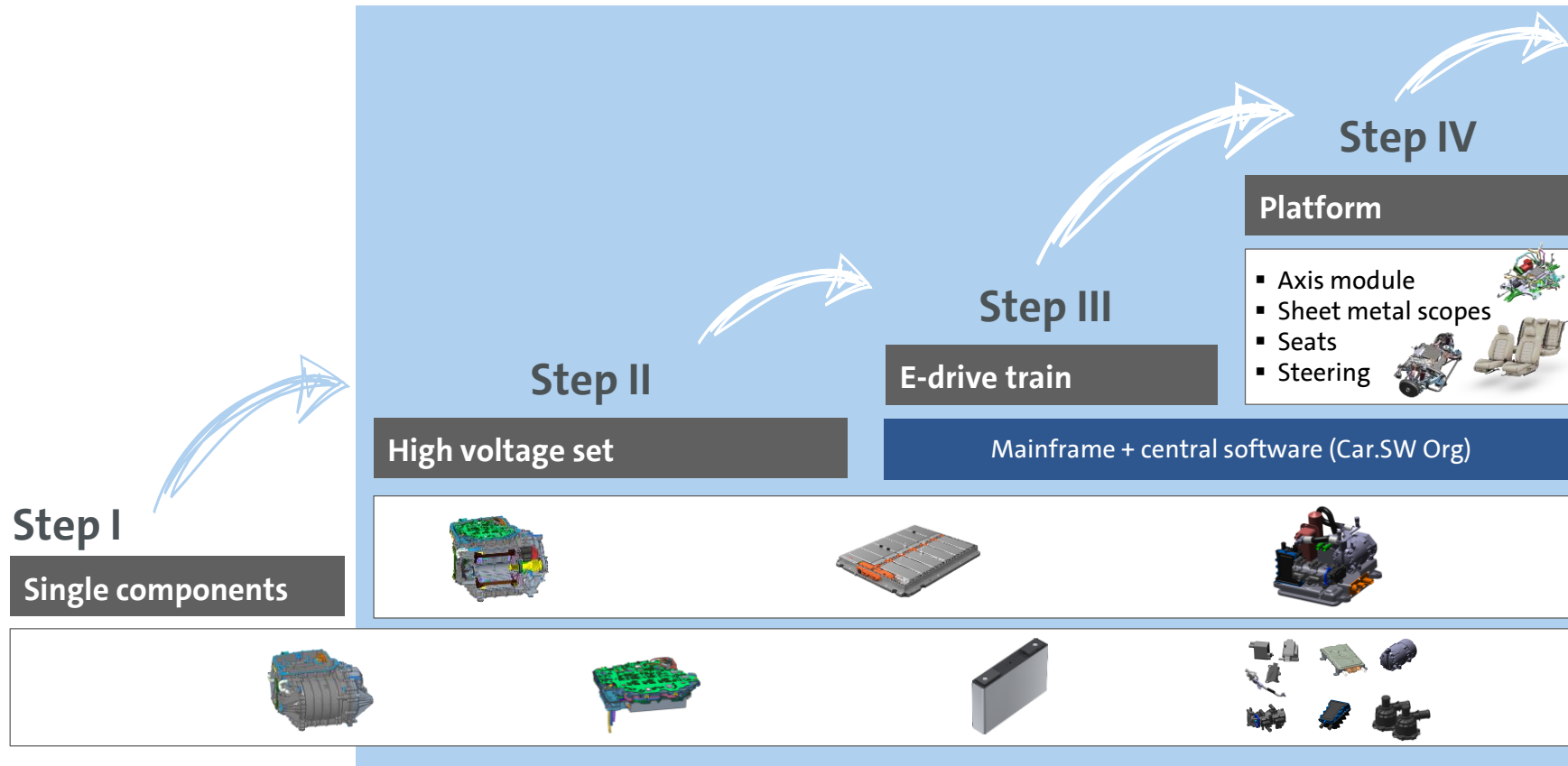
Employee transformation: Example Brunswick



