

ANNUAL GENERAL MEETING | 10 MAY 2023

SPEECH BY MR. HANS DIETER PÖTSCH

Chairman of the Supervisory Board of Volkswagen Aktiengesellschaft

Supervisory Board Report

– THE SPOKEN WORD APPLIES –

Ladies and Gentlemen,

Let me first turn to the Supervisory Board's report.

There have been two changes in the composition of the Supervisory Board of Volkswagen Aktiengesellschaft since the close of last year's extraordinary General Meeting.

Effective 3 March 2023, Mr. Jens Rothe resigned from his position as an employee representative on the Supervisory Board of Volkswagen Aktiengesellschaft.

Braunschweig Registry Court appointed Mr. Gerardo Scarpino to the Supervisory Board of Volkswagen Aktiengesellschaft as his successor with effect from 21 April 2023 in accordance with section 104 German Stock Corporation Act. Mr. Scarpino is Chair of the Volkswagen Group Works Council.

On behalf of the entire Supervisory Board, I would like to take this opportunity to once again thank the departing Supervisory Board member, Mr. Rothe, for all of his work.

Dr. Günther Horvath was court-appointed as a member of the Supervisory Board of Volkswagen Aktiengesellschaft to succeed the late Dr. Louise Kiesling effective 28 February 2023. In accordance with a motion, Dr. Horvath's term of office was limited to the close of today's Annual General Meeting.

Moreover, the terms of office of the Supervisory Board members Ms. Marianne Heiß and Dr. Wolfgang Porsche will expire at the close of today's Annual General Meeting.

As you will have seen from the agenda, the Supervisory Board proposes to the Annual General Meeting that the aforementioned persons, namely:

- Ms. Marianne Heiß
- Dr. Günther Horvath and
- Dr. Wolfgang Porsche

each be elected to the Supervisory Board for a full term of office with effect as of the close of today's Annual General Meeting.

I will now hand over to Dr. Horvath, who will introduce himself to you.

- Introduction of Dr. Horvath -

After extensive discussion, the Supervisory Board has decided to nominate Dr. Wolfgang Porsche for re-election to the Supervisory Board, even though at the time of the election he has exceeded the regular age limit of 75 years laid down in the Rules of Procedure for the Supervisory Board. Dr. Wolfgang Porsche is indirectly one of the largest individual shareholders of Volkswagen Aktiengesellschaft and – also based on his many years of work for a large number of other companies of the Volkswagen Group – has special knowledge and experience in the business areas of the company which, the Supervisory Board is convinced, he will continue to contribute for the benefit and in the interest of the company in future as well.

The curriculum vitae of Ms. Heiß, Dr. Horvath and Dr. Porsche, as well as further information regarding the nominations, can be found in the annex to the agenda. All three have already indicated that they will accept their nomination if elected today.

This concludes my remarks on the changes in the composition of the Supervisory Board.

There have been no changes in the composition of the Board of Management since the close of last year's extraordinary General Meeting.

Ladies and Gentlemen,

In the 2022 financial year, the work of the Supervisory Board of Volkswagen AG and its committees focused on the Volkswagen Group's strategic direction. This included the IPO of Porsche AG and the sale of 25% plus one ordinary share of Porsche AG to Porsche Automobil Holding SE.

The Supervisory Board regularly deliberated on the company's position and development in the reporting period. We supervised and supported the Board of Management in its running of the business and advised it on issues relating to the management of the company, and particularly on sustainability issues, in accordance with our duties under the law, the articles of association and the rules of procedure. The Supervisory Board was directly involved in all decisions of fundamental importance to the Group. Additionally, we discussed strategic considerations with the Board of Management at regular intervals.

Ladies and Gentlemen,

The Board of Management complied with its duties to provide information, which are set out in the information rules adopted by the Supervisory Board in 2018. The Board of Management provided us with information regularly, promptly and comprehensively both in writing and orally, particularly on all matters of relevance to the company relating to its strategy, business development and the company's planning and position. This also included the risk situation and risk management.

In this respect, the Board of Management also informed the Supervisory Board of further improvements to the internal control system and the risk and compliance management systems. In addition, the Supervisory Board received information about compliance and other topical issues from the Board of Management on an ongoing basis.

