

INVITATION

ANNUAL GENERAL MEETING
ON 18 JUNE 2026

Letter to our Shareholders

Dear Shareholders,

Decide, act, deliver: for the Volkswagen Group, 2025 was all about pitching in and turning ideas into actions. We have forged ahead with our strategic plan, bringing inspiring and exciting products to the public and translating our technical expertise into tangible added value for our customers. 2025 saw us show the world what the new strength of the Volkswagen Group is all about. We made progress in technology, software, design and quality. Our new products have been very well received and have won numerous awards. At the same time, we were carefully aligning our Company with the increasingly demanding underlying conditions and challenges around the world. The transformation of the entire Company is continuing to pick up speed. We are shaping change in a dynamic environment with a clear goal: we aim to become The Global Automotive Tech Driver. We will continue systematically driving forward this transformation in 2026.

With around 9 million vehicles delivered worldwide in 2025, we were close to reaching the previous year's figure – all within a dynamic market environment. We are stronger than ever in our home market of Europe, where we have expanded our share of the market to 25% and increased deliveries by more than 4% to further cement our position at the top. The host of new models launched onto the market this year have proved to be very popular with our customers. This contrasts with the expected declines we experienced in North America (–10%) and China (–8%) as a result of challenging market conditions. However, we succeeded in recording significant growth in South America (+12%), in Asia excluding China (+9%) and in the Middle East/Africa (+10%).

Sales revenue amounted to approximately €322 billion, putting it close to the prior-year level. Operating profit was approximately €8.9 billion, which is significantly less than in 2024. This decline was mainly attributable to high special effects and US tariff policies. Net cash flow in the Group Automotive division increased by €1.3 billion to €6.4 billion and as a consequence net liquidity came in at around €34.5 billion. We further strengthened our position for 2026 with strong financial momentum in the final quarter.

The results reflect the Volkswagen Group's ability to hold its ground in a challenging global environment. The fact that we achieved them in a phase of restructuring and with considerable costs highlights the strength of our substance, as well as our resilience. And the fact that the capital markets look favorably on the path we have taken and the progress we have made is becoming increasingly apparent in our share price. The price of Volkswagen preferred shares grew by around 16% in 2025. For comparison: the EURO STOXX Automobiles & Parts sector index fell by 4% over the same period. Factoring in the dividend on top of this gives our shareholders a total annual performance of no less than 24%.

The Board of Management and the Supervisory Board will be proposing a dividend of €5.26 per preferred share for fiscal year 2025 at the Annual General Meeting in June. That is in line with our unchanged dividend policy, which looks for a payout ratio of at least 30%, and our three-pronged approach of strengthening financial foundations, making the investments we need for our future and ensuring investor attractiveness. As previously announced, we did not include the non-cash goodwill amortization of Porsche AG in the assessment basis, thus resulting in a payout ratio of 30% of the net result. The calculated payout ratio is 39%.

Our TOP 10 programs for the Group and our brands remain a key tool in managing our operations and strategic activities. With ambitious goals, clear definitions of responsibility, measurable milestones and a systematic roadmap, they provide us with guidance. This year, too, we have set ourselves an ambitious TOP 10 program. In 2026, we will be paying particular attention to expediting the implementation of our cost work with the aim of securing the long-term success of our brands with attractive products in our core regions and ensuring the effective management of the Volkswagen Group and its brand groups.

Our performance programs for our brands, companies and regions have already made an important contribution to increased financial robustness within our Group. With these programs, we are safeguarding our financial and strategic ambitions with concrete, measurable actions. As a result, we were also able to offset much of the impact of the numerous headwinds.

The power of Volkswagen Group lies in the strength of our brands. Our products excite and inspire our customers – and, as a result, boost our Company's competitiveness and its opportunities for growth. We launched around 30 new models in 2025, pushing forward with the product campaign initiated in the previous year. We reinforced our portfolio across all brands and segments, fine-tuned our designs and continued to raise the bar for quality with measurable results.

Our innovative strength was particularly on show in the field of e-mobility. Our global deliveries of all-electric vehicles rose by 32%, with sales figures rising by as much as 66% in our home market in Europe. With a market share of 27% in Europe, we are not only leading the competition in all-electric vehicles, our share has even overtaken the share of business with ICE vehicles for the first time. Five of the ten highest-selling all-electric models in Europe come from our Group. Order figures for Europe increased by 21%.

And we're not stopping there. 2026 will see us bringing over 20 new models to customers around the world, covering all of the various drive systems. In China in particular, we are shifting into delivery mode. Volkswagen Group China will be stepping things up a notch thanks to the biggest product campaign in its history and the first ever models designed in China, for China, which are positioned to become strong competitors in terms of design, technology and cost.

In parallel to this, we will be using our electric urban car family in Europe to showcase how we can take the strength of our Group to the market. Four models, three brands, one platform. Intelligent scaling, employed to achieve customer benefits in a way that only Volkswagen knows how: we are delivering e-mobility with premium technology adopted from higher-class vehicles, all at an entry-level price. With our all-electric compact models from Volkswagen, CUPRA and Škoda, we are tapping into a segment with high growth potential from a position of strength.

Our sense of corporate responsibility for sustainable growth and our aspirations when it comes to profitability call for clear and responsible decision-making, especially in Germany. The Zukunft Volkswagen agreement is a crucial cornerstone of this: it brings competitiveness and job security into alignment on a sustainable basis and also protects the Company's structural realignment at the level of both business operations and collective bargaining.

Audi, Porsche and our software subsidiary CARIAD have also set out comprehensive agreements and launched their own cost programs. In total, around 50,000 jobs are due to be cut by 2030 across the Volkswagen Group in Germany. As a result of collective bargaining agreements and downsizing measures, we managed to achieve cost savings of around €1 billion in fiscal year 2025 as planned. We are on course to meet our goal of achieving net annual cost savings of more than €6 billion across the Group by 2030.

Noticeable progress has also been achieved in the implementation of our restructured global software strategy: our development processes are quicker, we are integrating software into our vehicles even more effectively and we are bringing new functions to production vehicles in even less time thanks to over-the-air system updates that do not require customers to visit a workshop. We have technically restructured and reorganized our software subsidiary CARIAD, it is now significantly leaner – and more effective. As an overarching software unit, it is now able to really play to its strengths. Our software has begun receiving several awards in comparative testing.

We are working on offering our customers around the world a superior range of digital services, adapted to the different needs and regulations in the various regions. Substantial progress is being made by our joint venture with US company Rivian. Together, we are creating the Group's electronic architecture of the future for the western hemisphere. Around one year on from the joint venture's creation, the very first test mules for the Volkswagen, Audi and Scout brands are undergoing their first winter tests in spring 2026. The new zonal architecture and software architecture are scheduled to be used for the first time in our ID. Every1 compact electric car, launching in 2027.

We are already one step further ahead in China, as required by market conditions there. In the space of just 18 months, working with Xpeng, we transformed the China Electronic Architecture from an idea into a cutting-edge E/E architecture that is ready for use in series production. At the same time, we are creating the technological basis for a wide range of hybrid and all-electric models in higher segments. Simultaneously, we are ramping up development of highly automated driving. Our joint venture established by CARIAD and Horizon Robotics is developing a proprietary Group chip for this for the first time. This is how we are accelerating the development process, increasing our flexibility and reducing costs.

In China, we are demonstrating just how quickly, flexibly and consistently the Volkswagen Group is able to adapt to a fundamentally shifted market and go on the offensive. With our "In China for China" strategy, we are switching into delivery mode after less than three years of transformation. By the end of 2027, we will have launched 30 new all-electric, plug-in hybrid and range-extended models onto the Chinese market. Our strong position in the combustion engine market continues to be a key pillar of our transformation and was further consolidated in 2025.

In China, we have increased the pace of development by up to 30%, while at the same time setting up a very competitive cost base. This is experience that we are carrying over to other regions. Our models developed in China also enable us to tap into export opportunities in new markets.

In the USA, we are firmly aligning our activities with the dynamic competitive environment, specific customer requirements and the evolving tariff situation. We are strengthening the independence of our brands and, with the electric revival of the iconic Scout, are making the most of strategic opportunities in the growing segment of large SUVs and pickups. Our focus is on highly flexible range extender technology, which perfectly combines a battery-electric drive system with a petrol-powered range extender. Our plans for Scout are on track, and we are giving our utmost to prepare for the next step of launching this new brand. At the same time, we are exploring the possibility of localizing the production of imported vehicles from our brands in the North American market.

The future of mobility is electric – and the battery is the key. We are the first European manufacturer to develop and produce battery cells on a large scale with our subsidiary PowerCo. The unified cell provides us with a global, cross-brand platform that reduces complexity and taps into economies of scale. As a crucial element within our electric strategy, it is expected to be used in series production for the first time in our electric urban car family.

In late 2025, we began operations in the Group's first cell factory, which is based in Salzgitter. With this step, we are safeguarding our technical knowledge, industrial expertise and greater independence along the value creation chain. With the ramp-up of our cell factory in Valencia and the premiere of our first LFP cell, we are expanding our technological spectrum to a further mainstay of e-mobility.

What makes the Volkswagen Group so unique is our global team – people full of passion, expertise and genuine team spirit, this is a team who knows how to get stuck in, shape change and deliver progress – across every brand, every company and every region. To them I extend an extra special thank you, on behalf of both myself and the entire Board of Management.

In 2026, we will continue our journey – together and with a sense of determination. Our focus is clear: strong products, impressive technologies and consistent work on enhancing our competitiveness. Our ambition for 2030 is to achieve an 8% to 10% operating return on sales. This will be built on strict cost and investment discipline. However, we won't be taking this approach just for the sake of cutting costs. It is essential for new investment, growth and a successful future for the Volkswagen Group. The bedrock is our successful realignment of the last three years. We have delivered on our promises and achieved some of our goals ahead of schedule. At the same time, our world has changed dramatically over the past three years. We need to comprehensively transform our Company in the coming years based on what we have achieved so far. We see that our business model of past decades no longer works in today's world. Because of regional market conditions, changes in trade policy, massive regulatory requirements in the various regions of the world and our high-cost position, above all in Europe. That is why we must rework our business model in light of the new environment. It means further developing our product portfolio – tailored specifically to the world regions and their own profit pools. It means refining our technology and software offerings. And, at the same time, it means further improving our financial substance and streamlining the Volkswagen Group's structure and steering model. We will keep you informed about the next steps over the course of the year.

Huge opportunities lie ahead of us. We will be making the most of them. We hope you will join us as we continue to forge ahead with our strategic goals and create sustainable value. Thank you for your trust and support.

Yours very sincerely,

Oliver Blume



Agenda at a glance

AGENDA ITEM 1

Presentation of the adopted annual financial statements, the approved consolidated financial statements and the combined management report of the Volkswagen Group and Volkswagen Aktiengesellschaft as of December 31, 2025, together with the report of the Supervisory Board on fiscal year 2025 and the explanatory report by the Board of Management on the disclosures in accordance with sections 289a and 315a of the Handelsgesetzbuch (HGB – German Commercial Code)

AGENDA ITEM 2

Resolution on the appropriation of the net profit of Volkswagen Aktiengesellschaft

Resolution proposal of the Supervisory Board and the Board of Management:

Distribution of a dividend of EUR 5.20 per ordinary share and EUR 5.26 per preferred share

AGENDA ITEM 3

Resolution on the formal approval for fiscal year 2025 of the actions of the members of the Board of Management who held office in fiscal year 2025

AGENDA ITEM 4

Resolution on the formal approval for fiscal year 2025 of the actions of the members of the Supervisory Board who held office in fiscal year 2025

AGENDA ITEM 5

Election of members of the Supervisory Board

Election proposals of the Supervisory Board:

Election of Mr. Hans Dieter Pötsch and election of Ms. Susanne Wiegand

AGENDA ITEM 6

Resolution on the approval of the remuneration report by the Board of Management and the Supervisory Board

AGENDA ITEM 7

Resolutions on

- A) **the approval of a settlement agreement of Volkswagen Aktiengesellschaft, AUDI Aktiengesellschaft and Dr. Ing. h.c. F. Porsche Aktiengesellschaft with D&O insurers of Volkswagen Aktiengesellschaft including obligations to not assert claims against current and former members of the Board of Management and the Supervisory Board and indemnification obligations**

and

- B) **the confirmation of the resolution adopted by the General Meeting on July 22, 2021, on the approval of the settlement agreement with the former Chairman of the Board of Management, Professor Dr Martin Winterkorn, pursuant to section 244 of the Aktiengesetz (German Stock Corporation Act)**

AGENDA ITEM 8

Resolutions on

- A) **the appointment of the auditor and group auditor, the auditor of the interim consolidated financial statements and interim management reports**

and

- B) **the auditor for sustainability reporting**

Election proposal of the Supervisory Board:

Appointment of EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Hanover

This version of the Invitation to the AGM is a translation of the German original. The German version takes precedence.

Information according to the Implementing Regulation

NOTICE PURSUANT TO SECTION 125 OF THE AKTIENGESETZ (GERMAN STOCK CORPORATION ACT)
IN CONJUNCTION WITH TABLE 3 OF THE COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212

A. SPECIFICATION OF THE MESSAGE	
A.1. Unique identifier of the event	173453b32d19f111b553ac4c42474cb6
A.2. Type of message	Notice convening the Annual General Meeting [Formal disclosure pursuant to EU-IR: NEWM]
B. SPECIFICATION OF THE ISSUER	
B.1. ISIN	DE0007664005 ordinary shares DE0007664039 preferred shares
B.2. Name of issuer	Volkswagen Aktiengesellschaft
C. SPECIFICATION OF THE MEETING	
C.1. Date of the Annual General Meeting	June 18, 2026 [Formal disclosure pursuant to EU-IR: 20260618]
C.2. Time of the Annual General Meeting	10:00 a.m. (CEST) [Formal disclosure pursuant to EU-IR: 08:00 a.m. UTC]
C.3. Type of General Meeting	Annual General Meeting as a virtual General Meeting without the physical presence of shareholders or their authorized representatives (with the exception of the proxies appointed by the company) at the venue of the Annual General Meeting [Formal disclosure pursuant to EU-IR: GMET]
C.4. Location of the Annual General Meeting	Place of the General Meeting within the meaning of the Aktiengesetz (German Stock Corporation Act): Eisbach Filmstudios, Grasbrunner Straße 20, 81677 Munich, Germany. Physical participation on site is not possible. URL to the company's shareholder portal to follow the Annual General Meeting in video and audio and to exercise shareholder rights virtually: www.volkswagen-group.com/agm-portal . [Formal disclosure pursuant to EU-IR: www.volkswagen-group.com/agm-portal]
C.5. Record date	May 27, 2026, 24:00 (CEST) Proof of share ownership must refer to the close of business on the 22nd day prior to the General Meeting (record date). [Formal disclosure pursuant to EU-IR: 20260527, 10:00 p.m. UTC]
C.6. Uniform Resource Locator (URL)	https://www.volkswagen-group.com/hv https://www.volkswagen-group.com/agm

Invitation to the Annual General Meeting

We are pleased to invite our ordinary and preferred shareholders to attend the Annual General Meeting to be held on **Thursday, June 18, 2026 starting at 10:00 a.m. (CEST)**

The Annual General Meeting will be held in a virtual format without the physical presence of shareholders or their proxy holders (except for the authorized Company proxy holders). Duly registered shareholders or their proxy holders will be able to join the Annual General Meeting by means of electronic communication online via the shareholder portal at **www.volkswagen-group.com/agm-portal** and in this way exercise their shareholder rights relating to the meeting.

I. AGENDA

1. PRESENTATION OF THE ADOPTED ANNUAL FINANCIAL STATEMENTS, THE APPROVED CONSOLIDATED FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT OF THE VOLKSWAGEN GROUP AND VOLKSWAGEN AKTIENGESELLSCHAFT AS OF DECEMBER 31, 2025, TOGETHER WITH THE REPORT OF THE SUPERVISORY BOARD ON FISCAL YEAR 2025 AND THE EXPLANATORY REPORT BY THE BOARD OF MANAGEMENT ON THE DISCLOSURES IN ACCORDANCE WITH SECTIONS 289A AND 315A OF THE HANDELSGESETZBUCH (HGB – GERMAN COMMERCIAL CODE)

In line with the statutory provisions, no resolution is foreseen for this agenda item, since the Supervisory Board has already approved the annual financial statements and the consolidated financial statements.

Volkswagen Aktiengesellschaft's annual financial statements and consolidated financial statements for fiscal year 2025 and further documents are available online at **www.volkswagen-group.com/agm**.

2. RESOLUTION ON THE APPROPRIATION OF THE NET PROFIT OF VOLKSWAGEN AKTIENGESELLSCHAFT

The Supervisory Board and the Board of Management propose that Volkswagen Aktiengesellschaft's net retained profits for fiscal year 2025 of EUR 3,754,566,260.99 be appropriated as follows:

- a) EUR 1,534,467,053.60 to pay a dividend of EUR 5.20 per ordinary share carrying dividend rights and
- b) EUR 1,084,640,640.70 to pay a dividend of EUR 5.26 per preferred share carrying dividend rights and
- c) EUR 1,135,000,000.00 to be appropriated to other revenue reserves and
- d) EUR 458,566.69 to be carried forward to new account.

The entitlement to payment of the dividend is due on June 23, 2026.

3. RESOLUTION ON THE FORMAL APPROVAL FOR FISCAL YEAR 2025 OF THE ACTIONS OF THE MEMBERS OF THE BOARD OF MANAGEMENT WHO HELD OFFICE IN FISCAL YEAR 2025

The Supervisory Board and the Board of Management propose that the actions of the members of the Board of Management who held office in fiscal year 2025 be formally approved for fiscal year 2025.

The Chairman of the Supervisory Board who, according to the Articles of Association, is responsible for chairing the Annual General Meeting, will conduct the vote on an individual basis.

4. RESOLUTION ON THE FORMAL APPROVAL FOR FISCAL YEAR 2025 OF THE ACTIONS OF THE MEMBERS OF THE SUPERVISORY BOARD WHO HELD OFFICE IN FISCAL YEAR 2025

The Supervisory Board and the Board of Management propose that the actions of the members of the Supervisory Board who held office in fiscal year 2025 be formally approved for fiscal year 2025.

The Chairman of the Supervisory Board who, according to the Articles of Association, is responsible for chairing the Annual General Meeting, will conduct the vote on an individual basis.

5. ELECTION OF MEMBERS OF THE SUPERVISORY BOARD

In accordance with Article 11(2) sentence 1 of the Articles of Association of Volkswagen Aktiengesellschaft, the term of office of Supervisory Board member Mr. Hans Dieter Pötsch ends at the end of this year's Annual General Meeting. Furthermore, with effect from 5 July 2025, Ms. Susanne Wiegand was judicially appointed as a member of the Supervisory Board of Volkswagen Aktiengesellschaft as the successor to Ms. Marianne Heiß. At the request submitted, Ms. Wiegand's term of office was limited to the conclusion of this year's Annual General Meeting.

The Supervisory Board has 20 members. In accordance with section 7(1) of the Mitbestimmungsgesetz (German Codetermination Act) and sections 96 and 101 of the Aktiengesetz (German Stock Corporation Act), it consists of 10 shareholder representatives and 10 employee representatives.

In accordance with Article 11(1) sentence 2 of the Articles of Association of Volkswagen Aktiengesellschaft, the State of Lower Saxony is entitled to appoint two members of the Supervisory Board of the Company for as long as the State of Lower Saxony directly or indirectly holds at least 15 percent of the Company's ordinary shares. As the State of Lower Saxony meets this requirement, eight members of the Supervisory Board are appointed by the general meeting.

A total of at least six seats of the Supervisory Board must consist of women and men respectively to comply with the minimum quota required by section 96(2), sentence 1 of the Aktiengesetz. The joint compliance in accordance with section 96(2), sentence 3 of the Aktiengesetz was objected. Accordingly, the Supervisory Board must have at least three female and at least three male shareholder representatives and at least three female and at least three male employee representatives. This is currently the case and would also be the case in the future if Mr. Hans Dieter Pötsch and Ms. Susanne Wiegand are elected.

In accordance with Article 11(2) sentence 1 of the Articles of Association of Volkswagen Aktiengesellschaft, the term of office of the member of the Supervisory Board to be elected for a full term of office at this year's Annual General Meeting expires at the end of the general meeting that resolves on the formal approval of the actions of Supervisory Board member Mr. Pötsch for fiscal year 2030. The member of the Supervisory Board, Ms. Wiegand, who was appointed by the court until the conclusion of this year's ordinary Annual General Meeting, shall also be

elected for a full term of office, i.e. until the conclusion of the Annual General Meeting that decides on the discharge for the 2030 financial year.

The general meeting is not bound to the election proposals.

Based on the recommendation by its Nomination Committee, the Supervisory Board proposes that the general meeting elects the following persons to the Supervisory Board for a full term of office with effect from the end of the Annual General Meeting on June 18, 2026:

Mr. Hans Dieter Pötsch,
Wolfsburg, Germany (nationality: Austrian),
Chairman of the Supervisory Board of Volkswagen Aktiengesellschaft, Wolfsburg, Germany,
Chairman of the Executive Board of Porsche Automobil Holding SE, Stuttgart, Germany

Ms. Susanne Wiegand,
Schönaich, Germany (nationality: German),
Member of Supervisory Boards and investor

The Supervisory Board has resolved, after careful consideration, to propose Mr. Pötsch for re-election to the Supervisory Board, even though he has exceeded the standard age limit of 75 years applicable under the Rules of Procedure for the Supervisory Board by a few weeks at the time of the election. Mr. Pötsch has extensive experience and expertise in the Company's fields of business, in particular as a result of his many years of service within the Volkswagen Group and beyond. In the view of the Supervisory Board, he will continue to contribute this expertise to the Company's benefit in the future. It is also in the company's interest that Mr. Pötsch continue – subject to his election by the Supervisory Board – to contribute to the transformation of the Volkswagen Group in his role as Chairman of the Supervisory Board. The Supervisory Board continues to adhere in principle to the defined standard age limit for members of the Supervisory Board. However, the Supervisory Board and the Board of Management have declared a deviation from the recommendation of the German Corporate Governance Code to define an age limit for members of the Supervisory Board.

In the event of Mr. Pötsch's election as a member of the Supervisory Board, the Supervisory Board intends to re-elect him as Chairman of the Supervisory Board of Volkswagen Aktiengesellschaft.

The proposal takes into account the objectives specified by the Supervisory Board with respect to its composition and the diversity concept pursued with regard to its composition and seeks to comply with the profile of skills and expertise for the entire Board.

The Chairman of the Supervisory Board who, according to the Articles of Association, is responsible for chairing the Annual General Meeting, intends to conduct the vote on an individual basis.

The résumés of Mr. Pötsch and Ms. Wiegand, as well as further information on the candidates proposed for election, are presented in the annex to agenda item 5 and are also available online at www.volkswagen-group.com/agm.

6. RESOLUTION ON THE APPROVAL OF THE REMUNERATION REPORT BY THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD

In accordance with section 162 of the Aktiengesetz (German Stock Corporation Act) the managing and supervisory boards of listed companies have to prepare an annual remuneration report. In accordance with section 162(3) of the Aktiengesetz, the auditors have to verify whether the remuneration report includes all the legally required

disclosures and prepare an audit opinion on this. Section 120a(4) of the Aktiengesetz stipulates that the general meeting of listed companies has to resolve on the approval of the remuneration report for the previous fiscal year, which was prepared and audited in accordance with section 162 of the Aktiengesetz.

The remuneration report summarizes the main elements of the remuneration system for the members of the Board of Management approved by the Annual General Meeting on May 29, 2024 and the remuneration system for the members of the Supervisory Board approved by the Annual General Meeting on May 10, 2023 and explains in detail the structure and amounts of the remuneration granted and owed to the members of the Board of Management and the Supervisory Board in fiscal year 2025. The remuneration report was audited by the auditors and given an audit opinion. Above and beyond the legal requirements, the auditors also conducted an audit of the content of the report.

The remuneration report, including the auditor's report, is available on the Internet at www.volkswagen-group.com/agm.

The Supervisory Board and the Board of Management propose that the remuneration report be approved in accordance with section 120a(4) of the Aktiengesetz.

7. RESOLUTIONS ON

A) THE APPROVAL OF A SETTLEMENT AGREEMENT OF VOLKSWAGEN AKTIENGESELLSCHAFT, AUDI AKTIENGESELLSCHAFT AND DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT WITH D&O INSURERS OF VOLKSWAGEN AKTIENGESELLSCHAFT INCLUDING OBLIGATIONS TO NOT ASSERT CLAIMS AGAINST CURRENT AND FORMER MEMBERS OF THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD AND INDEMNIFICATION OBLIGATIONS

AND

B) THE CONFIRMATION OF THE RESOLUTION ADOPTED BY THE GENERAL MEETING ON JULY 22, 2021, ON THE APPROVAL OF THE SETTLEMENT AGREEMENT WITH THE FORMER CHAIRMAN OF THE BOARD OF MANAGEMENT, PROFESSOR DR MARTIN WINTERKORN, PURSUANT TO SECTION 244 OF THE AKTIENGESETZ (GERMAN STOCK CORPORATION ACT)

In June 2021, Volkswagen Aktiengesellschaft and AUDI Aktiengesellschaft entered into liability settlement agreements with the former Chairman of the Board of Management of Volkswagen Aktiengesellschaft and Chairman of the Supervisory Board of AUDI Aktiengesellschaft Professor Dr Martin Winterkorn and the former member of the Board of Management of Volkswagen Aktiengesellschaft and Chairman of the Board of Management of AUDI Aktiengesellschaft Mr Rupert Stadler regarding the diesel issue (each individually the "**Liability Settlement**" and together the "**Liability Settlements**"). The Liability Settlements were concluded following a comprehensive investigation of the diesel issue and a comprehensive review of responsibilities in the course of which it was found that Professor Dr Winterkorn and Mr Stadler had negligently breached their duties; in all other respects, the investigation and review did not identify any breaches of duty by any other former or current members of the Board of Management or the Supervisory Board of Volkswagen Aktiengesellschaft. Further, Volkswagen Aktiengesellschaft, AUDI Aktiengesellschaft and Dr. Ing. h.c. F. Porsche Aktiengesellschaft on the one hand and insurers of a D&O insurance program for the Volkswagen Group on the other hand entered into a coverage settlement agreement in connection with the diesel issue (the "**Coverage Settlement 2021**", together with the Liability Settlements the "**Settlements**"). The D&O insurance program is a directors & officers liability insurance, which Volkswagen Aktiengesellschaft has maintained since January 1, 2012, for the Volkswagen Group and which consists of a basic policy with Zurich Insurance Europe AG, a few country policies and various excess insurance policies with different insurers.

The Annual General Meeting of Volkswagen Aktiengesellschaft on July 22, 2021, (the "**General Meeting 2021**") approved the Liability Settlement with Professor Dr Winterkorn under agenda item 10a at the time, the Liability Settlement with Mr Stadler under agenda item 10b of the General Meeting 2021 and the Coverage Settlement 2021 under agenda item 11 of the General Meeting 2021, in each case with a majority of more than 99 percent (the "**Approval Resolutions 2021** "). In addition, the General Meetings of AUDI Aktiengesellschaft and Dr. Ing. h.c. F. Porsche Aktiengesellschaft approved the Coverage Settlement 2021 as well.

Following the General Meeting 2021, shareholders brought legal actions against the resolutions adopted by the General Meeting 2021 including, inter alia, the Approval Resolutions 2021. The Regional Court (*Landgericht*) of Hanover dismissed the claims in their entirety by judgment dated October 12, 2022. The Higher Regional Court (*Oberlandesgericht*) of Celle dismissed the plaintiffs' appeals (*Berufungen*) against the judgment of the Regional Court of Hanover in their entirety by judgment dated November 29, 2023. The plaintiffs subsequently lodged an appeal (*Revision*) against the judgment of the Higher Regional Court of Celle with the Federal Court of Justice (*Bundesgerichtshof*). Following the plaintiffs' appeal, the Federal Court of Justice, by judgment dated September 30, 2025, (the "**Appellate Judgment**") declared the approval resolution on the Coverage Settlement 2021 to be void; as regards the approval resolutions on the Liability Settlements, the Federal Court of Justice referred the case back to the Higher Regional Court of Celle for a new hearing and decision, which has since commenced proceedings.

The Federal Court of Justice's decision is based on formal grounds. The Federal Court of Justice did not, in contrast, find any deficiencies regarding the contents of the approval resolutions or the settlements: The Federal Court of Justice declared the approval resolution on the Coverage Settlement 2021 void solely on the grounds that, in its view, the agenda of the General Meeting 2021 should have expressly addressed that, under the Coverage Settlement 2021, Volkswagen Aktiengesellschaft had undertaken, inter alia, to never assert any potential claims against current and former members of the Board of Management and the Supervisory Board. According to the Federal Court of Justice, the respective explanations regarding these undertakings, which were included in the report provided by Volkswagen Aktiengesellschaft on agenda items 10 and 11 of the General Meeting 2021 and to which reference was made under agenda item 11 of the General Meeting 2021, were not sufficient in this respect. As regards agenda items 10a and 10b of the General Meeting 2021 – the approval resolutions on the Liability Settlements – the Federal Court of Justice found itself unable to conclusively assess whether questions from shareholders at the General Meeting 2021 regarding the financial situations of Professor Dr Winterkorn and Mr Stadler had been adequately answered and whether there might therefore be a formal deficiency regarding the approval resolutions. Therefore, as regards the approval resolutions on the Liability Settlements, the Federal Court of Justice referred the case back to the Higher Regional Court of Celle for a new hearing and decision. The approval resolutions on the Liability Settlements therefore remain valid for the time being.

Against this background, the Supervisory Board and the Board of Management propose under agenda item 7A that the General Meeting approve the conclusion of a new coverage settlement, the contents of which largely correspond to those of the Coverage Settlement 2021. Under agenda item 7B, the Supervisory Board and the Board of Management propose to confirm the approval resolution on the Liability Settlement with Professor Dr Winterkorn adopted by the General Meeting 2021. With these resolutions – in line with the shareholders' vote at the General Meeting 2021 – an effective coverage settlement would be concluded and the approval resolution on the Liability Settlement with Professor Dr Winterkorn would be confirmed. In contrast, no proposal is made to confirm the approval resolution on the Liability Settlement with Mr Stadler. Mr Stadler has meanwhile been convicted by a final and unappealable judgment for criminal offences relating to the diesel issue. One consequence of this conviction is that remuneration-related claims which Mr Stadler had contributed as part of his own contribution agreed in the Liability Settlements concluded with him did not arise and that, as a result, the agreed own contribution by Mr Stadler to substantial amount no longer corresponds, in economic terms, to the value which the negotiations regarding the Liability Settlement with Mr Stadler were based upon. Whether the

Liability Settlement with Mr Stadler remains valid without a confirming resolution by the General Meeting depends on the outcome of the proceedings referred back to the Higher Regional Court of Celle.

A) RESOLUTION ON THE APPROVAL OF A SETTLEMENT AGREEMENT OF VOLKSWAGEN AKTIENGESELLSCHAFT, AUDI AKTIENGESELLSCHAFT AND DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT WITH D&O INSURERS OF VOLKSWAGEN AKTIENGESELLSCHAFT INCLUDING OBLIGATIONS TO NOT ASSERT CLAIMS AGAINST CURRENT AND FORMER MEMBERS OF THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD AND INDEMNIFICATION OBLIGATIONS

The Coverage Settlement 2021 has become invalid due to the Appellate Judgment by the Federal Court of Justice. Against this background, Volkswagen Aktiengesellschaft, AUDI Aktiengesellschaft, and Dr. Ing. h.c. F. Porsche Aktiengesellschaft have entered into a new coverage settlement on March 10, 2026 (entitled "Confirmation agreement on coverage settlement (*Bestätigungsvereinbarung über Deckungsvergleich*)", hereinafter referred to as the "**Coverage Settlement 2026**") with the D&O insurers being parties to the Coverage Settlement 2021 and Berkshire Hathaway European Insurance DAC ("**Berkshire**", collectively the "**Insurers**"). Berkshire was one of the D&O insurers of the D&O insurance program of Volkswagen Aktiengesellschaft in the 2021 insurance period but was not a party to the Coverage Settlement 2021. A settlement agreement with Berkshire could only be reached upon concluding a supplementary coverage settlement dated July 15, 2025 between Volkswagen Aktiengesellschaft, AUDI Aktiengesellschaft, and Dr. Ing. h.c. F. Porsche Aktiengesellschaft on the one hand and Berkshire on the other hand (the "**Berkshire Coverage Settlement**"). The Berkshire Coverage Settlement also became invalid as a result of the Appellate Judgment by the Federal Court of Justice, as its validity depended on the validity of the Coverage Settlement 2021.

The Coverage Settlement 2026 is largely consistent with the Coverage Settlement 2021 in terms of content and additionally incorporates the Berkshire Coverage Settlement.

The Coverage Settlement 2026 requires approvals by the General Meetings of Volkswagen Aktiengesellschaft, AUDI Aktiengesellschaft, and Dr. Ing. h.c. F. Porsche Aktiengesellschaft to take effect.

The Appellate Judgment has also been taken into account by means of the following:

- In the Coverage Settlement 2026, which provides for settlement amounts of a total of EUR 277,715,000 to be paid by the Insurers to the Volkswagen Group, Volkswagen Aktiengesellschaft undertakes, by way of a genuine contract for the benefit of third parties (*echter Vertrag zugunsten Dritter*) – as in the Coverage Settlement 2021 – among others, to never assert claims against current and former members of the Board of Management and Supervisory Board of Volkswagen Aktiengesellschaft, other than Professor Dr Winterkorn and Mr Stadler, arising from or in connection with the "Relevant Facts and Circumstances" (the "**Waivers of Liability**"). The Relevant Facts and Circumstances include, in addition to the diesel issue, any other manipulations, falsifications or misrepresentations of or pertaining to exhaust emissions, consumption levels or performance values of engines within the Volkswagen Group. The Relevant Facts and Circumstances also include potential agreements in violation of antitrust law in connection with the diesel issue and other exhaust emission and consumption value manipulations including related investigations, proceedings, and assertions of claims. The Waivers of Liability fully apply to claims relating to the diesel issue; for other claims relating to the Relevant Facts and Circumstances, the Waivers of Liability apply only to the extent that insurance cover exists.
- From a legal perspective, pursuant to section 93 para. 4 sentence 3 of the Aktiengesetz, the Waivers of Liability require approval by the General Meeting. Section 93 para. 4 sentence 3 of the Aktiengesetz also

provides that claims for damages against members of the Board of Management and Supervisory Board may only be waived three years after the claims have arisen. Against this background, the Coverage Settlement 2021 excluded from the Waivers of Liability any claims against current and former members of the Board of Management and Supervisory Board of Volkswagen Aktiengesellschaft for which the three-year period under section 93 para. 4 sentence 3 of the Aktiengesetz had not yet expired at the time the Coverage Settlement 2021 was concluded on June 9, 2021. The corresponding provision in the Coverage Settlement 2026 also excludes from the Waivers of Liability any claims for which the three-year period under section 93 para. 4 sentence 3 of the Aktiengesetz had not yet expired at the time the Coverage Settlement 2021 was concluded. This ensures that the scope of the Waivers of Liability in the Coverage Settlement 2026 corresponds to the scope of the Waivers of Liability in the Coverage Settlement 2021.

- The main background for the Waivers of Liability is that, according to the results of the extensive legal investigations of the diesel issue initiated by the Supervisory Board and the Board of Management, with the exception of the breaches of duties by Professor Dr Winterkorn and Mr Stadler, there were no breaches of duty by current and former members of the Board of Management and Supervisory Board of Volkswagen Aktiengesellschaft with regard to the Relevant Facts and Circumstances, and therefore Volkswagen Aktiengesellschaft is not entitled to assert any claims for damages against current and former members of the Board of Management and Supervisory Board of Volkswagen Aktiengesellschaft in this respect. The Waivers of Liability therefore do not result in any financial disadvantages for Volkswagen Aktiengesellschaft.
- With regard to Professor Dr Winterkorn, Mr Stadler, and the other persons against whom claims were asserted by AUDI Aktiengesellschaft and Dr. Ing. h.c. F. Porsche Aktiengesellschaft, the terms of the Liability Settlements concluded with these persons generally apply. In the event that any of these Liability Settlements is invalid or void, the Coverage Settlement 2026 – like the Coverage Settlement 2021 – includes the following provision: The companies may continue to bring actions against the person concerned, but only for that part of the claim which would remain had the Insurers also spent the difference between the settlement amounts and the maximum insurance sums for the 2015 and 2021 insurance periods for insurance payments to indemnify the relevant person. With regard to the remaining part, the companies undertake by way of a genuine contract for the benefit of third parties not to assert claims against the person concerned due to or in connection with the Relevant Facts and Circumstances. However, this undertaking will not apply insofar as the person concerned would not have been insured for reasons other than the exhaustion of the insured sum.
- The Coverage Settlement 2026 provides – as did the Coverage Settlement 2021 – for settlement under insurance law of all coverage claims arising from or in connection with the Relevant Facts and Circumstances as well as of all coverage claims relating to insured events during the 2015 insurance period, provided that the parties are authorised to dispose of such claims. Such settlement under insurance law is secured – as in the Coverage Settlement 2021 – by indemnification obligations of Volkswagen Aktiengesellschaft for the benefit of the Insurers, which relate, inter alia, to any obligations on the part of the Insurers to pay insurance benefits to current and former members of the Board of Management and Supervisory Board of Volkswagen Aktiengesellschaft. Indemnification will only apply if claims are brought against Insurers regardless of the agreed settlement under insurance law.

The full wording of the Coverage Settlement 2026 dated March 10, 2026 is provided in the further information on the agenda (section II.1). Also included in the further information on the agenda is the comprehensive report by the Supervisory Board and the Board of Management on the resolutions proposed

under agenda items 7A and 7B (section II.3) setting out the key background information, contents as well as the considerations of the Supervisory Board and Board of Management regarding the Coverage Settlement 2026. The further information on the agenda also include the full wording of the Liability Settlement with Professor Dr Winterkorn dated June 9, 2021 (section II.2), the report of the Supervisory Board and the Board of Management on agenda items 10 and 11 of the General Meeting 2021, which had been provided in the further information on the agenda of the General Meeting 2021 (section II.4), the full wording of the Coverage Settlement 2021 (section II.5) and the full wording of the Berkshire Coverage Settlement (section II.6).

The Supervisory Board and the Board of Management propose that the Coverage Settlement 2026 (entitled "Confirmation agreement on coverage settlement (*Bestätigungsvereinbarung über Deckungsvergleich*)") between Volkswagen Aktiengesellschaft, AUDI Aktiengesellschaft, and Dr. Ing. h.c. F. Porsche Aktiengesellschaft on the one hand and Zurich Insurance Europe AG as D&O insurer of the basic policy and D&O insurers of the excess insurance policies on the other hand be approved.

B) RESOLUTION ON THE CONFIRMATION OF THE RESOLUTION ADOPTED BY THE GENERAL MEETING ON JULY 22, 2021, ON THE APPROVAL OF THE SETTLEMENT AGREEMENT WITH THE FORMER CHAIRMAN OF THE BOARD OF MANAGEMENT, PROFESSOR DR MARTIN WINTERKORN, PURSUANT TO SECTION 244 OF THE AKTIENGESETZ (GERMAN STOCK CORPORATION ACT)

The approval of the Liability Settlement between Volkswagen Aktiengesellschaft and AUDI Aktiengesellschaft and the former Chairman of the Board of Management, Professor Dr Winterkorn, resolved by the General Meeting 2021 under its agenda item 10a, shall be confirmed.

Volkswagen Aktiengesellschaft maintains its position – which has been confirmed by the Regional Court of Hanover and the Higher Regional Court of Celle – that the approval resolutions adopted by the General Meeting 2021 regarding the Liability Settlements are legally valid in every respect, including with regard to the aspects raised by the Federal Court of Justice in its Appellate Judgment. However, since the case has been referred back to the Higher Regional Court of Celle for a new hearing and decision, the General Meeting of Volkswagen Aktiengesellschaft is nevertheless asked to confirm the approval resolution on the Liability Settlement with Professor Dr Winterkorn as a precautionary measure. Confirmatory resolutions are expressly provided for by the Aktiengesetz (section 244 of the Aktiengesetz) and have been adopted in the past by several large listed companies. The confirmation by the General Meeting of the contested approval resolution on the Liability Settlement with Professor Dr Winterkorn is intended to remedy any potential defects that the Higher Regional Court of Celle might identify as a result of the Federal Court of Justice's remarks, thereby ensuring the validity of the resolution. As a precautionary measure, the aspects raised by the Federal Court of Justice will also be addressed through information provided in the report by the Supervisory Board and the Board of Management on the resolutions proposed under agenda items 7A and 7B as well as during the General Meeting.

The full wording of the Liability Settlement with Professor Dr Winterkorn dated June 9, 2021, is provided in the further information on the agenda (under II.2). Also included in the further information on the agenda is the report by the Supervisory Board and the Board of Management on the resolutions proposed under agenda items 7A and 7B (under II.3) setting out the key background information, contents as well as the considerations of the Supervisory Board and Board of Management regarding the proposed confirmation of the approval resolution on the Liability Settlement with Professor Dr Winterkorn. Additionally, the further information on the agenda include the report by the Supervisory Board and the Board of Management on agenda items 10 and 11 of the General Meeting 2021 which had been provided in the further information on the agenda of the General Meeting 2021 (under II.4).