10%-pts more added value in comparison with Golf 8



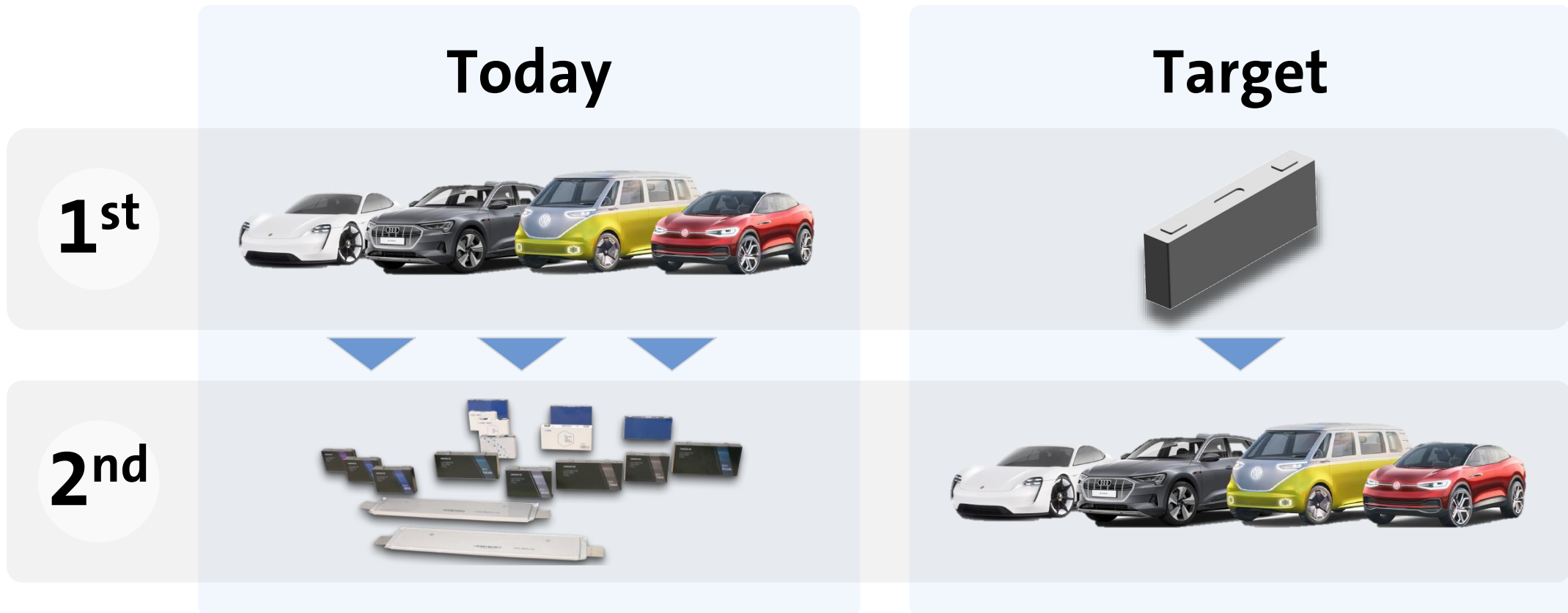
Strategic development of the Group Components to a third market supplier