We received the documents relevant to our decisions in good time for our meetings. At regular intervals, we also received a detailed report from the Board of Management on the current business position and the forecast for the current year.

Any deviations in performance from the plans and targets previously drawn up were explained in detail by the Board of Management, either in person or in writing. Together with the Board of Management we analysed the reasons for the deviations and determined corresponding countermeasures.

In particular, the Board of Management reported in detail and in a timely manner on the impacts related to the Russia-Ukraine conflict and explained the measures that had been taken.

I regularly met with the Chairman of the Board of Management to discuss important current issues. These included the Group's strategy and planning, its business development, and the risk situation and risk management, including integrity and compliance issues in the Volkswagen Group.

However, the Supervisory Board not only communicated very closely with the Board of Management, but also participated in the dialogue with our stakeholders. Within reason, I discussed Supervisory Board-specific topics with investors and, in consultation with the Board of Management, also discussed non-Supervisory Board-specific topics. Governance issues were one focus of the discussions. I informed the Supervisory Board of meetings with investors after they had taken place.

The Supervisory Board held a total of 16 meetings in the 2022 financial year. Eight of the meetings were held face to face and eight as video or conference calls.

In four meetings, the Supervisory Board solely discussed the IPO of Porsche AG and the sale of 25% plus one ordinary share of Porsche AG to Porsche Automobil Holding SE. The Supervisory Board members who had indicated that they had a possible conflict of interest in this regard did not participate in these meetings. On this basis, the attendance rate was 85.0%.

Supervisory Board members who did not attend a meeting for reasons other than a possible conflict of interest were able to engage with the meeting topics using the preparatory documents and could generally participate in the resolutions by means of a written vote.

On page 14 of the Annual Report you can find an overview of the attendance of the individual Supervisory Board members. Particularly urgent matters were decided in writing or using electronic means of communication.

The Executive Committee of the Supervisory Board met 38 times in the reporting period, whereby in 22 meetings it solely discussed the IPO of Porsche AG and the sale of 25% plus one ordinary share of Porsche AG to Porsche Automobil Holding SE. The Audit Committee held four meetings. No meetings of the Nomination Committee took place in 2022. The Mediation Committee likewise did not need to convene.

The number of meetings of the Supervisory Board and its committees was unusually high in the 2022 financial year, primarily due to the IPO of Porsche AG and the Russia-Ukraine conflict. This shows that in the 2022 financial year as well, the Supervisory Board closely monitored and advised the Board of Management, in addition to carrying out its other tasks.

A detailed description of the topics discussed in the meetings of the Supervisory Board and its committees can be found in the Supervisory Board report on pages 11 to 14 of the Annual Report.

Ladies and Gentlemen,

On 11 November 2022, the Board of Management and Supervisory Board issued the annual declaration pursuant to section 161 German Stock Corporation Act on the recommendations of the German Corporate Governance Code.

An explanation of all the deviations from the recommendations can be found in the Declaration of Conformity. The Declaration of Conformity is available on our Investor Relations website under the heading Corporate Governance.

Further information regarding the implementation of the recommendations and suggestions made in the German Corporate Governance Code can be found in the section headed Corporate Governance beginning on page 43 of the Annual Report and in the annex to the consolidated financial statements on page 463.

In 2020, the Audit Committee agreed on a suitable procedure with the Board of Management for ongoing monitoring of the Volkswagen Group's related party transactions. As part of this procedure, the Board of Management ensures that related party transactions are generally at arm's length using the "best price" principle.

The Audit Committee continuously monitors the actions of the Board of Management. To this end, the Audit Committee commissioned Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, most recently in November 2022, to conduct spot checks to establish whether transactions with relevant related parties were conducted at arm's length in accordance with proper business practice.

On 5 September 2022, based on the rules on related party transactions, the Supervisory Board approved the conclusion of the share purchase agreement between Volkswagen Aktiengesellschaft and Porsche Automobil Holding SE for the sale of 25% plus one ordinary share of Porsche AG to Porsche Automobil Holding SE. No other approval decisions on the part of the Supervisory Board regarding related party transactions were required in the reporting period.