The Supervisory Board and the Board of Management propose to confirm, pursuant to section 244 of the German Stock Corporation Act, the resolution adopted by the General Meeting on July 22, 2021, under agenda item 10a, which reads as follows:

"The settlement agreement between Volkswagen Aktiengesellschaft, AUDI AG and Professor Martin Winterkorn of 9 June 2021 shall be approved."

8. RESOLUTIONS ON THE APPOINTMENT OF THE AUDITOR AND GROUP AUDITOR, THE AUDITOR OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND INTERIM MANAGEMENT REPORTS AND THE AUDITOR FOR SUSTAINABILITY REPORTING

- A) The Supervisory Board, based on the recommendation by and preference of the Audit Committee, proposes the appointment of EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Hanover,
- as the auditor and Group auditor for fiscal year 2026 and
 - as the auditor to review the condensed consolidated interim financial statements and the interim management report for the first half of fiscal year 2026 and
 - as the auditor to review the condensed consolidated interim financial statements and interim management report for the period from January 1, 2026 to September 30, 2026 and for the first quarter of fiscal year 2027.

In addition, the Audit Committee stated that its recommendation is free from undue influence by a third party and that no restrictive clause within the meaning of Article 16(6) of the EU Audit Regulation has been imposed on it.

- B) The Supervisory Board, based on the recommendation and preference of the Audit Committee, proposes that EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Hanover, be appointed as the auditor of the sustainability report for the 2026 financial year.

Directive (EU) 2022/2464, as amended by Directive (EU) 2025/794 (Corporate Sustainability Reporting Directive - CSRD), obliges the EU Member States to introduce corresponding sustainability reporting requirements. As, at the time this convocation was submitted for publication in the Federal Gazette, a German transposing act for the CSRD had still not been enacted, it is proposed, as a precautionary measure, to appoint an auditor for the sustainability reporting in accordance with agenda item 8B, for the event that such an appointment by the General Meeting should become necessary pursuant to Article 37 of Directive 2006/43/EC as amended by the CSRD, and that the audit should therefore not already fall within the remit of the statutory auditor under the German transposing act.

II. FURTHER INFORMATION ON THE AGENDA

1. Coverage settlement between Volkswagen Aktiengesellschaft, AUDI Aktiengesellschaft and Dr. Ing. h.c. F. Porsche Aktiengesellschaft on the one hand and Zurich Insurance Europe AG as D&O insurer of the basic policy and the D&O insurers of the excess insurance policies on the other hand dated March 10, 2026 (Coverage Settlement 2026)

Agreement confirming Coverage Settlement

between

- (1) VOLKSWAGEN AKTIENGESELLSCHAFT, Berliner Ring 2, 38440 Wolfsburg ("**VOLKSWAGEN**"), represented by its Board of Management and Supervisory Board;
- (2) AUDI Aktiengesellschaft, Auto-Union-Straße 1, 85045 Ingolstadt ("**AUDI**"), represented by its Board of Management and Supervisory Board;
- (3) Dr. Ing. h.c. F. Porsche Aktiengesellschaft, Porscheplatz 1, 70436 Stuttgart ("**Porsche**"), represented by its Executive Board and Supervisory Board;

(*VOLKSWAGEN, AUDI and Porsche collectively the "**Companies**"*)

and

- (4) AIG Europe S.A., German Regional Office, Neue Mainzer Straße 46-50, 60331 Frankfurt am Main ("**AIG**");
 - (5) Allianz Global Corporate & Specialty SE, Königinstraße 28, 80802 Munich ("**AGCS**"),
 - (6) Berkshire Hathaway European Insurance DAC, Germany, Cäcilienstraße 30, 50667 Cologne ("**BERKSHIRE HATHAWAY**");
 - (7) Great Lakes Insurance SE, Königinstraße 107, 80802 Munich ("**Great Lakes**");
 - (8) HDI Global SE, HDI-Platz 1, 30659 Hanover ("**HDI**"),
 - (9) Liberty Mutual Insurance Europe SE, German Regional Office, Im Klapperhof 7-23, 50670 Cologne ("**Liberty**");
 - (10) QBE Europe SA/NV, German Regional Office, Breite Straße 31, 40213 Düsseldorf ("**QBE**");
 - (11) Tokio Marine Europe SA Sucursal en España, Torre Diagonal Mar, Planta 10, Josep Pla 2, 08019 Barcelona, Spain ("**TMHCC**");
 - (12) XL Insurance Company SE, German Regional Office (simultaneously as legal successor of AXA Corporate Solutions Deutschland, branch office of AXA Corporate Solutions Assurance S.A., as well as of Catlin Insurance Company (UK) Ltd.), Colonia-Allee 10-20, 51067 Cologne ("**AXA XL**");
 - (13) Zurich Insurance Europe AG, German Branch Office, Platz der Einheit 2, 60327 Frankfurt am Main ("**Zurich**"),
- (insurance companies nos. (4) to (13) including their co-insurers", the "**Insurers**")

(the *Companies* and *Insurers* each individually a "**Party**" and collectively the "**Parties**").

Where an *Insurer* acts as leading underwriter for an excess liability policy pursuant to paragraph (E) or (G) of the Preamble, it acts both in its own name and in the names of the co-insurers of the respective excess liability policy, unless otherwise explicitly provided for in this Coverage Settlement.

Preamble

- (A) The *Companies* are automobile manufacturers, several Board of Management members and other *Insured Persons* under the *VW D&O* of which are/were said to have breached duties of care in connection with the so-called "Diesel Issue". The term "**Diesel Issue**" refers in this context to the development, installation, distribution and other use of certain software functions in the engine control unit of the, inter alia, EA189 and EA288 diesel engines as well as various V-TDI engines that led to deviations between the exhaust emissions during dynamometer operation and road use, and all facts and circumstances related thereto, in particular those notified by *VOLKSWAGEN* with the notification of circumstances of 2015. For the purposes of this Coverage Settlement, the term covers the clarification and investigation of the matter at the *Companies* following the publication of the Notice of Violation by the US Environmental Protection Agency ("EPA") on 18 September 2015, including the so-called "response management", and all measures taken for the preparation and conclusion of this Settlement. A considerable number of official and court proceedings in connection with the *Diesel Issue* were pending in Germany and abroad, including individual and class actions by customers, as well as by consumer and/or environmental organisations, and in some cases are still pending. The subject matter of these proceedings is essentially claims for damages or claims relating to the rescission of sales contracts. In the US, a shareholder derivative action, in particular, is pending before the Supreme Court of the State of New York. Investors from Germany and other countries have also sued *VOLKSWAGEN* for damages for the alleged fall in the share price as a consequence of supposed misconduct in relation to capital market communication in connection with the *Diesel Issue*.
- (B) Furthermore, the Braunschweig and Munich II public prosecutor's offices have conducted criminal proceedings inter alia against Professor Winterkorn and Mr. Stadler, in particular on account of alleged fraud, that are in some cases still ongoing. Among others, Rupert Stadler and Wolfgang Hatz (relevant for this Settlement as *Insured Persons*) were convicted for fraud by Munich II Regional Court with its judgment of 27 June 2023 (W5 KLs 64 Js 22724/19). The judgment is final and binding.
- (C) By 30 September 2025, the *Companies*, their subsidiaries and other group companies ("**VOLKSWAGEN Group**") had, according to information provided by *VOLKSWAGEN*, spent a total of at least EUR 33.6 billion for negative special factors in connection with the *Diesel Issue*. The amount comprises, among other things, the costs of recalls and field measures, compensation and settlement payments to dealers, internal investigation costs and fines.
- (D) From 1 January 2012, *VOLKSWAGEN* maintained a D&O insurance policy ("**Primary Policy**") with *Zurich* with an insured sum of EUR 25 million which, together with several local policies ("**Local Policies**", *Primary Policy* and *Local Policies* collectively also "**International Program Policies**"), comprised an international insurance program. The *Primary Policy* was additionally supplemented successively by various excess liability insurance policies (together with the *International Program Policies*, the "**VW Insurance Program**"). Volkswagen Financial Services AG maintained a separate D&O insurance, which was supplemented successively by various excess liability insurance policies (collectively "**VWFS Policy**"). Some of the excess liability insurance policies which supplemented the *Primary Policy* served at the same time as excess liability insurance policies for the *VWFS Policy*. Additionally, there was a separate D&O insurance for IAV

GmbH Ingenieurgesellschaft Auto und Verkehr ("**IAV Policy**"), for which the *Primary Policy* acted as an insurance drop down and a difference in conditions insurance and contained an accumulation arrangement. *Porsche* maintained its own D&O insurance up to the subsequent complete takeover by *VOLKSWAGEN*, which had been in run-off since 1 February 2011 ("**Porsche Policy**"). The *International Program Policies*, the excess liability insurance policies to the *Primary Policy*, the *VWFS Policy*, the *IAV Policy* and the *Porsche Policy* are referred to in this Agreement collectively as the "**VW D&O**" (and all of the Insurers of these policies are referred to collectively as the "**VW D&O Insurers**"). The *VW D&O* provides coverage to the persons defined in the insurance policies ("**Insured Persons**") who work or worked for the respective policyholder or other companies covered by the policy according to the insurance terms and conditions (in the *Primary Policy*, *AUDI* and *Porsche* among others), in particular in the event that claims for damages are asserted against *Insured Persons* or official proceedings are initiated against them. The *Insured Persons* include, in particular, former and current board members of the *Companies*.

- (E) For the insurance period from 1 January 2015 to 1 January 2016, the *VW insurance program* comprised the following insurance policies (collectively, the "**2015 Insurance Program**"):
- Primary coverage and various *Local Policies* (integrated limits) with a maximum insured sum of EUR 25 million with *Zurich*, operating as Zurich Insurance plc German Branch Office prior to its cross-border change of legal form on 2 January 2024 (100%) ("**2015 Primary Coverage**")
 - First excess liability insurance policy with a maximum insured sum of EUR 25 million (after EUR 25 million) with XL Insurance Company SE, German Regional Office (simultaneously as legal successor of *AXA XL*) (100%) ("**First Excess Liability Insurance 2015**")
 - Second excess liability insurance policy with a maximum insured sum of EUR 25 million (after EUR 50 million) with *AGCS* (100%) ("**Second Excess Liability Insurance 2015**")
 - Third excess liability insurance policy with a maximum insured sum of EUR 25 million (after EUR 75 million) with *AXA XL* (100%) ("**Third Excess Liability Insurance 2015**")
 - Fourth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 100 million) with *AIG* as lead underwriter (50%) and participation of *HDI* (50%) ("**Fourth Excess Liability Insurance 2015**")
 - Fifth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 150 million) with *Liberty* as lead underwriter (40%) and participation of Allied World Assurance Company (Europe) dac (formerly: Allied World Assurance Company (Europe) Ltd. "**AWAC**") (30%), *AXA XL* (20%) and *AGCS* (10%) ("**Fifth Excess Liability Insurance 2015**")
 - Sixth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 200 million) with *TMHCC* as lead underwriter (50%) and participation of *MISG Europe SE*, German Branch (formerly: *MSIG Insurance Europe AG* "**MSIG**") (30%) und *CNA Insurance Europe SA* ("**CNA**") (20%) ("**Sixth Excess Liability Insurance 2015**")
 - Seventh excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 250 million) with *QBE* as lead underwriter (60%), Underwriters at Lloyd's Syndicate 4711 ("**Lloyd's 4711**") (20%) and *R+V Allgemeine Versicherung AG* ("**R+V**") (20%) ("**Seventh Excess Liability Insurance 2015**")

- Eighth excess liability insurance policy with a maximum insured sum of EUR 150 million (after EUR 300 million) with *Great Lakes* as lead underwriter (16.667%) and participation of RiverStone Insurance (Malta) SE (formerly: ArgoGlobal SE "**RiverStone**") (16.667%), Starr Managing Agents Ltd. for and on behalf of Starr Consortium 9885 ("**Starr**") (13.333%), Underwriters at Lloyd's Syndicate 2987, represented by Brit Syndicates Ltd. ("**Brit**") (10%), Intact Insurance UK Ltd. (formerly: Royal and Sun Alliance Insurance Ltd. "**IntactInsurance**") (10%), ANV Underwriters at Lloyd's Syndicate 1861 ("**ANV / Lloyd's 1861**") (6.667%), Arch Insurance (EU) dac ("**Arch**") (6.667%), AXA XL (6.667%), *TMHCC* (6.667%), Underwriters at Lloyd's Syndicates 0623 and 2623 ("**Lloyd's 0623 and 2623**") (3.333%), and Underwriters at Lloyd's Syndicate 2468 ("**Lloyd's 2468**") (3.333%) ("**Eighth Excess Liability Insurance 2015**")
- Ninth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 450 million) with *AIG* as lead underwriter (50%) and participation of Swiss Re International SE ("**Swiss Re**") (50%) ("**Ninth Excess Liability Insurance 2015**")

The total insured sum of the *2015 Insurance Program* was therefore EUR 500 million. The insured sum in excess of EUR 300 million was only available for board members of *VOLKSWAGEN*.

- (F) As of the 2016 insurance period, the *VW D&O Insurers* excluded coverage for so-called "exhaust emission value manipulations" – with the exception of the response management defined in more detail – under the *VW D&O*.
- (G) For the insurance period from 1 January 2021 to 1 January 2022, the *VW insurance program* comprised the following insurance policies (collectively, the "**2021 Insurance Program**"):
- Primary coverage with a maximum insured sum of EUR 25 million with *Zurich* (100%) ("**2021 Primary Coverage**")
 - First excess insurance policy with a maximum insured sum of EUR 50 million (after EUR 25 million) with *BERKSHIRE HATHAWAY* (100%) ("**First Excess Liability Insurance 2021**")
 - Second excess liability insurance policy with a maximum insured sum of EUR 25 million (after EUR 75 million) with *AXA XL* as lead underwriter (60%) and participation of *AIG* (40%) ("**Second Excess Liability Insurance 2021**")
 - Third excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 100 million) with *HDI* as lead underwriter (30%) and participation of *AIG* (30%), *QBE* (20%), Generali Deutschland AG ("**Generali**") (10%), *AVN / AmTrust International Underwriters DAC* ("**AVN / AmTrust**") (5%) and Navigators / The Hartford Underwriters at Lloyd's Syndicate 1221 ("**Navigators / The Hartford / Lloyd's 1221**") (5%) ("**Third Excess Liability Insurance 2021**")
 - Fourth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 150 million) with *Liberty* as lead underwriter (50%) and participation of Beazley Insurance dac, German Branch Office ("**Beazley**") (30%), Lloyd's Insurance Company S.A. CVS 5337 (10%), as well as *AXA XL* (10%) ("**Fourth Excess Liability Insurance 2021**")
 - Fifth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 200 million) with *TMHCC* as lead underwriter (50%) and participation of *MSIG* (30%) and *Generali* (20%) ("**Fifth Excess Liability Insurance 2021**")

- Sixth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 250 million) with ERGO Versicherung AG as lead underwriter (30%) and participation of *Generali* (20%), *AIG* (10%), *AVN / AmTrust* (10%), Ryan Specialty Group Denmark A/S (10%), Lloyd's Insurance Company S.A. WRB 5340 (10%), *Volante* Ltd. ("**Volante**") (7.5%) and Aviva Insurance Ltd. ("**Aviva**") (2.5%) ("**Sixth Excess Liability Insurance 2021**")
- Seventh excess liability insurance policy with a maximum insured sum of EUR 100 million (after EUR 300 million) with *Great Lakes* as lead underwriter (15%) and participation of AGCS (15%), *TMHCC* (10%), Newline Europe Versicherung AG (10%), Underwriters at Lloyd's Syndicate 5000 (9.5%), *Aviva* (6.25%), IGI – International General Insurance Ltd. (5.5%), *MSIG* (5%), *R+V* (10%), SI Insurance (Europe), SA (5%), UNIQA Österreich Versicherungen AG (5%) and *Volante* (3.75%) ("**Seventh Excess Liability Insurance 2021**")
- Eighth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 400 million) with *Swiss Re* as lead underwriter (50%) and participation of Arch Insurance UK Ltd. (20%), AIG (10%), Accredited Insurance (Europe) Ltd., represented by Applied Financial Lines (Vale) (10%) and *Beazley* (10%) ("**Eighth Excess Liability Insurance 2021**")
- Ninth excess liability insurance policy with a maximum insured sum of EUR 15 million (after EUR 450 million) with *Liberty* as lead underwriter (66.67%) and participation of AXIS Specialty Europe SE (33.33%) ("**Ninth Excess Liability Insurance 2021**")
- Tenth excess liability insurance policy with a maximum insured sum of EUR 10 million (after EUR 465 million) with CHUBB European Group SE (100%) ("**Tenth Excess Liability Insurance 2021**")
- Eleventh excess liability insurance policy with a maximum insured sum of EUR 5 million (after EUR 475 million) with *HDI* (100%) ("**Eleventh Excess Liability Insurance 2021**")

The total insured sum of the *2021 Insurance Program* was therefore EUR 480 million. However, the insured sum in excess of EUR 300 million was only available for board members of VOLKSWAGEN.

- (H) Based on their investigations, the *Companies* came to the conclusion that the former Chairman of the Board of Management of *VOLKSWAGEN* Prof. Winterkorn, the former member of the Board of Management of *VOLKSWAGEN* and Chairman of the Board of Management of *AUDI* Mr. Stadler, the former members of the Board of Management of *AUDI* Prof. Hackenberg and Dr. Knirsch, as well as the former *Porsche* Executive Board member Mr. Hatz had committed violations in connection with the *Diesel Issue*.
- (I) Accordingly, on 26 March 2021, the *Companies* called upon Prof. Martin Winterkorn, Mr. Rupert Stadler, Prof. Ulrich Hackenberg, Dr. Stefan Knirsch and Mr. Wolfgang Hatz to pay damages in connection with the *Diesel Issue*. Prior to this, in the course of proceedings for protection against dismissal before the courts for labour matters, claims had been asserted against a (former) employee of *VOLKSWAGEN* Dr. Heinz-Jakob Neußer (former member of the so-called Board of Management for the *VOLKSWAGEN* Passenger Cars brand) (together with Prof. Winterkorn, Mr. Stadler, Prof. Ulrich Hackenberg, Dr. Knirsch and Mr. Hatz, the "**Persons against whom Claims are Asserted**"), as well as against other (former) employees of the *Companies*.
- (J) The *Companies* are of the opinion that these claims for damages and the underlying facts and circumstances pertain to the *2015 Insurance Program* as well as the *2021 Insurance Program*. The *Insurers*

have argued that coverage could at best exist under the *2015 Insurance Program* and reserved the right to make further arguments.

- (K) The *Companies* have concluded agreements on the liability claims referred to in (H) with all Persons against whom Claims are Asserted ("**Original Liability Settlements**"). Where required, such agreements have been approved by the General Meetings of the respective *Companies*. On 9 June 2021, the *Companies* concluded an agreement with the *Insurers* – excluding *BERKSHIRE HATHAWAY* – on the coverage claims, with a settlement amount of EUR 270,015,000.00 ("**First Coverage Settlement**"). The General Meetings of the respective *Companies* approved this *First Coverage Settlement*. The *Companies* and *BERKSHIRE HATHAWAY* eventually concluded a settlement with a settlement amount of EUR 7,700,000.00 on 15 July 2025 ("**BERKSHIRE Coverage Settlement**").
- (L) Even prior to conclusion of the *First Coverage Settlement* on 9 June 2021, *Zurich* and the insurers of the *Local Policies* had already made payments under the *2015 Primary Coverage* for legal defence costs of the *Insured Persons* in connection with some of the proceedings mentioned in (A), among other things in connection with criminal investigations and various proceedings in the US. In performance of section 2.2 of the *First Coverage Settlement*, a part amount of EUR 50 million was transferred from the *2015 Settlement Amounts* within the meaning of section 1.2 of the *First Coverage Settlement* to the *Provisions Account* within the meaning of section 2.1 of the *First Coverage Settlement*. Payments for legal defence costs of the *Insured Persons* in these proceedings were also made from such *Provisions Account*.
- (M) The actions for nullity and avoidance brought against the approval resolutions of the *VOLKSWAGEN* General Meeting were dismissed at both first and second instance. However, in a last-instance judgment handed down on 30 September 2025, the Federal Court of Justice found in favour of the actions for avoidance to the extent that the Court declared the resolution by which the General Meeting approved the *First Coverage Settlement* null and void. As a result of this judgment, not only the *First Coverage Settlement* became invalid but, owing to its invalidity, also the *BERKSHIRE Coverage Settlement* in accordance with section 5.2 thereof. Unlike the lower courts, the Federal Court of Justice took the view that the notice convening the General Meeting did not sufficiently indicate that the *First Coverage Settlement* also entailed a waiver of potential D&O liability claims against a large number of current and former *VOLKSWAGEN* board members. In its decision, the Federal Court of Justice did not identify any substantive objections to the *First Coverage Settlement* when reviewing the approval resolutions.
- (N) With respect to the two contested approval resolutions concerning the liability settlements with Prof. Winterkorn and Rupert Stadler, the Federal Court of Justice set aside the judgment dismissing the action and remanded the matter to Celle Higher Regional Court for a new hearing and decision. A decision is awaited. The liability settlements with Prof. Winterkorn and Mr. Stadler remain valid. The issue of whether the *Companies* will conclude new liability settlements with Prof. Martin Winterkorn and/or Mr. Rupert Stadler remains open. (Such potential new settlements and the *Original Liability Settlements* together the "**Liability Settlements**").
- (O) The *Parties'* intentions with respect to the conclusion of the *First Coverage Settlement*, respectively the *BERKSHIRE Coverage Settlement*, remain unchanged. The *Parties* intend
- while maintaining their respective legal positions,
 - without acknowledging any legal obligation to do so and

- without prejudice in terms of any legal disputes

to agree upon a provision on the coverage claims which is to be comprehensive and definitive on the matter. Apart from the *Diesel Issue*, the "**Relevant Facts and Circumstances**" to which the legal relationships under insurance law that are regulated in this Coverage Settlement pertain also include other potential manipulations, falsifications or misrepresentations of or pertaining to exhaust emissions, consumption levels or performance values of engines within the *VOLKSWAGEN Group* ("**Exhaust Emission and Consumption Value Manipulations**"). It is immaterial which measures or circumstances are the cause for *Exhaust Emission and Consumption Value Manipulations* (e.g., manipulations of software or hardware) or to whom potential misstatements were made (e.g., authorities, merchants or customers). The term "**Consumption Values**" includes the consumption values of, inter alia, all fuels of a vehicle (e.g., gasoline, diesel, electric energy, oil). The *Relevant Facts and Circumstances* include in particular – but are not limited to – the assertion of claims in connection with damages claims under civil law, criminal investigations, regulatory, official or other proceedings and claims which are introduced, initiated, announced or raised due to *Exhaust Emission and Consumption Value Manipulations* on cars with diesel or petrol engines (regardless of type) and violations of disclosure obligations or accounting provisions in connection with *Exhaust Emission and Consumption Value Manipulations*. The *Relevant Facts and Circumstances* further include potential agreements in violation of antitrust law in connection with the *Diesel Issue* and other *Exhaust Emission and Consumption Value Manipulations* including related investigations, proceedings and assertions of claims.

Against this background, the *Parties* now enter into a further coverage settlement which – taken as a whole and in terms of content – reaffirms as far as possible both the *First Coverage Settlement* and the *BERKSHIRE Coverage Settlement* as a new agreement and, to this end, agree as follows:

1. Payment obligations of the Insurers

- 1.1 In order to settle the *Relevant Facts and Circumstances*, the *Insurers* shall, in accordance with the following provisions, pay a total amount of EUR 277,715,000 minus the payments already made (see paragraph (L) of the Preamble) and the insurance payments that are still to be made to *VOLKSWAGEN*, *AUDI* and *Porsche* pursuant to section 2 into an account to be designated by *VOLKSWAGEN*. Upon this Settlement taking effect pursuant to section 6.1, the payment by the respective *Insurer* shall be effected by way of setoff against the respective entitlement to restitution under section 7.2 of the *First Coverage Settlement*, respectively section 5.2 of the *BERKSHIRE Coverage Settlement*. The declarations required for the setoff are hereby already made, subject to the condition precedent of this Settlement taking effect pursuant to section 6.1. Of the settlement amounts, *VOLKSWAGEN* shall – to the extent this has not already been done – pass on a share of 34.18% to *AUDI* and a share of 14.5% to *Porsche*.
- 1.2 The *Insurers* of the *2015 Insurance Program* shall each bear, as individual debtors of the total settlement amount under the *2015 Insurance Program* of EUR 261,890,000.00, in accordance with the percentage of their respective participation in the *Primary Policy* and/or the excess liability policies of the *2015 Insurance Program* (cf. paragraph (D) of the Preamble), the following amounts (the respective share of the *Insurer* hereinafter referred to as the "**2015 Settlement Amount**") unless specified otherwise as follows:
 - a) *2015 Primary Coverage*: EUR 25,000,000.00
 - b) *First Excess Liability Insurance 2015*: EUR 22,000,000.00

- c) *Second Excess Liability Insurance 2015*: EUR 21,750,000.00
 - d) *Third Excess Liability Insurance 2015*: EUR 20,525,000.00
 - e) *Fourth Excess Liability Insurance 2015*: EUR 35,000,000.00
 - f) *Fifth Excess Liability Insurance 2015*: EUR EUR 32,500,000.00
 - g) *Sixth Excess Liability Insurance 2015*: EUR 23,000,000.00, of which EUR 12,500,000.00 are to be borne by *TMHCC*, EUR 7,500,000.00 by *MSIG* and EUR 3,000,000.00 by *CNA*, each as individual debtors
 - h) *Seventh Excess Liability Insurance 2015*: EUR 25,500,000.00
 - i) *Eighth Excess Liability Insurance 2015*: EUR 45,615,000.00
 - j) *Ninth Excess Liability Insurance 2015*: EUR 11,000,000.00
- 1.3 The *Insurers of the 2021 Insurance Program* shall each bear, as individual debtors of the total settlement amount under the *2021 Insurance Program* in the amount of EUR 15,825,000.00, in accordance with the percentage of their respective participation in the *Primary Policy* and/or the excess liability policies of the *2021 Insurance Program* (cf. (F) of the Preamble), the following amounts (the respective share of the *Insurer* hereinafter referred to as the "**2021 Settlement Amount**"):
- a) *2021 Primary Coverage*: EUR 3,500,000.00
 - b) *First Excess Liability Insurance 2021*: EUR 7,700,000.00
 - c) *Second Excess Liability Insurance 2021*: EUR 1,625,000.00
 - d) *Third Excess Liability Insurance 2021*: EUR 3,000,000.00
- 1.4 The payments to be made by the *Insurers* as individual debtors are enumerated in the **Annex** to this agreement.
- 1.5 The Parties unanimously assume that the settlement amounts involve genuine damages payments and consequently no VAT is to be charged on the payments to be rendered by the *Insurers*. Any legal risk with regard to the VAT shall be borne by the *Companies*. For the *Insurers*, the payment of the aforementioned settlement amounts shall also be conclusive in this regard. However, they shall, within reasonable limits, provide the *Companies* with any information and documents which are relevant for an examination of the consequences under tax law or where their presentation to the tax authorities would be necessary or expedient.
- 1.6 Each *Insurer*
- a) undertakes, including with effect for the benefit of the *Companies*, not to assert its entitlements to restitution under section 7.2 of the *First Coverage Settlement*, or, in the case of *BERKSHIRE HATHAWAY*, under section 5.2 of the *BERKSHIRE Coverage Settlement*, until either the deadline pursuant to section 6.1 has expired or the setoff pursuant to section 1.1 of this Coverage Settlement has taken effect ("**Standstill**");

- b) undertakes, including with effect for the benefit of the *Companies*, not to claim default interest or any other default damages for the period of the Standstill;
- c) waives any claims within the meaning of (b) upon the Coverage Settlement taking effect, and
- d) unilaterally warrants that it has not already assigned, pledged or otherwise disposed of the entitlements to restitution by which setoff is to occur under section 1.1 or of any entitlements that it waives under this Coverage Settlement and will not dispose of them in the period until the Coverage Settlement takes effect pursuant to section 6.1.

2. Provisions for future insurance payments

- 2.1 In accordance with section 2.1 of the *First Coverage Settlement*, *Zurich*, as the primary *VW D&O* insurer, has opened a separate bank account ("**Provisions Account**"), which is administered for *VOLKSWAGEN* in trust. *Zurich* has administered the *Provisions Account* in accordance with the terms of the *First Coverage Settlement* since such *First Coverage Settlement* took effect. As of 30 September 2025, of the EUR 50 million paid into the *Provisions Account* in accordance with the terms of the *First Coverage Settlement*, a sum of EUR 13,613,399.99 had been used up ("**Difference**"). The *Parties* hereby clarify that no further payments into the *Provisions Account* are owed. The terms governing the administration of the *Provisions Account* shall continue to apply in accordance with the following provisions:
- 2.2 The *Provisions Account* shall continue to be maintained by *Zurich*. Insurance payments under the *VW D&O* have already previously been rendered for the *Relevant Facts and Circumstances* from the *Provisions Account* and such payments shall continue to be rendered in the same manner in future, provided that an *Insured Person* can still demand defence coverage and/or indemnification against liability claims from the *VW D&O Insurers*, even in consideration of the *Liability Settlements* and this Coverage Settlement, or this is the subject of a dispute. Payments from the *Provisions Account* shall expressly not be rendered on coverage claims of the insured companies.
- 2.3 Insurance payments under section 2.1 shall only be granted subject to the contractual provisions of the *VW D&O* for the respective relevant insurance period and the statutory provisions. *Zurich* shall be entitled to settle claims of *Insured Persons* arising from or in connection with the *Relevant Facts and Circumstances* out of the *Provisions Account* if the claims are substantiated in its view or, in case of dispute, if an amicable agreement or another favourable solution can be achieved.
- 2.4 The administrative costs, including expenses incurred by *Zurich* for services rendered by third parties, expenses for the defence against unjustified claims to coverage and an appropriate remuneration for the settlement services, shall be charged to the *Provisions Account*. Should claims be made against other *VW D&O Insurers* on the grounds of the *Relevant Facts and Circumstances*, they will refer the claimant to *Zurich*; in the case of a dispute in court, their expenses are to be charged to the *Provisions Account* as well. In carrying out the settlement, *Zurich* shall act with the same care that it customarily exercises in its own affairs as an insurer. At the same time, *Zurich* shall bear liability for financial losses within the scope of liability based on fault only in cases of intent. This shall also apply with regard to breaches of duty by persons whose fault *Zurich* must allow to be attributed to it under the statutory provisions and in favour of such persons.
- 2.5 Should *Insured Persons* – regardless of the basis in law – be obliged to make refunds of insurance payments they received from the *Provisions Account*, these shall be paid into the *Provisions Account*. Should the

Provisions Account already be dissolved pursuant to section 2.6, the payments shall be made into the account to be designated by *VOLKSWAGEN*. Section 1.1, last sentence shall apply mutatis mutandis.

- 2.6 The accounting of the *Provisions Account*, in particular of the insurance payments made from it, expenses and remunerations, shall be carried out by *Zurich* within four weeks after the end of each calendar half-year. *Zurich* shall provide *VOLKSWAGEN* with the accounting of its own accord. The accounting shall be carried out for the last time on 31 December of the year
- a) in which the *Provisions Account* no longer has a credit balance or
 - b) in which the last pending claims known and notified to *Zurich* or ongoing proceedings in connection with the *Relevant Facts and Circumstances* are decided with final and binding effect or the dispute has been otherwise resolved,

but no later than 31 December 2027. The credit balance on the *Provisions Account* shall be paid out to *VOLKSWAGEN* within one month after this final accounting into the account to be designated by *VOLKSWAGEN*. Section 1.1 shall apply mutatis mutandis.

- 2.7 *Zurich* has the right to inform the *Insurers* on the current status of the payments made. *Zurich* is obliged to likewise inform the *Insurers* upon request.
- 2.8 The *Companies* and the *First Excess Liability Insurance 2015* acknowledge that the management of the *Provisions Account* thus far and the resulting *Difference* were in compliance with the *provisions* of the *First Coverage Settlement*. However, this shall not affect any liability for intentional conduct.
- 2.9 Prior to the signing of this Coverage Settlement, the following provisions were agreed for the period between when the judgment was pronounced on 30 September 2025 and when the Standstill pursuant to section 1.6 took effect ("**Temporary Standstill**"):
- a) *Zurich* undertakes to continue the *Provisions Account* in accordance with sections 2.3 to 2.7 of the *First Coverage Settlement* and to handle the settlement of claims from this *Provisions Account*;
 - b) *AGCS*, *AXA XL* and *VOLKSWAGEN* consent to this continuation and the ongoing settlement of claims;
 - c) each *Insurer* undertakes, including with effect for the benefit of the *Companies*,
 - aa) not to assert its entitlements to restitution under section 7.2 of the *First Coverage Settlement* or, in the case of *BERKSHIRE HATHAWAY*, under section 5.2 of the *BERKSHIRE Coverage Settlement*, until the *Standstill* pursuant to section 1.6 has taken effect;
 - bb) not to claim default interest or any other default damages for the period of the *Temporary Standstill*;

This *Temporary Standstill* shall apply until 14 March 2026.

3. Effect of being satisfied and settled

3.1 The *Parties* agree that, with the fulfilment of the conditions precedent pursuant to section 6.1 of this Agreement and payment in full of the respective settlement amounts to be paid by the individual *Insurers* pursuant to section 1 of this Coverage Settlement,

- a) all coverage claims of *Insured Persons* as well as of the *Companies* and other insured undertakings for insured events and facts and circumstances based on or in connection with the *Relevant Facts and Circumstances*, irrespective of under which policy of which policyholder the claims fall or which insurance period they relate to; and
- b) all coverage claims of *Insured Persons* as well as of the *Companies* and other insured undertakings for insured events that occurred in the *2015 insurance period* or are to be allocated to this period for reasons pertaining to insurance contract law,

shall be deemed satisfied and settled vis-à-vis the *VW D&O Insurers* insofar as the *Parties* are authorised to dispose of the coverage claims in accordance with the contractual provisions and the German Insurance Contract Act.

At the same time, the *Companies* undertake to never or no longer assert potential coverage claims in or out of court. The *Companies* shall – to the extent legally permissible – also ensure and work towards ensuring that other *VOLKSWAGEN Group companies* likewise will not (or will no longer) assert, assign or otherwise transfer such claims against *VW D&O Insurers*.

3.2 The effect of being satisfied and settled pursuant to section 3.1 shall apply irrespective of whether this involves current or future, known or unknown, conditional or unconditional claims or rights arising from own rights or rights transferred by statutory subrogation; in particular, the *Parties* agree that no further claims can be asserted against the *VW D&O Insurers* under the *VW D&O* on the basis of or in connection with the *Relevant Facts and Circumstances*. The effect of being satisfied and settled pursuant to section 3.1 shall apply to the *VW D&O Insurers* not involved in this Coverage Settlement in the sense of a genuine contract for the benefit of third parties.

3.3 The payments to be made by the individual *Insurers* pursuant to sections 1.1 and 1.3 falling under the *2021 insurance period* shall be set off against the insured sum under the respective insurance policy from the *2021 insurance period*. Beyond that, the payments made by the *Insurers* of the *2021 insurance period* pursuant to sections 1.1 and 1.3 shall completely exhaust the insured sums of the *2021 Primary Coverage* and the subsequent excess liability insurances of the *2021 Insurance Program* for all facts and circumstances and claims based on or in connection with the *Relevant Facts and Circumstances*.

3.4 The effect of being settled pursuant to sections 3.1 to 3.3 shall apply to the benefit of the *Insurers* which have paid their respective settlement amounts pursuant to section 1 of this Coverage Settlement in full, irrespective of whether other *Insurers* have also paid their settlement amounts. In relation to the *VW D&O Insurers* which, according to this Settlement Agreement, do not have to pay a settlement amount under the *2021 insurance period*, the effect of being settled pursuant to sections 3.1 to 3.3 shall apply once the conditions precedent in section 6.1 are met.

3.5 Section 2 shall remain unaffected by the effect of being satisfied and settled pursuant to sections 3.1 to 3.3 above. Claims of *Insured Persons* to insurance payments in accordance with the pertinent insurance terms and conditions of the *VW D&O* against *VW D&O Insurers* for proceedings and claims asserted in

connection with the *Relevant Facts and Circumstances* shall be settled by the *VW D&O Insurers* in accordance with section 2 via the *Provisions Account* or – if the *Provisions Account* has been exhausted – shall be paid by the *VW D&O Insurers* after indemnification by *VOLKSWAGEN* in the context of the provisions of section 4. The *Parties* agree that this Coverage Settlement and the *Liability Settlements* do not restrict the insurance cover under section 3.3.4 of the insurance terms and conditions for the *primary coverage* due to the settlement of liability claims. For the avoidance of doubt, the *Parties* state that the counter-exception provided for in this section 3.5 shall not apply to any coverage claims by insured Companies.

- 3.6 With the fulfilment of the conditions precedent pursuant to section 6.1 of this Agreement and payment of the settlement amount in accordance with section 1 of this Agreement, the *Companies* undertake to never or no longer assert in or out of court claims against current or former members of the Boards of Management of the Companies ("**Board of Management Members**") based on or in connection with the *Relevant Facts and Circumstances*. This is a genuine contract for the benefit of third parties for the benefit of the *Board of Management Members* that can no longer be amended without the consent of the beneficiary (section 328(2) German Civil Code) and which applies irrespective of whether this involves known or unknown, conditional or unconditional claims or rights arising from own rights or rights transferred by statutory subrogation.

The *Companies* warrant that they have not assigned such claims and undertake not to make any such assignments or otherwise transfer claims.

The *Companies* shall – to the extent legally permissible – ensure and work towards ensuring that other *VOLKSWAGEN GROUP companies* likewise will not (or will no longer) assert, assign or otherwise transfer such claims against *Board of Management Members*.

- 3.7 With the fulfilment of the conditions precedent pursuant to section 6.1 of this Agreement and payment of the settlement amount in accordance with section 1 of this Agreement, the *Companies* undertake to never or no longer assert in or out of court claims against any other *Insured Persons* based on or in connection with the *Relevant Facts and Circumstances*. This is a genuine contract for the benefit of third parties for the benefit of the *Insured Persons* that can no longer be amended without the consent of the beneficiary (section 328(2) German Civil Code) and which applies irrespective of whether this involves known or unknown, conditional or unconditional claims or rights arising from own rights or rights transferred by statutory subrogation.

The *Companies* warrant that they have not assigned such claims and undertake not to make any such assignments or otherwise transfer claims.

The *Companies* shall – to the extent legally permissible – ensure and work towards ensuring that other *VOLKSWAGEN GROUP companies* likewise will not (or will no longer) assert, assign or otherwise transfer such claims against *Insured Persons*.

- 3.8 Pursuant to section 93(4), sentence 3 German Stock Corporation Act, a waiver of liability claims against (former) board members cannot be made if less than three years have elapsed since they arose. The provisions in section 3.6 and 3.7 as well as section 3.10 shall not apply to claims against board members in respect of which the three-year period in section 93(4), sentence 3 had not yet expired at the time the First Coverage Settlement was concluded on 9 June 2021.

- 3.9 In all other respects, the settlement agreed upon in sections 3.6 and 3.7 for claims of the *Companies* due to or in connection with the *Diesel Issue* shall apply comprehensively, to the extent the claims arose by 9 June 2021. Moreover, the settlement shall not apply for other claims of the *Companies* due to or in connection with the *Relevant Facts and Circumstances* insofar as it is ascertained that insurance protection does not exist for such claims under the *VW D&O*, regardless of which insurance period is involved; the burden of proof for this shall be borne by the *Companies*.
- 3.10 With regard to the *Persons against whom Claims are Asserted*, the stipulations in sections and shall not apply, but rather those in the *Liability Settlements* entered into with these persons. If they have not concluded a Liability Settlement or such settlement becomes invalid or is declared void, which is possible based on the actions for nullity and avoidance – pending at Celle Higher Regional Court – against the approval resolutions for the Liability Settlements with Dr. Winterkorn and Mr. Stadler adopted by the General Meeting on 22 July 2021 under agenda item 10, the *Companies* may, in derogation of sections 3.6 and 3.7, continue to bring actions against the *Persons against whom Claims are Asserted*, but only for that part of the claim which would remain had the *Insurers* also spent the difference between the settlement amounts pursuant to section 1 and the maximum insurance sums for the *2015 insurance period* and the *2021 insurance period* for insurance payments. With regard to the remaining part, the *Companies* undertake to never or no longer assert claims against the *Persons against whom Claims are Asserted* due to or in connection with the *Relevant Facts and Circumstances* in or out of court. This is a genuine contract for the benefit of third parties for the benefit of the *Persons against whom Claims are Asserted*, which applies irrespective of whether this involves known or unknown, conditional or unconditional claims or rights arising from own rights or rights transferred by statutory subrogation. However, the two preceding sentences shall not apply insofar as the *Persons against whom Claims are Asserted* would not have been insured for reasons other than the exhaustion of the insured sum. This shall not affect the provisions in section 4.