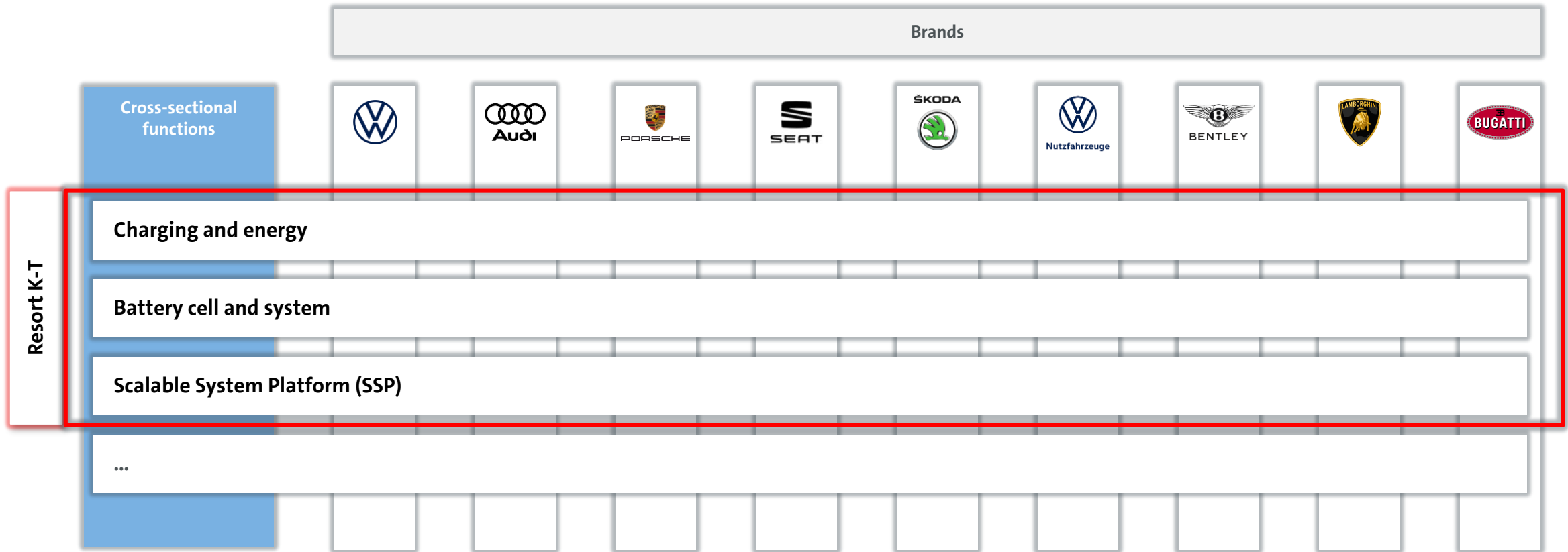


Are we jumping far enough?

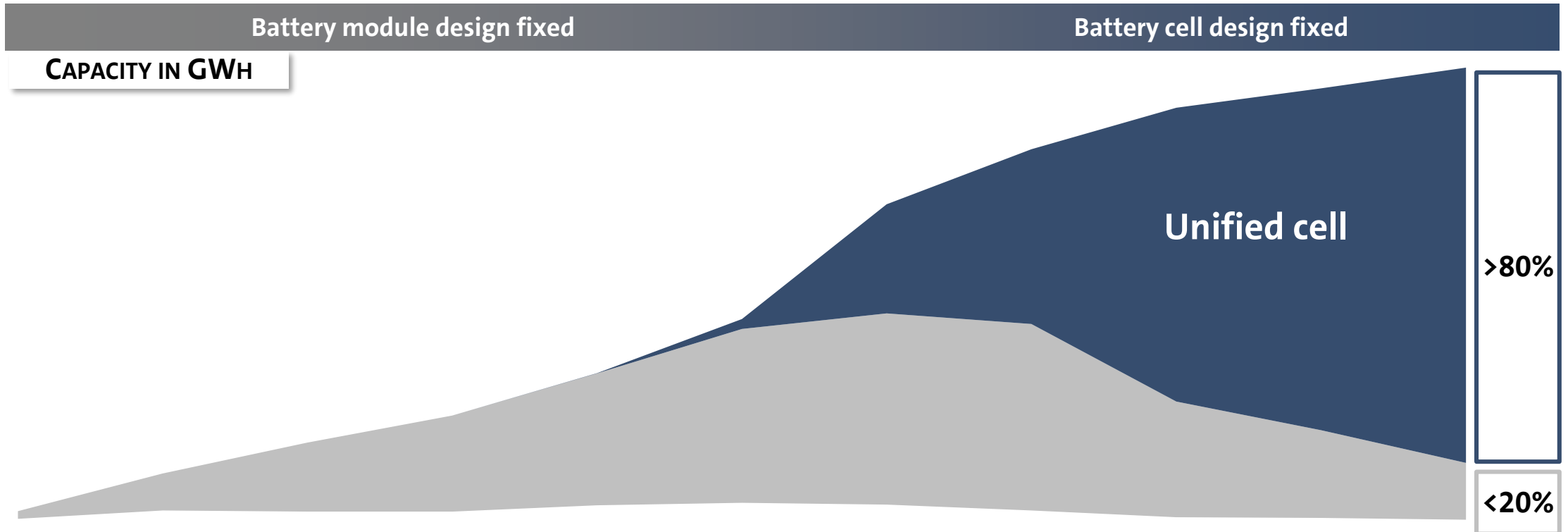
Significantly reducing variances supports efficiency