The Report on Relationships with Affiliated Companies submitted by the Board of Management was audited by the auditors, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft.

The Supervisory Board also examined this report and declared that, upon completion of its examination, there were no objections to be raised to the concluding declaration by the Board of Management in the dependent company report.

The Supervisory Board also engaged Ernst & Young for an external audit of the content of the combined separate nonfinancial report for 2022. The aim of this report is in particular to increase transparency in respect of ecological and social aspects of companies in the EU. Upon completion of its own independent examination of the combined separate nonfinancial

report for 2022, which took into account Ernst & Young's findings, the Supervisory Board did not have any objections.

We also resolved that, together with the Board of Management, we would prepare the remuneration report for the 2022 financial year. In addition to the completeness check required by law, Ernst & Young also reviewed the content of the remuneration report and issued an unqualified auditor's report.

This concludes my oral report. I would like to refer you to the written report of the Supervisory Board, which you will find in the Annual Report, starting on page 12.

Ladies and Gentlemen,

I would now like to talk about the proposed adjustment of the remuneration systems for the Board of Management and the Supervisory Board.

The remuneration system for the Board of Management is regularly reviewed with the involvement of a renowned and independent remuneration consultant. The review concerns, in particular, whether the total remuneration is appropriate and customary in comparison with a peer group specifically aligned with Volkswagen AG.

It was evident that the management board remuneration had increased in the peer market. The remuneration level for the members of the Board of Management at Volkswagen has – taking into account the base remuneration as well as the target remuneration for the annual bonus and the long-term bonus – essentially remained the same for the last six years. Peer group companies have already increased management board remuneration in recent years. Volkswagen is therefore no longer positioned within the peer group as envisaged in terms of management board remuneration. We thus wish to continue to increase management board remuneration to where we see ourselves – in the upper mid-range of the peer group. For this purpose, it is necessary to increase the target and maximum remuneration accordingly.

At the same time, however, it will be more challenging than it used to be for the members of the Board of Management to achieve this new target and maximum remuneration. In the context of variable remuneration, the Supervisory Board has already decided to make the targets for the relevant KPIs such as operating profit, return and profit per share even more ambitious than they have been. In addition, the importance attached to the long-term variable remuneration will be increased within the scope of the adjusted remuneration system. In future, nearly half of the target total remuneration will depend on the long-term and sustainable success of the Group and on its capital market performance. In this way, an even greater focus will be placed on long-term successful development. Moreover, the successful transformation of the Volkswagen Group will be advanced with even more force, and competitiveness will be secured.

The possibility to grant a special bonus has not yet been used and, in addition, will be done away with in the adjusted remuneration system.

The remuneration of the Supervisory Board members of Volkswagen has remained unchanged for around six years, too. The amount of remuneration received by members of supervisory boards in the DAX has increased dynamically in this period. Therefore, the Supervisory Board

and Board of Management propose adjusting the Supervisory Board remuneration so that it is in line with the market again.

Thank you for your attention thus far.

- Reports of the Chairman of the Board of Management and the CFO -

I would now like to briefly address agenda item 9 on the adjustment of the articles of association with regard to the attendance of Supervisory Board members at the Annual General Meeting. The law makes it possible to specify in the articles of association that, under certain circumstances, supervisory board members can take part in the annual general meeting by means of video and audio transmission instead of participating in person on site.

We consider the physical presence of the Board of Management and Supervisory Board members on site at the Annual General Meeting to be extremely important in order to be able to enter into a direct exchange with you, ladies and gentlemen. Therefore, **no** use is to be made of the possibility to have Supervisory Board members join physical General Meetings by means of video and audio transmission.

On the other hand, in the case of a virtual General Meeting, the exchange with the shareholders takes place virtually only. In this respect, the presence of the Supervisory Board members at the location from which the General Meeting is being broadcast would, in particular, entail costs and effort without achieving adequate advantages in return. Therefore, in the case of virtual General Meetings, the articles of association are to provide for the possibility of Supervisory Board members participating by means of video and audio transmission.