4. Indemnifications

- 4.1 Should, based on or in connection with the *Relevant Facts and Circumstances*, claims be asserted against one or more *VW D&O Insurers*, *VOLKSWAGEN*, foregoing the right to set-off and the right of retention, shall indemnify the *VW D&O Insurers*, inter alia,
- a) against all claims to insurance payments, especially indemnification claims under liability insurance law and claims to the assumption of the costs of legal protection of *Insured Persons*; and
 - b) against associated necessary judicial and extrajudicial costs, including the *Insurers*' own costs up to a reasonable amount, especially lawyers' fees for the review and/or defence of claims to insurance payments. The costs shall be considered necessary and reasonable if they are in line with previous regulatory practice; and
 - c) against default interest and interest accruing from the date of the proceedings becoming pending on coverage claims; and
 - d) against the costs of providing security or similar expenses caused by the *Insurers* in defending against coverage claims in court in order to prevent the enforcement of a court ruling.

For the avoidance of doubt, the *Parties* agree that *VOLKSWAGEN*'s indemnification obligation shall exist in particular for claims to insurance payments that have not been satisfied and settled vis-à-vis the persons

entitled to the claims or third parties pursuant to sections 3.1 to 3.3 of this Agreement because the *Parties* are not authorised to dispose of the claims under the contractual provisions or the German Insurance Contracts Act or because the *Parties* could not agree or have not agreed on satisfaction and settlement with effect vis-à-vis the persons entitled to the claims or third parties for other reasons. Insofar as *VW D&O Insurers* are not party to this Agreement, this is a genuine contract for the benefit of third parties for the benefit of these *VW D&O Insurers* which applies irrespective of whether this involves known or unknown, conditional or unconditional claims or rights arising from own rights or rights transferred by statutory subrogation.

4.2 The indemnification obligation pursuant to section 4.1 shall, with regard to the *2015 Insurance Program 2015*, extend to such claims against one or several *VW D&O Insurers* which are not related to the *Relevant Facts and Circumstances*.

4.3 The indemnification obligation pursuant to section 4.1 shall not apply

- a) insofar as the coverage claims can be settled via a remaining credit balance in the *Provisions Account* pursuant to section 2; or
- b) if the *Insured Person* against whom claims are asserted
 - aa) acknowledges corresponding claims for damages with the explicit consent of the *Insurers*,
 - bb) reaches a settlement in respect of these with the explicit consent of the *Insurers* or
 - cc) allows existing defence options to finally and conclusively expire without being used, with the explicit consent of the *Insurers*,

without *VOLKSWAGEN* having explicitly consented to such a course of action. *VOLKSWAGEN* shall be deemed to have given its consent if it does not explicitly object to a corresponding inquiry from the *Insurers* within two weeks. Irrespective of this, *VOLKSWAGEN*'s indemnification obligation shall continue to exist if the *Insurers* are obliged to provide coverage. The *Insurers* shall bear the burden of proof in this regard.

4.4 The indemnification obligation shall moreover not apply if the *VW D&O Insurers* acknowledge corresponding coverage claims without *VOLKSWAGEN*'s prior explicit consent, reach a settlement in respect of these or knowingly allow defence options of which they are aware to finally and conclusively expire without being used, unless the *VW D&O Insurers* had in particular to issue an acknowledgment or were otherwise obliged to take one of the above actions based on the applicable insurance terms and conditions or statutory provisions. Section 4.3(b), sentence 2 shall apply mutatis mutandis.

4.5 Insofar as insurance payments are to be repaid by the *Insured Persons*, the *VW D&O Insurers* shall forward these amounts to *VOLKSWAGEN*, *AUDI* and *Porsche* into the account to be designated by *VOLKSWAGEN* without undue delay after repayment by the *Insured Persons*. Section 1.1, last sentence shall apply mutatis mutandis.

4.6 The limitation period for an indemnification claim shall start to run at the earliest on the assertion of the respective claim against the *Insurers*. The statutory provisions on the expiry of the limitation period shall otherwise apply.

4.7 *AUDI* and *Porsche* shall indemnify *VOLKSWAGEN* to the extent that the underlying facts and circumstances relate to the respective *Company*. The *Companies* shall not be jointly and severally liable in this regard.

5. Claims for recourse and compensation, recovery claims

5.1 The *Insurers* shall not assert any claims for recourse or compensation on account of payments made by them based on their own rights or rights transferred by statutory subrogation, in particular based on section 86 German Insurance Contracts Act, against the *Companies*, *Insured Persons* or third parties. The *Insurers* shall, at *VOLKSWAGEN*'s request, assign such claims to one of the *Companies* or a third party. The transferee shall be designated by *VOLKSWAGEN*.

5.2 Insofar as the prerequisites for this laid down in the insurance policies and by law have been met, *VOLKSWAGEN* may request that the *Insurers* which are entitled to the claims in question at the time of such request assert recovery claims against *Insured Persons* on account of payments from the *Provisions Account* (section 2.5) or payments made by the *Insurers* in respect of which *VOLKSWAGEN* was obliged to issue an indemnification pursuant to section 4.1. The *Insurers* may request that *VOLKSWAGEN* reimburse all expenses, including internal costs up to a reasonable amount, incurred by them in connection with the request.

For the avoidance of doubt, the *Parties* state that this does not apply to payments the recovery of which has been waived by the *Insurers* or to amounts paid to the *Companies* pursuant to section 1.

6. Entry into effect

6.1 The entry into effect of the Coverage Settlement, with the exception of the obligation laid down in section 1.6(a), (b) and (d), is subject to the conditions precedent

- a) that the General Meetings of the *Companies* approve the Coverage Settlement and
- b) that there is no objection, recorded in the minutes, to the resolution by a minority, the aggregate of whose shares is at least equivalent to one tenth of the share capital of the respective *Company*.

The conditions precedent shall be deemed to have definitively ceased to apply should they not have been fulfilled by 31 December 2026.

6.2 Should nullity actions pursuant to section 249 German Stock Corporation Act and/or actions for avoidance pursuant to section 246 German Stock Corporation Act be filed against one or more of the resolutions within the meaning of section 6.1, this shall not affect the processing of the Coverage Settlement until final and binding judgments have been rendered in favour of the plaintiffs, unless mandatory legal provisions stipulate otherwise. Should a final and binding judgment be rendered in favour of the plaintiff in such an action, the *Parties* must return the payments made to one another with the exclusion of the pleas arising from sections 814, 818(3) German Civil Code and the right to set-off and the right of retention.

6.3 The entry into effect of this Coverage Settlement does not depend on the conclusion and entry into effect of the *Liability Settlements* with the *Persons against whom Claims are Asserted*. The conditions laid down in sections 3.1 and 3.10 for the effect of being satisfied to arise vis-à-vis the *Persons against whom Claims are Asserted* shall not be affected by this.

- 6.4 The *Parties* further agree the following with regard to the entry into effect of this Coverage Settlement:
- a) The *Companies* have instructed and authorised Gleiss Lutz to receive and make all notifications and declarations in connection with this Settlement Agreement. In the same way, the *Insurers* instruct and authorise DLA Piper. The other *Parties* must be informed of any amendment to these notification and declaration authorisations two weeks in advance.
 - b) Each *Party* shall send the following to Gleiss Lutz:
 - aa) by e-mail in advance: a scanned copy of the Coverage Settlement signed by it and initialled by it on each page;
 - bb) by post or by courier: 21 original copies of the full Coverage Settlement, initialled on each page, including the signature pages signed by hand.
 - c) The *Parties* irrevocably authorise Gleiss Lutz to put the original copies of the signature pages together with one original copy of the Settlement Agreement in each case and to send these to the *Parties*. Accordingly, the *Parties* irrevocably authorise Gleiss Lutz to put the scans sent by e-mail in advance together to form an electronic document.
- 6.5 This Settlement shall already enter into effect if Gleiss Lutz has sent the electronic document created in accordance with the above provision to DLA Piper by e-mail. The written form requirement pursuant to section 8.2 shall not apply in this regard.

7. Costs incurred in connection with the conclusion of this Agreement

Each *Party* shall bear the costs incurred and yet to be incurred by it in connection with the preparation and implementation of this Coverage Settlement itself.

8. Miscellaneous

- 8.1 There are no side agreements to this Coverage Settlement.
- 8.2 Unless a different form is stipulated by mandatory law or this Coverage Settlement,
- a) amendments to this Coverage Settlement must be in written form within the meaning of section 126 German Civil Code excluding section 127(2) German Civil Code;
 - b) text form within the meaning of section 126b German Civil Code shall suffice for other notifications, requests, objections or other declarations.
- 8.3 *VOLKSWAGEN* irrevocably instructs and authorises Volkswagen Insurance Brokers GmbH to make as well as to receive declarations pursuant to sections 4.4 and 4.5.
- 8.4 All disputes arising out of or in connection with this Coverage Settlement are subject to German law, excluding the conflict of laws provisions.

- 8.5 All disputes arising out of or in connection with this Coverage Settlement or pertaining to its validity are to be finally decided upon under the Arbitration Rules of the German Arbitration Institute (DIS), excluding the right to bring suit before a state court.
- a) The arbitral tribunal shall consist of three arbitrators.
 - b) The place of arbitration shall be Frankfurt am Main.
 - c) The proceedings shall be conducted in German.
- 8.6 Should a provision of this Coverage Settlement be or become invalid or unenforceable in whole or in part, or should there prove to be an omission when this Coverage Settlement is implemented, this shall not affect the validity of the remaining provisions. The invalid or unenforceable provision shall be replaced or the omission remedied by a reasonable and legally permissible provision that comes closest in economic terms to what the *Parties* wanted or would have wanted had they considered the invalidity or unenforceability or the omission.

Annex

Excess Liab. Ins.	Insurer	2015 Settlement Amount (EUR)
0	Zurich*	25,000,000.00
1	AXA XL*	22,000,000.00
2	AGCS*	21,750,000.00
3	AXA XL*	20,525,000.00
4	AIG	17,500,000.00
4	HDI	17,500,000.00
5	Liberty	13,000,000.00
5	AWAC	9,750,000.00
5	AXA XL	6,500,000.00
5	AGCS	3,250,000.00
6	TMHCC	12,500,000.00
6	MSIG	7,500,000.00
6	CNA	3,000,000.00
7	QBE	15,300,000.00
7	Lloyd's 4711	5,100,000.00
7	R+V	5,100,000.00
8	RiverStone	7,602,500.00
8	Great Lakes	7,602,500.00
8	Starr	6,082,000.00
8	Brit	4,561,500.00
8	IntactInsurance	4,561,500.00
8	ANV / Lloyd's 1861	3,041,000.00
8	Arch	3,041,000.00
8	AXA XL	3,041,000.00
8	TMHCC	3,041,000.00
8	Lloyd's 0623 and 2623	1,520,500.00
8	Lloyd's 2468	1,520,500.00
9	AIG	5,500,000.00
9	SwissRe	5,500,000.00
	Total	261,890,000.00

Excess Liab. Ins.	Insurer	2021 Settlement Amount (EUR)
0	Zurich	3,500,000.00
1	Berkshire Hathaway	7,700,000.00
2	AXA XL	975,000.00
2	AIG	650,000.00
3	AIG	900,000.00
3	HDI	900,000.00
3	QBE	600,000.00
3	Generali	300,000.00
3	ANV / AmTrust	150,000.00
3	Navigators / The Hartford / Lloyd's 1221	150,000.00
	Total	15,825,000.00

* Minus the amounts already paid in accordance with paragraph (L) of the preamble.

2. Settlement agreement between Volkswagen Aktiengesellschaft, AUDI Aktiengesellschaft and Professor Dr Martin Winterkorn dated June 9, 2021

Liability Settlement

between

- (1) VOLKSWAGEN AKTIENGESELLSCHAFT, Berliner Ring 2, 38440 Wolfsburg ("**VOLKSWAGEN**" or "**VOLKSWAGEN AG**"), represented by the Supervisory Board,
- (2) AUDI Aktiengesellschaft, Auto-Union-Strasse 1, 85045 Ingolstadt ("**AUDI**" or "**AUDI AG**"), represented by its Board of Management and Supervisory Board,

- VOLKSWAGEN and AUDI also referred to hereinafter as "**Companies**" -

- (3) Prof. Dr. Martin Winterkorn, represented by Dr. Kersten von Schenck, M.C.J. (NYU), lawyer and notary, Arndtstrasse 28, 60325 Frankfurt am Main and by CYRUS Rechtsanwälte PartG mbB, Mainzer Landstrasse 50, 60325 Frankfurt am Main, each being authorised to represent him on their own.

(VOLKSWAGEN, AUDI and Professor Winterkorn also referred to hereinafter individually as "**Party**" and collectively as "**Parties**").

Preamble

- (A) From 1996 to 2005, Prof. Dr. Winterkorn was a member of the Board of Management for the Volkswagen Passenger Cars brand, where he was responsible for the Technical Development Division. Between 2000 and 2002, he was responsible for the Research and Development Division on VOLKSWAGEN's Group Board of Management. He was Chairman of the Board of Management of AUDI from 2002 to the end of 2006, before becoming Chairman of the Board of Management of VOLKSWAGEN on 1 January 2007, taking over responsibility for, among other things, the Research and Development, Sales, Quality Management and Legal Divisions as well as the position of Chairman of the Board of Management for the Volkswagen Passenger Cars brand. On 30 June 2015 Prof. Dr. Winterkorn retired from his post as Chairman of the Board of Management for the "Volkswagen Passenger Cars" brand. On 23 September 2015 he resigned from the Board of Management of Volkswagen. His employment contract ended on 31 December 2016.
- (B) Based on a comprehensive review, VOLKSWAGEN, AUDI and Dr. Ing. h.c. F. Porsche Aktiengesellschaft ("**Porsche**") came to the conclusion that several of their former board members breached their duties of care in connection with the diesel issue. The term "Diesel Issue" refers in this context to the development, installation, distribution and other use of certain software functions in the engine control unit of EA189 and EA288 diesel engines as well as various V-TDI engines that led to deviations between the exhaust emissions during dynamometer operation and road use and all facts and circumstances related thereto. For the purposes of this Liability Settlement, the term also covers the clarification and investigation of the matter at VOLKSWAGEN, AUDI and Porsche following the publication of the Notice of Violation by the US Environmental Protection Agency (EPA) on 18 September 2015.

As a consequence, the Supervisory Board of VOLKSWAGEN wrote to Prof. Dr. Winterkorn on behalf of the Company on 26 March 2021 asserting claims for damages against him for breaches of duty based on section 93(2), sentence 1 German Stock Corporation Act. VOLKSWAGEN accuses Prof. Dr. Winterkorn of

having breached his duties of care as former Chairman of the Board of Management of VOLKSWAGEN AG by having failed, in the period from 27 July 2015 on, to promptly and comprehensively clarify the circumstances behind the use of unlawful software functions in 2.0l TDI diesel engines sold in the North American market between 2009 and 2015. VOLKSWAGEN argues that Prof. Dr. Winterkorn also failed to ensure that the questions asked by the US authorities in this context were answered truthfully, completely and without delay, and that VOLKSWAGEN suffered substantial damage as a result that must be compensated by Prof. Dr. Winterkorn.

Through the lawyers instructed by him, Prof. Dr. Winterkorn has rejected the allegation of a breach of the duties of care and disputed both the merits and the amount of the asserted claims.

- (C) Since 1 January 2012, VOLKSWAGEN has maintained a D&O insurance policy ("**Primary Policy**") with Zurich with an insured sum of EUR 25 million (policy no. 802.380.116.137), that is part of an international insurance plan. The Primary Policy is supplemented by various excess liability insurance policies (together with the Primary Policy, the "**VW D&O**", the insurers participating in the VW D&O in the 2015 and 2021 insurance periods, together the "**D&O Insurers**"). The VW D&O provides coverage to contractually defined persons who work or worked for VOLKSWAGEN or other companies covered by the policy (AUDI, among others) according to the insurance terms and conditions in the event that claims for damages are asserted against them. The insured persons include, in particular, former or current board members of the Companies.

VOLKSWAGEN, AUDI and PORSCHE shall conclude a settlement agreement with the D&O Insurers ("**Coverage Settlement**") to settle all coverage claims from the VW D&O in connection with exhaust emission and consumption value manipulations (as defined in the Coverage Settlement, the "**Relevant Facts and Circumstances**").

The Coverage Settlement stipulates, among other things, that claims of VOLKSWAGEN for damages against Prof. Dr. Winterkorn shall continue to exist to the extent that they exceed the maximum insured sum still available in each case or if they are not insured for other reasons, unless a corresponding Liability Settlement with Prof. Dr. Winterkorn has been entered into and the performance owed under the Liability Settlement has been rendered.

- (D) Against this background, the Parties wish, in the interests of both sides, to avoid years-long disputes over the asserted claims and to come to a mutual agreement, whilst maintaining their respective standpoints on liability.

For this purpose, the Parties agree the following:

1. Own Contribution of Prof. Dr. Winterkorn

- 1.1 Prof. Dr. Winterkorn agrees to make payments to VOLKSWAGEN totalling EUR 11,200,000 (in words: eleven million two hundred thousand euros) in accordance with sections 1.2 and 1.3 below (the "**Own Contribution**"). Save where this Liability Settlement contains a more specific provision, the Own Contribution shall be made without prejudice to payments made by the D&O Insurers and independently of personal own contributions made by other potentially liable parties. The Parties agree by way of a genuine contract for the benefit of Third Parties that no indemnification or any other form of full or partial compensation can be claimed from the D&O Insurers for this Own Contribution.
- 1.2 Prof. Dr. Winterkorn agrees to make this Own Contribution by paying an amount of EUR 7,210,000 in two equal annual instalments of EUR 3,605,000 to an account to be specified by VOLKSWAGEN.

1.3 In addition to that, Prof. Dr. Winterkorn hereby irrevocably and completely waives the following claims against VOLKSWAGEN (in each case including claims for interest, if any):

- a) Long-Term Incentive Bonus (LTI) for the 2016 financial year in the amount of EUR 2,655,000.00 gross, and
- b) bonus for the 2016 financial year in the amount of EUR 1,335,000.00 gross,

the due date for payment of both of which has been deferred pursuant to agreements of 9 May 2017, 29 May 2018, 14 May 2019 and 18 June 2020 to 30 June 2021.

The Parties are in agreement that, with the exception of the claim to a pension pursuant to section 7 of the services agreement with VOLKSWAGEN of 19 May 2011, Prof. Dr. Winterkorn has no claims to remuneration against the Companies.

VOLKSWAGEN and Prof. Dr. Winterkorn are further in agreement that Prof. Dr. Winterkorn also has no claims to remuneration against any companies other than AUDI that are affiliated with VOLKSWAGEN as parent company. In relation to any other affiliated company, this agreement constitutes a separate, genuine contract for the benefit of Third Parties, for the purposes of which AUDI represents the other companies affiliated with VOLKSWAGEN as parent company and hereby accepts the agreement on their behalf.

1.4 Prof. Dr. Winterkorn accepts this obligation to pay

- a) without acknowledging any duty to pay damages or any liability,
- b) without acknowledging any breach of duty in connection with the Relevant Facts and Circumstances, and
- c) without prejudice in terms of a legal dispute, should this Liability Settlement not take effect.

1.5 The first instalment of the Own Contribution shall be due for payment on 15 September 2021, but no earlier than two weeks after the condition precedent pursuant to section 5.1 has been met. Prof. Dr. Winterkorn shall have the right to pay before the amount becomes due. The second instalment shall be due for payment on 15 September 2022. Prof. Dr. Winterkorn warrants that he has not already assigned, pledged or otherwise disposed of the claims which he is waiving pursuant to section 1.3(a) and (b) and that he will not dispose of them in the period until the waiver takes effect.

1.6 If and to the extent that the Own Contribution is not paid when due, interest shall be payable thereon from the due date at the statutory rate pursuant to section 288(1), sentence 2 German Civil Code. A reminder is not necessary.

1.7 Insofar as this Liability Settlement does not provide otherwise, all known or unknown, current or future, conditional or unconditional claims of the Companies and their subsidiaries against Prof. Dr. Winterkorn out of or in connection with the Relevant Facts and Circumstances, regardless of their legal basis, are satisfied and settled as soon as Prof. Dr. Winterkorn has paid his Own Contribution in full.

1.8 Pursuant to section 93(4), sentence 3 German Stock Corporation Act, a waiver of claims of the Companies cannot be made if less than three years have elapsed since they have arisen. Claims of this kind are therefore excluded from satisfaction and settlement.

2. Payments by the D&O Insurers and Waivers of the Companies

- 2.1 The payments made and yet to be made by the D&O Insurers shall be determined by reference to the insurance policy and the Coverage Settlement with the D&O Insurers. Prof. Dr. Winterkorn agrees to the Coverage Settlement, which is attached to this Settlement (without signatures).
- 2.2 Notwithstanding section 1.7, the Companies reserve the right to assert claims against Prof. Dr. Winterkorn for liability for the damage resulting from the Relevant Facts and Circumstances,
- a) should, following performance of the condition pursuant to section 5.1, a court find, *res judicata*, the Coverage Settlement to be void or declare it, *res judicata*, void, and
 - b) should, for that reason, the D&O Insurers not pay in full the contributions provided for in the Coverage Settlement towards the settlement of the damage or demand that all or part of their settlement contributions be reimbursed.

If they obtain an enforceable judgment in such a case, the Companies shall not, however, seek enforcement against the (other) private assets of Prof. Dr. Winterkorn. Therefore, enforcement may only be sought against his claims against the D&O Insurers for indemnification or his recourse claims against other debtors, in particular joint and several debtors, out of or in connection with the Relevant Facts and Circumstances. However, this limitation on enforcement shall only apply

- (i) if Prof. Dr. Winterkorn has paid his Own Contribution as defined in section 1 in full, and
- (ii) if, at the request of VOLKSWAGEN and AUDI, he assigns in full his claims against the D&O Insurers for indemnification in relation to the *res judicata* liability claims to one of the Companies or a Third Party to be specified by the Companies, and
- (iii) if he has not violated any obligation *vis-à-vis* the D&O Insurers, resulting in him losing some or all of his D&O cover.

The conclusion of this Liability Settlement and the waiver of the statute of limitations in section 5.3 do not, according to the common understanding of the Parties, constitute a violation of any obligation *vis-à-vis* the D&O Insurers. Should, contrary to expectations, this assessment prove to be incorrect, Prof. Dr. Winterkorn shall not be liable *vis-à-vis* the Companies in this regard.

- 2.3 In cases where the Companies or one of the Companies wish to take action against D&O Insurers that are excluded from the effect of being satisfied and settled in the Coverage Settlement with the aim of enforcing claims to insurance payments against these D&O Insurers, section 2.2 shall apply *mutatis mutandis*.
- 2.4 In cases covered by section 2.2(b) or section 2.3, the Companies can require Prof. Dr. Winterkorn to make a written transfer to one of the Companies of all or some of his indemnification claims against the D&O Insurers – insofar as they relate to the claims for damages asserted by the Companies – but not of his claims to defence costs against the D&O Insurers. Prof. Dr. Winterkorn guarantees that he will not encumber the indemnification claims with Third-Party rights, but he gives no guarantee for the valid existence and enforceability of the indemnification claims. The Companies are then entitled, but not obliged, to file a direct action against the D&O Insurers that have not signed the Coverage Settlement or that ask for repayment of the settlement contributions. The Companies shall not transfer the assigned claims to Third

Parties, with the exception of D&O Insurers in the context of a settlement or any other satisfaction of coverage claims.

3. Indemnification, Counterclaims

3.1 VOLKSWAGEN shall indemnify Prof. Dr. Winterkorn against all claims

- a) that Third Parties are awarded, *res judicata*, against Prof. Dr. Winterkorn on the basis of his work for the Companies based on the Relevant Facts and Circumstances, or with regard to which a court decision is at least provisionally enforceable, insofar as Prof. Dr. Winterkorn assigns his claims to reimbursement of the payments made on the basis of the provisionally enforceable ruling to the Companies, or
- b) that Prof. Dr. Winterkorn acknowledges with the consent of the Companies, or
- c) with regard to which, with the consent of the Companies, he waives his right to appeal or seek legal redress in the course of a legal dispute.

"Third Parties" within the meaning of this Liability Settlement shall be any and all natural or legal persons with the exception of VOLKSWAGEN, AUDI and Prof. Dr. Winterkorn.

The indemnification shall also extend to the costs that Prof. Dr. Winterkorn incurs in connection with the defence against these claims or criminal or other allegations brought forward by the authorities out of or in connection with the Relevant Facts and Circumstances, except where a D&O Insurer could explicitly and legitimately object to the level of the costs. No claim to indemnification shall exist insofar as Prof. Dr. Winterkorn receives or has received payments from the D&O Insurers or has a claim to such payments. The defence of claims shall also include defending claims asserted by the Companies against Prof. Dr. Winterkorn under section 2.2 or section 2.3.

A claim to indemnification shall only exist insofar as

- (i) Prof. Dr. Winterkorn does not receive or has not received any payments from the D&O Insurers or through one of the Companies and
- (ii) the D&O Insurers have rejected a request for indemnification from Prof. Dr. Winterkorn or have taken longer than a month to reply to such a request.

Each Company shall grant indemnification to the extent that the claim asserted against Prof. Dr. Winterkorn or the criminal or official proceedings concern work at the respective Company. Should a Company not grant indemnification within a reasonable period, the Companies shall be jointly and severally liable.

3.2 A claim to indemnification pursuant to section 3.1 shall moreover only exist insofar as

- a) coverage is not excluded under the D&O terms and conditions, and
- b) the insured sum agreed in the D&O policies has not already been exhausted by insurance payments of the D&O Insurers – including the settlement contributions based on the Coverage Settlement – and the indemnification payments made by VOLKSWAGEN, AUDI and Porsche in connection with the Relevant Facts and Circumstances to the benefit of insured persons, and

an indemnification does not violate section 93(4), sentence 3 German Stock Corporation Act.

Corresponding to the stipulation under letter b), the Parties agree by way of a genuine contract for the benefit of Third Parties that if Prof. Dr. Winterkorn asserts claims against the D&O insurers, they too can, as regards the utilisation of the insured sum, apply the payments that VOLKSWAGEN, AUDI and Porsche have made in place of the insurers on the basis of the indemnification of insured persons. The exclusion/restriction of the indemnification commitment given in letters a) and b) shall not apply to the reimbursement of costs for the defence of claims and other legal defence costs.

- 3.3 Prof. Dr. Winterkorn shall notify the Companies of every assertion of claims included under section 3.1 against him and every announcement of such assertion of claims without undue delay. Prof. Dr. Winterkorn undertakes to refrain from submitting any acknowledgement, or waiver of pleas or objections, and from concluding any settlement or any other such binding arrangement in relation to such assertion of claims without the consent of the Companies. The Companies are, as far as legally permissible and provided that the indemnification is not restricted by section 3.2, each entitled to take all legally permissible measures themselves or on behalf of Prof. Dr. Winterkorn to prevent claims being asserted or to settle the matter in some other way. Prof. Dr. Winterkorn shall support the Companies in preventing or settling claims. Should the Companies not exercise their right pursuant to sentence 3, they shall support Prof. Dr. Winterkorn in line with sentence 4.
- 3.4 Prof. Dr. Winterkorn shall assert any claims to which he might be entitled against Third Parties from the VOLKSWAGEN Group (in particular other – also former – board members or employees of the Companies) arising from or in connection with the Relevant Facts and Circumstances, only with the consent of the Companies. This shall not apply, however, insofar as the restriction of Prof. Dr. Winterkorn's indemnification claim applies pursuant to section 3.2.
- 3.5 Unless provided otherwise in this Liability Settlement, Prof. Dr. Winterkorn hereby waives, as a matter of precaution, all potential claims against the Companies on account of expenses incurred by him in connection with the Relevant Facts and Circumstances, including any losses. To the extent that the Companies have borne or reimbursed such expenses by the date on which this Liability Settlement has become effective, Prof. Dr. Winterkorn shall not be under an obligation to repay such expenses; the Companies hereby waive any repayment. Prof. Dr. Winterkorn hereby accepts this waiver.

4. Tax Aspects

Should the arrangements made in this Liability Settlement trigger an obligation to pay wage tax, the following shall apply: VOLKSWAGEN or the company affiliated with VOLKSWAGEN that is under an obligation to pay wage tax shall file an application to the tax authority to determine the wage tax vis-à-vis the taxable person (Prof. Dr. Winterkorn) pursuant to section 42d German Income Tax Act and enable Prof. Dr. Winterkorn to submit reasons to the tax office for determining the wage tax vis-à-vis the taxable person in an appropriate manner and reply to any rejection of the application. Insofar as the tax office has not accepted the application ten banking days before the wage tax is due, VOLKSWAGEN or its affiliate obliged to pay wage tax shall be justified in notifying Prof. Dr. Winterkorn of the amount (including solidarity surcharge) that needs to be paid. Prof. Dr. Winterkorn shall transfer this amount to the account specified by VOLKSWAGEN within five banking days of receiving relevant notification from VOLKSWAGEN. VOLKSWAGEN or its affiliate that is under an obligation to pay wage tax shall be justified in paying the amount to the tax office if the tax office has failed to accept the application two banking days before the

wage tax is due. Should the amount not be paid to the tax office, it shall be transferred back to Prof. Dr. Winterkorn. The possibility for Prof. Dr. Winterkorn to deduct the wage tax paid from his income tax remains unaffected.

5. Entry into Effect

5.1 With the exception of section 5.3, this Liability Settlement is subject to the condition precedent

- a) that the General Meetings of the Companies approve the Liability Settlement,
- b) that there is no objection to the resolution, recorded in the minutes, by a minority whose aggregate shares are at least equivalent to one tenth of the share capital of the respective Company (section 93(4), sentence 3 German Stock Corporation Act) and
- c) that the condition precedent with the D&O Insurers pursuant to section 7.1 Coverage Settlement has been fulfilled.

The condition precedent shall be deemed to have definitively ceased to apply should it not have been fulfilled by 31 December 2021. The fulfilment of the condition precedent shall no longer apply either with retroactive effect (*ex tunc*) or with future effect (*ex nunc*) in the event that an avoidance or nullity action is brought.

5.2 The entry into effect of this Liability Settlement does not depend on the conclusion and entry into effect of any Liability Settlements with other (former) board members of the Companies or with (former) board members of the undertakings affiliated with the Companies.

5.3 Prof. Dr. Winterkorn hereby waives *vis-à-vis* the Companies the plea of the statute of limitations with respect to claims arising from the Relevant Facts and Circumstances, to the extent that such claims are not already statute-barred when the Liability Settlement is signed. This waiver of the statute of limitations shall end six months after a final and binding decision or other final settlement of the last action for avoidance or nullity brought against the Liability Settlement or the approval resolutions adopted by the Supervisory Board or the General Meeting of one of the Companies. The running of the limitation period shall be suspended until that point in time. Should the condition precedent pursuant to section 5.1 not be met, this waiver of the statute of limitations shall end on 30 June 2022. Should, contrary to the Parties' expectations, a D&O Insurer declare that it regards this waiver of the statute of limitations as a violation of obligations, Prof. Dr. Winterkorn shall inform the Companies. The Companies shall then notify Prof. Dr. Winterkorn of whether they will, for their part, waive the waiver of the statute of limitations with retroactive effect or indemnify Prof. Dr. Winterkorn against all economic disadvantages suffered by him as a result of the relevant D&O Insurer not having expressly consented to this waiver of the statute of limitations. The provisions of this section 5.3, sentences 1 and 2 are not subject to the condition precedent of section 5.1, are not in any synallagmatic relationship with performances of the Companies and exist regardless of the validity of the other terms of this Liability Settlement.

5.4 In the event that an action for avoidance or nullity is brought against the Coverage Settlement or this Liability Settlement before Prof. Dr. Winterkorn has paid his Own Contribution, the Companies shall as a matter of precaution waive pleas arising from sections 814, 818(3) German Civil Code. This waiver exists regardless of the validity of the other terms of this Liability Settlement.

6. Miscellaneous

- 6.1 In the event of conflicts between this Liability Settlement and the Coverage Settlement, the provisions of this Liability Settlement shall take precedence in the relationship between the Parties.
- 6.2 There are no side agreements to this Liability Settlement. Amendments to this Liability Settlement, including to this written form requirement, must be in written form within the meaning of section 126 German Civil Code excluding section 127(2) German Civil Code. Notifications shall require text form.
- 6.3 German law shall apply to any and all disputes arising from or in connection with this Liability Settlement. The place of performance shall be Wolfsburg, Braunschweig, Germany shall be the place of jurisdiction to the extent permitted by law.
- 6.4 Should a provision of this Liability Settlement be or become invalid or unenforceable in whole or in part, or should there prove to be an omission when this Coverage Settlement is implemented, this shall not affect the validity of the remaining provisions. The invalid or unenforceable provision shall be replaced or the omission remedied by a reasonable and legally permissible provision that comes closest in economic terms to what the Parties wanted or would have wanted had they considered the invalidity or unenforceability or the omission.

3. Report of the Supervisory Board and the Board of Management of Volkswagen Aktiengesellschaft on agenda items 7A and 7B

A. Introduction

I. Resolutions in the Annual General Meeting 2026

The Supervisory Board and Board of Management of Volkswagen Aktiengesellschaft (**Volkswagen**) propose that the Annual General Meeting approve the coverage settlement between Volkswagen, AUDI AG (**AUDI**) and Dr. Ing. h.c. F. Porsche AG (**Porsche**; Volkswagen, AUDI and Porsche, together the **Companies**) on the one hand and the D&O insurers of Volkswagen on the other dated 10 March 2026 (**Coverage Settlement 2026**) under Agenda Item 7A. The Supervisory Board and Board of Management propose that the Annual General Meeting confirm the resolution from the Annual General Meeting on 22 July 2021 (the **2021 Annual General Meeting**) regarding the approval of the settlement agreement between Volkswagen, AUDI and the former Chair of the Board of Management Professor Martin Winterkorn pursuant to section 244 of the German Stock Corporation Act (AktG) under Agenda Item 7B.

This report will present and provide detailed information on the key context, content and considerations of the Supervisory Board and Board of Management pertaining to the resolutions proposed under Agenda Items 7A and 7B.

II. 2021 Annual General Meeting Report

Under Agenda Item 10a, the 2021 Annual General Meeting approved a settlement agreement between Volkswagen, AUDI and Professor Winterkorn dated 9 June 2021. Under Agenda Item 10b, the 2021 Annual General Meeting approved a settlement agreement between Volkswagen, AUDI and the former member of the Board of Management Mr Rupert Stadler dated 9 Juni 2021 (the agreements with Professor Winterkorn and Mr Stadler are each individually termed a **liability settlement** and together the **liability settlements**). Ultimately, under Agenda Item 11, the 2021 Annual General Meeting approved a settlement agreement concluded with the D&O insurers of Volkswagen on 9 June 2021 (**2021 coverage settlement**). The resolutions of consent relating to Agenda Items 10a, 10b and 11 were each passed with a majority of over 99.9% of the votes cast.

The Supervisory Board and the Board of Management had submitted a comprehensive and voluntary report on Agenda Items 10 and 11 of the 2021 Annual General Meeting to the 2021 General Meeting (**2021 Annual General Meeting Report**). The 2021 Annual General Meeting Report presented and provided detailed information on the key context, content and considerations of the Supervisory Board and the Board of Management pertaining to the settlement agreements that had been submitted to the 2021 Annual General Meeting for approval. The 2021 Annual General Meeting Report is the subject of the additional information provided on Agenda Items 7A and 7B of this Annual General Meeting and is available on demand to the shareholders from the point in time at which the meeting is called, as is also the case for this report.

Insofar as the statements in the 2021 Annual General Meeting Report remain significant for the resolutions under Agenda Items 7A and 7B, reference will be made to those respective statements in the following report. Insofar as there have been changes or further developments since the 2021 Annual General Meeting that the Supervisory Board and Board of Management deem relevant, these changes or further developments will be explained in this report.

B. Initial situation

I. Settlements and resolutions of consent in 2021 and the interim conclusion of a further coverage settlement with Berkshire

Against the backdrop of the diesel issue, Volkswagen and AUDI concluded the liability settlements with Professor Winterkorn and Mr Stadler in June 2021. The conclusion of these settlements is based on a comprehensive examination of the diesel issue. The renowned law firms Gleiss Lutz and Linklaters conducted in-depth investigations and prepared comprehensive expert opinions for this purpose. In the expert opinion drawn up by Gleiss Lutz in relation to the liability of members of the Board of Management in connection with the diesel issue, it was determined that Professor Winterkorn and Mr Stadler had committed breaches of duty due to negligence; when reviewing the responsibilities of the members of the Supervisory Board in office during the relevant time period, Linklaters established that Professor Winterkorn had committed a negligent breach of duty in his capacity as member of the Supervisory Board of AUDI. Based on these expert observations, the decision was made in March 2021 to assert claims against Professor Winterkorn and Mr Stadler, whereupon settlement negotiations commenced, resulting in the conclusion of liability settlements in June 2021. The subject of these liability settlements included a personal deductible for Professor Winterkorn in the amount of €11.2 million and for Mr Stadler in the amount of €4.1 million.

In June 2021, Volkswagen, AUDI and Porsche also concluded the 2021 coverage settlement with D&O insurers of Volkswagen in connection with the diesel issue. This stipulated that the insurers involved would have to pay settlement amounts totalling around €270 million. Information on the D&O insurance programme of the Volkswagen Group for the 2015 and 2021 insurance periods, which were decisive for the diesel issue, can be found in the 2021 Annual General Meeting Report (there under Section C.).

The 2021 Annual General Meeting approved the liability settlement with Professor Winterkorn (at that time Agenda Item 10a), the liability settlement with Mr Stadler (at that time Agenda Item 10b) and the 2021 coverage settlement (at that time Agenda Item 11) each with a majority of over 99.9% of the votes cast (**2021 resolutions of consent**). Where necessary, the annual general meetings of AUDI and Porsche also approved the settlement agreements. The Annual General Meeting of AUDI approved the liability settlements and the 2021 coverage settlement. The Annual General Meeting of Porsche approved the 2021 coverage settlement.

Once approval was granted by the annual general meetings, the insurers involved in the 2021 coverage settlement paid the agreed settlement amounts in full. Of the settlement amounts paid out to Volkswagen thus far, Volkswagen transferred a share of 34.18% to AUDI and a share of 14.50% to Porsche (see distribution criteria under Section C.I.2). Professor Winterkorn and Mr Stadler also paid their personal deductibles (for further information on the furnishing of the personal deductible by Mr Stadler, see Section B.IV.).

In addition to the aforementioned, in March 2021 the supervisory boards of AUDI and Porsche accused former members of the Board of Management of AUDI, Professor Ulrich Hackenberg and Dr Stefan Knirsch, and former member of the Board of Management of Porsche, Mr Wolfgang Hatz, of negligent breaches of their duty of care, as per stock corporation law, in connection with the diesel issue, and decided to assert claims for damages against these persons. The Board of Management of Volkswagen also asserted claims for damages against former employee of Volkswagen, Dr Heinz-Jakob Neußer (former member of the Volkswagen brand Board of Management), due to breaches of duty in connection with the diesel issue. Dr Neußer was likewise covered by the D&O insurance for the Volkswagen Group. In this context, AUDI concluded a liability settlement with Dr Knirsch in 2021, and Porsche concluded a liability settlement with Mr Hatz, also in 2021. Volkswagen and AUDI are also party to the liability settlement with Mr Hatz due to the fact that Mr Hatz was employed by Volkswagen and AUDI before he accepted his role on the Board of Management of Porsche. The aforementioned liability settlements were followed by a court settlement between Volkswagen and Dr Neußer in 2022. In 2023, AUDI also concluded a liability settlement with Professor Hackenberg.

In July 2025, Volkswagen, AUDI and Porsche concluded a supplementary coverage settlement (**Berkshire coverage settlement**) with Berkshire Hathaway European Insurance DAC, Germany (**Berkshire**). Berkshire was one of the insurers involved in Volkswagen's D&O insurance programme in the 2021 insurance period but was not prepared to be party to the 2021 coverage settlement at the time. A comparable settlement could not be achieved until 2025 with the conclusion of the Berkshire coverage settlement. The Berkshire coverage settlement stipulates that a settlement amount of €7.7 million be paid by Berkshire. This settlement amount has also been paid by Berkshire. From this settlement amount, Volkswagen has transferred a share of 34.18% to AUDI and a share of 14.50% to Porsche (see distribution criteria under Section C.I.2).

II. Legal proceedings for deficiencies in resolutions and decision of the German Federal Court of Justice (BGH)

After the 2021 Annual General Meeting, shareholders filed complaints against the 2021 resolutions of consent, among other things. The Regional Court of Hannover dismissed these complaints in full in its ruling on 12 October 2022, thus confirming Volkswagen's legal opinion in every respect. The claimants appealed the decision of the Regional Court of Hannover, which was then dismissed in full by the Higher Regional Court of Celle in a ruling dated 29 November 2023 (**appeal ruling**), thus also proving Volkswagen right in all respects.

The claimants then lodged an appeal with the German Federal Court of Justice against the decision of the appellate court. In a ruling dated 30 September 2025 (case number: II ZR 154/23, **final judgement of appeal**), the German Federal Court of Justice declared the resolution of consent for the 2021 coverage settlement to be invalid. In terms of the resolutions of consent pertaining to the liability settlements, the court remitted the case to the Higher Regional Court in Celle for a rehearing and new decision as such the resolutions of consent pertaining to the liability settlements currently remain in effect.