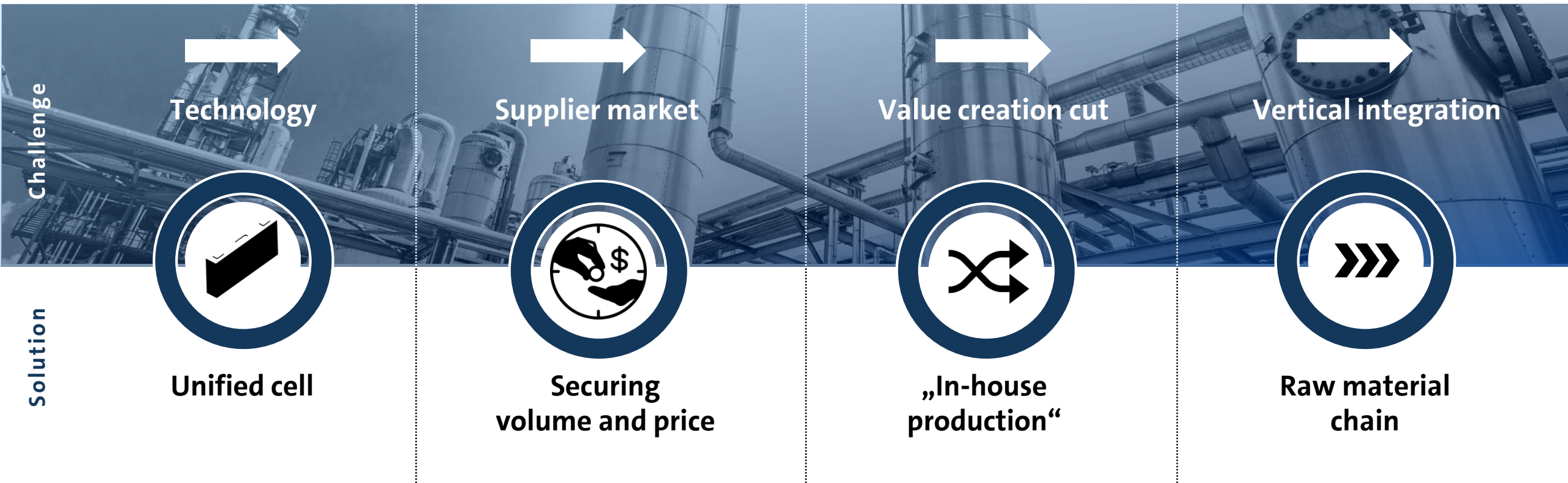
Cross-sectional functions within the group



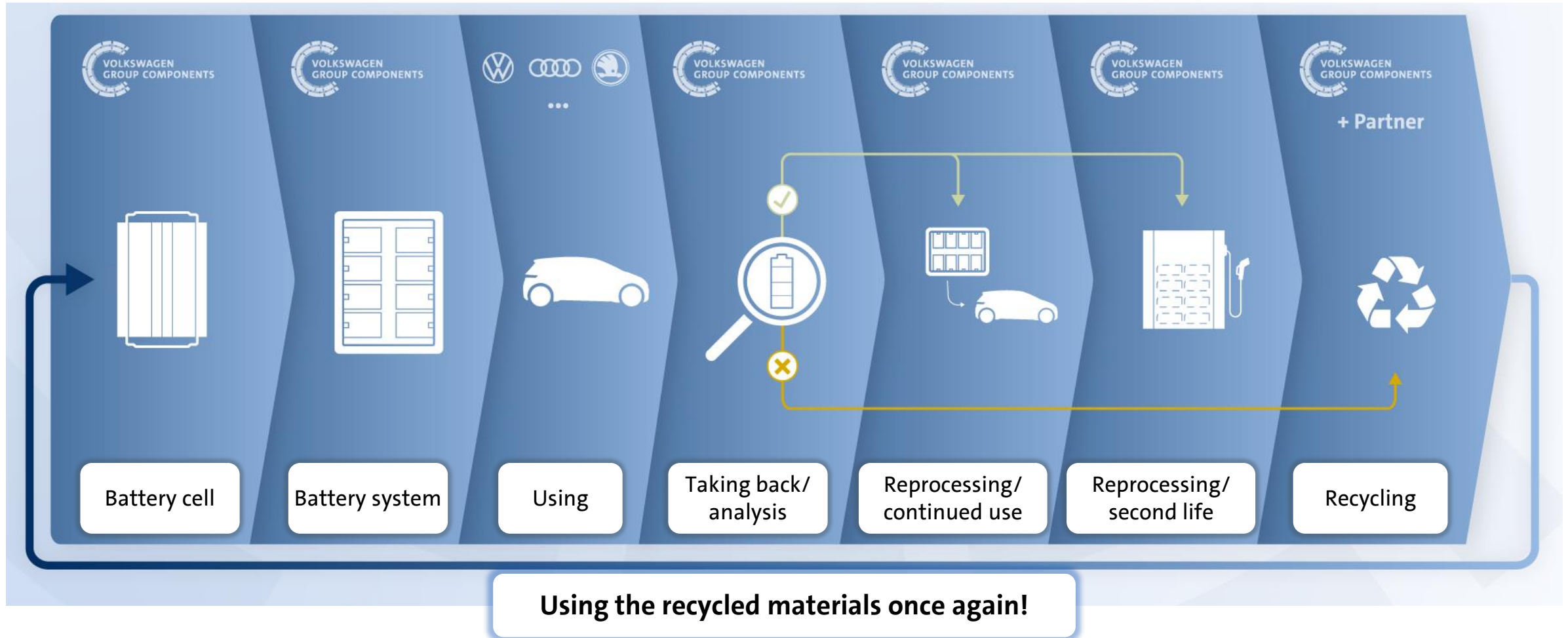
Rollout plan chemistry roadmap unified cell



First definition of technology roadmap, then successive value added chain and supplier strategy processes



End-to-end responsibility



**Sustainable
e-mobility**



INNOVATIONS made by...