The German Federal Court of Justice deemed the complaints filed by the claimants against the 2021 resolutions of consent to be unfounded for the most part. In particular, the Federal Court of Justice provided detailed reasoning as to why the complaints submitted by the claimants against the content-related design of the settlement agreements would not lead to the 2021 resolutions of consent becoming contestable nor would it annul these. The court had thus not objected to the content of the liability settlements. The final judgement of appeal was based on two formal aspects

- on the one hand, the Federal Court of Justice was of the opinion that the Agenda Item 11 recorded at that time regarding the approval of the 2021 coverage settlement should have included further information. The Agenda should have included reference to the fact that, by way of a genuine agreement in favour of third parties in the form of the 2021 coverage settlement, Volkswagen had, among other things, undertaken to permanently refrain from and to no longer assert possible claims against current and former members of the Board of Management and the Supervisory Board either in court or outside of court. By contrast, it would not have been sufficient to include the relevant notes in the further information on the agenda (particularly in the 2021 Annual General Meeting Report). This was due to the fact that this further information was not officially part of the agenda, even though the shareholders would have been able to access this information just as easily as they could have accessed the agenda itself. For this reason, the German Federal Court of Justice declared the resolution of consent for the 2021 coverage settlement to be invalid.
- On the other hand, the German Federal Court of Justice was of the opinion that, based on the findings of the Higher Regional Court in Celle, it was ultimately unclear whether possible rights to information on the part of the shareholders had been violated in the 2021 Annual General Meeting as pertains to the financial circumstances of Professor Winterkorn and Mr Stadler, thus indicating a formal deficiency of the resolutions of consent. In the 2021 Annual General Meeting Report, the Supervisory Board and Board of Management has explained that the financial capacity of the individuals against whom claims had been asserted fell far short of the damages attributable to said individuals in the eyes of the Company, even if the insurance sum were taken into account. As such, it was clear from the very beginning that it was

unrealistic to expect the claims for damages as estimated by the Company to be paid in full. In the opinion of the German Federal Court of Justice, the situation raises the question as to whether the 2021 Annual General Meeting had received information in response to the shareholders' questions that would make this assessment comprehensible from the viewpoint of the 2021 Annual General Meeting. The German Federal Court of Justice is of the opinion that further coherent findings are required if the question as to whether the shareholders' rights to information were violated in the 2021 Annual General Meeting is to be clarified. For this reason, the German Federal Court of Justice remitted the case concerning the resolutions of consent regarding the liability settlements to the Higher Regional Court in Celle for a new hearing. Volkswagen maintains its legal opinion that the shareholders' rights to information were in no way violated in the 2021 Annual General Meeting.

The resolution of consent regarding the 2021 coverage settlement was thus declared invalid; the resolutions of consent regarding the liability settlements retain their validity.

III. Invalidity of the 2021 coverage settlement and conclusion of the 2026 coverage settlement

The declaration by the German Federal Court of Justice that the resolutions of consent regarding the 2021 coverage settlement were invalid meant that the 2021 coverage settlement also became invalid. The Berkshire coverage settlement was also made invalid as the validity of the regulations in the Berkshire coverage settlement was dependent upon the validity of the 2021 coverage settlement.

Volkswagen, AUDI and Porsche have entered into negotiations with the D&O insurers of the 2021 coverage settlement and Berkshire in order to establish a new legal basis for the 2021 coverage settlement, which had become invalid on formal grounds, and the Berkshire coverage settlement. In the course of these negotiations, the D&O insurers involved in the 2021 coverage settlement and Berkshire undertook to initially refrain from asserting claims for repayment of the settlement amounts. Following conclusion of the negotiations, Volkswagen, AUDI and Porsche concluded the 2026 coverage settlement on 10 March 2026 together with the D&O insurers involved in the 2021 coverage settlement and Berkshire. The 2026 coverage settlement combines the content of the 2021 coverage settlement and the Berkshire coverage settlement, confirming these two settlements largely by means of a new contract. The 2026 coverage settlement requires approval from the Annual General Meeting of Volkswagen to be valid (see Section C.I.1).

IV. Current status of legal proceedings for deficiencies in resolutions and planned handling of the liability settlements

After the legal proceedings for deficiencies in resolutions relating to the validity of the liability settlements were remitted by the German Federal Court of Justice, the proceedings were reopened by the Higher Regional Court in Celle.

Volkswagen remains of the opinion that the 2021 resolutions of consent regarding the liability settlements are lawful in every respect, even in view of the aspects raised by the German Federal Court of Justice. As such, Volkswagen will defend in full the 2021 resolutions of consent even after the case is remitted to the Higher Regional Court in Celle. Volkswagen believes that the lawsuits aimed at the liability settlements will once again be dismissed in full.

For reasons of legal prudence, the resolution of consent regarding the liability settlement with Professor Winterkorn should nevertheless be confirmed by the Annual General Meeting of Volkswagen as a precaution (see Section C.II.). Volkswagen is of the opinion that the conclusion of the liability settlement with Professor Winterkorn remains in the best interest of the Company. There have been no new relevant findings relating to the actual and legal basis for the liability settlement with Professor Winterkorn compared with the resolutions of the Annual General Meeting in 2021.

If the Annual General Meeting confirms the resolution of consent regarding the liability settlement with Professor Winterkorn, Volkswagen plans to introduce the confirmation resolution in the proceedings conducted by the Higher Regional Court of Celle. In Volkswagen's opinion, the court ruling would then have to take into consideration the fact that the Annual General Meeting confirmed the approval of the liability settlement with Professor Winterkorn whilst also taking the decision of the German Federal Court of Justice into consideration, and that the shareholders wish to continue to uphold this approval.

Like the situation with Professor Winterkorn, a resolution confirming the approval of the liability settlement with Mr Stadler is not recommended. This is due to the fact that Mr Stadler was convicted in June 2023 of a criminal offence in connection with the diesel issue by the Munich II Regional Court. The ruling became legally binding in December 2025 when the German Federal Court of Justice rejected the appeal lodged by Mr Stadler. This meant that the circumstances had changed as compared with the point in time at which the liability settlement was concluded in June 2021. This could be attributed to the fact that the liability settlement with Mr Stadler stipulated that one way in which Mr Stadler would furnish his personal deductible was by forgoing any severance payments from Volkswagen and AUDI. Said payments were subject to the condition precedent that all criminal proceedings against Mr Stadler in connection with the diesel issue be concluded without determination of guilt under criminal law. In view of the fact that this condition was not met due to the criminal conviction of Mr Stadler, the severance payments proposed as Mr Stadler's personal deductible and valued at €3.68 million were thus forfeited. As such, the economic value of Mr Stadler's personal deductible amounts to only €420,000.000 instead of the originally agreed €4.1 million. Even if the legality of the confirmation resolution were to be based only on the factual and legal situation in 2021 with regard to the review of the content of the resolution, the Supervisory Board and Board of Management of Volkswagen would have arrived at the conclusion, based on this context, that the confirmation resolution on the approval resolution regarding the liability settlement with Mr Stadler should not be recommended to the Annual General Meeting. Whether or not the liability settlement with Mr Stadler will remain valid even without a confirmation resolution from the Annual General Meeting depends on the outcome of the legal proceedings for deficiencies in resolutions remitted to the Higher Regional Court in Celle.

In this context, Volkswagen and AUDI have entered into negotiations with Mr Stadler regarding the conclusion of a new liability settlement. However, it has not been possible to reach an agreed settlement with Mr Stadler in these negotiations to date. At present, a commensurate agreement is not foreseeable.

C. Notes on the proposed resolutions

I. Approval of the 2026 coverage settlement

1. Background to the resolution

The Supervisory Board and Board of Management recommend that the Annual General Meeting approve the 2026 coverage settlement proposed under Agenda Item 7A.

As with the 2021 coverage settlement before it, the 2026 coverage settlement stipulates that Volkswagen, AUDI and Porsche each undertakes to permanently refrain from asserting possible claims against current and former members of the Supervisory Board and the Board of Management or against other insured persons (see the statements in the preamble (D) of the 2026 coverage settlement regarding **insured persons**) due to or in connection with the relevant circumstances (**liability waiver**, see definition of the relevant circumstances and other particulars under Section C.I.2). According to sections 93(4) sentence 3 and 116 sentence 1 of the AktG, Volkswagen can only waive claims for compensation from Board of Management and Supervisory Board members or reach a settlement if three years have passed since the claims have been asserted, the Annual General Meeting grants approval and there is no record in the minutes of an objection to the waiver by a minority shareholder whose shares together amount to one-tenth of the share capital. As such, the 2026 coverage settlement to be voted on under Agenda Item 7A is only valid under the conditions set out in Section 93(4) sentence 3 of the AktG. For this reason, the Supervisory Board and Board of Management have also submitted the 2026 coverage settlement to the Annual General Meeting for approval.

The three-year period stipulated by Section 93(4) sentence 3 of the AktG begins at the point in time at which the claim arises. A claim arises as soon as the circumstances underlying the liability are fulfilled, that is to say, the breach of duty was committed and damages occurred. The three-year period begins irrespective of whether the development of the damages has been concluded upon occurrence of the first damage event. This means that the three-year period begins as soon as the claim can be asserted by way of an action for performance or declaratory judgment. This was also confirmed by the German Federal Court of Justice in its final judgement. In all of the comprehensive reviews of the circumstances performed by legal counsel, it was determined that the decisive point in time at which the claim arose was more than three years before even the conclusion of the 2021 coverage settlement. In addition to the aforementioned, directors' liability claims under the 2026 coverage settlement were also excluded from the liability waivers if three years had not yet passed since the claims arose when the 2021 coverage settlement was concluded on 9 June 2021. As such, the liability waivers are limited to those directors' liability claims that already governed the liability waivers in the 2021 coverage settlement.

The convening of the Annual General Meeting takes into consideration the final judgement in which the German Federal Court of Justice declared the 2021 approval resolution regarding the 2021 coverage settlement to be invalid on formal grounds. In accordance with the legal opinion of the German Federal Court of Justice, the Agenda made explicit reference to the liability waivers.

The 2026 coverage settlement also requires approval from the annual general meetings of AUDI and Porsche to be valid. The Annual General Meeting of AUDI approved the coverage agreement on 10 March 2026. The Annual General Meeting of Porsche will decide on the approval of the coverage settlement on 23 June 2026.

2. Key content of the 2026 coverage settlement

The complete text of the 2026 coverage settlement is provided in the further information on the agenda (under II.1). The following outline is limited to the key content of the 2026 coverage settlement.

The 2026 coverage settlement largely corresponds to the 2021 coverage settlement. In addition to the required editorial changes, the following changes were made to the content as compared with the 2021 coverage settlement:

- The parties of the 2026 coverage settlement are Volkswagen, AUDI and Porsche on the one hand, and Zurich Insurance Europe AG (**Zurich**), AIG Europe S.A., Allianz Global Corporate & Specialty SE, Berkshire, Great Lakes Insurance SE, HDI Global SE, Liberty Mutual Insurance Europe SE, QBE Europe SA/NV, Tokio Marine Europe SA and XL Insurance Company SE (together and each including their co-insurer to be referred to as the **insurers**), on the other hand. The parties of the 2026 coverage settlement are thus identical to the parties of the 2021 coverage settlement; only Berkshire has been added as a party on the side of the insurers. Berkshire was not prepared to participate in the 2021 coverage settlement but instead concluded a separate settlement agreement (the Berkshire coverage settlement) in July 2025 with Volkswagen, AUDI and Porsche, which also became invalid as a result of the final judgement of the German Federal Court of Justice (see under Section B.I.). Since Berkshire is now also party to the 2026 coverage settlement, the provisions regarding the Berkshire Hathaway carve out (in particular Section 6 of the 2021 coverage settlement) have been removed entirely without replacement. The provisions of the 2021 coverage settlement essentially stipulated that the terms of the 2021 coverage settlement were not to benefit Berkshire.
- The 2026 coverage settlement provides for a settlement amount of €277,715,000 to be paid by the insurers. These settlement amounts increased by €7.7 million compared to the settlement amounts stipulated in the 2021 coverage settlement. This is due to the fact that the 2026 coverage settlement also comprises the Berkshire coverage settlement, which stipulated a settlement amount of €7.7 million but was also made invalid as a result of the final judgement of the German Federal Court of Justice.
- Section 1.1 of the 2026 coverage settlement also states that payment of the settlement amounts is due when the 2026 coverage settlement takes effect pursuant to Section 6.1 of that settlement by way of

offsetting these with the respective restitution claims from Section 7.2 of the 2021 coverage settlement and Section 5.2 of Berkshire coverage settlement. These restitution claims stem from the fact that the insurers had already paid the settlement amounts from the 2021 coverage settlement and the Berkshire coverage settlement in full, but both of these settlements then became invalid as a result of the final judgement passed by the German Federal Court of Justice. The insurers have therefore been entitled to claims for repayment of the settlement amounts since October 2025. The insurers had, however, issued separate statements in which they undertook to refrain from asserting their claims for repayment of the settlement amounts until the 2026 coverage settlement was signed on 10 March 2026. These statements from the insurers are also documented under Section 2.9 of the 2026 coverage settlement. Section 1.6 of the 2026 coverage settlement includes a corresponding obligation for the period from the signing of the 2026 coverage settlement on 10 March 2026 until the decisions are made by the annual general meetings of Volkswagen, AUDI and Porsche regarding the approvals of the 2026 coverage settlement (stand still).

- As laid out in Section 2.1 of the 2026 coverage settlement, Zurich, acting as the D&O insurer of the underlying policy, set up a provisions account in accordance with the terms of the 2021 coverage settlement into which two insurers deposited a total of €50 million from the settlement amounts. Insurance payments that could still be claimed in connection with the relevant circumstances (see definition of the relevant circumstance in the following), even taking into consideration the liability settlements and the 2021 coverage settlement, were paid from this provisions account. This included in particular the assumption of costs for countering claims and the indemnity of legitimate claims in the event that claims were made against insured persons by third parties. Of the €50 million deposited, a sum of €14,796,313.93 had been used as of 31 March 2026. Pursuant to Section 2.2 of the 2026 coverage settlement, insurance payments for the relevant circumstances are to be made in future from the provisions account on the basis of the same approach in the 2021 coverage settlement. Should a balance remain on the provisions account on 31 December 2027 after these payments are rendered, the balance will be paid out to Volkswagen as per Section 2.6 of the coverage settlement. Volkswagen will then transfer a share of 34.18% of said remaining balance to AUDI and a share of 14.50% to Porsche (see the distribution criteria below). Section 2.8 of the 2026 coverage settlement recognises that the former administration of the provisions account and the resulting balance corresponded to the provisions of the 2021 coverage settlement, but that any liability for intentional conduct shall remain unaffected.

The following provisions of the 2026 coverage settlement in particular remain essentially unchanged when compared with the provisions of the 2021 coverage settlement:

- According to Section 1.1 of the 2026 coverage settlement, the insurers have to pay the settlement amounts after deduction of the legal defence costs that have already been paid and the insurance payments that remain outstanding by way of offsetting said amounts. According to Section 1.2, the insurers involved in the 2015 insurance programme bear €261,890,000 of the settlement amount. Section 1.3 stipulates that the insurers involved in the 2021 insurance programme bear a sum of €15,825,000.
- Due to the damages incurred at AUDI and Porsche on account of the diesel issue and the existing claims for damages in this context asserted by AUDI and Porsche against the individuals covered by the D&O insurance for the Volkswagen Group, Section 1.1 stipulates further in relation to the 2026 coverage settlement that Volkswagen shall transfer a share of 34.18% of the settlement amounts paid out to Volkswagen to AUDI and a share of 14.50% to Porsche, insofar as this has not already been done. This distribution corresponds to the 2021 coverage settlement. As AUDI and Porsche belong to the Volkswagen Group, the payments transferred to AUDI and Porsche will also directly benefit Volkswagen.
- According to Sections 3.1 and 3.2 of the 2026 coverage settlement, all coverage claims due to or in connection with the relevant facts and all other coverage claims that can be allocated to the 2015 insurance period against the insurer in relation to Volkswagen, AUDI and Porsche are satisfied and settled

as soon as the 2026 coverage settlement has gone into effect as per its own Section 6.1 and insofar as the parties have the power of disposition over the coverage claims in accordance with the provisions and the Insurance Contract Act.

The relevant circumstances include the diesel issue in addition to any other manipulations, falsifications or misrepresentations of/regarding emissions, consumption or performance values of engines from the Volkswagen Group. The term 'diesel issue' refers to the development, installation, sale and other use of certain software functions in the engine management of diesel engines (incl. Type EA189, Type EA288 and various Type V-TDI engines) that led to deviations between the exhaust emissions on the test bed versus under real-life operation, and all of the associated issues, particularly the issues reported by Volkswagen in its notice of circumstances from the year 2015 (notices of circumstances are notices reported to D&O insurers). For the purpose of the 2026 coverage settlement as per Section (A) of the Preamble in the 2026 coverage settlement, the term also comprises the work carried out to clarify and reappraise the matter at Volkswagen, AUDI and Porsche following the publication of the Notice of Violation by the US Environmental Protection Agency (EPA) on 18 September 2015, including what is known as response management, and all measures to prepare and conclude the 2026 coverage settlement. The term 'consumption values' refers in particular to the consumption values of all fuels and operating materials used in a vehicle (for example petrol, diesel, electric, oil). Relevant circumstances also include any arrangement in violation of antitrust law in connection with the diesel issue or other manipulations of emissions and consumption values, including any associated investigations, procedures and claims.

- In line with Sections 3.6 and 3.7 of the 2026 coverage settlement by way of a genuine agreement in favour of third parties, Volkswagen, AUDI and Porsche undertake to refrain from asserting any claims in connection with the relevant circumstances against current and former members of the Board of Management and against all other insured persons in the event of the occurrence of the conditions precedent under Section 6.1 of the 2026 coverage settlement and payment of the settlement amount pursuant to Section 1 of the 2026 coverage settlement (defined above as liability waiver). Other insured persons include the current and former members of the Supervisory Board of Volkswagen, AUDI and Porsche. Pursuant to Section 3.9 of the 2026 coverage settlement, the liability waivers apply to all claims in connection with the diesel issue. These liability waivers do not apply to other claims in connection with the relevant circumstance, as there is no insurance coverage under the D&O insurance for the Volkswagen Group. Pursuant to Section 3.10 of the 2026 coverage settlement, Professor Winterkorn, Mr Stadler, Professor Hackenberg, Dr Knirsch, Mr Hatz and Dr Neußer (together the **persons against whom claims have been asserted**) are excluded from the liability waivers; liability settlements were concluded with each of the individuals listed above.

According to the findings of the comprehensive reviews performed by legal counsel, no claims for damages had been asserted by the companies against current or former members of the Board of Management or other insured persons - with the exception of the claims asserted against the aforementioned persons - including members of the Supervisory Board by the point in time of the conclusion of the 2021 coverage settlement on 9 June 2021, which meant that enforcement could be waived without this leading to economic disadvantages for the companies. The Supervisory Board and Board of Management are not aware of any relevant new findings that would lead to a different assessment from today's perspective (see also Section D.IV.). From today's standpoint, there is also no economic disadvantage for Volkswagen or the Volkswagen Group in connection with the liability waivers.

- According to Section 3.8 of the 2026 coverage settlement, claims against current and former members of the Board of Management or the Supervisory Board are excluded from the liability waivers if three years had not yet passed since the claim arose when the 2021 coverage settlement was concluded on 9 June 2021. Section 3.8 thus takes into account the requirements stipulated in section 93(4) sentence 3 of the AktG. Section 93(4) sentence 3 of the AktG stipulates that it is only possible to waive

indemnity claims asserted against Board of Management and Supervisory Board members if three years have passed since the claims arose. It is for this reason that claims asserted against current and former members of the Board of Management and the Supervisory Board of the companies in the 2021 coverage settlement for which the three years stipulated in Section 93(4) sentence 3 of the AktG had not yet passed when the 2021 coverage settlement was concluded on 9 June 2021 were excluded from the liability waivers. The relevant provision in the 2026 coverage settlement limits the liability settlements to those claims against directors which were already included in the liability waivers in the 2021 coverage settlement.

- With regard to the persons against whom claims have been asserted, the stipulations of the liability waivers concluded with these persons apply in principle. In the event that one of these liability waivers is invalid or void, the 2026 coverage settlement contains the following provision in Section 3.10: The companies can continue to proceed against the affected persons but only for the portion of damages that would remain if the insurer were to expend the difference between the settlement amounts and the maximum insured sums for the 2015 and 2021 insurance periods for insurance payments relating to the indemnity of the affected person. For the remaining portion, the companies undertake by way of a genuine agreement in favour of third parties to refrain from asserting claims against the affected person due to or in connection with the relevant circumstance. This obligation, however, does not apply if the affected person was not insured for reasons other than the depletion of the insured sum.
- Section 4 of the 2026 coverage settlement contains indemnity obligations from Volkswagen for the benefit of the insurers in the event that claims for insurance payments are asserted due to or in connection with the relevant circumstances once the 2026 coverage settlement enters into effect and the provisions account as per Section 2 of the coverage settlement does not have enough credit. In view of the 2015 insurance programme, the indemnity obligation also applies to claims that cannot be attributed to the relevant circumstance because claims from the 2015 insurance programme were compensated in full by the 2026 coverage settlement. Other limitations of the indemnity obligation, however, remain unaffected. In the event that Volkswagen is obligated to indemnify the insurers, AUDI and Porsche are obligated to indemnify Volkswagen insofar as the underlying circumstances affect AUDI and/or Porsche.
- As per Section 5.1 of the 2026 coverage settlement, the insurers undertake to refrain from asserting claims for regress or compensation against the companies, insured persons or third parties on account of services they have rendered. Instead, the insurers must cede such claims to Volkswagen, AUDI, Porsche or a third party if requested to do so by Volkswagen.
- Pursuant to Section 6.1 of the 2026 coverage settlement, the validity of the 2026 coverage settlement is subject to the condition precedent that the annual general meetings of Volkswagen, AUDI and Porsche approve the 2026 coverage settlement and there is no record in the minutes of an objection to the waiver by a minority shareholder whose shares together amount to one-tenth of the share capital of the company in question. The obligation of the insurer set out in Section 1.6 a), b) and d) of the 2026 coverage settlement to refrain from asserting claims for repayment (stand still) remain valid irrespective of the occurrence of the conditions precedent. Section 6.2 of the 2026 coverage settlement makes provisions for the event that claims regarding deficient resolutions are asserted against resolutions of consent by the Annual General Meeting. The mere assertion of such a claim regarding deficient resolutions does not prevent the 2026 coverage settlement from taking effect. However, should a claim regarding deficient resolutions be successful, the 2026 coverage settlement shall lose its validity.

II. Confirmation of the resolution of consent regarding the liability settlement with Professor Winterkorn

In particular in the event that it is proposed that a resolution by the Annual General Meeting be contested due to possible formal irregularities, the German Stock Corporation Act provides for the option of confirming the resolution by the Annual General Meeting. As per Section 244 sentence 1 of the AktG, the contestation can no

longer be enforced if the Annual General Meeting has confirmed the supposed contestable resolution with a new resolution and this resolution is not contested or the contestation is rejected legally within the contestation period. The confirmation resolution thus eliminates the contestability of any resolution by the Annual General Meeting provided that the confirmation resolution itself is not successfully legally contested. The confirmation resolution serves to remove any doubt regarding the validity of a resolution by the Annual General Meeting and is common practice under German company law, particularly in cases of alleged disclosure deficiencies. The confirmation resolution contains the explanation that the initial resolution should remain valid despite potential deficiencies that would make it contestable. In this context, this relates to the potential but not conclusively substantiated misgivings expressed by the German Federal Court of Justice in its final judgement.

The proposed confirmation resolution does not constitute a renewed resolution of consent, and no new liability settlement was concluded with Professor Winterkorn.

Instead, it was proposed that the resolution of consent written in 2021 regarding the liability settlement with Professor Winterkorn that is still (provisionally) in effect be confirmed. The content of the liability settlement concluded with Professor Winterkorn on 9 June 2021 remains unchanged. The factual and legal situation at the time of the resolution of consent in 2021 continues to determine the material requirements. The Supervisory Board and the Board of Management are to write a confirmation resolution for their recommendation for the Annual General Meeting, taking into account the developments that have arisen since that time. In view of the fact that any alleged violation of the right to ask questions would solely provide justification for the contestability of the confirmation resolution relating to the liability settlement with Professor Winterkorn and would not provide grounds for the annulment thereof, rectification could be achieved by adopting a confirmation resolution.

Volkswagen still believes that the resolution of consent by the Annual General Meeting on 22 July 2021 regarding the liability settlement with Professor Winterkorn was without error and, in particular, that no rights to ask questions were violated even with regard to Professor Winterkorn's financial circumstances. Nevertheless, in order to bring about the intended precautionary rectification of the resolution of consent, the information and disclosures that were addressed by the German Federal Court of Justice are to be taken into account in this report and during the Annual General Meeting. Section E. of this report, in particular, outlines the information that was available to the Supervisory Board and the Board of Management regarding Professor Winterkorn's financial circumstances when they were deciding on the liability settlement with Professor Winterkorn in 2021 and at the point in time when the 2026 Annual General Meeting was convened.

If the Annual General Meeting adopts the proposed confirmation, the confirmation resolution is to be introduced in the appeal proceedings at the Higher Regional Court in Celle regarding the resolutions of consent for the liability settlements with Professor Winterkorn and Mr Stadler. If the confirmation resolution is made legally binding, Volkswagen is of the opinion that any deficiencies that could result in the contestability of the resolutions of consent regarding the liability settlement with Professor Winterkorn are to be rectified. The confirmation resolution would thus improve the outlook for success for Volkswagen in the proceedings at the Higher Regional Court in Celle as regards the resolution of consent regarding the liability settlement with Professor Winterkorn.

The full wording of the liability settlement with Professor Winterkorn that the Annual General Meeting approved in 2021 is set out in the further information on the agenda under II.2.

The liability settlement with Professor Winterkorn is based on claims that exist due to the breaches of duty on the part of Professor Winterkorn in his capacity as Chair of the Board of Management of Volkswagen, and on claims that exist due to the breaches of duty on the part of Professor Winterkorn in his capacity as Chair of the Supervisory Board of AUDI. It is for this reason that Volkswagen and AUDI are both parties of the liability settlement.

The key obligations and legal implications of the liability settlement with Professor Winterkorn are presented in the 2021 Annual General Meeting Report. The most important provisions from the point of view of Volkswagen are summarised here once again:

- Professor Winterkorn undertakes to pay a personal deductible to Volkswagen in an amount totalling €11,200,000 in accordance with Section 1.1 of the liability settlement, which is comprised of a payment of €7,210,000 and the waiver of claims to outstanding remuneration in a gross amount totalling €3,990,000.
- As soon as the personal deductible pursuant to Section 1.1 of the liability settlement is paid in full - as is now the case - all claims from Volkswagen, AUDI and their subsidiaries against Professor Winterkorn stemming from or in connection with the relevant circumstances are satisfied and settled (Section 1.7 of the liability settlement). However, in accordance with Section 1.8 of the liability settlement, claims for which three years had not yet passed since the claims arose when the 2021 coverage settlement was concluded on 9 June 2021 are excluded from said satisfaction and settlement. Section 1.8 thus takes into account the requirements stipulated in section 93(4) sentence 3 of the AktG.
- In line with Section 3.1 of the liability settlement, Professor Winterkorn shall be indemnified from such claims as those asserted by third parties that are based on the relevant circumstances. This could prove to be significant if, for example, third parties in connection with lawsuits that are aimed against Volkswagen or AUDI also assert claims against Dr Winterkorn as an individual. The indemnification also comprises the costs that arise for Professor Winterkorn in connection with the defence of these claims or criminal accusations stemming from the relevant circumstances. The indemnification shall only enter into effect if Professor Winterkorn does not receive any benefits from the D&O insurance for the Volkswagen Group and if Professor Winterkorn is not entitled to any claims from the D&O insurance for the Volkswagen Group
- According to Section 5.1 a) and b) of the liability settlement, the validity of the liability settlement with Professor Winterkorn is subject to the condition precedent that the annual general meetings at Volkswagen and AUDI approve the liability settlement and if there is no record in the minutes of an objection to the waiver by a minority shareholder whose shares together amount to one-tenth of the share capital. In addition, Section 5.1 c) stipulates that the condition precedent of the 2021 coverage settlement must have occurred. This includes, in particular, the approval of the 2021 coverage settlement by the annual general meetings of Volkswagen, AUDI and Porsche. This occurred in 2021. As the German Federal Court of Justice expressly stated in its final judgement, it is irrelevant in this respect that the 2021 resolution of consent regarding the 2021 coverage settlement was annulled. Pursuant to Section 5.1 sentence 3 of the liability settlement with Professor Winterkorn, once the condition (namely the 2021 resolution of consent regarding the 2021 coverage settlement) has occurred, it shall remain, regardless of the outcome of an action for contestation or nullification suit (in this case the 2021 legal proceedings for deficiencies in resolutions) against the 2021 resolution of consent regarding the 2021 coverage settlement.
- Pursuant to Section 5.3 of the liability settlement, Professor Winterkorn shall waive the statute of limitations for claims arising from the relevant circumstances as outlined in the 2021 Annual General Meeting Report for a period of up to six months after settlement of the final action for a contestation or nullification suit in connection with the liability settlement. The waiver of the statute of limitations is independent of the validity of the remaining provisions of the liability settlement.

D. Key new developments relating to the diesel issue

I. Introductory statements

The factual background to the diesel issue, the comprehensive investigation carried out to provide clarification on the matter, and the outcomes thereof are presented in detail in the 2021 Annual General Meeting Report. These statements, including the assessments and estimations presented, shall continue to apply unchanged unless deviating information is subsequently provided.

Following on from this, this report contains a summary of the relevant developments and changes in the clarification and management of the diesel issue that have arisen since the 2021 General Meeting and which the Supervisory Board and Board of Management deem to be of particular interest with regard to the proposed resolutions under Agenda Items 7A and 7B. As such, the following statements do not fully portray all of the developments relating to the diesel issue since the 2021 General Meeting but are instead limited to the developments deemed relevant by the Supervisory Board and Board of Management.

II. Development in the relevant proceedings regarding the diesel issue

In several different countries, multiple legal and administrative proceedings have been initiated against Volkswagen and other Volkswagen Group companies in connection with the diesel issue. Since the 2021 General Meeting, Volkswagen has made significant progress in this area and has been able to put a stop to many of these proceedings. Other proceedings are still pending, including the following:

- In several different countries, civil individual action and class action lawsuits brought by customers against Volkswagen and other Volkswagen Group companies remain pending, in addition to lawsuits from consumer and/or environmental associations. For example, class action lawsuits brought by customers and collective actions lawsuits remain pending in Belgium, Brazil, Germany, England, Wales, France, the Netherlands and South Africa. In Germany, roughly five thousand individual lawsuits relating to various diesel engine types are currently pending against Volkswagen or other Group companies, with the plaintiffs generally suing for damages or rescission of the contract. More than 100,000 individual and class action cases involving approximately 1.2 million vehicles as the subject of the dispute have been concluded since the 2021 General Meeting, including large class action lawsuits in England and Wales, Italy, Belgium, Portugal, and Mexico.
- Claims for damages brought by investors in Germany and abroad also still remain pending. These are based on purported losses due to alleged misconduct in capital market communications in connection with the diesel issue. The majority of these proceedings, which are predominantly pending at the Regional Court in Braunschweig, are currently suspended, as proceedings are being conducted at the Braunschweig Higher Regional Court on the basis of the Capital Markets Model Case Act (the **KapMuG proceedings**). A ruling in these proceeding will clarify common questions of law and facts relevant to all of the investor lawsuits and make them legally binding. The Braunschweig Higher Regional Court has been conducting pre-trial discovery since autumn of 2023. In December 2025, the parties involved issued a statement on the outcome of the pre-trial discovery. It is currently unclear when the *KapMuG* proceedings and the resulting investor lawsuits will be concluded.
- In addition to the aforementioned, a number of proceedings initiated by various domestic and foreign administrative authorities in connection with the relevant circumstances remain pending against Volkswagen. Key proceedings affect the decisions made by the Federal Motor Transport Authority (**KBA**) as the responsible type-approval authority that is continuously testing the critical functions of vehicle models from Volkswagen and other brands within the Volkswagen Group. For example, these ongoing proceedings relate to what is referred to as the thermal window, for which the European Court of Justice has established a new, unwritten admissibility criterion. In this context, the KBA issued notices against Volkswagen, amongst other parties, in the years 2023 and 2024. Objections were filed against all notices, which means that the notices are not legally binding. The pending administrative proceedings relate to the question of the legality of approval notices by the KBA vis-à-vis Volkswagen, amongst others. The German Environmental Aid Association opposed the KBA's approval notices for software updates. It was successful in two of these proceedings in the first instance at the Administrative Court in Schleswig. In one of these proceedings, the Higher Administrative Court in Schleswig confirmed in the second instance the decision of the Administrative Court in Schleswig. In these proceedings, a renewed application for leave to appeal is pending with the German Federal Administrative Court

- Furthermore, criminal proceedings in connection with the diesel issue had been and would be brought against former members of the Board of Management of Volkswagen and against former employees of Volkswagen, amongst others.

The Braunschweig Public Prosecutor's Office pressed charges against Professor Winterkorn in 2019 due to allegations of fraud and market manipulation relating to capital market disclosure obligations. The Braunschweig Regional Court merged these proceedings, and others, with the proceedings brought against Professor Winterkorn for allegations of false testimony while not under oath, to make one combined case. The main trial, which began in the third quarter of 2024, was suspended after a short time. At the beginning of 2025, the proceedings were provisionally terminated. Whether and, if applicable, when the proceedings will be resumed is unknown. Volkswagen is not involved as a party in these proceedings; it is no longer possible for Volkswagen to be issued with an administrative fine in these proceedings.

In June 2020, the Munich II Regional Court broadly accepted the charge brought by the Munich II Office of the Public Prosecutor against Mr Stadler and others due to allegations of fraud in connection with the diesel issue and opened the main trial proceedings. The main trial was concluded in June 2023. Mr Stadler and the other two defendants were given suspended prison sentences. It was also stipulated that Mr Stadler and the other two defendants pay a monetary sum. The ruling became legally binding in December 2025 when the German Federal Court of Justice rejected the appeal lodged by Mr Stadler.

Since September 2021, the Braunschweig Regional Court has been hearing a case against former employees of Volkswagen on charges including allegations of fraud in connection with the diesel issue. All four defendants were convicted of fraud in the first instance in May 2025 and were given prison sentences, although two of these sentences were suspended.

Volkswagen continuously reports on relevant developments in the aforementioned and in other proceedings within the scope of its financial reporting.

III. Total damage amount

By 31 December 2025, the Volkswagen Group had recorded expenses totalling approximately €33.6 billion in connection with the diesel issue. This total amount comprises, for example, costs for recalls and field measures, compensation payments to dealerships, costs in connection with internal investigations and damages and fines.

An amount of around €0.4 billion has been included in the provisions as of 31 December 2025 to account for the currently known legal risks related to the diesel issue based on the information available at present and current assessments. Where adequately measurable at this stage, Volkswagen has recognised contingent liabilities in connection with the diesel issue in the amount of €4.0 billion, whereby roughly €3.8 billion of this amount can be attributed to lawsuits filed by investors in Germany. The provisions recognised in connection with the diesel issue and the contingent liabilities disclosed are subject to a number of estimation risks, some of which are substantial.

IV. No breaches of duty or no more comprehensive breaches of duty on the part of current or former members of the Board of Management and Supervisory Board of Volkswagen

The breaches of duty committed by Professor Winterkorn and Mr Stadler in connection with the diesel issue are covered in detail in the 2021 Annual General Meeting Report.

Since the Annual General Meeting in 2021, the Supervisory Board has been aided by the law firm Gleiss Lutz in its ongoing and continuous investigations into whether there is evidence (in particular from the criminal proceedings against Professor Winterkorn and the KapMuG proceedings) of more comprehensive breaches of duty by Professor Winterkorn in connection with the diesel issue. The investigations have uncovered no new relevant findings relating to breaches of duty by Professor Winterkorn.

With regard to the breaches of duty by Mr Stadler, the following new findings had been uncovered since the 2021 General Meeting: In June 2023, the Munich II Regional Court convicted Mr Stadler of having committed fraud with limited intent. The ruling became legally binding in December 2025 when the German Federal Court of Justice rejected the appeal lodged by Mr Stadler. The conviction was predicated on a confession provided by Mr Stadler as part of an agreement. In its ruling, the Munich II Regional Court linked the criminal liability of Mr Stadler to a meeting of the Board of Management of AUDI on 11 July 2016. A presentation had been shown at this meeting of the Board of Management regarding the status of external investigations into the diesel issue. According to the ruling, it was from this point in time onwards that Mr Stadler had earnestly believed in the possibility that the diesel engines developed by AUDI for the European markets were non-compliant. By contrast, the Supervisory Board had established a breach of duty on the part of Mr Stadler from 21 September 2016 and had outlined this in the 2021 Annual General Meeting Report (to be found there under Section B.IV.2). On the basis of the confession by Mr Stadler, the ruling by the Munich II Regional Court also assumes conditional intent on the part of Mr Stadler. The Supervisory Board, by contrast, established only that he had acted with gross negligence. Even if the assessments of the Munich II Regional Court are correct, there would be no significant changes to the assessment of the Supervisory Board regarding the claims for damages asserted against Mr Stadler in 2021. When establishing whether a claim for damages can be asserted by Volkswagen and AUDI, it is irrelevant whether Mr Stadler acted with gross negligence or with conditional intent when committing his breach of duty. This is also irrelevant in terms of insurance law; only breaches of duty that have been knowingly or deliberately committed are excluded from the insurance coverage provided by the D&O insurance for the Volkswagen Group. The breach of duty established in the criminal judgement as having occurred at a somewhat earlier point in time than the breach established by the Supervisory Board could, at most, result in the damages attributable to Mr Stadler being marginally higher than the level assumed by the Supervisory Board in 2021.

Furthermore, since the Annual General Meeting in 2021, the Supervisory Board has been aided by the law firm Gleiss Lutz in its ongoing and continuous investigations into whether there is evidence (in particular from legal proceedings) of breaches of duty by further current or former members of the Board of Management of Volkswagen in connection with the diesel issue. The investigations uncovered no new relevant findings

Furthermore, there are no indications that current or former members of the Supervisory Board of Volkswagen violated their obligations under corporate law in connection with the knowledge of and investigations into the diesel issue. This was established by Linklaters within the scope of its investigations in 2021. A re-audit conducted by Linklaters in 2026 also failed to uncover any new indications for breaches of duty by current or former members of the Supervisory Board that may have arisen since the investigations in 2021.

V. Further developments relating to the liability and coverage situation

With regard to the additional individuals (Professor Hackenberg, Dr Knirsch, and Mr Hatz) against whom AUDI and Porsche asserted claims in 2021, there have been no further findings since the 2021 General Meeting that would be relevant for the assessment of the liability and coverage situation in connection with the conclusion of the 2026 coverage settlement. Mr Hatz made a confession within the scope of the criminal proceedings before the Munich II Regional Court and was thereupon convicted of having committed fraud with limited intent. The criminal judgement does not, however, relate to the work carried out by Mr Hatz in his capacity as a member of the Board of Management of Porsche but rather to his earlier work as a member of the managerial staff at AUDI.

In the end, Volkswagen, AUDI, and Porsche were unable to find any indications that additional current or former members of the Board of Management or Supervisory Board at AUDI or Porsche had violated their duties in connection with the diesel issue.

VI. Special audit

Two sets of legal proceedings centred around an order for a special audit at Volkswagen are currently pending. The subject of both proceedings is the fact that a special auditor is to be appointed at Volkswagen to review

whether members of the Board of Management and Supervisory Board of Volkswagen violated their obligations in connection with the diesel issue.

Since publication of the 2021 Annual General Meeting Report, substantial changes have been made to the first special audit proceedings, in that a special audit has not been ordered. This is due to the fact that Volkswagen lodged a constitutional appeal against the rulings upheld by the Higher Regional Court in Celle regarding the special audit from November 2017 and in April and May 2020. The German Federal Constitutional Court granted this constitutional appeal in its entirety in September 2022 and retroactively cancelled the special audit. As such, from a legal standpoint, there was at no point in time an order for a special audit. At no point in time did the appointed auditor carry out any audit activities.

The German Federal Constitutional Court referred the proceedings back to the Higher Regional Court in Celle. In November 2024, the Higher Regional Court in Celle rejected the petitioner's application for the order of a special audit. The petitioners have lodged an appeal against this decision at the German Federal Court of Justice (BGH), which is yet to reach a decision on the matter.

The second special audit proceedings remain pending at the Hannover Regional Court.

Furthermore, the German Federal Court of Justice (BGH) clarified in its final judgement that the conclusion of settlements with members of governing bodies was permissible even if a special audit had been ordered or there was the chance that one would be ordered. As such, the pending special audit proceedings do not conflict with the resolutions under Agenda Items 7A and 7B. In view of the comprehensive investigations and clarification of the diesel issue by the renowned law firms Gleiss Lutz and Linklaters, any special audit would not be expected to reveal any findings that would go beyond the outcomes of these investigations or that would be relevant to the assessment of directors' liability in connection with the diesel issue.

E. Main reasons for the submission of the proposed resolutions

The Supervisory Board and the Board of Management of Volkswagen strongly believe that the 2026 coverage settlement submitted for approval and the liability settlement with Professor Winterkorn submitted for confirmation are both in Volkswagen's best interests. The proposed resolutions serve to clarify the question of D&O liability in connection with the diesel issue in a way that is comprehensive, legally watertight, and offering significant economic benefits. This is especially true in light of and as a result of the final judgement of the German Federal Court of Justice. The Supervisory Board and Board of Management are of the opinion that it was also important to remember that the diesel issue happened more than ten years ago, and that it would be in the Company's interest to confirm the line drawn back in 2021 under the clarification of legal aspects relating to directors' liability in connection with the diesel issue, as had been decided by a majority of more than 99.9% of the votes submitted to the Annual General Meeting back in 2021. As such, the resolutions submitted to the 2026 General Meeting under Agenda Items 7A and 7B primarily serve to aid the implementation of the declared will of the shareholders after the resolutions of consent adopted by the 2021 General Meeting were repealed or remitted by the German Federal Court of Justice (BGH) due to formal aspects.

In its 2021 Annual General Meeting Report, Volkswagen provided comprehensive explanations for the main arguments, which in the opinion of the Supervisory Board and Board of Management spoke in favour of the conclusion of liability settlements with Professor Winterkorn and Mr Stadler along with the 2021 coverage settlement. These considerations related in particular to the comprehensive clarification of the diesel issue over a period of several years, the rapid inflow of significant financial resources to the Volkswagen Group, the financial adequacy of the targeted outcomes in light of existing process risks, the benefits of a mutually agreeable solution as compared to a protracted legal conflict, and also the opportunity to conclude elements of the diesel issue relating to questions regarding directors' liability and to use the resources tied up in this matter to instead focus on the strategic development of the company.

The aspects that supported the 2021 coverage settlement and the liability settlement with Professor Winterkorn continue to apply unchanged to a large extent. The Supervisory Board and Board of Management are of the

opinion that the further developments in the interim have not changed the assessment from 2021 in any relevant way. In view of this, the Supervisory Board and Board of Management remain sure of their conviction that both the conclusion of the 2026 coverage settlement and the confirmation of the 2021 resolution of consent regarding the liability settlement with Professor Winterkorn offer the best possible solution in terms of Volkswagen's interests. The following details apply here:

- The responsibilities of the members of the Board of Management and Supervisory Board of Volkswagen in connection with the diesel issue have been investigated over a period of many years and with due diligence, as has already been presented in the 2021 Annual General Meeting Report. Comprehensive investigations were carried out for the Supervisory Board by the renowned law firm Gleiss Lutz, and for the Board of Management by the renowned law firm Linklaters. The Supervisory Board and Board of Management made their decisions regarding the assertion of claims and the conclusion of liability settlements as well as the 2021 coverage settlement on the basis of these investigations. Since 2021, neither the Supervisory Board nor the Board of Management have gained any relevant new findings that would indicate breaches of duty by Professor Winterkorn in connection with the diesel issue that had not yet been taken into consideration or that would support a different assessment of his responsibility. Furthermore, there have been no new relevant findings to suggest that further members of the Board of Management and Supervisory Board or other insured persons (excluding the individuals against whom claims have been asserted) acted in breach of their duties in connection with the diesel issue. The assessment reached at that time regarding the claims and the conclusions drawn from this are thus still correct in the eyes of the Supervisory Board and Board of Management.
- The 2021 General Meeting approved both the liability settlement with Professor Winterkorn and the 2021 coverage settlement each with a majority of over 99.9% of the capital represented in the vote. Still today, the Supervisory Board and Board of Management attach great importance to this broad consensus amongst the shareholders. They see this as an unequivocal vote in favour of the economic and legal configuration of the settlement agreements, which the overwhelming majority of the shareholders deem to be in the Company's best interests. In the eyes of the Supervisory Board and the Board of Management, the results of the vote therefore clearly support the submission of the 2026 coverage settlement (the main provisions of which correspond to the 2021 coverage settlement) to the Annual General Meeting for approval and recommend that the approval of the liability settlement with Professor Winterkorn be confirmed.
- The final judgement of the German Federal Court of Justice (BGH) does not preclude this course of action, either. The BGH had no complaints regarding the content of the settlements and based its decision on formal aspects. As such, resolutions regarding the approval of the 2026 coverage settlement and the confirmation of the approval of the liability settlement with Professor Winterkorn are now to be adopted, taking into consideration the formal requirements set out by the BGH.
- The Supervisory Board and Board of Management deem the settlement amount of €277,715,000 to be paid by the insurers under the 2026 coverage settlement and the personal deductible of €11,200,000 agreed upon with Professor Winterkorn as part of the liability settlement to be financially appropriate overall.
- The conclusion of the 2026 coverage settlement means that Volkswagen is able to retain the settlement amounts totalling €277,715,000 paid by the insurers in 2021 and 2025. If the 2026 coverage settlement were not to be concluded, Volkswagen would be obliged to repay the relevant settlement amounts to the insurers, whereby additional interest rate charges could potentially be incurred. It is obviously in Volkswagen's interest to retain these settlement amounts, which have already been paid and are still deemed to be appropriate by the Supervisory Board and Board of Management. Failure to conclude the 2026 coverage settlement would also be significantly disadvantageous for Volkswagen. Without the 2026 coverage settlement, Volkswagen would have to assert settlement coverage claims against the D&O insurers and then defend and pursue these claims through the courts, potentially over several levels

of jurisdiction. The duration and outcome of coverage proceedings of this kind would be subject to considerable uncertainty. A secure and prompt inflow of significant financial resources from the D&O insurance, which would be maintained by the 2026 coverage settlement, would then no longer be guaranteed. At the same time, there would be a risk that financial resources would only be available to a lesser extent and certainly not for some time due to process and material expenditures on the part of the D&O insurers. Instead of the safeguarding offered by the 2026 coverage settlement, this would cause Volkswagen's economic position to deteriorate by comparison.

- The following applies to the appropriateness of Professor Winterkorn's personal deductible:
- Volkswagen was and is unaware of Professor Winterkorn's private financial circumstances. Volkswagen was not and is not entitled to information from Professor Winterkorn regarding his private financial circumstances.
 - Nevertheless, when attempting to reach a consensus regarding Professor Winterkorn's personal deductible within the framework of the conclusion of the liability settlement, the Supervisory Board acted on the assumption that Professor Winterkorn's private assets were far from sufficient to compensate for the damages deemed attributable to him by Volkswagen at the time in the amount of approximately €2.5 billion. The Supervisory Board based this estimation on the income received by Professor Winterkorn from Volkswagen and AUDI since 1996, and the cash value of the pension entitlements acquired by him during this time. As member and Chair of the brand Board of Management, the Group Board of Management, and the Board of Management of AUDI, Professor Winterkorn was paid a total income of approximately €120 million before the deduction of taxes; the net sums received by Professor Winterkorn are likely to have been considerably less than this. The cash value of the pension entitlements in line with IFRS equated to €29.8 million in 2021. For the Supervisory Board, it was clear from the outset on the basis of this information that it was unrealistic to expect the claims for damages as estimated by Volkswagen to be paid in full. Nothing has changed in relation to this estimation: The damages deemed by Volkswagen to be attributable to Professor Winterkorn today have not changed in any relevant way since 2021 and still equate to approximately €2.5 billion. The income received by Professor Winterkorn from Volkswagen and AUDI since 1996 has increased by approx. €5.3 million in comparison to 2021 due to pension payments. At the same time, the cash value of Professor Winterkorn's pension entitlements in line with IFRS have decreased in comparison to 2021 and equated to €17.1 million at the end of 2025.
 - Nevertheless, against the backdrop of the final ruling of the German Federal Court of Justice, Volkswagen requested in December 2025 that Professor Winterkorn provide information regarding his assets and his income during the period from March 2021 to June 2021 and whether his financial circumstances and income had changed in any relevant way since then. In response to this, Professor Winterkorn made it known via his lawyer that, in view of his right to privacy, he would not be providing any detailed information regarding his private financial circumstances. Professor Winterkorn did however clarify that the vast majority of his assets had been accrued via income received for his work for the Volkswagen Group. This also included Supervisory Board mandates that he had fulfilled on behalf of Volkswagen during this time. Since his departure, he had drawn the pension sum agreed upon. All income was taxed in full, which meant that the net sums he received were significantly lower than the gross sums in question. According to the information he provided, Professor Winterkorn had invested his wealth conservatively, and had not entered into any speculative transactions. In this context, he also noted that the information regarding his financial circumstances given by Volkswagen to the 2021 General Meeting was accurate in his estimation. According to the information provided by Professor Winterkorn, there had been no significant changes to his financial circumstances since the 2021 General Meeting. Professor Winterkorn also stated that there were no avoidable transactions in connection with his wealth from the time after he left the Volkswagen Board of Management.

- Volkswagen is not privy to any further information regarding the financial circumstances of Professor Winterkorn. That being said, Volkswagen was unaware of any evidence that would raise doubts regarding the information provided by Professor Winterkorn.
 - Against this backdrop, the Supervisory Board and Board of Management were still of the opinion that it was unrealistic to expect to be able to enforce the existing claims for damages against Professor Winterkorn deemed possible by Volkswagen in full, even if the Company were to win in court. As such, the Supervisory Board and Board of Management continue to regard the personal deductible agreed upon for Professor Winterkorn in the liability settlement as a compensatory sum that is both in Volkswagen's interest and also economically viable. It was also important to consider the substantial settlement amounts totalling €277,715,000.00 paid by the insurers, which had chiefly been furnished in relation to the breaches of duty committed by Professor Winterkorn.
- A litigious assertion in court of the claims against Professor Winterkorn and the other individuals against whom claims were asserted, as well as the D&O insurers for the 2015 and 2021 insurance periods, would by contrast result in significant legal and economic risks. Volkswagen would have to enter into numerous complex legal proceedings, initially against the individuals against whom claims had been asserted, and then in a further step against the D&O insurers. Legal proceedings would involve the clarification of numerous complex actual and legal questions, for which there is still only limited case law of the highest courts. This would be associated with significant process risks, protracted proceedings, and high costs for all parties involved. In this context, the 2026 coverage settlement is of particular importance, as it ensures that Volkswagen, AUDI, and Porsche are able to retain the substantial funds they had received from the D&O insurance without Volkswagen having to enter into protracted and costly coverage proceedings.
- With regard to the pending proceedings in connection with the diesel issue, the Supervisory Board and Board of Management see no reason to refrain from following the recommendations regarding the approval of the 2026 coverage settlement and the confirmation of the approval of the liability settlement with Professor Winterkorn. No new findings were uncovered for any aspect of the legal proceedings that would have given rise to a differing assessment of the appropriateness of the 2026 coverage settlement or the liability settlement with Professor Winterkorn as compared with 2021. This also applies in particular to the pre-trial discovery for the *KapMuG* proceedings being conducted at the Braunschweig Higher Regional Court.
- A special audit at Volkswagen has not been ordered in accordance with the decision of the German Federal Constitutional Court and the subsequent remittal of the proceedings to the Higher Regional Court in Celle, as outlined in detail in Section D.VI. In its final ruling, the German Federal Court of Justice (BGH) clarified that the admissibility of the settlements concluded with members of governing bodies was not affected by any current or potential future orders for a special audit. As such, the Supervisory Board and Board of Management see no legal misgivings that would preclude the Annual General Meeting from adopting a resolution regarding the approval of the 2026 coverage settlement and the confirmation of the approval of the liability settlement with Professor Winterkorn at this time. The fact that the appeal proceedings relating to the order for a special audit are pending at the German Federal Court of Justice (BGH) and an additional proceeding regarding the order of a special audit is pending at the Hannover Regional Court changes nothing in this regard. In view of the comprehensive investigative findings that have already been provided, it is unlikely that any future order for a special audit would uncover any relevant additional insights.

Against this backdrop, the Supervisory Board and Board of Management are confident that both the conclusion of the 2026 coverage settlement and the confirmation of the approval of the liability settlement with Professor Winterkorn are in the best interest of Volkswagen and its shareholders. As such, the Supervisory Board and Board of Management recommend that the Annual General Meeting approve the proposed resolutions.

F. Summary of the recommendation

On the basis of the aforementioned, the Supervisory Board and Board of Management are confident that the approval of the conclusion of the 2026 coverage settlement and the confirmation of the approval of the liability settlement with Professor Winterkorn under Agenda Items 7A and 7B are in the interest of Volkswagen and the Volkswagen Group, and are significantly preferable to judicial enforcement of compensation or coverage claims. In view of this, the Supervisory Board and Board of Management are of the opinion that the interest of Volkswagen and the Volkswagen Group take precedence, and that the legal clarification of the diesel issue in relation to the responsibilities under civil law of the members of the Board of Management and Supervisory Board is thus to be completed by concluding the settlement agreements in as swift and legally secure a manner as possible. As such, the Supervisory Board and Board of Management recommend that the Annual General Meeting approve the 2026 coverage settlement and confirm the resolution of consent regarding the liability settlement with Professor Winterkorn.

4. Report by the Supervisory Board and the Board of Management on agenda items 10 and 11 of the General Meeting on July 22, 2021

A. Introduction

Under the two agenda items 10 and 11, the Supervisory Board and Board of Management recommend that the settlement agreements with the former Board of Management members Professor Winterkorn and Mr. Stadler ("**liability settlements**") and the settlement agreement between Volkswagen Aktiengesellschaft ("**Volkswagen**"), AUDI AG ("**AUDI**"), Dr. Ing. h.c. F. Porsche AG ("**Porsche**") and various D&O insurers ("**coverage settlement**") be approved. With these settlements, Volkswagen intends to conclude the legal investigation of the diesel issue with regard to the responsibilities of the board members under civil law.

The term "diesel issue" refers in this context to the development, installation, distribution and other use of certain software functions in the engine control unit of diesel engines (among others EA189 and EA288, as well as various V-TDI engines) that led to deviations between the exhaust emissions during dynamometer operation and road use and all facts and circumstances related thereto. The term also covers the clarification and investigation of the matter at Volkswagen, AUDI and Porsche following the publication of the Notice of Violation by the US Environmental Protection Agency ("**EPA**") on 18 September 2015.

B. Background to the settlement agreements

I. Overview of the diesel issue

1. Volkswagen

The diesel issue arose from the manipulation of parts of the engine control unit software for the EA189 diesel engine developed by Volkswagen between 2002 and 2008 ("**defeat device**").

The decision to develop and install this software function was taken in late 2006 by employees in the Engine Development Division. The decision was taken because, *inter alia*, it was not certain that the EA189 as it was at the time could comply with the strict US emission limits and because there were at the same time technical problems with the long-term stability of the NOx storage catalytic converter. The defeat device recognised the driving curve of exhaust gas tests. Depending on the recognised driving curve, it switched between two different modes: one mode for optimum NOx values during dynamometer operation and one mode for optimum particulate values during road use. The defeat device was initially used in vehicles with EA189 2.0l diesel engines intended for the North American market ("**NAR**"). It was used in model years 2009-2014 Gen1 NAR EA189 diesel engines that were equipped with a NOx storage catalytic converter. It was also used in Gen2 EA189 NAR diesel engines that were equipped with an SCR system. In an SCR system, nitrogen oxides are reduced to nitrogen and water by injecting a urea solution (brand name: "**AdBlue**"). The defeat device was also used in the model that succeeded the EA189, namely the model year 2015 Gen3 NAR EA288 diesel engine with SCR system.

In May 2014, the International Council on Clean Transportation ("**ICCT**") published a study in which, upon conducting measurements of NOx emissions for vehicles of the Volkswagen Group with EA189 2.0l diesel engines intended for the NAR market, they were found to be between 15 and 35 times higher under real driving conditions than during testing on the dynamometer. In the months following publication of this study, the unusually high NOx emissions were checked for plausibility and confirmed by Volkswagen. The California Air Resources Board ("**CARB**"), a part of the environmental authority of the US State of California, was informed of this result. At the same time, the offer was made to CARB to carry out a recalibration (so-called "**flash**" or "**software fix**") of the engine control unit software of the EA189 diesel engines in the US as part of a service measure that had in any case been planned.

At the beginning of September 2015, Volkswagen classified the manipulation of the diesel engine control unit software as an unlawful defeat device under US law. Volkswagen disclosed the defeat device to EPA and CARB on 3 September 2015. According to the administrative practice of the competent US authorities up to that point, comparable violations by other automobile manufacturers always resulted in fines at the lower end of the statutory fine range as part of amicable settlements.

On 18 September 2015, EPA published a Notice of Violation addressed to Volkswagen, the Volkswagen Group of America Inc. and AUDI and announced that irregularities in relation to nitrogen oxide (NOx) emissions had been discovered in exhaust gas tests on certain model year 2009-2015 vehicles with 2.0l diesel engines (EA189 and EA288) of the Volkswagen Group in the US.

Following the announcement by EPA, Volkswagen made an ad hoc announcement on 22 September 2015 to the effect that noticeable discrepancies between the emission levels achieved in testing on the dynamometer and under real driving conditions had been identified in EA189 diesel engines, affecting around eleven million vehicles worldwide. Volkswagen immediately stopped the sale and delivery of vehicles with engines covered by the Notice of Violation of 18 September 2015 in the US and in the following weeks also in other markets.

By 31 December 2020, the Volkswagen Group had spent a total of at least EUR 32 billion for negative special factors in connection with the diesel issue. The amount is made up of, among other things, the costs of recalls and field measures, compensation and settlement payments to dealers, internal investigation costs and fines.

2. AUDI

Starting in 2005, AUDI developed a 3.0l V6 TDI engine for the NAR market. In order to meet the strict US emission limits, the competent AUDI bodies decided to make use of the then new SCR technology.

On 2 November 2015, EPA announced with a further Notice of Violation that irregularities had been uncovered in connection with the software used in AUDI, Volkswagen and Porsche vehicles with 3.0l V6 TDI engines and that these were classified under US law as auxiliary emission control devices ("AECD") requiring notification or unlawful defeat devices. AUDI then stopped the sale of vehicles affected by this in the NAR market on 4 November 2015. AUDI thereafter carried out extensive investigations into the use of any unlawful software functions. The software functions that were subsequently disclosed to the US authorities were related to the temperature conditioning and AdBlue dosing in the SCR system. Following the Notice of Violation of 2 November 2015, the Federal Motor Transport Authority (*Kraftfahrt-Bundesamt*, "KBA") also asked questions about the 3.0l V6 and 4.2l V8 TDI engines developed and manufactured by AUDI for the European markets. Between 2017 and 2019, the KBA issued various notices against AUDI and Volkswagen on account of what it deemed unlawful defeat devices in the engine control unit software of several vehicles with various V-TDI engines developed by AUDI.

3. Porsche

Porsche at no time developed or built diesel engines itself. For a long time, Porsche only manufactured sports cars and also offered sports utility vehicles ("SUV"), which were added later, initially exclusively with petrol engines.

In 2007, Porsche commissioned Volkswagen and AUDI/a subsidiary of AUDI for the first time to develop, manufacture and deliver V6 and V8 TDI engines already used in AUDI and Volkswagen vehicles for use in Porsche vehicles as well as to develop and apply the accompanying engine control unit software. Among other things, the basic data of previously developed AUDI and Volkswagen projects was essentially taken over and merely adapted

by AUDI to the vehicle- and model-specific features and requirements of the Porsche vehicles. The software functions relating to the temperature conditioning and AdBlue dosing in the SCR system developed by AUDI for 3.0l V6 TDI engines were part of this basic data.

In 2017 and 2018, the KBA issued several notices against Porsche as well.

II. Extensive investigation of the diesel issue and review of responsibilities

The law firm Gleiss Lutz assisted the Supervisory Boards of Volkswagen, AUDI and Porsche in clarifying the causes of the diesel issue. Gleiss Lutz carried out an extensive review of breaches of duty and claims for damages.

At its meeting on 26 March 2021, the Supervisory Board of Volkswagen decided to assert claims for damages against the former Chairman of the Group Board of Management, Professor Winterkorn, and the former Group Board of Management member and Chairman of the Board of Management of AUDI, Mr. Stadler, on account of negligent breaches of the duty of care under stock corporation law.

The Supervisory Boards of AUDI and Porsche also examined the results of the investigations of their companies during their meetings. In this connection, the former Chairman of the Board of Management of AUDI, Mr. Stadler, and former members of the Board of Management of AUDI, Professor Hackenberg and Dr. Knirsch, as well as the former member of the Board of Management of Porsche, Mr. Hatz, are also being accused of negligent breaches of the duty of care under stock corporation law. The Supervisory Boards of AUDI and Porsche decided to assert claims for damages against these persons based on stock corporation law.

The resolutions of the three Supervisory Boards are based on expert opinions drawn up by Gleiss Lutz in which negligent breaches of duty were identified. The investigation and review covered all members of the Boards of Management of the three companies who were in office during the relevant period.

The Board of Management of Volkswagen extensively reviewed whether the former or current members of the Supervisory Board of Volkswagen had fulfilled their duties in connection with the diesel issue. The Board of Management of Volkswagen instructed the law firm Linklaters to carry out this review. In its expert opinion, Linklaters concluded that there were no indications that former or current members of Volkswagen's Supervisory Board might have breached their duties under stock corporation law in connection with the diesel issue becoming known and being investigated. The Boards of Management of AUDI and Porsche likewise asked Linklaters to review whether the members of their Supervisory Boards had acted in accordance with their duties. With regard to the members of the Supervisory Board of Porsche, Linklaters found that there were no indications of breaches of duty. The same applied to the members of the Supervisory Board of AUDI, with the exception of Professor Winterkorn who, according to Linklaters' findings, had negligently breached his duties under stock corporation law.

III. Ongoing proceedings in connection with the diesel issue

A considerable number of official and court proceedings in connection with the diesel issue are still pending in Germany and abroad, including the following:

- Individual and class actions by customers and actions by consumer and/or environmental organisations are pending against Volkswagen and other members of the Volkswagen Group in various countries. In Germany, the Federation of German Consumer Organisations (Verbraucherzentrale Bundesverband e.V.) filed a class action for a declaratory judgment against Volkswagen with Braunschweig Higher Regional Court in November 2018 with the aim of having the latter set out certain prerequisites for claims, if any, of

consumers against Volkswagen. Since April 2020 Volkswagen has entered into individual settlements with some 245,000 customers within the scope of the framework settlement of 28 February 2020 negotiated with the Federation of German Consumer Organisations in the course of the class action for a declaratory judgment. In addition, around 60,000 individual proceedings, proceedings by major customers with around 9,000 vehicles as well as eight actions by financialright GmbH based on rights of around 37,000 customers assigned to it are pending in Germany in connection with the diesel issue. Outside of Germany, civil proceedings are currently pending in a large number of jurisdictions. These include, for example, lawsuits brought by around 90,000 plaintiffs in England and Wales that were combined in a class action (group litigation). In Belgium, the Belgian consumer organisation Tests Aankoop VZW filed a class action against Volkswagen. Two consumer class actions are pending in Brazil. In all of these proceedings, Volkswagen runs the risk of substantial damages payments. Other proceedings are pending in, for example, France, Italy, the Netherlands, Portugal and South Africa. The subject matter of these proceedings is essentially claims for damages or claims relating to the rescission of sales contracts.

- Investors from Germany and other countries have also sued Volkswagen for damages for the alleged fall in the share price as a consequence of supposed misconduct in relation to capital market communication in connection with the diesel issue. All in all, claims in excess of EUR 9.7 billion are being asserted against Volkswagen in connection with the diesel issue in actions brought by investors around the world as well as under claims registered pursuant to the German Capital Investors Model Proceedings Act.
- Furthermore, the Braunschweig, Munich II and Stuttgart public prosecutor's offices are conducting criminal proceedings *inter alia* against Professor Winterkorn and Mr. Stadler, in particular on account of alleged fraud.
- Various German and foreign administrative authorities have also instituted proceedings against Volkswagen and other members of the Volkswagen Group in connection with the diesel issue. These concern in particular certification-related proceedings by the KBA as well as, outside Germany, the European certification authority, the Société Nationale de Certification et d'Homologation; in addition, other official proceedings are pending in the US in particular, including on account of alleged breaches of environmental law as well as proceedings brought by the US Securities and Exchange Commission on account of allegedly incorrect information in prospectuses.
- Moreover, Volkswagen is involved in various proceedings with former employees before the labour courts. In 2017 and 2018, Volkswagen terminated the employment contracts of six employees for cause, alternatively subject to a notice period, on account of misconduct in connection with the diesel issue. These employees then filed actions on the grounds of unfair dismissal before the labour courts. All these actions are still pending before the court of first instance or appeal court. In all these actions, Volkswagen filed a counterclaim in which it moved for it to be found that these employees are liable for damages. With the exception of Dr. Neußer, these employees are not covered by the D&O insurance program. Of the counterclaims, four proceedings are still pending.

Notwithstanding the aforementioned proceedings, Volkswagen assumes that, in view of its comprehensive investigation of the diesel issue in the course of the official and court proceedings, no new material findings with regard to the responsibilities of the current and former board members under civil law are to be expected.

IV. Claims for damages of Volkswagen against former Board of Management members

1. Professor Winterkorn

From 1996 to 2005, Professor Winterkorn was a member of the Board of Management for the Volkswagen Passenger Cars brand, where he was responsible for the Technical Development Division. Between 2000 and 2002, he was responsible for the Research and Development Division on Volkswagen's Group Board of Management. He was Chairman of the Board of Management of AUDI from 2002 to the end of 2006, before becoming Chairman of the Board of Management of Volkswagen on 1 January 2007, taking over responsibility for, among other things, the Research and Development, Sales, Quality Management and Legal Divisions as well as the position of Chairman of the Board of Management for the Volkswagen Passenger Cars brand. Professor Winterkorn resigned from Volkswagen's Board of Management on 23 September 2015. He was the Chairman of AUDI's Supervisory Board from 2007 to 2015.

Professor Winterkorn was not actively involved in the development and use of unlawful software functions, nor did he have actual knowledge of such a violation of the law. Moreover, no breaches of organisational duties by Professor Winterkorn that contributed to the diesel issue were identified. He did not breach his duties under capital market law in connection with the diesel issue, either.

Professor Winterkorn did however negligently breach his duties of care under stock corporation law as a member of Volkswagen's Board of Management by failing, in the period from 27 July 2015 on, to further clarify, comprehensively and promptly, the circumstances behind the use of unlawful software functions in 2.0l TDI engines sold in the NAR market between 2009 and 2015. Professor Winterkorn also failed to ensure that the questions asked by the US authorities in this context were answered truthfully, completely and without delay.

On the morning of 27 July 2015, Professor Winterkorn asked various employees about the current status of the certification for model year 2016 diesel vehicles that was being withheld by the US authorities as well as about emissions problems in old vehicles on the NAR market. During the afternoon of the same day, certain aspects of the diesel issue were presented to Professor Winterkorn and Dr. Diess during an extraordinary meeting following what was known as a "damages roundtable". Volkswagen engineers from the Technical Development, Engine Development, Quality Management, Exhaust Aftertreatment and Certification Departments discussed the key features of the defeat device that had been installed in the engine control units of around 500,000 vehicles with Gen1 and Gen2 NAR EA189 2.0l diesel engines. In the estimation of some of the Volkswagen engineers, the defeat device was technically unjustifiable. The employees in attendance also presented Professor Winterkorn with a strategy for the further course of action vis-à-vis the US authorities. Professor Winterkorn assumed that the strategy designated as an "offensive" course of action by the employees present at the meeting would lead to a full disclosure of the circumstances behind the emissions problems. In actual fact, however, the employees did not intend to fully disclose the defeat device and the technical background to this to the US authorities. Instead, they were only to admit to software problems in Gen2 NAR EA189 diesel engines, in order to get the US authorities to issue the withheld certification for US model year 2016 diesel vehicles. At that time, it had not yet been established whether the manipulation of the diesel engine control unit software was to be classified as an unlawful defeat device under US law. A review and classification of the defeat device under US law was only completed at the beginning of September 2015. Accordingly, Professor Winterkorn did not obtain any knowledge of the use of software that was unlawful under US law on 27 July 2015, nor did he knowingly accept this. He did however receive specific indications of possibly unlawful functions in Gen1 and Gen2 NAR EA189 2.0l diesel engines developed by Volkswagen. Based on his responsibilities and his considerable prior knowledge, Professor Winterkorn – unlike Dr. Diess, who had only started working for Volkswagen at the beginning of July 2015 –

should have given top priority to pursuing these indications without delay from 27 July 2015 onwards. Given the areas for which he was responsible, Professor Winterkorn had primary responsibility for solving the technical problems discussed in the meeting following the "damages roundtable". During his years of work, he obtained extensive and to some extent detailed knowledge of the particular challenges pertaining to the technical development of diesel engines for the NAR market. It was, in particular, apparent to Professor Winterkorn that a software fix carried out only a few months before had not eliminated the emissions problems. At that point in time Professor Winterkorn was therefore no longer justified in trusting that the competent Volkswagen bodies and employees would, with the required care and speed, look into the indications of possibly unlawful functions in Gen1 and Gen2 NAR EA189 2.0l diesel engines developed by Volkswagen and would communicate with the US authorities and customers in accordance with their duties.

Given the specific indications of possibly unlawful functions in engines developed by Volkswagen, as well as the fact that these engines had, to Professor Winterkorn's knowledge, also been installed in vehicles of the AUDI brand, he would moreover have been obliged, in his capacity as Chairman of the Supervisory Board of AUDI, to inform AUDI's Board of Management of his findings and to work towards comprehensively clarifying the facts and circumstances at AUDI as well. Since he failed to do this, then according to the findings of the Board of Management of AUDI he also negligently breached his duties under stock corporation law as Chairman of AUDI's Supervisory Board.

Professor Winterkorn has, via the lawyers instructed by him, rejected the allegation of a breach of the duties of care and disputed the asserted claims.

2. Mr. Stadler

Mr. Stadler was a member of the Board of Management of AUDI from January 2003 onwards. He was initially responsible for the Finance Division, and took over the position of Chairman of the Board of Management at AUDI as of 1 January 2007. As Chairman of the Board of Management, his responsibilities included the Legal Division (Central Legal Services) and, up to 31 August 2017, the "Compliance" Division. Between 25 September 2015 and 31 December 2015 Mr. Stadler also temporarily took over responsibility for the Technical Development Division. He was a member of the Board of Management of Volkswagen, where he was responsible for the "*Audi, Chairman of the Board of Management*" Division, as from January 2010 until the termination of all his Board of Management offices at Volkswagen and AUDI by mutual agreement on 28 September 2018.

Mr. Stadler was not actively involved in the development and use of unlawful software functions, nor did he have actual knowledge of such a violation of the law. Moreover, no breaches of organisational duties by Mr. Stadler that contributed to the diesel issue were identified.

Mr. Stadler did however negligently breach his duties of care under stock corporation law as a member of Volkswagen's Board of Management by failing, in the period from 21 September 2016 on, to work without delay towards a targeted and systematic investigation of the 3.0l V6 and 4.2l V8 TDI engines developed by AUDI for the European markets in order to establish whether the emission control systems of the affected vehicles contained unlawful defeat devices.

On 21 September 2016 Mr. Stadler received several presentations drawn up by AUDI employees. One of the presentations, which was drawn up immediately after the Notice of Violation in September 2015, shows that AUDI employees had at that time already classified certain data statuses of the engine control unit software as requiring notification to the authorities and that further analysis was considered necessary. According to the presentation,

the functions concerned were used not only in the 3.0l V6 TDI engines developed by AUDI for the NAR market, but also in the engines that AUDI had developed in parallel from 2005 on for future use in the European markets.

After the Notice of Violation AUDI's Board of Management had repeatedly called on the development engineers to establish transparency and disclose all the functions. In the context of the initial investigations of the 3.0l V6 TDI engines for the NAR market, further software functions were discovered and disclosed to the US authorities up to June 2016.

After the Notice of Violation of 2 November 2015, the KBA also launched investigations into the 3.0l V6 and 4.2l V8 TDI engines developed and manufactured by AUDI for the European markets. Even though irregularities had already been identified at that time during internal random checks at AUDI, the development engineers told AUDI's Board of Management that the engines for the European markets were "clean". In discussions with the KBA, AUDI employees did disclose certain elements of the software functions, but concealed critical parameters of these functions from both AUDI's Board of Management and the KBA. On 22 April 2016, the Federal Ministry of Transport and Digital Infrastructure published the "Report by the Volkswagen Investigation Commission" which concluded, based on measurements of AUDI vehicles with 3.0l V6 TDI engines certified under the Euro 5 und Euro 6 emission standards, that the KBA's independent review had not confirmed the allegation made in the US regarding the use of unlawful defeat devices as far as certain vehicle types for the European markets were concerned. From November 2016 onwards, the investigations at AUDI were continued by a task force and a systematic review of the software for the engines intended for the European markets was undertaken from July 2017 onwards. All of the relevant vehicle designs with 2008 to 2018 3.0l V6 and 4.2l V8 TDI engines were then checked by July 2018 and the results of the review and measurements were submitted to the KBA.

During AUDI's investigations into the engines for the European markets Mr. Stadler was initially justified in relying on the statements made by the development engineers and the positive feedback from the KBA that the software for the European markets did not have a problem similar to that affecting the engines for the NAR market. Mr. Stadler is not an engineer and was not familiar with the technical details of emission control. It was however apparent from the presentation submitted on 21 September 2016 that employees in the company had previously carried out an assessment of the functions for the NAR market and the European markets that had, in summer 2016, proven to be correct for the engines for the NAR market that had already been investigated. Given his prior knowledge from the in-depth discussions of the diesel issue by AUDI's Board of Management from November 2015 onwards and the information in the presentation received by him on 21 September 2016, Mr. Stadler could have realised that there was a need for further clarification in connection with the engines for the European markets and that a targeted and systematic investigation of the diesel engines developed by AUDI for the European markets, going beyond the previous investigations, was required.

Mr. Stadler has rejected the allegation of a breach of the duties of care and has disputed the asserted claims.

V. No other claims for damages of Volkswagen against Board of Management members

According to the findings of the Supervisory Board's investigation, no breaches of duty by other Board of Management members of Volkswagen in connection with the diesel issue were identified.

In particular, no Board of Management member has breached any duties under capital market law. The substantial drops in the price of the VW share after publication of the Notice of Violation on 18 September 2015 were due to the fact that the US authorities published their allegations completely unexpectedly during ongoing talks with Volkswagen. The Notice of Violation not only entailed making the existence of an unlawful defeat device public,

but also and in particular signalled a fundamental change in EPA's policy in terms of regulating violations of the US Clean Air Act. With the Notice of Violation, EPA made it clear that it wanted to take vigorous and aggressive action against Volkswagen. In addition, on 18 September 2015 an employee of EPA explicitly confirmed, in response to questions from journalists, that fines of up to USD 18 billion could be imposed on Volkswagen. Contrary to the previous practice of the US authorities, where fines in comparable cases had rather been at the lower end of the fine range – which would have meant a fine in the lower hundreds of millions in Volkswagen's case – an imposition of the maximum fine was therefore on the table for the first time. This course of action by EPA represented a fundamental departure from its established practice in the past. This paradigm shift was new information for Volkswagen and the capital market and was something that was not known prior to 18 September 2015 and could not have been foreseen by Volkswagen's Board of Management. No inside information of relevance under capital market law existed prior to the publication of the Notice of Violation on 18 September 2015.

The proceeding conducted by the Braunschweig public prosecutor's office against Mr. Pötsch and Dr. Diess on suspicion of having breached the German Securities Trading Act was finally dropped against payment of a fine on 20 May 2020 by order of Braunschweig Regional Court pursuant to section 153a(2) German Code of Criminal Procedure before the main proceedings were opened, and the proceeding conducted against Professor Winterkorn with the same allegation was provisionally terminated by order of Braunschweig Regional Court of 14 January 2021 pursuant to section 154(2) German Code of Criminal Procedure before the main proceedings were opened. In the view of Volkswagen, the public prosecutor's office's charges against Mr. Pötsch and Dr. Diess were unfounded in every respect. The law firm Gleiss Lutz concluded, even before the proceedings were terminated, that neither Mr. Pötsch nor Dr. Diess had breached their duties under capital market law. This assessment was supported by opinions prepared by Linklaters law firm on behalf of the Board of Management, also before the proceedings were terminated.

Nor did Dr. Diess breach any duties in connection with the meeting following the "damages roundtable". Dr. Diess had only joined Volkswagen at the beginning of July 2015. He had no prior knowledge of the development or distribution of Volkswagen diesel engines in the North American market. In contrast to Professor Winterkorn, Dr. Diess was furthermore not directly competent for solving the problems with the US authorities, as discussed at the meeting following the "damages roundtable", either. In contrast to Professor Winterkorn, at this point in time Dr. Diess was justified in trusting that the competent Volkswagen bodies and employees would, with the required care and speed, look into the indications of possibly unlawful functions in the Gen1 and Gen2 NAR EA189 2.0l diesel engines developed by Volkswagen and would communicate with the US authorities and customers in accordance with their duties.

VI. No claims for damages of Volkswagen against Supervisory Board members

In its expert opinion, Linklaters concludes that there are no indications that former or current members of Volkswagen's Supervisory Board might have breached their duties under stock corporation law in connection with the knowledge and investigation of the diesel issue. According to Linklaters' review, there are neither any indications that former or current members of the Supervisory Board knew about the diesel issue before the Notice of Violation was published on 18 September 2015 nor are there any indications of breaches of duty in connection with the investigation of the diesel issue after publication of the Notice of Violation.

In particular, there are no reliable indications that in the spring of 2015 individual members of the Executive Committee of the Supervisory Board were informed of manipulations of exhaust emission values by Professor Piëch. The statements made by Professor Piëch during his questioning in the public prosecutor's office

have been closely reviewed and found not credible. On 8 February 2017, Volkswagen's Supervisory Board had also stated as much in a press release. Furthermore, there is nothing to indicate that in the spring of 2015 Supervisory Board members knew about the diesel issue or behaved in breach of duty in any other way in connection with the diesel issue.

C. D&O insurance program

Since 1 January 2012, Volkswagen has maintained a D&O insurance policy ("**primary policy**") with Zurich Insurance plc ("**Zurich**") with an insured sum of EUR 25 million that is part of an international insurance program with integrated local policies. This primary policy is supplemented by various excess liability insurance policies. The primary policy and the excess liability insurance policies, as well as the other policies designated in the coverage settlement, are jointly referred to as the "**VW D&O**", and the insurers involved in the VW D&O in the 2015 and 2021 insurance periods, as the "**VW D&O insurers**". The VW D&O is an insurance policy for the entire Volkswagen Group. It contains an arbitration clause, meaning that any disputes about the existence of coverage claims can be clarified in the course of non-public arbitration proceedings. The VW D&O provides coverage to the persons defined in the insurance policies ("**insured persons**") who work or worked for the policyholder or other companies covered by the policy according to the insurance terms and conditions (including AUDI and Porsche), in particular in the event that claims for damages are asserted against insured persons or official proceedings are initiated against them. The insured persons include, in particular, former and current board members of the companies as well as members of the Board of Management for the Volkswagen Passenger Cars brand.

For the insurance periods from 1 January 2015 to 1 January 2016, the VW D&O consisted of the insurance policy with Zurich for primary coverage with a maximum insured sum of EUR 25 million as well as nine excess liability insurance policies with a combined maximum insured sum of an additional EUR 475 million (together the "**2015 insurance program**"). The total insured sum of the 2015 insurance program is therefore EUR 500 million, in terms of which the insured sum in excess of EUR 300 million is only available for board members of Volkswagen.

In November 2015 Volkswagen, as a precaution, reported to the VW D&O insurers of the 2015 insurance program the facts and circumstances of the diesel issue that it was aware of at that time. The insurers then excluded the insurance coverage for so-called "manipulations of exhaust emission values" for the insurance periods as from 1 January 2016 under the VW D&O. The coverage was however maintained for the response management, which was defined in greater detail. In the subsequent years, the VW D&O was continued with this exclusion of coverage and some additional adjustments.

For the insurance period that commenced on 1 January 2021, the VW D&O consists of the insurance policy with Zurich for primary coverage with a maximum insured sum of EUR 25 million as well as eleven excess liability insurance policies with a combined maximum insured sum of an additional EUR 455 million (together the "**2021 insurance program**"). The total insured sum of the 2021 insurance program is therefore EUR 480 million, in terms of which the insured sum in excess of EUR 300 million is once again only available for board members of Volkswagen.

Zurich has made payments under the 2015 primary coverage for legal defence costs of the insured persons, among other things in connection with criminal investigations and various proceedings in the US.

Volkswagen is of the opinion that the facts and circumstances in question fall under the 2015 insurance program and the 2021 insurance program. The VW D&O insurers argued that coverage could at best exist under the 2015 insurance program. In the interest of a comprehensive and definitive resolution, the VW D&O insurers of the 2021 insurance program are however also participating in the coverage settlement.

D. Basic content of the settlement agreements

I. Liability settlements

Volkswagen and AUDI have concluded the liability settlements attached as Annexes to agenda item 10 with Professor Winterkorn and Mr. Stadler. The liability settlement with Professor Winterkorn relates both to claims that exist on the basis of negligent breaches of duty committed by Professor Winterkorn in his capacity as Chairman of the Board of Management of Volkswagen, and also to claims that exist on the basis of negligent breaches of duty committed by Professor Winterkorn in his capacity as Chairman of the Supervisory Board of AUDI. The liability settlement with Mr. Stadler concerns claims that exist on the basis of negligent breaches of duty committed by Mr. Stadler as a Board of Management member of Volkswagen and as Chairman of the Board of Management of AUDI. Both Volkswagen and AUDI are therefore parties to these liability settlements.