Mobile Charging Robot



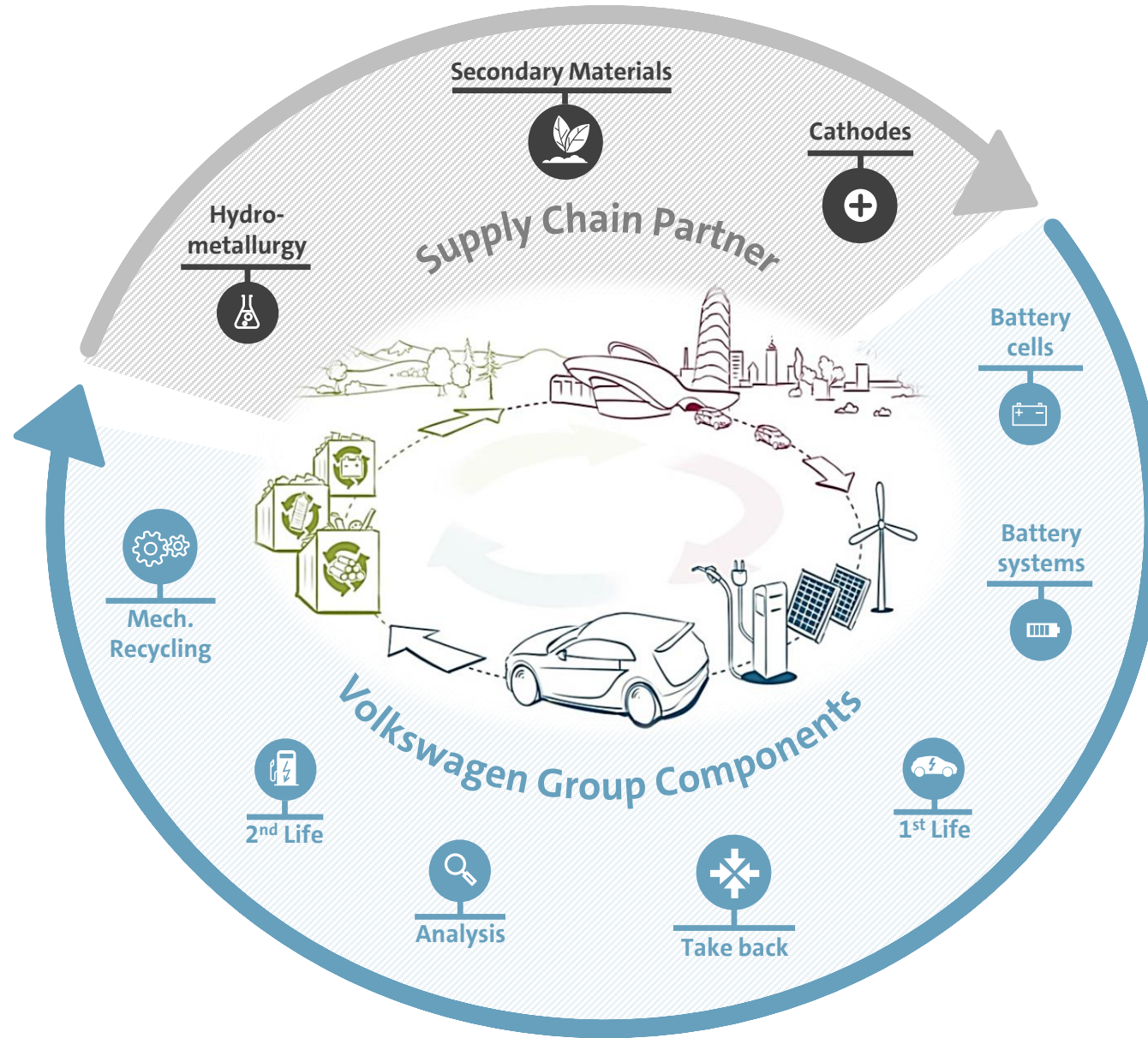
DC-Wallbox



Flexible Charging Pile

Volkswagen ID.3 – Power consumption (NEDC) in kWh/100 km: 15,4-14,5 (combined), CO2 emissions in g/km: 0; efficiency class: A+

Closed Loop!





HOW to speed up transformation?

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