The main obligations and legal effects of these liability settlements are:

- Professor Winterkorn shall undertake, in accordance with section 1.1, to pay an own contribution totalling EUR 11,200,000.00 to Volkswagen. The own contribution shall be composed of a payment by Professor Winterkorn in the amount of EUR 7,210,000.00 in two equal annual instalments to Volkswagen pursuant to section 1.2 and the irrevocable and full waiver of claims against Volkswagen in the amount of EUR 3,990,000.00 gross pursuant to section 1.3. Professor Winterkorn shall waive a Long-Term Incentive Bonus for the 2016 financial year in the amount of EUR 2,655,000.00 gross and a bonus for the 2016 financial year in the amount of EUR 1,335,000.00 gross in that regard. These claims would per se have been due in 2017 already. They have however not yet been covered since their due date for payment was deferred until 30 June 2021 by way of several agreements between 2017 and 2020.
- Mr. Stadler shall undertake, in accordance with section 1.1, to pay an own contribution totalling EUR 4.1 million to Volkswagen and AUDI. Mr. Stadler shall pay the own contribution by waiving claims against Volkswagen and AUDI. Mr. Stadler shall waive a share of EUR 420,000.00 of a Long-Term Incentive Bonus (LTI) of EUR 888,508.74 for the 2018 financial year. Moreover, Mr. Stadler shall waive a claim, subject to a condition precedent, against Volkswagen and AUDI for a severance payment in the amount of EUR 5,112,500.00 gross, as well as a claim, subject to a condition precedent, against AUDI for a severance payment in the amount of EUR 112,500.00. Both claims to severance payments are subject to the condition precedent of legally binding or final termination or discontinuance of all criminal proceedings against him which are ongoing and were initiated before 1 January 2023 in connection with the diesel issue without any finding of personal fault under criminal law. Since according to the result of the extensive investigations of the diesel issue carried out by the law firms, Mr. Stadler is only guilty of a negligent breach of his duty of care, Volkswagen and AUDI presume that the condition precedent for the two severance payment claims has been met. The severance payment claim against Volkswagen and AUDI, subject to a condition precedent, in the amount of EUR 5,112,500.00 gross, shall therefore be taken into account for the own contribution as a payment in the amount of EUR 3,600,000.00. The severance payment claim in the amount of EUR 112,500.00 gross shall therefore be taken into account for the own contribution as a payment in the amount of EUR 80,000.00. Furthermore, Mr. Stadler shall assign to AUDI all claims arising from a deductible insurance he took out with Zurich. According to the plausible legal opinion of Zurich, it is however to be assumed that Zurich is not obliged to make payment on account of the exclusions of coverage and the special arrangements made.
- As soon as the respective own contribution pursuant to section 1.1 has been fully paid up, all claims of Volkswagen, AUDI and their subsidiaries against Professor Winterkorn and Mr. Stadler arising from or in

connection with the “relevant facts and circumstances” shall be deemed satisfied and settled (sections 1.7 and 1.5 respectively). “Relevant facts and circumstances” include not only the diesel issue, but also any other manipulations, distortions or false statements made of/on exhaust emission, consumption or performance values of engines from the Volkswagen Group. The term “consumption values” denotes in particular the consumption values of all operating materials of a vehicle (such as petrol, diesel, electricity, oil). “Relevant facts and circumstances” also include any anticompetitive arrangements made in connection with exhaust emission and consumption value manipulations. The VW D&O insurers insisted on this comprehensive settlement. The background is that Volkswagen announced, e.g. in December 2015, that internal investigations had revealed that during the process of determining the CO₂ level for the type approval of vehicles values had been measured for which there was no explanation. While the suspicion of unlawful modification of the consumption figures for current production vehicles was not confirmed, the settlements nevertheless include this matter, among others, in the interests of a comprehensive arrangement. Such claims in respect of which less than three years have elapsed since they arose shall not, however, be deemed satisfied and settled. Sections 1.8 and 1.6 respectively thereby take the requirements of section 93(4), sentence 3 German Stock Corporation Act into account.

- Section 2.1 provides for the consent of Professor Winterkorn and Mr. Stadler to the coverage settlement and at the same time makes it clear that the payments made and yet to be made by the VW D&O insurers will depend on the insurance policy and the coverage settlement. Sections 2.2 and 2.3 furthermore restrict the effect of being satisfied and settled under sections 1.7 and 1.5 respectively *inter alia* with regard to the VW D&O insurers which are not parties to the coverage settlement and in the event that the coverage settlement should subsequently turn out to be null and void and for that reason the VW D&O insurers which are not parties to the coverage settlement do not pay Volkswagen the intended settlement contributions in full or demand at least partial repayment from Volkswagen. To that extent, Volkswagen and AUDI shall be able to take action against Professor Winterkorn or Mr. Stadler, which can also indirectly make it possible for claims to be asserted against the VW D&O insurers. Such a course of action should not however place additional financial burdens on Professor Winterkorn and Mr. Stadler if they have paid their respective own contributions and at Volkswagen’s request have assigned their indemnification claims against the VW D&O insurers to Volkswagen and/or AUDI or a third party named by them. In that event, the companies shall therefore generally only issue execution against the indemnification claim of Professor Winterkorn and Mr. Stadler against the VW D&O insurers, insofar as this indemnification claim has not already passed to Volkswagen or AUDI anyway, but not against the other assets of Professor Winterkorn and Mr. Stadler.
- Professor Winterkorn and Mr. Stadler shall be indemnified against, among other things, third party claims that are based on the “relevant facts and circumstances” pursuant to section 3.1. This may be of relevance, for example, if third parties also assert claims against Professor Winterkorn or Mr. Stadler in person in connection with actions brought against Volkswagen or AUDI. The indemnification shall also extend to the costs that Prof. Winterkorn incurs in connection with the defence of these claims or criminal allegations arising out of the relevant facts and circumstances. The indemnification shall only apply if no payments flow from the VW D&O and no claims under the VW D&O exist. Moreover, the indemnification shall be restricted pursuant to section 3.2. It shall not exist where coverage is excluded under the insurance terms and conditions of the VW D&O. Furthermore, the indemnification shall be restricted to the difference between the coverage of the VW D&O and the insurance payments already made or yet to be made by the VW D&O insurers. In addition, an indemnification is out of the question if it would violate section 93(4), sentence 3 German Stock Corporation Act or other mandatory statutory provisions. These restrictions

serve the purpose in particular of preventing third parties from asserting claims against Professor Winterkorn or Mr. Stadler in order to indirectly access the assets of Volkswagen or AUDI by way of the indemnification. The restrictions of the insured sums and exclusions of cover shall however not apply to the reimbursement of costs for the defence of claims and other legal defence costs. This concession to Professor Winterkorn and Mr. Stadler is appropriate *inter alia* because it is also in the interest of Volkswagen that Professor Winterkorn and Mr. Stadler be represented by competent lawyers, above all also in the proceedings with foreign authorities and plaintiffs.

- Pursuant to section 3.4 Professor Winterkorn and Mr. Stadler will only assert claims against third parties from the Volkswagen Group, particularly against current and former board members and employees of the companies, with the consent of Volkswagen and AUDI. This shall not apply, however, insofar as the restrictions of the indemnification claims of Professor Winterkorn and Mr. Stadler apply pursuant to section 3.2.
- Pursuant to sections 5.1 a) and b), the entry into effect of the respective liability settlements with Professor Winterkorn and Mr. Stadler is subject to the condition precedent of the General Meetings of Volkswagen and AUDI approving the respective liability settlement without an objection, recorded in the minutes, by a minority whose aggregate shares are at least equivalent to one tenth of the share capital. This reflects the legal requirements set out in section 93(4), sentence 3 German Stock Corporation Act. In addition, section 5.1 c) provides that the condition precedent of the coverage settlement must be met as well, which includes in particular the approval of the coverage settlement by the General Meetings of Volkswagen, AUDI and Porsche.
- Pursuant to section 5.3 Professor Winterkorn and Mr. Stadler shall, until six months have elapsed after the resolution of the last action for avoidance or nullity in connection with the respective liability settlement, refrain from asserting the defence of the statute of limitations for claims arising from the “relevant facts and circumstances”. The waiver of the statute of limitations shall be independent of fulfilment of the conditions for the liability settlement to take effect pursuant to section 5.1. This is to ensure that the companies’ claims for damages do not become statute-barred even if a liability settlement should be invalid.

In addition to the liability settlements with Professor Winterkorn and Mr. Stadler, liability settlements have also been concluded with Dr. Knirsch and Mr. Hatz. The liability settlement with the former member of the AUDI Board of Management, Dr. Knirsch, was concluded by AUDI. The liability settlement with Mr. Hatz involves not only Porsche but also Volkswagen and AUDI because Mr. Hatz worked for these companies as an employee prior to his activities on the Porsche Board of Management. As Dr. Knirsch and Mr. Hatz have not been on the Board of Management or the Supervisory Board of Volkswagen, there is no need for approval from the Volkswagen General Meeting for these liability settlements.

The contractual provisions of the liability settlements with Dr. Knirsch and Mr. Hatz correspond in essence to the liability settlements of Volkswagen and AUDI with Professor Winterkorn and Mr. Stadler. The respective own contributions differ, however: Pursuant to the liability settlement, Dr. Knirsch shall pay AUDI an own contribution of EUR 1 million. Mr. Hatz shall pay Porsche an own contribution of EUR 1.5 million. The conditions precedent also apply accordingly, so that the liability settlement with Dr. Knirsch is, above all, subject to the condition precedent of approval by the AUDI General Meeting, and the liability settlement with Mr. Hatz to the condition precedent of approval by the Porsche General Meeting. Part of the condition precedent laid down in both liability settlements is likewise the approval of the coverage settlement by the General Meeting.

II. Coverage settlement

Volkswagen, AUDI and Porsche concluded the coverage settlement attached as an Annex to agenda item 11 with the VW D&O insurers ("**participating VW D&O insurers**").

The main obligations and legal effects of this coverage settlement are:

- The participating VW D&O insurers shall undertake in accordance with section 1.1 of the coverage settlement to pay a total amount of EUR 270,015,000.00 minus payments already made pursuant to sections 1.2 and minus insurance payments still to be made pursuant to section 2. Of that, the VW D&O insurers for the 2015 insurance program shall pay an amount of EUR 261,890,000.00 pursuant to section 1.2. Of that, the VW D&O insurers for the 2021 insurance program shall pay an amount of EUR 8,125,000.00 pursuant to section 1.3.
- On account of the damage sustained by AUDI and Porsche as a result of the diesel issue and the corresponding claims AUDI and Porsche have for damages against the persons against whom claims are asserted, who for their part come under the VW D&O, of the above sum Volkswagen shall, pursuant to section 1.1, pass on a share of 34.18 percent of that amount to AUDI and a share of 14.50 percent to Porsche. Both AUDI and Porsche are (indirectly) wholly-owned subsidiaries of Volkswagen with whom control and profit/loss transfer agreements exist. Therefore, the payments that are passed on to AUDI and Porsche also benefit Volkswagen.
- Pursuant to sections 2.1 and 2.2 of the coverage settlement, Zurich will set up a provisions account into which XL Insurance Company SE and Allianz Global Corporate & Specialty SE will pay a combined total amount of EUR 50 million from the 2015 settlement amounts. Future insurance payments for the relevant facts and circumstances that can still be demanded also taking into account the liability settlements and the coverage settlement shall be made from this provisions account. Such payments include, in particular, the assumption of costs of the defence against claims and indemnification against justified claims should any be asserted by third parties against insured persons. Should, once these payments have been rendered, there still be a balance in the provisions account, it shall be paid out to Volkswagen.
- According to sections 3.1 and 3.2, all coverage claims against the participating VW D&O insurers based on or in connection with the "relevant facts and circumstances", as well as all other coverage claims which are attributable to the 2015 insurance period, shall be deemed satisfied and settled vis-à-vis Volkswagen, AUDI and Porsche as soon as the coverage settlement pursuant to section 7.1 has taken effect, the respective settlement amounts pursuant to section 1 have been fully paid by individual participating VW D&O insurers and provisions for future insurance payments pursuant to section 2 have been created and insofar as the parties are authorised to dispose of the coverage claims in accordance with the provisions in the insurance policy and the Insurance Contracts Act.
- Under section 3.3, the payments to be made pursuant to section 1.1 und 1.3 during the 2021 insurance period shall be set off against the insured sum of this insurance period.
- Once the conditions precedent pursuant to section 6.1 have been met and the settlement amount has been paid pursuant to section 1, Volkswagen, AUDI and Porsche undertake pursuant to sections 3.6 and 3.7 never to assert claims in connection with the "relevant facts and circumstances" against current and former Board of Management members or against any other insured persons – with the exception, pursuant to section 3.10, of Professor Winterkorn, Mr. Stadler, Professor Hackenberg, Dr. Knirsch, Mr. Hatz and Dr.

Neußer (together the "**persons against whom claims are asserted**"). Pursuant to section 3.9, this applies comprehensively for claims in connection with the diesel issue. This does not apply for other claims in connection with the "relevant facts and circumstances" insofar as no VW D&O insurance coverage exists. According to the results of the extensive investigations carried out by the law firms, the companies do not have any claims for damages against the other insured persons, so that any assertion of claims can be omitted without this resulting in economic disadvantages. Only by means of such a comprehensive solution can the intended purpose of the agreements, namely to bring the investigation of the diesel issue with respect to possible liability claims to a final conclusion in terms of liability and insurance law, be achieved. This arrangement will allow the current board members to concentrate in particular on their future-oriented tasks in the companies. In the current situation, with the automotive sector undergoing structural changes, this is of particular importance.

- Such claims in respect of which less than three years have elapsed since they arose shall not, however, be deemed settled. Section 3.8 thereby takes the requirements of section 93(4), sentence 3 German Stock Corporation Act into account.
- Should no liability settlements have been concluded with the persons against whom claims are asserted, or such liability settlements do not enter into force or are declared null and void, the claims for damages against them shall remain in place pursuant to section 3.10. However, pursuant to section 3.10, such claims for damages are only enforceable for that part of the claim which would remain had the VW D&O insurers also spent the difference between the settlement amounts pursuant to section 1 and the maximum insurance sums for the 2015 and the 2021 insurance periods for the indemnification of the respective persons against whom claims are asserted. These provisions are of particular importance for claims for damages against Dr. Neußer and Prof. Hackenberg, with whom no liability settlement was concluded. Claims have already been asserted against Dr. Neußer. The Supervisory Board of AUDI has instructed that preparations be made for legal action to be taken against Prof. Hackenberg.
- Section 4 contains indemnifications in favour of the participating VW D&O insurers for the event that after the coverage settlement takes effect, legitimate claims to insurance payments are asserted based on or in connection with the "relevant facts and circumstances" and the provisions account pursuant to section 2 is no longer in credit. With regard to the 2015 insurance program, the indemnification obligation also applies to claims which are not attributable to the "relevant facts and circumstances", because claims arising from the 2015 insurance program are completely covered by the coverage settlement. Other restrictions of the indemnification obligation remain unaffected, however.
- The participating VW D&O insurers undertake pursuant to section 5.1 not to assert any claims for recourse or compensation against the companies, insured persons or third parties on account of payments made by these insurers. The VW D&O Insurers must assign such claims upon Volkswagen's request to Volkswagen, AUDI, Porsche or a third party.
- Berkshire Hathaway International Insurance Limited ("**Berkshire Hathaway**"), as the insurer of the first excess liability insurance policy of the 2021 insurance program with a maximum insured sum of EUR 50 million after the primary coverage by Zurich in the amount of EUR 25 million, was not willing to enter into a settlement. Berkshire Hathaway is therefore not a party to the coverage settlement. To the extent possible under the relevant insurance policies and the statutory provisions, the coverage settlement shall not have any effect on the rights and duties of Berkshire Hathaway as a VW D&O insurer. Section 6.1 stipulates that Berkshire Hathaway is to be excluded from all of the effects of the coverage settlement

which benefit the VW D&O insurers. In order to make it possible to assert claims against Berkshire Hathaway, liability claims against the persons against whom claims are asserted pursuant to section 6.2 shall additionally continue to exist in full and be enforceable. However, compulsory enforcement against the persons against whom claims are asserted shall be limited in this regard to their indemnification claims against Berkshire Hathaway under the insurance contracts.

- The effectiveness of the coverage settlement is, pursuant to sections 7.1 a) and b), subject to the condition precedent of approval by the General Meetings of Volkswagen, AUDI and Porsche without an objection to the respective resolution, recorded in the minutes, by a minority whose aggregate shares are at least equivalent to one tenth of the share capital of Volkswagen, AUDI or Porsche. This reflects the legal requirements set out in section 93(4), sentence 3 German Stock Corporation Act. Section 7.2 contains provisions for the event that a defective resolution action is brought against the respective approval resolution of the General Meetings. The bringing of such a defective resolution action does not, alone, prevent the coverage settlement taking effect. If a defective resolution action is successful, the coverage settlement will cease to be effective retroactively.

E. Legal framework for the settlement agreements

Pursuant to section 93(4), sentence 3 German Stock Corporation Act, Volkswagen may only waive claims for damages against members of the Board of Management or reach a settlement in that regard if three years have passed since the claim arose, the General Meeting agrees and a minority whose combined shares make up the tenth part of the share capital does not record an objection in the minutes.

Section 93(4), sentence 3 German Stock Corporation Act also applies to settlement agreements with former Board of Management members and therefore to the liability settlements with Professor Winterkorn and Mr. Stadler put to the vote under agenda item 10. As part of the counter-performance of Volkswagen, AUDI and Porsche, the coverage settlement provides that D&O liability claims will never be asserted. Therefore, the coverage settlement put to the vote under agenda item 11 will only take effect under the conditions set forth in section 93(4), sentence 3 German Stock Corporation Act. Therefore, the liability settlements as well as the coverage settlement are to be presented to the General Meeting for approval.

The decisive factor for commencement of the three-year period is the time at which the claim arises. A claim arises as soon as the requirements for establishing liability are met, i.e. the breach of duty has been committed and damage has been incurred. In this connection, the three-year period commences – independently of whether the development of the damage has come to an end – upon knowledge of the first damage items as soon as the claim can be asserted by means of an action for performance or for a declaratory judgment. This point in time is more than three years ago for all of the facts and circumstances reviewed as part of the extensive investigations carried out by the law firms. Moreover, claims in respect of which less than three years have elapsed since they arose are, purely as a precaution, expressly excluded from satisfaction and settlement. Therefore, the General Meeting can permissibly vote on the settlement agreements.

F. Main reasons for the settlement agreements

Volkswagen's Supervisory Board and Board of Management are convinced that the settlement agreements put to the vote under agenda items 10 and 11 are in the interest of Volkswagen. This is based on the following considerations.

The responsibilities of Volkswagen's board members in connection with the diesel issue have meanwhile been thoroughly and very carefully investigated over a period of more than five and a half years. Now that this

comprehensive investigation has been concluded, the clarification process should be brought to an end so that Volkswagen can draw a line under reviewing the responsibilities of the board members and conclude the diesel issue in that regard as well. Volkswagen can make use of the internal and external resources that have hitherto been dealing with the clarification for its important strategic and operative issues for the future. This is of crucial importance in particular since Volkswagen is facing major business challenges in its ongoing transformation of the company. It is only once this investigation has been concluded and the settlement agreements have been concluded that the payment of the considerable funds from the D&O insurance and the own contributions of the board members against whom claims are asserted can be made.

The Supervisory Board and the Board of Management regard the settlement contributions of the participating VW D&O insurers and the respective own contributions claimed from the board members, amounting Group-wide to a sum total of EUR 287,815,000.00, as financially appropriate in the interest of the company. Although in the company's view the financial losses incurred by the Volkswagen Group as a result of the diesel issue, as well as the losses attributable to the negligent breaches of duty committed by Professor Winterkorn and Mr. Stadler and the other insured persons, are far more than the total amount agreed, the financial capability of the persons against whom claims are asserted – even taking into account the insured sum – is nowhere near the damage incurred that, in the view of the company, is attributable to these persons. Against this background, any comprehensive satisfaction of the claims for damages that exist in the company's opinion, is not realistic from the outset.

Furthermore, if claims for damages were asserted in court, Volkswagen would have to conduct a number of complex proceedings. As a first step, Volkswagen would need to take action against the persons against whom claims are asserted, in particular Professor Winterkorn and Mr. Stadler, in order to then be able to assert a claim against the VW D&O insurers as a second step. The existence and extent of liability claims would need to be clarified in proceedings against the persons against whom claims are being asserted, whereas in subsequent proceedings against the VW D&O insurers the decisive question would be whether and the extent to which any claims for damages awarded to the company are insured.

As in the case of any lawsuit, asserting claims for damages in court against the persons in question would involve litigation risks with the possible outcome that the claims for damages might not be awarded at all or not in full. In the event of a legal dispute between the company and the persons against whom claims are asserted, the courts would have a number of complicated factual and legal questions to decide. The persons against whom claims are asserted would very likely raise numerous factual and legal objections to avert the claims for damages. Many of the legal issues raised in that respect have not yet been decided either by lower courts or the supreme court. Furthermore, with a view to any lawsuit with the VW D&O insurers, it could not be assumed that the VW D&O insurers would accept Volkswagen's claims without raising extensive (legal) objections. It would moreover take many years for final and binding decisions to be reached in court proceedings.

In any event, litigating against Professor Winterkorn and Mr. Stadler and the other persons against whom claims are asserted, as well as the VW D&O insurers, would nonetheless give rise to considerable costs for all those involved in the proceedings. Volkswagen would thereby be burdened with considerable procedural costs. In addition, the procedural costs incurred by the persons against whom claims are asserted would burden the liable funds available to Volkswagen and hence indirectly Volkswagen again, even if Volkswagen won the case. If Volkswagen lost in full or in part, in addition to its remaining damage the company would be required to bear the procedural costs in full or in part itself. By concluding the settlement agreements before an action is filed, the costs of a lawsuit in this regard can be entirely avoided.

Unlike in the case of asserting the claims in court, it is furthermore ensured that the claims against Professor Winterkorn and Mr. Stadler can be realised, considerable sums can be claimed from the participating VW D&O insurers and the inflow of the funds to Volkswagen can be expected in good time. Lastly, pursuing the claims in court would tie up considerable human resources of the company that could be employed more efficiently, in economic terms, elsewhere.

The Supervisory Board and the Board of Management are convinced that the possibility cannot be ruled out that public court proceedings in which the conduct of Professor Winterkorn and Mr. Stadler, sometimes from long ago, is discussed and assessed in public, would damage the public perception of Volkswagen and the Volkswagen Group. In that regard, the Supervisory Board and the Board of Management see the risk that Volkswagen's considerable performance and success in compliance management over the past few years would not be appropriately appreciated in the public eye. On the contrary, there might be a risk – not least because of negative press reports on the court proceedings – of these successes being thwarted on account of the misconduct of former executives and employees in the past. Such a perception might have a negative impact on the current business activities and reputation of the company and the entire Volkswagen Group which, in the view of Volkswagen, must be avoided in the interest of the company.

Furthermore, the coming into force of the settlement agreements would greatly simplify the legal situation of Volkswagen. Although Berkshire Hathaway is not a party to the coverage settlement, and the Supervisory Board has instructed that preparations be made for legal action to be taken against Berkshire Hathaway, it would also be possible to assert claims against it in the course of arbitration proceedings. Apart from that, however, Volkswagen would then be able to concentrate on its defence against claims and put forward the best possible defence in the proceedings that are still ongoing.

The own contributions made by Professor Winterkorn and Mr. Stadler on the one hand take their responsibility and the damage incurred by Volkswagen into account but, on the other hand, also their accomplishments for Volkswagen during their many years of working for the Group with great success. During Professor Winterkorn's time as Chairman of the Board of Management, the Volkswagen Group generated a cumulative net profit of around 75 billion. Its international business, above all in the People's Republic of China, was furthermore expanded at great profit and the Group's important commercial vehicle business strategically advanced. The Volkswagen core brand was able to manifest its claim to the premium high-volume segment in the automotive sector. During his term as Chairman of the Board of Management, Mr. Stadler enhanced the brand's premium claim. Over this period deliveries almost doubled and net profit more than doubled. In addition, with the Audi A8 the world's first series-produced car was designed specifically for highly automated driving (level 3), introducing the electrification of the model range. The own contributions owed by Professor Winterkorn and Mr. Stadler under the liability settlements stress that Volkswagen does not tolerate wrongful behaviour of its board members without sanctions but instead calls wrongfully acting board members to account.

The waiver of potential liability claims against the other insured persons does not however result in economic disadvantages for the company since, according to the results of the extensive investigations carried out by the law firms, the companies do not have any claims for damages against the other insured persons. Only by means of such a comprehensive solution can the intended purpose of the agreements, namely to bring the investigation of the diesel issue with respect to possible D&O liability claims to a final conclusion in terms of liability and insurance law, be achieved. This arrangement will also allow the current board members to concentrate in particular on their future-oriented tasks in the companies.

The ongoing proceedings do not stand in the way of concluding a settlement. In the view of the Supervisory Board and the Board of Management, the conclusion of a settlement should not be delayed any further since the advantages of such a settlement, namely the rapid conclusion of the investigation of the diesel issue, the speedy inflow of the funds and the improvement in Volkswagen's situation as regards the ongoing proceedings, can only be fully achieved by concluding the settlement at an early stage.

G. Court-ordered special audit

The conclusion of the settlement agreements and the waiving of claims vis-à-vis other board members is permissible even taking into consideration the special audit ordered to take place at Volkswagen by Celle Higher Regional Court for the purpose of examining whether the actions of the Board of Management and Supervisory Board in connection with the diesel issue were in accordance with their duties. Notwithstanding the order for this special audit, the Board of Management and the Supervisory Board remain entitled under the delineation of responsibilities under stock corporation law to resolve on settlement agreements and waivers with board members at their due discretion and in the interest of the company. The same applies to the competence of the General Meeting to approve such agreements.

More than five and a half years after the diesel issue became known, the Board of Management and the Supervisory Board consider that, due to the comprehensive reviews by Gleiss Lutz for the Supervisory Board and Linklaters for the Board of Management, there are now sufficient findings in every respect regarding the responsibilities of current and former members of the Board of Management and Supervisory Board under stock corporation law in connection with the diesel issue. Based on the findings of these reviews, the Supervisory Board and the Board of Management have resolved on the assertion of claims for damages and the present settlement agreements. By this, the intention is to conclusively deal with the issue of the civil law responsibilities of Volkswagen board members in connection with the diesel issue. Volkswagen will ultimately be put in a position to concentrate unhampered on the substantial operative and strategic challenges facing the company.

The Board of Management and the Supervisory Board do not consider it appropriate to await the results of the special audit. This applies not least because, given the scope and depth of the comprehensive investigations by the Supervisory Board and the Board of Management, no further findings are expected from the special audit. Moreover, it is likely to be a considerable amount of time before the special auditor is in a position to submit his final report because no audit procedures have yet taken place at Volkswagen. This would also mean that the considerable funds from the settlement agreements with the D&O insurers and Professor Winterkorn and Mr. Stadler would not flow to Volkswagen at the present time.

In addition, it is uncertain whether the special audit will be continued at all in the future. Volkswagen has lodged two constitutional complaints against the rulings of Celle Higher Regional Court underlying the order for the special audit on the grounds that they violate its constitutionally guaranteed rights. In the event of a successful constitutional complaint, the special audit would have to be halted immediately. Volkswagen has also instituted proceedings for injunctive relief against the special auditor because in Volkswagen's view – supported by a detailed expert opinion from a renowned professor – the special auditor has not yet sufficiently proven there to be no bar to his appointment.

H. Summary recommendation

On this basis, the Supervisory Board and the Board of Management are convinced that, in the interest of the company, the settlement agreements put to the vote under agenda items 10 and 11 are far preferable to the enforcement of compensation or coverage claims in court. In the opinion of the Supervisory Board and the Board of Management, it is clearly in the interest of the company and the Group to bring the legal investigation of the diesel issue with regard to the responsibilities of the board members under civil law to a quick, legally certain and final conclusion by way of the settlement agreements. The Supervisory Board and Board of Management thus propose that the General Meeting approve the settlement agreements.

5. Settlement agreement between Volkswagen Aktiengesellschaft, AUDI Aktiengesellschaft and Dr. Ing. h.c. F. Porsche Aktiengesellschaft on the one hand and Zurich Insurance plc. as D&O insurer of the basic policy and the D&O insurers of the excess insurance policies on the other hand dated June 9, 2021 (Coverage Settlement 2021)

Coverage Settlement

between

- (1) VOLKSWAGEN Aktiengesellschaft, Berliner Ring 2, 38440 Wolfsburg ("**VOLKSWAGEN**"), represented by its Board of Management and Supervisory Board,
- (2) AUDI Aktiengesellschaft, Auto-Union-Straße 1, 85045 Ingolstadt ("**AUDI**"), represented by its Board of Management and Supervisory Board,
- (3) Dr. Ing. h.c. F. Porsche Aktiengesellschaft, Porscheplatz 1, 70436 Stuttgart ("**Porsche**"), represented by its Board of Management and Supervisory Board,

(VOLKSWAGEN, AUDI and Porsche collectively the "**Companies**"),

- (4) AIG Europe S.A., German Regional Office, Neue Mainzer Straße 46-50, 60331 Frankfurt am Main ("**AIG**"),
- (5) Allianz Global Corporate & Specialty SE, Königinstraße 28, 80802 Munich ("**AGCS**"),
- (6) Great Lakes Insurance SE, Königinstraße 107, 80802 Munich ("**Great Lakes**"),
- (7) HDI Global SE, HDI-Platz 1, 30659 Hanover ("**HDI**"),
- (8) Liberty Mutual Insurance Europe SE, German Regional Office, Im Klapperhof 7-23, 50670 Cologne ("**Liberty**"),
- (9) QBE Europe SA/NV, German Regional Office, Breite Straße 31, 40213 Düsseldorf ("**QBE**"),
- (10) Tokio Marine Europe SA Sucursal en España, Torre Diagonal Mar, Planta 10, Josep Pla 2, 08019 Barcelona, Spain ("**TMHCC**"),
- (11) XL Insurance Company SE, German Regional Office (simultaneously as legal successor of AXA Corporate Solutions Deutschland, branch office of AXA Corporate Solutions Assurance S.A., as well as of Catlin Insurance Company (UK) Ltd.), Colonia-Allee 10-20, 51067 Cologne ("**AXA XL**"),
- (12) Zurich Insurance plc, German Branch Office, Platz der Einheit 2, 60327 Frankfurt am Main ("**Zurich**"),

(insurance companies nos. (4) to (12) including their co-insurers", the "**Insurers**")

(the Companies and Insurers each individually a "**Party**" and collectively the "**Parties**").

Where an Insurer acts as leading underwriter for an excess liability policy pursuant to paragraph (D) or (F) of the Preamble, it acts both in its own name and in the names of the co-insurers of the respective excess liability policy, unless otherwise explicitly provided for in this Coverage Settlement.

Preamble

- (A) The *Companies* are automobile manufacturers, several Board of Management members and other *Insured Persons* under the *VW D&O* of which are said to have breached duties of care in connection with the so-called "Diesel Issue". The term "**Diesel Issue**" refers in this context to the development, installation, distribution and other use of certain software functions in the engine control unit of the, inter alia, EA189 and EA288 diesel engines as well as various V-TDI engines that led to deviations between the exhaust emissions during dynamometer operation and road use, and all facts and circumstances related thereto, in particular those notified by *VOLKSWAGEN* with the notification of circumstances of 2015. For the purposes of this Coverage Settlement, the term covers the clarification and investigation of the matter at the *Companies* following the publication of the Notice of Violation by the US Environmental Protection Agency ("EPA") on 18 September 2015, including the so-called "response management" and all measures taken for the preparation and conclusion of this settlement. A considerable number of official and court proceedings in connection with the *Diesel Issue* are still pending in Germany and abroad, including individual and class actions by customers, as well as by consumer and/or environmental organisations. The subject matter of these proceedings is essentially claims for damages or claims relating to the rescission of sales contracts. In the United States, the SEC has filed a lawsuit against *VOLKSWAGEN* before the United States District Court for the Northern District of California (3:19-cv-01393-CRB). Further, there are two Shareholder Derivate Actions dated 22 July 2020 and 28 April 2021 before the Supreme Court of the State of New York (Lambinet ./ Volkswagen AG as well as Lambinet and Robert C. Andersen ./ Volkswagen AG and others). Moreover, *VOLKSWAGEN* is involved in various proceedings with former employees before the labour courts. Investors from Germany and other countries have also sued *VOLKSWAGEN* for damages for the alleged fall in the share price as a consequence of supposed misconduct in relation to capital market communication in connection with the *Diesel Issue*. Furthermore, inter alia, the Braunschweig and Munich II public prosecutor's offices are conducting criminal proceedings inter alia against Professor Winterkorn and Mr. Stadler, in particular on account of alleged fraud.
- (B) As at 31 December 2020, the *Companies*, its subsidiaries and other group companies ("**VOLKSWAGEN Group**") have, according to information provided by *VOLKSWAGEN*, spent a total of at least EUR 32.2 billion for negative special factors in connection with the *Diesel Issue*. The amount is comprised of, among other things, the costs of recalls and field measures, compensation and settlement payments to dealers, internal investigation costs and fines.
- (C) Since 1 January 2012, *VOLKSWAGEN* has maintained a D&O insurance policy ("**Primary Policy**") with *Zurich* with an insured sum of EUR 25 million which, together with several local policies ("**Local Policies**", Primary Policy and Local Policies collectively also "**International Program Policies**"), comprise an international insurance program. The *Primary Policy* is additionally supplemented successively by various excess liability insurance policies (together with the *International Program Policies*, the "**VW Insurance Program**"). Volkswagen Financial Services AG maintains a separate D&O insurance, which is supplemented successively by various excess liability insurance policies (collectively "**VWFS Policy**"). Some of the excess liability insurance policies which supplement the *Primary Policy* serve at the same time as excess liability insurance policies for the *VWFS Policy*. Additionally, there is a separate D&O insurance for IAV GmbH Ingenieurgesellschaft Auto und Verkehr ("**IAV Policy**"), for which the *Primary Policy* acts as an insurance drop down and a difference in conditions insurance and contains an accumulation arrangement. *Porsche* maintained its own D&O insurance up to the complete takeover by *VOLKSWAGEN*, which has been in run-off since 1 February 2011 ("**Porsche Policy**"). The *International Program Policies*, the excess liability insurance policies to the *Primary Policy*, the *VWFS Policy*, the *IAV Policy* and the *Porsche Policy* are referred

to in this Agreement collectively as the "**VW D&O**" (and all of the Insurers of these policies are referred to collectively as the "**VW D&O Insurers**"). The *VW D&O* provides coverage to the persons defined in the insurance policies ("**Insured Persons**") who work or worked for the respective policyholder or other companies covered by the policy according to the insurance terms and conditions (in the *Primary Policy*, *AUDI* and *Porsche* among others), in particular in the event that claims for damages are asserted against *Insured Persons* or official proceedings are initiated against them. The *Insured Persons* include, in particular, former and current board members of the *Companies*.

(D) For the insurance period from 1 January 2015 to 1 January 2016, the *VW insurance program* comprised the following insurance policies (collectively, the "**2015 Insurance Program**"):

- Primary coverage and various Local Policies (integrated limits) with a maximum insured sum of EUR 25 million with *Zurich* (100%) ("**2015 Primary Coverage**")
- First excess liability insurance policy with a maximum insured sum of EUR 25 million (after EUR 25 million) with *AXA XL* (100%) ("**First Excess Liability Insurance 2015**")
- Second excess liability insurance policy with a maximum insured sum of EUR 25 million (after EUR 50 million) with *AGCS* (100%) ("**Second Excess Liability Insurance 2015**")
- Third excess liability insurance policy with a maximum insured sum of EUR 25 million (after EUR 75 million) with *AXA XL* (100%) ("**Third Excess Liability Insurance 2015**")
- Fourth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 100 million) with *AIG* as lead underwriter (50%) and involvement of *HDI* (50%) ("**Fourth Excess Liability Insurance 2015**")
- Fifth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 150 million) with *Liberty* as lead underwriter (40%) and involvement of Allied World Assurance Company (Europe) dac ("**AWAC**") (30%), *AXA XL* (20%) and *AGCS* (10%) ("**Fifth Excess Liability Insurance 2015**")
- Sixth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 200 million) with *TMHCC* as lead underwriter (50%) and involvement of *MSIG Insurance Europe AG* ("**MSIG**") (30%) und *CNA Insurance Company Ltd.* ("**CNA**") (20%) ("**Sixth Excess Liability Insurance 2015**")
- Seventh excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 250 million) with *QBE* as lead underwriter (60%), Underwriters at Lloyd's Syndicate 4711 ("**Lloyd's 4711**") (20%) and *R+V Allgemeine Versicherung AG* ("**R+V**") (20%) ("**Seventh Excess Liability Insurance 2015**")
- Eighth excess liability insurance policy with a maximum insured sum of EUR 150 million (after EUR 300 million) with *Great Lakes* as lead underwriter (16.667%) and involvement of *ArgoGlobal SE* ("**ARGO**") (16.667%), *Starr Managing Agents Ltd.* for and on behalf of *Starr Consortium 9885* ("**Starr**") (13.333%), *Brit Syndicates Ltd.* for and on behalf of Underwriters at Lloyd's Syndicate 2987 ("**Brit**") (10%), *Royal and Sun Alliance Insurance Ltd.* ("**RSA**") (10%), *ANV Underwriters at Lloyd's Syndicate 1861* ("**ANV / Lloyd's 1861**") (6.667%), *Arch Insurance (EU) dac* ("**Arch**") (6.667%), *AXA XL* (6.667%), *TMHCC* (6.667%), Underwriters at Lloyd's Syndicates 0623 and 2623 ("**Lloyd's 0623**")

and 2623") (3.333%), and Underwriters at Lloyd's Syndicate 2468 ("**Lloyd's 2468**") (3.333%) ("**Eighth Excess Liability Insurance 2015**")

- Ninth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 450 million) with AIG as lead underwriter (50%) and participation of Swiss Re International SE ("**Swiss Re**") (50%) ("**Ninth Excess Liability Insurance 2015**")

The total insured sum of the *2015 Insurance Program* is therefore EUR 500 million. The insured sum in excess of EUR 300 million is only available for board members of VOLKSWAGEN.

- (E) As of the 2016 insurance period, the Insurers excluded coverage for so-called "exhaust emission value manipulations" - with the exception of the response management defined in more detail - under the *VW D&O*.
- (F) For the insurance period that has been running since 1 January 2021, the VW insurance program comprises the following insurance policies (collectively, the "**2021 Insurance Program**"):
- Primary coverage with a maximum insured sum of EUR 25 million with *Zurich* (100%) ("**2021 Primary Coverage**")
 - First excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 25 million) with Berkshire Hathaway International Insurance Limited, Zweigniederlassung Cäcilienstraße 30, 50667 Cologne ("**Berkshire Hathaway**") (100%) ("**First Excess Liability Insurance 2021**")
 - Second excess liability insurance policy with a maximum insured sum of EUR 25 million (after EUR 75 million) with AXA XL as lead underwriter (60%) and participation of AIG (40%) ("**Second Excess Liability Insurance 2021**")
 - Third excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 100 million) with *HDI* as lead underwriter (30%) and involvement of AIG (30%), *QBE* (20%), Generali Deutschland AG ("**Generali**") (10%), ANV / *Lloyd's 1861* (5%) and Navigators / The Hartford Underwriters at Lloyd's Syndicate 1221 ("**Navigators / The Hartford / Lloyd's 1221**") (5%) ("**Third Excess Liability Insurance 2021**")
 - Fourth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 150 million) with *Liberty* as lead underwriter (50%) and participation of Beazley Insurance dac, German Branch Office ("**Beazley**") (30%), Lloyd's Insurance Company S.A. CVS 5337 (10%), as well as AXA XL (10%) ("**Fourth Excess Liability Insurance 2021**")
 - Fifth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 200 million) with *TMHCC* as lead underwriter (50%) and involvement of *MSIG* (30%) and *Generali* (20%) ("**Fifth Excess Liability Insurance 2021**")
 - Sixth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 250 million) with ERGO Versicherung AG as lead underwriter (30%) and participation of Generali (20%), AIG (10%), ANV / *Lloyd's 1861* (10%), Ryan Specialty Group Denmark A/S (10%), Lloyd's Insurance Company S.A. WRB 5340 (10%), *Volante* Ltd. ("**Volante**") (7.5%) and Aviva Insurance Ltd. ("**Aviva**") (2.5%) ("**Sixth Excess Liability Insurance 2021**")

- Seventh excess liability insurance policy with a maximum insured sum of EUR 100 million (after EUR 300 million) with *Great Lakes* as lead underwriter (15%) and participation of AGCS (15%), *TMHCC* (10%), *Newline Europe Versicherung AG* (10%), *Underwriters at Lloyd's Syndicate 5000* (9.5%), *Aviva* (6.25%), *IGI - International General Insurance Ltd.* (5.5%), *MSIG* (5%), *R+V* (10%), *SI Insurance (Europe)*, *SA* (5%), *UNIQA Österreich Versicherungen AG* (5%) and *Volante* (3.75%) ("**Seventh Excess Liability Insurance 2021**")
- Eighth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 400 million) with *Swiss Re* as lead underwriter (50%) and participation of *Arch Reinsurance Ltd.* (20%), *AIG* (10%), *VALE Insurance Partners Europe, BV* (10%) and *Beazley* (10%) ("**Eighth Excess Liability Insurance 2021**")
- Ninth excess liability insurance policy with a maximum insured sum of EUR 15 million (after EUR 450 million) with *Liberty* as lead underwriter (66.67%) and participation of *AXIS Specialty Europe SE* (33.33%) ("**Ninth Excess Liability Insurance 2021**")
- Tenth excess liability insurance policy with a maximum insured sum of EUR 10 million (after EUR 465 million) with *CHUBB European Group SE* (100%) ("**Tenth Excess Liability Insurance 2021**")
- Eleventh excess liability insurance policy with a maximum insured sum of EUR 5 million (after EUR 475 million) with *HDI* (100%) ("**Eleventh Excess Liability Insurance 2021**")

The total insured sum of the *2021 Insurance Program* is therefore EUR 480 million. The insured sum in excess of EUR 300 million is, once again, only available for board members of *VOLKSWAGEN*.

Zurich and insurers of the *Local Policies* have made payments under the *2015 Primary Coverage* for legal defence costs of the *Insured Persons* in connection with some of the proceedings mentioned in (A), among other things in connection with criminal investigations and various proceedings in the US.

- (G) Based on their investigations, the *Companies* are of the view that the former Chairman of the Board of Management of *VOLKSWAGEN*, Prof. Winterkorn, the former member of the Board of Management of *VOLKSWAGEN* and Chairman of the Board of Management of *AUDI*, Mr. Stadler, the former members of the Board of Management of *AUDI*, Prof. Hackenberg and Dr. Knirsch, as well as the former *Porsche* Board of Management member Mr. Hatz have committed violations in connection with the *Diesel Issue*.
- (H) Accordingly, on 26 March 2021, the *Companies* called upon Prof. Martin Winterkorn, Mr. Rupert Stadler, Prof. Ulrich Hackenberg, Dr. Stefan Knirsch and Mr. Wolfgang Hatz to pay damages in connection with the *Diesel Issue*. Prior to this, in the course of a proceeding for protection against dismissal before the courts for labour matters, claims had been asserted against a (former) employee of *VOLKSWAGEN*, Dr. Heinz-Jakob Neußer (former member of the so-called Board of Management for the Volkswagen Passenger Cars brand) (together with Prof. Winterkorn, Mr. Stadler, Prof. Ulrich Hackenberg, Dr. Knirsch and Mr. Hatz, the "**Persons against whom Claims are Asserted**"), as well as against other (former) employees of the *Companies*. The *Persons against whom Claims are Asserted* have disputed their obligation to pay damages by way of their attorneys with respect to the merits and the amount.
- (I) *VOLKSWAGEN* is of the opinion that these claims for damages and the underlying facts and circumstances pertain to the *2015 Insurance Program*, as well as the *2021 Insurance Program*. The Insurers have argued that coverage could at best exist under the *2015 Insurance Program* and reserved the right to make further arguments.

(J) The *Companies* intend to conclude agreements with the Persons against whom Claims are Asserted – with the exception of Dr. Neußer and Prof. Dr. Hackenberg, who was not willing to enter into a settlement agreement – out of court on the liability claims mentioned under (H) ("**Liability Settlements**"), which will enter into force if the General Meetings of the respective *Companies* consent to the Liability Settlements, there is no objection, recorded in the minutes, to the resolution by a minority, the aggregate of whose shares is at least equivalent to one tenth of the share capital of the respective *Company* (section 93(4), sentence 3 German Stock Corporation Act), and the present coverage settlement enters into force.

(K) The *Parties* intend

- while maintaining their respective legal positions,
- without acknowledging any legal obligation to do so and
- without prejudice in terms of any legal disputes

to agree upon a provision on the coverage claims which is to be comprehensive and definitive on the matter. Apart from the *Diesel Issue*, the "**Relevant Facts and Circumstances**" to which the legal relationships under insurance law that are regulated in this Coverage Settlement pertain also include other potential manipulations, falsifications or misrepresentations of or pertaining to exhaust emissions, consumption levels or performance values of engines within the *VOLKSWAGEN Group* ("**Exhaust Emission and Consumption Value Manipulations**"). It is immaterial which measures or circumstances are the cause for *Exhaust Emission and Consumption Value Manipulations* (e.g., manipulations of software or hardware) or to whom potential misstatements were made (e.g., authorities, merchants or customers). The term "**Consumption Value**" includes the consumption values of, inter alia, all fuels of a vehicle (e.g., gasoline, diesel, electric energy, oil). The term "**Relevant Facts and Circumstances**" includes in particular – but is not limited to – the assertion of claims in connection with damages claims under civil law, criminal investigations, regulatory, official or other proceedings and claims which are introduced, initiated, announced or raised due to *Exhaust Emission and Consumption Value Manipulations* on cars with diesel or petrol engines (regardless of type) and violations of disclosure obligations or accounting provisions in connection with *Exhaust Emission and Consumption Value Manipulations*. The term *Relevant Facts and Circumstances* further includes potential agreements in violation of antitrust law in connection with the *Diesel Issue* and other *Exhaust Emission and Consumption Value Manipulations* including related investigations, proceedings and assertions of claims.

(L) It was not possible to reach a settlement with *Berkshire Hathaway* as Insurer of the First Excess Liability Insurance 2021. *Berkshire Hathaway* is therefore not a party to this Coverage Settlement.

Now therefore, the Parties hereto agree to the following provisions:

1. Payment obligations of the Insurers

1.1 In order to settle the *Relevant Facts and Circumstances*, the Insurers shall, in accordance with the following provisions, pay a total amount of EUR 270,015,000.00 minus the payments already made (see section 1.2) and the insurance payments that are still to be made to *VOLKSWAGEN*, *AUDI* and *Porsche* pursuant to section 2 into an account to be designated by *VOLKSWAGEN*. Of this amount, *VOLKSWAGEN* shall pass on a share of 34.18 percent to *AUDI* and a share of 14.5 percent to *Porsche*.

1.2 The Insurers of the *2015 Insurance Program* shall each bear, as individual debtors of the total settlement amount under the *2015 Insurance Program* of EUR 261,890,000.00, in accordance with the percentage of their respective participation in the *Primary Policy* and/or the excess liability policies of the *2015 Insurance Program* (cf. paragraph (D) of the Preamble), the following amounts (the respective share of the *Insurer* hereinafter referred to as the "**2015 Settlement Amount**") unless specified otherwise as follows:

- a) 2015 Primary Coverage: EUR 25,000,000.00
- b) First Excess Liability Insurance 2015: EUR 22,000,000.00
- c) Second Excess Liability Insurance 2015: EUR 21,750,000.00
- d) Third Excess Liability Insurance 2015: EUR 20,525,000.00
- e) Fourth Excess Liability Insurance 2015: EUR 35,000,000.00
- f) Fifth Excess Liability Insurance 2015: EUR EUR 32,500,000.00
- g) Sixth Excess Liability Insurance 2015: EUR 23,000,000.00, of which EUR 12,500,000.00 are to be borne by *TMHCC*, EUR EUR 7,500,000.00 by *MSIG* and EUR 3,000,000.00 by *CNA*, each as individual debtors
- h) Seventh Excess Liability Insurance 2015: EUR 25,500,000.00
- i) Eighth Excess Liability Insurance 2015: EUR 45,615,000.00
- j) Ninth Excess Liability Insurance 2015: EUR 11,000,000.00

In order to ascertain the amount to be paid by the respective *Insurer* into the account pursuant to section 1.1, the following shall be deducted from the *2015 Settlement Amount*:

- (i) the EUR sums of those insurance payments – in particular defence costs – which the *VW D&O Insurers* have already rendered for insured events they attributed to the *Relevant Facts and Circumstances*, or other insured events they attributed to the *2015 insurance period* under the *VW D&O*, or will be rendering by the time the amount of the payment falls due (i.e. not via the Provisions Account pursuant to section 2.1). Payments from *Local Policies* shall be treated in this regard as payments from the *Primary Policy*, regardless of which *Insurer* has rendered them. With a deduction, the respective *VW D&O Insurer* tacitly declares an irrevocable waiver of a recovery of the insurance payments deducted; *Zurich* also declares this in the name of the Insurers of the *Local Policies* (as defined in paragraph (C) of the Preamble). All of the other *Insurers* hereby consent to such a waiver as a matter of precaution; and
- (ii) those payments which the *Insurers* have to pay into the Provisions Account pursuant to section 2.2.

1.3 The *Insurers of the 2021 Insurance Program* shall each bear, as individual debtors of the total settlement amount under the *2021 Insurance Program* in the amount of EUR 8,125,000.00, in accordance with the percentage of their respective participation in the *Primary Policy* and/or the excess liability policies of the

2021 Insurance Program (cf. (B) of the Preamble), the following amounts (the respective share of the *Insurer* hereinafter referred to as the "**2021 Settlement Amount**"):

- a) 2021 Primary Coverage: EUR 3,500,000.00
- b) Second Excess Liability Insurance 2021: EUR 1,625,000.00
- c) Third Excess Liability Insurance 2021: EUR 3,000,000.00

- 1.4 The payment sums pursuant to sections 1.2 and 1.3 shall fall due within one month after the prerequisites for the entry of this Coverage Settlement into force pursuant to section 7.1 are met, *VOLKSWAGEN* notifies the *Insurers* thereof and discloses the bank account for the instruction to make the payments. Each *Insurer* shall have the right to pay before the amount becomes due.

The payments to be made by the *Insurers* as individual debtors are enumerated in the **Annex** to this agreement.

- 1.5 The Parties unanimously assume that the settlement amounts involve genuine damages payments and consequently no VAT is to be charged on the payments to be rendered by the *Insurers*. Any legal risk with regard to the VAT shall be borne by the *Companies*. For the *Insurers*, the payment of the aforementioned settlement amounts shall also be conclusive in this regard. However, they shall, within reasonable limits, provide the *Companies* with any information and documents which are relevant for an examination of the consequences under tax law or where their presentation to the tax authorities would be necessary or expedient.

2. Provisions for future insurance payments

- 2.1 *Zurich*, as the primary insurer of the *VW D&O*, shall open a separate bank account ("**Provisions Account**"), which shall be administered for *VOLKSWAGEN* in trust and from which further insurance payments under the *VW D&O* shall be rendered for the *Relevant Facts and Circumstances* by *Zurich* and in accordance with the following provisions, provided that an *Insured Person* can still demand defence coverage and/or indemnification against liability claims from the *Insurers of the VW D&O*, even in consideration of the Liability Settlements and this Coverage Settlement, or this is the subject of a dispute. Payments made from the *Provisions Account* shall expressly not be rendered on coverage claims of the insured companies.

- 2.2 The following one-time payments shall be made to the *Provisions Account* from the *2015 Settlement Amounts*:

- a) AXA XL: EUR 30,000,000 and
- b) AGCS: EUR 20,000,000.

However, the amount of the payment into the *Provisions Account* by the *Insurers* shall in every case be limited in amount to the sum agreed upon in section 1.2 a) to j) minus the insurance payments which have already been made or are yet to be made pursuant to section 1.2 (i).

Section 1.4 shall apply for the payment into the *Provisions Account* mutatis mutandis.

- 2.3 Insurance payments under section 2.1 shall only be granted subject to the contractual provisions of the *VW D&O* for the respective relevant insurance period and the statutory provisions. *Zurich* shall be entitled

to settle claims of *Insured Persons* arising from or in connection with the *Relevant Facts and Circumstances* out of the *Provisions Account* if the claims are substantiated in its view or, in case of dispute, if an amicable agreement or another favourable solution can be achieved. An insurance payment pursuant to this section 2 shall not release *Berkshire Hathaway* from a primary duty to assume liability.

- 2.4 The administrative costs, including expenses incurred by *Zurich* for services rendered by third parties, expenses for the defence against unjustified claims to coverage and an appropriate remuneration for the settlement services, shall be charged to the *Provisions Account*. Should claims be made against other *VW D&O Insurers* on the grounds of the *Relevant Facts and Circumstances*, they will refer the claimant to *Zurich*; in the case of a dispute in court, their expenses are to be charged to the *Provisions Account* as well. In carrying out the settlement, *Zurich* shall act with the same care that it customarily exercises in its own affairs as an insurer. At the same time, *Zurich* shall bear liability for financial losses within the scope of liability based on fault only in cases of intent. This shall also apply with regard to breaches of duty by persons whose fault *Zurich* must allow to be attributed to it under the statutory provisions and in favour of such persons.
- 2.5 Should *Insured Persons* – regardless of the basis in law – be obliged to make refunds of insurance payments they received from the *Provisions Account*, these shall be paid into the *Provisions Account*. Should the *Provisions Account* already be dissolved pursuant to section 2.6, the payments shall be made into the account to be designated by *VOLKSWAGEN*. Section 1.1, sentence 2 applies *mutatis mutandis*.
- 2.6 The accounting of the *Provisions Account*, in particular of the insurance payments made from it, expenses and remunerations, shall be carried out by *Zurich* within 4 weeks after the end of each calendar half-year. *Zurich* shall provide *VOLKSWAGEN* with the accounting of its own accord. The accounting shall be carried out for the last time on 31 December of the year
- a) in which the *Provisions Account* no longer has a credit balance or
 - b) in which the last pending claims known and notified to *Zurich* or ongoing proceedings in connection with the *Relevant Facts and Circumstances* are decided with final and binding effect or the dispute has been otherwise resolved,

but no later than 31 December 2027. The credit balance on the *Provisions Account* shall be paid out to *VOLKSWAGEN* within one month after this final accounting into the account to be designated by *VOLKSWAGEN*. Section 1.1, sentence 2 applies *mutatis mutandis*.

- 2.7 *Zurich* has the right to inform the *Insurers* on the current status of the payments made. *Zurich* is obliged to likewise inform the *Insurers* upon request.

3. Effect of being satisfied and settled

- 3.1 The *Parties* agree that, with the fulfilment of the conditions precedent pursuant to section 7.1 of this Agreement and payment in full of the respective settlement amounts to be paid by the individual *Insurers* pursuant to section 1 of this Coverage Settlement and payment of the relevant amounts into the *Provisions Account* for future insurance payments pursuant to section 2 of this Coverage Settlement,
- a) all coverage claims of *Insured Persons* as well as of the *Companies* and other insured undertakings for insured events and facts and circumstances based on or in connection with the *Relevant Facts*

and Circumstances, irrespective of under which policy of which policyholder the claims fall or which insurance period they relate to; and

- b) all coverage claims of *Insured Persons* as well as of the Companies and other insured undertakings for insured events that occurred in the *2015 insurance period* or are to be allocated to this period for reasons pertaining to insurance contract law,

shall be deemed satisfied and settled vis-à-vis the *VW D&O Insurers* insofar as the Parties are authorised to dispose of the coverage claims in accordance with the contractual provisions and the German Insurance Contract Act.

At the same time, the *Companies* undertake to never or no longer assert potential coverage claims in or out of court. The *Companies* shall – to the extent legally permissible – also ensure and work towards ensuring that *VOLKSWAGEN Group companies* likewise will not (or will no longer) assert, assign or otherwise transfer such claims against *VW D&O Insurers*.

- 3.2 The effect of being satisfied and settled pursuant to section 3.1 shall apply irrespective of whether this involves current or future, known or unknown, conditional or unconditional claims or rights arising from own rights or rights transferred by statutory subrogation; in particular, the Parties agree that no further claims can be asserted against the *VW D&O Insurers* under the *VW D&O* on the basis of or in connection with the *Relevant Facts and Circumstances*. The effect of being satisfied and settled pursuant to section 3.1 shall apply to the *VW D&O Insurers* not involved in this Coverage Settlement in the sense of a genuine contract for the benefit of third parties.
- 3.3 The payments to be made by the individual *Insurers* pursuant to sections 1.1 and 1.3 falling under the *2021 insurance period* shall be set off against the insured sum under the respective insurance policy from the *2021 insurance period*. Beyond that, the payments made by the *Insurers* of the *2021 insurance period* pursuant to sections 1.1 and 1.3 shall completely exhaust the insured sums of the *2021 Primary Coverage* and the *Second Excess Liability Insurance*, as well as the subsequent excess liability insurances of the *2021 Insurance Program* for all facts and circumstances and claims based on or in connection with the *Relevant Facts and Circumstances*.
- 3.4 The effect of being settled pursuant to sections 3.1 to 3.3 shall apply to the benefit of the *Insurers* which have paid their respective settlement amounts pursuant to section 1 and made their respective payments pursuant to section 2 of this Coverage Settlement in full, irrespective of whether other *Insurers* have also paid their settlement amounts. In relation to the *VW D&O Insurers* which do not have to pay a settlement amount under the *2021 insurance period*, the effect of being settled pursuant to sections 3.1 to 3.3 shall apply once the conditions precedent in section 7.1 are met.
- 3.5 Section 2 shall remain unaffected by the effect of being satisfied and settled pursuant to sections 3.1 to 3.3 above. Claims of *Insured Persons* to insurance payments in accordance with the pertinent insurance terms and conditions of the *VW D&O* against *VW D&O Insurers* for proceedings and claims asserted in connection with the *Relevant Facts and Circumstances* shall be settled by the *VW D&O Insurers* in accordance with section 2 via the *Provisions Account* or – if the *Provisions Account* has been exhausted – shall be paid by the *VW D&O Insurers* after indemnification by *VOLKSWAGEN* in the context of the provisions of section 4. The *Parties* agree that this Coverage Settlement as well as the Liability Settlements and the settlements of claims contained therein do not have any impact on the insurance cover provided by section 3.3.4 of the *Primary Policy*.

For the avoidance of doubt, the *Parties* state that this counter-exception shall not apply to any coverage claims by insured Companies.

- 3.6 With the fulfilment of the conditions precedent pursuant to section 7.1 of this Agreement and receipt of the settlement amount in accordance with section 1 of this Agreement, the *Companies* undertake to never or no longer assert in or out of court claims against current or former members of the Boards of Management of the Companies ("**Board of Management Members**") based on or in connection with the *Relevant Facts and Circumstances*. This is a genuine contract for the benefit of third parties for the benefit of the Board of Management Members that can no longer be amended without the consent of the beneficiary (section 328(2) German Civil Code) and which applies irrespective of whether this involves known or unknown, conditional or unconditional claims or rights arising from own rights or rights transferred by statutory subrogation.

The *Companies* warrant that they have not assigned such claims and undertake not to make any such assignments or otherwise transfer claims.

The *Companies* shall - to the extent legally permissible - ensure and work towards ensuring that *VOLKSWAGEN GROUP companies* likewise will not (or will no longer) assert, assign or otherwise transfer such claims against *Board of Management members*.

- 3.7 With the fulfilment of the conditions precedent pursuant to section 7.1 of this Agreement and receipt of the settlement amount in accordance with section 1 of this Agreement, the *Companies* undertake to never or no longer assert in or out of court claims against any other *Insured Persons* based on or in connection with the *Relevant Facts and Circumstances*. This is a genuine contract for the benefit of third parties for the benefit of the *Insured Persons* that can no longer be amended without the consent of the beneficiary (section 328(2) German Civil Code) and which applies irrespective of whether this involves known or unknown, conditional or unconditional claims or rights arising from own rights or rights transferred by statutory subrogation.

The *Companies* warrant that they have not assigned such claims and undertake not to make any such assignments or otherwise transfer claims.

The *Companies* shall - to the extent legally permissible - ensure and work towards ensuring that *VOLKSWAGEN GROUP companies* likewise will not (or will no longer) assert, assign or otherwise transfer such claims against *Insured Persons*.

- 3.8 Pursuant to section 93(4), sentence 3 German Stock Corporation Act, a waiver of liability claims against (former) board members cannot be made if less than three years have elapsed since they arose. Such claims are therefore excluded from the provisions of sections 3.6 and 3.7 as well as section 3.10.
- 3.9 In all other respects, the settlement agreed upon in sections 3.6 and 3.7 for claims of the Companies due to or in connection with the *Diesel Issue* shall apply comprehensively. The settlement shall not apply for other claims of the Companies due to or in connection with the *Relevant Facts and Circumstances* insofar as it is ascertained that insurance protection does not exist for such claims under the *VW D&O*, regardless of which insurance period is involved; the burden of proof for this shall be borne by the *Companies*.
- 3.10 With regard to the *Persons against whom Claims are Asserted*, the stipulations in sections 3.6 and 3.7 shall not apply, but rather those in the Liability Settlements entered into with these persons. If they have not concluded a liability settlement or such settlement becomes invalid or is declared void, the *Companies*

may, in derogation of sections 3.6 and 3.7, continue to bring actions against the *Persons against whom Claims are Asserted*, but only for that part of the claim which would remain had the *Insurers* also spent the difference between the settlement amounts pursuant to section 1 and the maximum insurance sums for the *2015 insurance period* and the *2021 insurance period* for insurance payments. With regard to the remaining part, the *Companies* undertake to never assert claims against the *Persons against whom Claims are Asserted* due to or in connection with the *Relevant Facts and Circumstances* in or out of court. This is a genuine contract for the benefit of third parties for the benefit of the *Persons against whom Claims are Asserted*, which applies irrespective of whether this involves known or unknown, conditional or unconditional claims or rights arising from own rights or rights transferred by statutory subrogation. However, the two preceding sentences shall not apply insofar as the *Persons against whom Claims are Asserted* would not have been insured for reasons other than the exhaustion of the insured sum. This shall not affect the provisions in section 4.

4. Indemnifications

4.1 Should, based on or in connection with the *Relevant Facts and Circumstances*, claims be asserted against one or more *VW D&O Insurers*, *VOLKSWAGEN*, foregoing the right to set-off and the right of retention, shall indemnify the *VW D&O Insurers*, inter alia,

- a) against all claims to insurance payments, especially indemnification claims under liability insurance law and claims to the assumption of the costs of legal protection of *Insured Persons*; and
- b) against associated necessary judicial and extrajudicial costs, including the *Insurers' own costs* up to a reasonable amount, especially lawyers' fees for the review and/or defence of claims to insurance payments. The costs shall be considered necessary and reasonable if they are in line with previous regulatory practice; and
- c) against default interest and interest accruing from the date of the proceedings becoming pending on coverage claims; and
- d) against the costs of providing security or similar expenses caused by the *Insurers* in defending against coverage claims in court in order to prevent the enforcement of a court ruling.

For the avoidance of doubt, the *Parties* agree that *VOLKSWAGEN's* indemnification obligation shall exist in particular for claims to insurance payments that have not been satisfied and settled vis-à-vis the persons entitled to the claims or third parties pursuant to sections 3.1 to 3.3 of this Agreement because the *Parties* are not authorised to dispose of the claims under the contractual provisions or the German Insurance Contracts Act or because the *Parties* could not agree or have not agreed on satisfaction and settlement with effect vis-à-vis the persons entitled to the claims or third parties for other reasons. Insofar as *VW D&O Insurers* are not party to this Agreement, this is a genuine contract for the benefit of third parties for the benefit of these *VW D&O Insurers* which applies irrespective of whether this involves known or unknown, conditional or unconditional claims or rights arising from own rights or rights transferred by statutory subrogation.

4.2 The indemnification obligation pursuant to section 4.1 shall, with regard to the *2015 Insurance Program 2015*, extend to such claims against one or several *Insurers* of the *VW D&O* which are not related to the *Relevant Facts and Circumstances*.

- 4.3 The indemnification obligation pursuant to section 4.1 shall not apply
- a) insofar as the coverage claims can be settled via a remaining credit balance in the *Provisions Account* pursuant to section 2; or
 - b) if the *Insured Person* against whom claims are asserted
 - aa) acknowledges corresponding claims for damages with the explicit consent of the Insurers,
 - bb) reaches a settlement in respect of these with the explicit consent of the Insurers or
 - cc) allows existing defence options to finally and conclusively expire without being used, with the explicit consent of the Insurers,

without *VOLKSWAGEN* having explicitly consented to such a course of action. *VOLKSWAGEN* shall be deemed to have given its consent if it does not explicitly object to a corresponding inquiry from the Insurers within two weeks. Irrespective of this, *VOLKSWAGEN*'s indemnification obligation shall continue to exist if the Insurers are obliged to provide coverage. The Insurers shall bear the burden of proof in this regard.

- 4.4 The indemnification obligation shall moreover not apply if the *VW D&O Insurers* acknowledge corresponding coverage claims without *VOLKSWAGEN*'s prior explicit consent, reach a settlement in respect of these or knowingly allow defence options of which they are aware to finally and conclusively expire without being used, unless the *VW D&O Insurers* had in particular to issue an acknowledgment or were otherwise obliged to take one of the above actions based on the applicable insurance terms and conditions or statutory provisions. Section 4.3, sentence 2 applies *mutatis mutandis*.
- 4.5 Insofar as insurance payments are to be repaid by the *Insured Persons*, the *VW D&O Insurers* shall forward these amounts to *VOLKSWAGEN*, *AUDI* and *Porsche* into the account to be designated by *VOLKSWAGEN* (section 1.1) without undue delay after repayment by the *Insured Persons*. Section 1.1, sentence 2 applies *mutatis mutandis*.
- 4.6 The limitation period for an indemnification claim shall start to run at the earliest on the assertion of the respective claim against the *Insurers*. The statutory provisions on the expiry of the limitation period shall otherwise apply.
- 4.7 *AUDI* and *Porsche* shall indemnify *VOLKSWAGEN* to the extent that the underlying facts and circumstances relate to the respective *Company*. The *Companies* shall not be jointly and severally liable in this regard.

5. Claims for recourse and compensation, recovery claims

- 5.1 The *Insurers* shall not assert any claims for recourse or compensation on account of payments made by them based on their own rights or rights transferred by statutory subrogation, in particular based on section 86 German Insurance Contracts Act, against the *Companies*, *Insured Persons* or third parties. The *Insurers* shall, at *VOLKSWAGEN*'s request, assign such claims to one of the *Companies* or a third party. The transferee shall be designated by *VOLKSWAGEN*.

5.2 Insofar as the prerequisites for this laid down in the insurance policies and by law have been met, *VOLKSWAGEN* may request that the Insurers which are entitled to the claims in question at the time of such request assert recovery claims against *Insured Persons* on account of payments from the *Provisions Account* (section 2.5) or payments made by the Insurers in respect of which *VOLKSWAGEN* was obliged to issue an indemnification pursuant to section 4.1. The *Insurers* may request that *VOLKSWAGEN* reimburse all expenses, including internal costs up to a reasonable amount, incurred by them in connection with the request.

For the avoidance of doubt, the Parties state that this does not apply to payments the recovery of which has been waived by the Insurers pursuant to section 1.2(i) or to amounts paid to the *Companies* pursuant to section 1.

6. Berkshire Hathaway Carve out

6.1 This Coverage Settlement shall not have any legal effect in favour of *Berkshire Hathaway*, which did not wish to conclude this *Coverage Settlement*, insofar as this is permissible under the provisions of the insurance policies and the statutes. In particular, insofar as this is permissible under the provisions of the insurance policies and the statutes, *Berkshire Hathaway* shall be excluded from all of the effects of this Agreement which benefit the *VW D&O Insurers*, specifically

- a) the effect of being satisfied and settled in section 3.1, section 3.2 and section 3.4 and
- b) the indemnification obligations in favour of the *VW D&O Insurers* in section 4.1.

6.2 In derogation of section 3.10 sentences 2 to 6, liability claims against the *Persons against whom Claims are Asserted* shall exist in full and be enforceable. However, the *Companies* undertake to limit the compulsory enforcement under any liability judgments against the *Persons against whom Claims are Asserted*

- a) to their indemnification claims against Berkshire Hathaway under the insurance policies and
- b) otherwise to the scope regulated in section 3.10 sentences 2 to 6 or – insofar as a liability settlement has been concluded with the relevant Persons against whom Claims are Asserted – to the scope regulated in the relevant liability settlement.

6.3 The *Companies* intend to enforce *Berkshire Hathaway's* insurance obligation with regard to the *Relevant Facts and Circumstances*, including in court if necessary. However, in doing so they shall not be bound to the settlement amount and other settlement terms that were offered to *Berkshire Hathaway* in the course of the negotiations on this Coverage Settlement.

7. Entry into effect

7.1 The Coverage Settlement shall enter into effect subject to the condition precedent

- c) that the General Meetings of the *Companies* approve the Coverage Settlement and
- d) that there is no objection, recorded in the minutes, to the resolution by a minority, the aggregate of whose shares is at least equivalent to one tenth of the share capital of the respective *Company*.

The condition precedent shall be deemed to have definitively ceased to apply should it not have been fulfilled by 31 December 2021.

- 7.2 Should nullity actions pursuant to section 249 German Stock Corporation Act and/or actions for avoidance pursuant to section 246 German Stock Corporation Act be filed against one or more of the resolutions within the meaning of section 7.1, this shall not affect the processing of the Coverage Settlement until final and binding judgments have been rendered in favour of the plaintiffs, unless mandatory legal provisions stipulate otherwise. Should a final and binding judgment be rendered in favour of the plaintiff in such an action, the *Parties* must return the payments made to one another with the exclusion of the pleas arising from sections 814, 818(3) German Civil Code and the right to set-off and the right of retention.
- 7.3 The entry into effect of this Coverage Settlement does not depend on the conclusion and entry into effect of the Liability Settlements with the *Persons against whom Claims are Asserted*. The conditions laid down in sections 3.1 and 3.10 for the effect of being satisfied to arise vis-à-vis the *Persons against whom Claims are Asserted* shall not be affected by this.
- 7.4 The *Parties* further agree the following with regard to the entry into effect of this Coverage Settlement:
- a) The *Companies* have instructed and authorised Gleiss Lutz to receive and make all notifications and declarations in connection with this Settlement Agreement. In the same way, the *Insurers* instruct and authorise DLA Piper. The other *Parties* must be informed of any amendment to these notification and declaration authorisations two weeks in advance.
 - b) Each *Party* shall send the following to Gleiss Lutz:
 - aa) by e-mail in advance: a scanned copy of the Coverage Settlement signed by it and initialled by it on each page;
 - bb) by post or by courier: 18 original copies of the full Coverage Settlement, initialled on each page, including the signature pages signed by hand.
 - c) The *Parties* irrevocably authorise Gleiss Lutz to put the original copies of the signature pages together with one original copy of the Settlement Agreement in each case and to send these to the *Parties*. Accordingly, the *Parties* irrevocably authorise Gleiss Lutz to put the scans sent by e-mail in advance together to form an electronic document.
 - d) This Settlement shall already enter into effect if Gleiss Lutz has sent the electronic document created in accordance with the above provision to DLA Piper by e-mail. The written form requirement pursuant to section 9.2 shall not apply in this regard.

8. Costs incurred in connection with the conclusion of this Agreement

Each *Party* shall bear the costs incurred and yet to be incurred by it in connection with the preparation and implementation of this Coverage Settlement itself.

9. Miscellaneous

- 9.1 There are no side agreements to this Coverage Settlement.
- 9.2 Unless a different form is stipulated by mandatory law or this Coverage Settlement,
- a) amendments to this Coverage Settlement must be in written form within the meaning of section 126 German Civil Code excluding section 127(2) German Civil Code;
 - b) text form within the meaning of section 126b German Civil Code shall suffice for other notifications, requests, objections or other declarations.
- 9.3 The *Companies* have irrevocably instructed and authorised Volkswagen Insurance Brokers GmbH to make as well as to receive declarations pursuant to section 4.4 and 4.5.
- 9.4 All disputed arising out of or in connection with this Coverage Settlement are subject to German law under the exclusion of the rules on the conflict of laws.
- 9.5 All disputes arising out of this Coverage Settlement or pertaining to its validity are to be finally decided upon under the Arbitration Rules by the German Arbitration Institute (DIS) under exclusion of the right to bring suit before a state court.
- a) The Arbitral Tribunal consists of three Arbitrators.
 - b) The place of arbitration is Frankfurt am Main.
 - c) The proceedings are to be conducted in German.
- 9.6 Should a provision of this Coverage Settlement be or become invalid or unenforceable in whole or in part, or should there prove to be an omission when this Coverage Settlement is implemented, this shall not affect the validity of the remaining provisions. The invalid or unenforceable provision shall be replaced or the omission remedied by a reasonable and legally permissible provision that comes closest in economic terms to what the Parties wanted or would have wanted had they considered the invalidity or unenforceability or the omission.

Annex

Excess Layer	Insurer	2015 Settlement Amount (EUR)
0	Zurich*	25,000,000.00
1	AXA XL*	22,000,000.00
2	AGCS*	21,750,000.00
3	AXA XL*	20,525,000.00
4	AIG	17,500,000.00
4	HDI	17,500,000.00
5	Liberty	13,000,000.00
5	AWAC	9,750,000.00
5	AXA XL	6,500,000.00
5	AGCS	3,250,000.00
6	TMHCC	12,500,000.00
6	MSIG	7,500,000.00
6	CNA	3,000,000.00
7	QBE	15,300,000.00
7	Lloyd's 4711	5,100,000.00
7	R+V	5,100,000.00
8	ARGO	7,602,500.00
8	Great Lakes	7,602,500.00
8	Starr	6,082,000.00
8	Brit	4,561,500.00
8	RSA	4,561,500.00
8	ANV / Lloyd's 1861	3,041,000.00
8	Arch	3,041,000.00
8	AXA XL	3,041,000.00
8	TMHCC	3,041,000.00
8	Lloyd's 0623 und 2623	1,520,500.00
8	Lloyd's 2468	1,520,500.00
9	AIG	5,500,000.00
9	SwissRe	5,500,000.00
	Total	261,890,000.00

Excess Layer	Insurer	2021 Settlement Amount (EUR)
0	Zurich	3,500,000.00
2	AXA XL	975,000.00
2	AIG	650,000.00
3	AIG	900,000.00
3	HDI	900,000.00
3	QBE	600,000.00
3	Generali	300,000.00
3	ANV / Lloyd's 1861	150,000.00
3	Navigators / The Hartford / Lloyd's 1221	150,000.00
	Total	8,125,000.00

* Minus the amounts to be deducted pursuant to sections 1.2 i) and ii)

6. Coverage settlement between Volkswagen Aktiengesellschaft, AUDI Aktiengesellschaft and Dr. Ing. h.c. F. Porsche Aktiengesellschaft on the one hand and Berkshire Hathaway European Insurance DAC on the other hand dated July 15, 2025 (Berkshire Coverage Settlement)

Coverage Settlement

between

- (1) VOLKSWAGEN AKTIENGESELLSCHAFT, Berliner Ring 2, 38440 Wolfsburg ("**VOLKSWAGEN**"), represented by its Board of Management and Supervisory Board,
- (2) AUDI Aktiengesellschaft, Auto-Union-Straße 1, 85045 Ingolstadt ("**AUDI**"), represented by its Board of Management and Supervisory Board,
- (3) Dr. Ing. h.c. F. Porsche Aktiengesellschaft, Porscheplatz 1, 70436 Stuttgart ("**Porsche**"), represented by its Board of Management and Supervisory Board,

(*VOLKSWAGEN, AUDI* and *Porsche* collectively the "**Companies**"),

and

- (4) Berkshire Hathaway European Insurance DAC, Germany, Cäcilienstraße 30, 50667 Cologne ("**BERKSHIRE HATHAWAY**")

(the *Companies* and *BERKSHIRE HATHAWAY* each individually a "**Party**" and collectively the "**Parties**").

Preamble

- (A) The *Companies* are automobile manufacturers, several Board of Management members and other *Insured Persons* under the *VW D&O* of which are/were said to have breached duties of care in connection with the so-called "Diesel Issue". The term "**Diesel Issue**" refers in this context to the development, installation, distribution and other use of certain software functions in the engine control unit of the, inter alia, EA189 and EA288 diesel engines as well as various V-TDI engines that led to deviations between the exhaust emissions during dynamometer operation and road use, and all facts and circumstances related thereto, in particular those notified by *VOLKSWAGEN* with the notification of circumstances of 2015. For the purposes of this Coverage Settlement, the term covers the clarification and investigation of the matter at the *Companies* following the publication of the Notice of Violation by the US Environmental Protection Agency ("EPA") on 18 September 2015, including the so-called "response management" and all measures taken for the preparation and conclusion of this settlement. A considerable number of official and court proceedings in connection with the *Diesel Issue* were pending in Germany and abroad, including individual and class actions by customers, as well as by consumer and/or environmental organisations, and in some cases are still pending. The subject matter of these proceedings is essentially claims for damages or claims relating to the rescission of sales contracts. Investors from Germany and other countries have also sued *VOLKSWAGEN* for damages for the alleged fall in the share price as a consequence of supposed misconduct in relation to capital market communication in connection with the *Diesel Issue*. Furthermore, the Braunschweig and Munich II public prosecutor's offices in particular have conducted criminal proceedings inter alia against Professor Winterkorn and Mr. Stadler, in particular on account of alleged

fraud, that are in some cases still ongoing. Among others, Mr. Rupert Stadler (relevant for this Settlement as an *Insured Person*) was convicted for fraud by Munich II Regional Court with its judgment of 27 June 2023 (case no. W5 KLs 64 Js 22724/19). The judgment is not final and binding.

- (B) By 31 December 2020, the *Companies*, their subsidiaries and other subordinated group companies ("**VOLKSWAGEN Group**") had, according to information provided by *VOLKSWAGEN*, spent a total of at least EUR 32.2 billion for negative special factors in connection with the *Diesel Issue*. The amount comprised, among other things, the costs of recalls and field measures, compensation and settlement payments to dealers, internal investigation costs and fines.
- (C) From 1 January 2012, *VOLKSWAGEN* maintained a D&O insurance policy ("**Primary Policy**") with *Zurich* with an insured sum of EUR 25 million which, together with several local policies ("**Local Policies**", *Primary Policy* and *Local Policies* collectively also "**International Program Policies**"), comprised an international insurance program. The *Primary Policy* was additionally supplemented successively by various excess liability insurance policies (together with the *International Program Policies*, the "**VW Insurance Program**"). *Volkswagen Financial Services AG* maintained a separate D&O insurance which was also supplemented successively by various excess liability insurance policies (collectively "**VWFS Policy**"). Some of the excess liability insurance policies which supplemented the *Primary Policy* served at the same time as excess liability insurance policies for the *VWFS Policy*. Additionally, there was a separate D&O insurance policy for *IAV GmbH Ingenieurgesellschaft Auto und Verkehr* ("**IAV Policy**"), for which the *Primary Policy* acted as an insurance drop down and a difference in conditions insurance policy and contained an accumulation arrangement. *Porsche* maintained its own D&O insurance up to the complete takeover by *VOLKSWAGEN*, which had been in run-off since 1 February 2011 ("**Porsche Policy**"). The *International Program Policies*, the excess liability insurance policies to the *Primary Policy*, the *VWFS Policy*, the *IAV Policy* and the *Porsche Policy* are referred to in this agreement collectively as the "**VW D&O**" (and all of the Insurers of these policies are referred to collectively as the "**VW D&O Insurers**"). The *VW D&O* provides coverage to the persons defined in the insurance policies ("**Insured Persons**") who work or worked for the respective policyholder or other companies covered by the policy according to the insurance terms and conditions (in the *Primary Policy*, *AUDI* and *Porsche* among others), in particular in the event that claims for damages are asserted against *Insured Persons* or official proceedings are initiated against them. The *Insured Persons* include, in particular, former and current board members of the *Companies*.
- (D) For the insurance period from 1 January 2015 to 1 January 2016, the *VW Insurance Program* comprised the following insurance policies (collectively, the "**2015 Insurance Program**"):
 - Primary coverage and various *Local Policies* (integrated limits) with a maximum insured sum of EUR 25 million with *Zurich Insurance plc*, German Branch Office, Platz der Einheit 2, 60327 Frankfurt am Main ("**Zurich**") (100%) ("**2015 Primary Coverage**")
 - First excess liability insurance policy with a maximum insured sum of EUR 25 million (after EUR 25 million) with *XL Insurance Company SE*, German Regional Office (simultaneously as legal successor of *AXA Corporate Solutions Deutschland*, branch office of *AXA Corporate Solutions Assurance S.A.*, as well as of *Catlin Insurance Company (UK) Ltd.*), Colonia-Allee 10-20, 51067 Cologne ("**AXA XL**") (100%) ("**First Excess Liability Insurance 2015**")
 - Second excess liability insurance policy with a maximum insured sum of EUR 25 million (after EUR 50 million) with *Allianz Global Corporate & Specialty SE*, Königinstraße 28, 80802 Munich ("**AGCS**") (100%) ("**Second Excess Liability Insurance 2015**")

- Third excess liability insurance policy with a maximum insured sum of EUR 25 million (after EUR 75 million) with AXA XL (100%) ("**Third Excess Liability Insurance 2015**")
- Fourth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 100 million) with AIG Europe S.A., German Regional Office, Neue Mainzer Straße 46-50, 60331 Frankfurt am Main ("**AIG**"), as lead underwriter (50%) and involvement of HDI Global SE, HDI-Platz 1, 30659 Hanover ("**HDI**") (50%) ("**Fourth Excess Liability Insurance 2015**")
- Fifth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 150 million) with Liberty Mutual Insurance Europe SE, German Regional Office, Im Klapperhof 7-23, 50674 Cologne ("**Liberty**") as lead underwriter (40%) and involvement of Allied World Assurance Company (Europe) dac ("**AWAC**") (30%), AXA XL (20%) and AGCS (10%) ("**Fifth Excess Liability Insurance 2015**")
- Sixth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 200 million) with Tokio Marine Europe SA Sucursal en Espana, Torre Diagonal Mar, Planta 10, C/ Josep Planum.2-Planta 10, 08019 Barcelona, Spain ("**TMHCC**") as lead underwriter (50%) and involvement of MSIG Insurance Europe AG ("**MSIG**") (30%) and CNA Insurance Company Ltd. ("**CNA**") (20%) ("**Sixth Excess Liability Insurance 2015**")
- Seventh excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 250 million) with QBE Europe SA/NV, German Regional Office, Breite Straße 31, 40213 Düsseldorf ("**QBE**") as lead underwriter (60%), Underwriters at Lloyd's Syndicate 4711 ("**Lloyd's 4711**") (20%) and R+V Allgemeine Versicherung AG ("**R+V**") (20%) ("**Seventh Excess Liability Insurance 2015**")
- Eighth excess liability insurance policy with a maximum insured sum of EUR 150 million (after EUR 300 million) with Great Lakes Insurance SE, Königinstraße 107, 80802 Munich ("**Great Lakes**") as lead underwriter (16.667%) and involvement of ArgoGlobal SE ("**ARGO**") (16.667%), Starr Managing Agents Ltd. for and on behalf of Starr Consortium 9885 ("**Starr**") (13.333%), Brit Syndicates Ltd. for and on behalf of Underwriters at Lloyd's Syndicate 2987 ("**Brit**") (10%), Royal and Sun Alliance Insurance Ltd. ("**RSA**") (10%), ANV Underwriters at Lloyd's Syndicate 1861 ("**ANV / Lloyd's 1861**") (6.667%), Arch Insurance (EU) dac ("**Arch**") (6.667%), AXA XL (6.667%), TMHCC (6.667%), Underwriters at Lloyd's Syndicates 0623 and 2623 ("**Lloyd's 0623 and 2623**") (3.333%) and Underwriters at Lloyd's Syndicate 2468 ("**Lloyd's 2468**") (3.333%) ("**Eighth Excess Liability Insurance 2015**")
- Ninth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 450 million) with AIG as lead underwriter (50%) and involvement of Swiss Re International SE ("**Swiss Re**") (50%) ("**Ninth Excess Liability Insurance 2015**")

The total insured sum of the *2015 Insurance Program* was therefore EUR 500 million. The insured sum in excess of EUR 300 million was only available for board members of *VOLKSWAGEN*.

- (E) As of the 2016 insurance period, the Insurers of the *VW D&O* excluded coverage for so-called "exhaust emission value manipulations" – with the exception of the response management defined in more detail – under the *VW D&O*.

- (F) For the insurance period from 1 January 2021 to 1 January 2022, the *VW Insurance Program* comprised the following insurance policies (collectively, the **"2021 Insurance Program"**):
- Primary coverage with a maximum insured sum of EUR 25 million with *Zurich* (100%) (**"2021 Primary Coverage"**)
 - First excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 25 million) with *BERKSHIRE HATHAWAY* (100%) (**"First Excess Liability Insurance 2021"**)
 - Second excess liability insurance policy with a maximum insured sum of EUR 25 million (after EUR 75 million) with *AXA XL* as lead underwriter (60%) and involvement of *AIG* (40%) (**"Second Excess Liability Insurance 2021"**)
 - Third excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 100 million) with *HDI* as lead underwriter (30%) and involvement of *AIG* (30%), *QBE* (20%), *Generali Deutschland AG* (**"Generali"**) (10%), *ANV / Lloyd's 1861* (5%) and *Navigators / The Hartford Underwriters at Lloyd's Syndicate 1221* (**"Navigators / The Hartford / Lloyd's 1221"**) (5%) (**"Third Excess Liability Insurance 2021"**)
 - Fourth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 150 million) with *Liberty* as lead underwriter (50%) and involvement of *Beazley Insurance dac, German Branch Office* (**"Beazley"**) (30%), *Lloyd's Insurance Company S.A. CVS 5337* (10%), as well as *AXA XL* (10%) (**"Fourth Excess Liability Insurance 2021"**)
 - Fifth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 200 million) with *TMHCC* as lead underwriter (50%) and involvement of *MSIG* (30%) and *Generali* (20%) (**"Fifth Excess Liability Insurance 2021"**)
 - Sixth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 250 million) with *ERGO Versicherung AG* as lead underwriter (30%) and involvement of *Generali* (20%), *AIG* (10%), *ANV / Lloyd's 1861* (10%), *Ryan Specialty Group Denmark A/S* (10%), *Lloyd's Insurance Company S.A. WRB 5340* (10%), *Volante Ltd.* (**"Volante"**) (7.5%) and *Aviva Insurance Ltd.* (**"Aviva"**) (2.5%) (**"Sixth Excess Liability Insurance 2021"**)
 - Seventh excess liability insurance policy with a maximum insured sum of EUR 100 million (after EUR 300 million) with *Great Lakes* as lead underwriter (15%) and involvement of *AGCS* (15%), *TMHCC* (10%), *Newline Europe Versicherung AG* (10%), *Underwriters at Lloyd's Syndicate 5000* (9.5%), *Aviva* (6.25%), *IGI - International General Insurance Ltd.* (5.5%), *MSIG* (5%), *R+V* (10%), *SI Insurance (Europe), SA* (5%), *UNIQA Österreich Versicherungen AG* (5%) and *Volante* (3.75%) (**"Seventh Excess Liability Insurance 2021"**)
 - Eighth excess liability insurance policy with a maximum insured sum of EUR 50 million (after EUR 400 million) with *Swiss Re* as lead underwriter (50%) and involvement of *Arch Insurance UK Ltd.* (20%), *AIG* (10%), *Applied Financial Lines (Vale) for and on behalf of Accredited Insurance (Europe) Ltd.* (10%) and *Beazley* (10%) (**"Eighth Excess Liability Insurance 2021"**)
 - Ninth excess liability insurance policy with a maximum insured sum of EUR 15 million (after EUR 450 million) with *Liberty* as lead underwriter (66.67%) and involvement of *AXIS Specialty Europe SE* (33.33%) (**"Ninth Excess Liability Insurance 2021"**)

- Tenth excess liability insurance policy with a maximum insured sum of EUR 10 million (after EUR 465 million) with CHUBB European Group SE (100%) ("**Tenth Excess Liability Insurance 2021**")
- Eleventh excess liability insurance policy with a maximum insured sum of EUR 5 million (after EUR 475 million) with HDI (100%) ("**Eleventh Excess Liability Insurance 2021**")

The total insured sum of the *2021 Insurance Program* was therefore EUR 480 million. The insured sum in excess of EUR 300 million was, once again, only available for board members of *VOLKSWAGEN*.

Zurich and insurers of the *Local Policies* have made payments under the *2015 Primary Coverage* for legal defence costs of the *Insured Persons* in connection with some of the proceedings mentioned in (A), among other things in connection with criminal investigations and various proceedings in the US.

- (G) Based on internal investigations, the *Companies* came to the conclusion that the former Chairman of the Board of Management of *VOLKSWAGEN*, Prof. Winterkorn, the former member of the Board of Management of *VOLKSWAGEN* and Chairman of the Board of Management of *AUDI*, Mr. Stadler, the former members of the Board of Management of *AUDI* Prof. Hackenberg and Dr. Knirsch as well as the former *Porsche* Board of Management member Mr. Hatz breached their duties in connection with the *Diesel Issue*.
- (H) Accordingly, on 26 March 2021, the *Companies* called upon Prof. Martin Winterkorn, Mr. Rupert Stadler, Prof. Ulrich Hackenberg, Dr. Stefan Knirsch and Mr. Wolfgang Hatz to pay damages in connection with the *Diesel Issue*. Prior to this, in the course of proceedings for protection against dismissal before the courts for labour matters, claims had been asserted against a (former) employee of *VOLKSWAGEN*, Dr. Heinz-Jakob Neußer (former member of the so-called Board of Management for the Volkswagen Passenger Cars brand) (together with Prof. Winterkorn, Mr. Stadler, Prof. Ulrich Hackenberg, Dr. Knirsch and Mr. Hatz, the "**Persons against whom Claims are Asserted**"), as well as against other (former) employees of the *Companies*.
- (I) The *Companies* are of the opinion that these claims for damages and the underlying facts and circumstances pertain to the *2015 Insurance Program* as well as the *2021 Insurance Program*. The *Insurers* and *BERKSHIRE HATHAWAY* have argued that coverage could at best exist under the *2015 Insurance Program* and reserved the right to raise further objections.
- (J) The *Companies* have concluded agreements on the liability claims referred to in (H) with all *Persons against whom Claims are Asserted* ("**Liability Settlements**"). Where required, such agreements have been approved by the General Meetings of the respective *Companies*. The actions for avoidance and nullity actions filed against the approval resolution of the General Meeting of *VOLKSWAGEN* were dismissed at first and second instance; the proceedings are still pending before the Federal Court of Justice.
- (K) On 8/9 June 2021, the *Companies* concluded an agreement with *AIG*, *AGCS*, *Great Lakes*, *HDI*, *Liberty*, *QBE*, *TMHCC*, *AXA XL* and *Zurich* (collectively: "**Parties to the First Coverage Settlement**", together with their co-insurers, the "**Insurers**"), without the participation of *BERKSHIRE HATHAWAY*, on the coverage claims ("**First Coverage Settlement**"). The General Meetings of the respective *Companies* also approved this *First Coverage Settlement*. Actions for avoidance and nullity actions were likewise filed against the approval resolution of the General Meeting of *VOLKSWAGEN* concerning the *First Coverage Settlement*. The actions were dismissed at first and second instance; the proceedings are also still pending before the Federal Court of Justice. Pursuant to section 7.1 and section 7.2 of the *First Coverage Settlement*, the filing of these actions does not affect the entry into effect of the *First Coverage Settlement* until the actions have

been upheld with final and binding effect or unless otherwise required by mandatory legal provisions. The *First Coverage Settlement* is attached as an **Annex** to this agreement.

- (L) With regard to the "**Relevant Facts and Circumstances**", reference is made to the definition in section K of the *First Coverage Settlement*.
- (M) To date, it has not been possible to reach a settlement with *BERKSHIRE HATHAWAY* as Insurer of the *First Excess Liability Insurance 2021*. *BERKSHIRE HATHAWAY* was therefore not a party to the *First Coverage Settlement*.
- (N) The Parties intend
- while maintaining their respective legal positions,
 - without acknowledging any legal obligation to do so and
 - without prejudice in terms of any legal disputes

to reach a final settlement concerning the insurance claims against *BERKSHIRE HATHAWAY*.

Now therefore, the Parties hereto agree to the following Coverage Settlement:

1. Payment obligations of *BERKSHIRE HATHAWAY*

- 1.1 In order to settle the *Relevant Facts and Circumstances*, *BERKSHIRE HATHAWAY* undertakes as an individual debtor to pay an amount of EUR 7,700,000 ("**BERKSHIRE HATHAWAY Settlement Amount**") to the following account:

VOLKSWAGEN AKTIENGESELLSCHAFT
Commerzbank AG, Wolfsburg
SWIFT Code: COBADEFF269
Account number: 682000500
IBAN: DE15 2694 1053 0682 0005 00
Currency: EUR

Of this amount, *VOLKSWAGEN* shall pass on a share of 34.18 percent to *AUDI* and a share of 14.5 percent to *Porsche*.

- 1.2 The *BERKSHIRE HATHAWAY Settlement Amount* shall be due for payment within one month of the signing of this Coverage Settlement. *BERKSHIRE HATHAWAY* shall have the right to pay before the amount becomes due.
- 1.3 The Parties unanimously assume that the *BERKSHIRE HATHAWAY Settlement Amount* is a genuine damages payment and, consequently, no VAT is to be charged on it. Any legal risk with regard to the VAT shall be borne by the *Companies*. For *BERKSHIRE HATHAWAY*, the payment of the *BERKSHIRE HATHAWAY Settlement Amount* shall also be conclusive in this regard. However, *BERKSHIRE HATHAWAY* shall, within reasonable limits, provide the *Companies* with any information and documents which are relevant for an examination of the consequences under tax law or where their presentation to the tax authorities would be necessary or expedient.

2. Effect of being satisfied and settled

2.1 The *Parties* agree that, with the payment in full of the *BERKSHIRE HATHAWAY Settlement Amount* pursuant to section 1 of this Coverage Settlement, all coverage claims of *Insured Persons* as well as of the *Companies* and other insured undertakings for insured events and facts and circumstances based on or in connection with the *Relevant Facts and Circumstances* shall be deemed satisfied and settled vis-à-vis *BERKSHIRE HATHAWAY* insofar as the *Parties* are authorised to dispose of the coverage claims in accordance with the contractual provisions and the German Insurance Contract Act.

At the same time, the *Companies* undertake to never or no longer assert potential coverage claims in or out of court. The *Companies* shall – to the extent legally permissible – also ensure and work towards ensuring that *VOLKSWAGEN Group* companies likewise will not (or will no longer) assert, assign or otherwise transfer such claims against *BERKSHIRE HATHAWAY*.

2.2 The effect of being satisfied and settled pursuant to section 2.1 shall apply irrespective of whether this involves current or future, known or unknown, conditional or unconditional claims or rights arising from own rights or rights transferred by statutory subrogation; in particular, the *Parties* agree that no further claims can be asserted against *BERKSHIRE HATHAWAY* under the *VW D&O* on the basis of or in connection with the *Relevant Facts and Circumstances*.

2.3 The payment of the *BERKSHIRE HATHAWAY Settlement Amount* shall be set off against the insured sum under the *First Excess Liability Insurance 2021* and, beyond that, shall completely exhaust the insured sum of the *First Excess Liability Insurance 2021* for all facts and circumstances and claims based on or in connection with the *Relevant Facts and Circumstances*.

2.4 As soon as the *BERKSHIRE HATHAWAY Settlement Amount* has been received in full and in due time or in settlement of the damage caused by default, the *Companies* shall no longer invoke the provisions under section 2.3 sentence 3 or section 6.2 of the *First Coverage Settlement*, unless *BERKSHIRE HATHAWAY* or a legal successor demands repayment of the *BERKSHIRE HATHAWAY Settlement Amount* in part or in full.

3. Indemnifications

3.1 Should, based on or in connection with the *Relevant Facts and Circumstances*, claims be asserted against *BERKSHIRE HATHAWAY*, *VOLKSWAGEN*, with the right to set-off and the right of retention being excluded, shall indemnify *BERKSHIRE HATHAWAY*, inter alia,

- a) against all claims to insurance payments, especially indemnification claims under liability insurance law and claims to the assumption of the costs of legal protection of Insured Persons; and
- b) against associated necessary judicial and extrajudicial costs, including *BERKSHIRE HATHAWAY*'s own costs up to a reasonable amount, especially lawyers' fees for the review and/or defence of claims to insurance payments. The costs shall be considered necessary and reasonable if they are in line with previous settlement practice; and
- c) against default interest and interest accruing from the date of the proceedings becoming pending on coverage claims; and

- d) against the costs of providing security or similar expenses caused by BERKSHIRE HATHAWAY in defending against coverage claims in court in order to prevent the enforcement of a court ruling.

For the avoidance of doubt, the *Parties* agree that *VOLKSWAGEN's* indemnification obligation shall exist in particular for claims to insurance payments that have not been satisfied and settled vis-à-vis the persons entitled to the claims or third parties pursuant to sections 2.1 to 2.2 of this Coverage Settlement because the *Parties* are not authorised to dispose of the claims under the contractual provisions or the German Insurance Contracts Act or because the *Parties* could not agree or have not agreed on satisfaction and settlement with effect vis-à-vis the persons entitled to the claims or third parties for other reasons. This applies irrespective of whether this involves known or unknown, conditional or unconditional claims or rights arising from own rights or rights transferred by statutory subrogation.

- 3.2 The indemnification obligation pursuant to section 3.1 shall not apply if the *Insured Person* against whom claims are asserted
- a) acknowledges corresponding claims for damages with the explicit consent of BERKSHIRE HATHAWAY,
 - b) reaches a settlement in respect of these with the explicit consent of BERKSHIRE HATHAWAY or
 - c) allows existing defence options to finally and conclusively expire without being used, with the explicit consent of BERKSHIRE HATHAWAY,

without *VOLKSWAGEN* having explicitly consented to such a course of action. *VOLKSWAGEN* shall be deemed to have given its consent if it does not explicitly object to a corresponding inquiry from *BERKSHIRE HATHAWAY* within two weeks. Irrespective of this, *VOLKSWAGEN's* indemnification obligation shall continue to exist if *BERKSHIRE HATHAWAY* is obliged to provide coverage. *BERKSHIRE HATHAWAY* shall bear the burden of proof in this regard.

- 3.3 The indemnification obligation shall moreover not apply if *BERKSHIRE HATHAWAY* acknowledges corresponding coverage claims without *VOLKSWAGEN's* prior explicit consent, reaches a settlement in respect of these or knowingly allows defence options of which it was aware to finally and conclusively expire without being used, unless *BERKSHIRE HATHAWAY* had in particular to issue an acknowledgment or was otherwise obliged to take one of the above actions based on the applicable insurance terms and conditions or statutory provisions. Section 3.2, sentence 2 applies mutatis mutandis.
- 3.4 Insofar as insurance payments are to be repaid by the *Insured Persons*, *BERKSHIRE HATHAWAY* shall forward these amounts to *VOLKSWAGEN*, *AUDI* and *Porsche* into the account specified under section 1.1 without undue delay after repayment by the *Insured Persons*. Section 1.1 sentence 2 applies mutatis mutandis.
- 3.5 The limitation period for an indemnification claim shall start to run at the earliest on the assertion of the respective claim against *BERKSHIRE HATHAWAY*. The statutory provisions on the expiry of the limitation period shall otherwise apply.
- 3.6 *AUDI* and *Porsche* shall indemnify *VOLKSWAGEN* to the extent that the underlying facts and circumstances relate to the respective *Company*. The *Companies* shall not be jointly and severally liable in this regard.

4. Claims for recourse and compensation, recovery claims

- 4.1 *BERKSHIRE HATHAWAY* shall not assert any claims for recourse or compensation on account of payments made by it based on its own rights or rights transferred by statutory subrogation, in particular based on section 86 German Insurance Contracts Act, against the *Companies, Insured Persons* or third parties. *BERKSHIRE HATHAWAY* shall, at *VOLKSWAGEN*'s request, assign such claims to one of the *Companies* or a third party. The transferee shall be designated by *VOLKSWAGEN*.
- 4.2 Insofar as the prerequisites for this laid down in the insurance policies and by law have been met, *VOLKSWAGEN* may request that *BERKSHIRE HATHAWAY* assert recovery claims against *Insured Persons* on account of payments made by *BERKSHIRE HATHAWAY* in respect of which *VOLKSWAGEN* was obliged to issue an indemnification pursuant to section 3.1. *BERKSHIRE HATHAWAY* may request that *VOLKSWAGEN* reimburse all expenses incurred by it in connection with the request, including internal costs up to a reasonable amount.

5. Entry into effect

- 5.1 The entry into effect of this Coverage Settlement does not depend on the entry into effect of the *Liability Settlements*. The *Parties* further agree the following with regard to the entry into effect of this Coverage Settlement:
- a) The *Companies* have instructed and authorised Gleiss Lutz to receive and make all notifications and declarations in connection with this Coverage Settlement. In the same way, *BERKSHIRE HATHAWAY* shall instruct and authorise Clyde & Co. The other *Parties* must be informed of any amendment to these notification and declaration authorisations two weeks in advance.
 - b) Each *Party* shall send the following to Gleiss Lutz:
 - aa) by e-mail in advance: a scanned copy of the Coverage Settlement signed by it and initialled by it on each page;
 - bb) by post or by courier: 5 original copies of the full Coverage Settlement, initialled on each page, including the signature pages signed by hand.
 - c) The *Parties* irrevocably authorise Gleiss Lutz to put the original copies of the signature pages together with one original copy of the Coverage Settlement in each case and to send these to the *Parties*. Accordingly, the *Parties* irrevocably authorise Gleiss Lutz to put the scans sent by e-mail in advance together to form an electronic document.
 - d) This Settlement shall already enter into effect if Gleiss Lutz has sent the electronic document created in accordance with the above provision to Clyde & Co. by e-mail. The written form requirement pursuant to section 7.2 shall not apply in this regard.
- 5.2 This Coverage Settlement shall become invalid if the invalidity of the *First Coverage Settlement* is definitively established by a final and binding decision or in another manner. If the invalidity of the *First Coverage Settlement* is established, the *Parties* must return the payments made to one another, with the pleas arising from sections 814, 818(3) German Civil Code and the right to set-off and the right of retention being excluded.

6. Costs incurred in connection with the conclusion of this agreement

Each *Party* shall bear the costs incurred and yet to be incurred by it in connection with the preparation and implementation of this Coverage Settlement itself.

7. Miscellaneous

- 7.1 There are no side agreements to this Coverage Settlement.
- 7.2 It is clarified that the rights and obligations of the parties to the *First Coverage Settlement* are not altered by this Coverage Settlement.
- 7.3 Unless a different form is stipulated by mandatory law or this Coverage Settlement,
- a) amendments to this Coverage Settlement must be in written form within the meaning of section 126 German Civil Code excluding section 127(2) German Civil Code;
 - b) text form within the meaning of section 126b German Civil Code shall suffice for other notifications, requests, objections or other declarations.
- 7.4 All disputed arising out of or in connection with this Coverage Settlement shall be subject to German law to the exclusion of the rules on the conflict of laws.
- 7.5 All disputes arising out of or in connection with this Coverage Settlement or pertaining to its validity are to be finally decided upon under the Arbitration Rules by the German Arbitration Institute (DIS) to the exclusion of the right to bring suit before a state court.
- a) The arbitral tribunal consists of three arbitrators.
 - b) The place of arbitration is Frankfurt am Main.
 - c) The proceedings are to be conducted in German.
- 7.6 Should a provision of this Coverage Settlement be or become invalid or unenforceable in whole or in part, or should there prove to be an omission when this Coverage Settlement is implemented, this shall not affect the validity of the remaining provisions. The invalid or unenforceable provision shall be replaced or the omission remedied by a reasonable and legally permissible provision that comes closest in economic terms to what the *Parties* wanted or would have wanted had they considered the invalidity or unenforceability or the omission.

III. ADDITIONAL INFORMATION RELEVANT TO THE CONVENING OF THE AGM

1. TOTAL NUMBER OF SHARES AND VOTING RIGHTS

The total number of shares of the Company at the time the Annual General Meeting was convened amounts to 501,295,263. 295,089,818 of these were ordinary shares and 206,205,445 were nonvoting preferred shares. The total number of voting rights is 295,089,818.

2. VIRTUAL ANNUAL GENERAL MEETING WITHOUT THE PHYSICAL PRESENCE OF SHAREHOLDERS

In accordance with Article 19(3) of the Company's Articles of Association in conjunction with section 118a(1) of the Aktiengesetz (German Stock Corporation Act), the Board of Management decided to hold Annual General Meeting in a virtual format without the physical presence of shareholders or their proxy holders (except for the authorized Company proxy holders). Physical attendance by shareholders or their proxy holders at the venue of the Annual General Meeting is therefore excluded.

The virtual Annual General Meeting gives shareholders and their proxies the opportunity to participate and engage in dialogue with the company without incurring travel costs and with little effort. It is also much more efficient in terms of costs for the company and the implementation of the process, as well as in terms of resources, than an Annual General Meeting in person. As last year, there will be no advance submission of questions, so shareholders will have full rights to speak, ask questions and propose motions at the virtual Annual General Meeting. The Board of Management will decide on the appropriate format for each Annual General Meeting, taking into account all relevant aspects.

The Annual General Meeting will be held at the meeting venue in the presence of the Chairman of the Supervisory Board in his function as Chairman of the meeting and the Deputy Chairman of the Supervisory Board in his function as Deputy Chairman of the meeting as well as of the notary public engaged to record the minutes of the Annual General Meeting. All other members of the Supervisory Board attend the entire meeting via video and audio transmission. All members of the Board of Management attend the Annual General Meeting physically at the meeting venue. The venue of the Annual General Meeting within the meaning of the Aktiengesetz is the premises of Eisbach Filmstudios, Grasbrunner Straße 20, 81677 Munich, Germany.

3. CONDITIONS FOR ATTENDING THE VIRTUAL AGM AND IN PARTICULAR EXERCISING VOTING RIGHTS

Only those persons who are shareholders of the company at the close of business on the 22nd day before the Annual General Meeting, i.e. on **May 27, 2026, 24:00 (CEST)** (record date)*, and who register in due time are entitled to attend in the virtual Annual General Meeting within the meaning of the electronic connection and to exercise their voting rights. Registration must be in written form (section 126b of the Bürgerliches Gesetzbuch (German Civil Code)) in German or English and must be sent to the Company – accompanied by evidence of their shareholdings issued by the last intermediary in accordance with section 67c(3) of the Aktiengesetz (German Stock Corporation Act) (broken down by ordinary and/or preferred shares) – at the following address, to be received no later than **24:00 (CEST) on June 11, 2026**:

Registration agent:

Volkswagen Aktiengesellschaft
c/o Computershare Operations Center
80249 Munich, Germany
E-Mail: anmeldestelle@computershare.de

In accordance with section 67c of the Aktiengesetz (German Stock Corporation Act), the registration can also be submitted in accordance with ISO 20022 no later than **24:00 (CEST) on June 11, 2026**, by intermediaries (e.g. custodian bank) to the following SWIFT address:

SWIFT: **CMDHDEMXXX**; Instructions according to ISO 20022;
Authorization via SWIFT Relationship Management Application (RMA) required.

As a rule, custodian banks or last intermediaries perform the necessary registration procedures on behalf of their customers and send the evidence of shareholdings. Therefore, shareholders are asked to contact their custodian bank promptly. Once the registration accompanied by the evidence of shareholdings has been received, the shareholders entitled to attend the meeting will receive the registration confirmation including the access data for use of the shareholder portal for attending the virtual Annual General Meeting.

To ensure that the documents for the Annual General Meeting are received in good time, shareholders are asked to ensure that their registration and evidence of shareholdings are sent to the Company, addressed to the registration agent, as early as possible.

4. ATTENDANCE OF THE VIRTUAL AGM VIA THE SHAREHOLDER PORTAL

For the purposes of conducting the virtual Annual General Meeting, the Company will provide an Internet-based annual general meeting system (shareholder portal) on its website at www.volkswagen-group.com/agm. The shareholder portal is expected to be available from May 28, 2026 and will give shareholders who have duly registered the opportunity to follow the Annual General Meeting live via video and audio transmission, to ask questions and/or submit motions by means of video communication, to grant authorization to proxy holders, to exercise voting rights, to file objections to resolutions and to submit statements in advance of the meeting as well as to retrieve evidence of the exercise of voting rights after the meeting. After registering for the Annual General Meeting in a timely manner, shareholders will be mailed a registration confirmation on or after May 28, 2026 with the access data for the shareholder portal. Changes in mail delivery times may lead to delays in delivery.

If you have any questions about using the shareholder portal, please contact:

Computershare Operations Center
Phone: +49 8930903-6379
E-Mail: aktionaersportal@computershare.de

5. PROCEDURE FOR EXERCISING VOTING RIGHTS AND AUTHORIZING THIRD PARTIES

a) Electronic absentee voting

Duly registered ordinary shareholders may cast their votes by means of electronic communication without attending the Annual General Meeting (electronic absentee voting).

The option to cast an electronic absentee vote or to change and revoke a vote is available until the time stipulated by the meeting chair at the virtual Annual General Meeting on June 18, 2026; this is done by using the log-in details on the registration confirmation using the Company's shareholder portal at **www.volkswagen-group.com/agm-portal**.

Alternatively, the votes cast as well as any changes or revocation can be communicated by e-mail stating the registration confirmation number. For organizational reasons, e-mails may only be sent to the e-mail address below by no later than **24:00 (CEST) on June 17, 2026**:

E-Mail: **anmeldestelle@computershare.de**

b) Authorizing Company proxy holders

We offer our ordinary shareholders the opportunity to be represented by proxy holders designated by the Company who will vote on their behalf on the agenda items published in the Federal Gazette (Bundesanzeiger) in accordance with their voting instructions.

The proxy holders are obliged to vote as instructed. It should be noted in this regard that proxy holders will only vote in accordance with the instructions given by the shareholder or the shareholder's authorized representative; if the proxy holders have not been given instructions on certain agenda items, they will not vote on them. The proxy holders designated by the Company represent shareholders for voting purposes only; they cannot be instructed or authorized to exercise other shareholder rights.

Ordinary shareholders who wish to take advantage of this opportunity require a registration confirmation for the Annual General Meeting. The granting of a proxy and issue of voting instructions to the Company's proxy holder as well as any changes or revocation and submission of evidence to the Company of the appointment of a proxy holder must be in written form and may be provided until the time stipulated by the meeting chair at the virtual Annual General Meeting on June 18, 2026 using the Company's shareholder portal at **www.volkswagen-group.com/agm-portal**.

Alternatively, the authorization of proxy holders and the issue of voting instructions to the Company's proxy holders as well as any changes or revocation and submission of evidence of the appointment of a proxy holder to the Company may be communicated by e-mail stating the registration confirmation number. For organizational reasons, e-mails may only be sent to the e-mail address below and must be received by no later than **24:00 (CEST) on June 17, 2026**:

E-Mail: **anmeldestelle@computershare.de**

c) Authorizing a third party

Shareholders who do not attend the virtual Annual General Meeting in person and/or do not wish to exercise their voting rights in person may exercise their voting rights through proxy holders (e.g. intermediaries, shareholders' associations or other third parties), though not in their name. A party can be appointed as a proxy holder either by submission of a declaration to the Company or by submission of a declaration to the persons to be appointed. If the declaration is submitted to the persons to be appointed, evidence of the appointment of the proxy holder must be submitted to the Company.

Anybody who represents shareholders in a professional capacity may only exercise voting rights if the shareholder has appointed them as a proxy holder. Instructions may be obtained. A proxy form for business representatives is provided on the Company's website at www.volkswagen-group.com/agm.

Any grant of proxy or its revocation and evidence provided to the Company of the appointment of a proxy holder who is not an intermediary or a person equivalent to an intermediary pursuant to section 135(8) of the Aktiengesetz (German Stock Corporation Act) must be in written form. Section 135 of the Aktiengesetz applies to the authorization of intermediaries or other equivalent persons pursuant to section 135(8) of the Aktiengesetz. In particular, the document proxy form must be verifiably recorded by the proxy holder. Furthermore, the document proxy form must have been completed and may only contain declarations relating exclusively to the exercise of voting rights. Shareholders wishing to authorize an intermediary or another equivalent person in accordance with section 135(8) of the Aktiengesetz as a proxy holder should agree on the form of proxy holding with this person.

The proxy may be granted or revoked and evidence of the appointment of a proxy holder may be submitted using the Company's shareholder portal at www.volkswagen-group.com/agm-portal until the time stipulated by the meeting chair at the virtual Annual General Meeting on June 18, 2026.

Alternatively, the grant of proxy or its revocation and evidence of the appointment of a proxy holder can be sent to the Company in advance of the virtual Annual General Meeting by mail or by e-mail stating the registration confirmation number. For organizational reasons, any mail or e-mails may only be sent to the physical or electronic address below and must be received by no later than **24:00 (CEST) on June 17, 2026**:

Volkswagen Aktiengesellschaft
c/o Computershare Operations Center
80249 Munich, Germany
E-Mail: anmeldestelle@computershare.de

Pursuant to the Articles of Association, the grant of proxy applies solely to the next General Meeting.

d) Communication through intermediaries

Pursuant to Section 67c of the German Stock Corporation Act (AktG), the granting of proxies and voting instructions to the Company's proxy representatives, as well as the authorization of a third party, may also be transmitted to the Company in ISO 20022 format via intermediaries (e.g. a custodial bank) using the SWIFT address specified above under item 3. For organizational reasons, proxies and voting instructions or third-party authorizations transmitted via this route must also be received by the Company no later than 17 June 2026, 24:00 (CEST).

6. EVIDENCE OF THE COUNTING OF VOTES

In accordance with section 129(5) sentence 1 of the Aktiengesetz (German Stock Corporation Act), voters can obtain a confirmation of whether and how their votes were counted within one month of the date of the virtual Annual General Meeting. In compliance with the legal requirements, the evidence of the counting of votes (confirmation of whether and how votes were counted) can be downloaded from the shareholder portal or requested from the Company at hauptversammlung@volkswagen.de. If the confirmation is given to an intermediary, the intermediary must pass this confirmation on to the shareholder without undue delay in accordance with section 129(5) sentence 3 of the Aktiengesetz.

7. ONLINE VIDEO AND AUDIO TRANSMISSION OF THE AGM

The Company's shareholders and any interested members of the public can follow the opening of the virtual Annual General Meeting and the speeches given by the Chairman of the Supervisory Board and the Chairman of the Board of Management live on the Company's website at www.volkswagen-group.com/agm from **10 a.m. (CEST) on June 18, 2026**. Only shareholders who have registered in the shareholder portal may watch the entire broadcast of the Annual General Meeting.

A video recording of the speeches by the Chairman of the Supervisory Board and the Chairman of the Management Board can be accessed on the company's website after the conclusion of the Annual General Meeting.

8. RIGHTS IN ACCORDANCE WITH SECTIONS 122(2), 126, 127, 130A, 131(1), (1F) AND (4), 245, 118A(1) SENTENCE 2 NOS. 3 AND 4 AND 6 THROUGH 8 OF THE AKTIENGESETZ (GERMAN STOCK CORPORATION ACT)

a) Motions for additions to the agenda in accordance with section 122(2) of the Aktiengesetz

Shareholders whose combined shareholdings amount to one-twentieth of the share capital or represent a proportionate interest of EUR 500,000.00 (corresponding to 195,313 shares) may, in accordance with section 122(2) in conjunction with section 122(1) of the Aktiengesetz, require items to be added to the agenda and published. Each new item must be accompanied by a reason or by a proposed resolution.

The notice requiring the new item to be added must be received by the Company, together with evidence issued by the last intermediary, that the shareholders hold the minimum number of shares, by **24:00 (CEST) on May 18, 2026**, exclusively at the following address:

Volkswagen Aktiengesellschaft
The Board of Management
c/o HV-Team
Letterbox 1849
38436 Wolfsburg, Germany
by fax: +49-5361-95600100
or by e-Mail to: hauptversammlung@volkswagen.de

Motions for additions to the agenda must be submitted in German. If they are meant to be published in English as well, a translation is to be enclosed.

Applicants have to prove that they have held their shares for at least 90 days before the day the motion for addition was received and that they will hold the shares until the Board of Management decides on the request. Please pay attention to section 70 of the Aktiengesetz, which addresses computation of the period of shareholding.

Motions for additions to the agenda that are liable to publication will be published without delay in the Federal Gazette and distributed throughout Europe.

In addition, the motions for additions to the agenda will be published on the Company's website at www.volkswagen-group.com/agm.

b) Shareholder motions and proposals for election in accordance with section 118a(1) sentence 2 no. 3 in conjunction with sections 126 and 127 of the Aktiengesetz

In accordance with section 126(1) and section 127 of the Aktiengesetz, shareholder countermotions to proposals by the Board of Management and/or the Supervisory Board on specific agenda items and proposals for election must be submitted, together with evidence that the person filing the countermotion or making the proposal is a shareholder, by **24:00 (CEST) on June 3, 2026**, exclusively to the following address:

Volkswagen Aktiengesellschaft
HV-Team
Letterbox 1849
38436 Wolfsburg, Germany
by fax: +49-5361-95600100
or by e-mail to: hauptversammlung@volkswagen.de

Countermotions and proposals for election must be submitted in German. If they are meant to be published in English as well, a translation is to be enclosed.

In accordance with sections 126 and 127 of the Aktiengesetz, shareholder countermotions and proposals for election requiring disclosure will be published without delay on the Company's website at **www.volkswagen-group.com/agm** with the shareholder's name. Other personal data will not be disclosed unless the applicant explicitly requests disclosure of the data.

Any statements by the Management will also be published at the website shown above.

Shareholder countermotions and proposals for election requiring disclosure in accordance with section 126 or section 127 of the Aktiengesetz are deemed to have been submitted at the date of disclosure in accordance with section 126(4) and section 127 sentence 1 of the Aktiengesetz. Voting rights can be exercised on such countermotions and proposals for election as soon as the shareholders can demonstrate that they meet the legal or statutory requirements for exercising their voting rights. If the shareholder submitting the motion or the proposal for election has not had their identity proven and is not registered to attend the Annual General Meeting, the motion does not need to be dealt with at the Annual General Meeting.

Furthermore, countermotions and proposals for election as well as other motions can also be submitted during the virtual Annual General Meeting by means of video communication using the shareholder portal.

Shareholder motions relating to rejection of management's or the Supervisory Board's proposals can be supported by voting "No" for the relevant agenda item via the shareholder portal at **www.volkswagen-group.com/agm-portal**.

Shareholder motions and proposals for election not relating to rejection of the Management's or the Supervisory Board's proposals are each identified with a capital letter. Shareholders or their proxy holders can vote on these motions and proposals for election by checking "Yes", "No" or "Abstention" after the relevant capital letter in the box in the shareholder portal at **www.volkswagen-group.com/agm-portal**.

The meeting chairperson's right to have the Management's nominations voted on first in the voting remains unaffected. If the Management's nominations are accepted with the necessary majority, countermotions or (differing) nominations become superfluous in this respect.

Where there are obvious contradictions in votes by shareholders or their proxy holders on the management's proposals on the one hand and the vote on counter motions on the other, the votes will be considered invalid.

c) [Opportunity to submit statements in accordance with section 118a\(1\) sentence 2 no. 6 in conjunction with section 130a\(1-4\) of the Aktiengesetz](#)

Duly registered shareholders or their proxy holders will have the opportunity in accordance with section 130a(1-4) of the Aktiengesetz to submit statements on the agenda items ahead of the meeting by means of electronic communication. Statements can be submitted in written form via the shareholder portal at **www.volkswagen-group.com/agm-portal** by **24:00 (CEST) on June 12, 2026**. Statements must be exclusively submitted in German and must not exceed 10,000 characters. They shall be published in the shareholder portal with disclosure of the submitting shareholder's name by no later than **24:00 (CEST) on June 13, 2026**. Section 130a(3) sentence 2 of the Aktiengesetz thus restricts disclosure to duly registered shareholders and their proxy holders.

Received statements are not published if one of the reasons for exclusion in accordance with section 130a(3) sentence 4 of the Aktiengesetz in conjunction with section 126(2) sentence 1 nos. 1, 3 and 6 of the Aktiengesetz applies.

Motions, nominations for election, queries or objections to resolutions of the general meeting included in the statements submitted will not be considered. Such submissions can only be made or declared in the ways described in the notice convening the Annual General Meeting.

d) [Right to speak in accordance with section 118a\(1\) sentence 2 no. 7 in conjunction with sections 130a\(5\) and \(6\) of the Aktiengesetz](#)

Duly registered and electronically connected shareholders (or their proxy holders) will have the right to speak via video. Motions and proposals for election in accordance with section 118a(1) sentence 2 no. 3 of the Aktiengesetz as well as requests for information in accordance with section 131(1) of the Aktiengesetz may be part of the spoken contribution.

Shareholders (or their proxy holders) wishing to connect electronically to make a spoken contribution may register this spoken contribution exclusively using the corresponding function in the shareholder portal at **www.volkswagen-group.com/agm-portal**. This function is expected to be available from 9:30 a.m. (CEST) on the day of the Annual General Meeting. Following due registration, shareholders will be mailed the required access data with the registration confirmation on or after May 28, 2026.

The Company will perform a technical function test ahead of the spoken contribution. Where functioning video communication between the shareholder and the Company cannot be ensured at the meeting, the Company reserves the right to reject the spoken contribution. The minimum technical requirements for live video transmission are therefore an internet-enabled device with a camera and microphone as well as a stable internet connection. Detailed information and information about video communication will be provided at **www.volkswagen-group.com/agm**.

e) [Right to information in accordance with section 118a\(1\) sentence 2 no. 4 in conjunction with sections 131\(1\), \(1f\) and 4 of the Aktiengesetz](#)

Any duly registered and electronically connected shareholders (or their proxy holders) who request information on Company matters from the Board of Management at the virtual Annual General Meeting will be provided with such information to the extent that it is required for an adequate assessment of the agenda. In accordance with section

131(1f) of the Aktiengesetz, the meeting chair determines that the right to information at the Annual General Meeting may only be exercised via video.

Where a shareholder has received information outside the Annual General Meeting in their capacity as a shareholder, this information must be provided to any other shareholder (or their proxy) at the Annual General Meeting upon request in accordance with section 131(4) sentence 1 of the Aktiengesetz even if the information is not required for an adequate assessment of the agenda item. At the virtual Annual General Meeting it will be ensured that shareholders (or their proxy holders) who are connected to the Annual General Meeting electronically can submit their request in accordance with section 131(4) sentence 1 of the Aktiengesetz by means of electronic communication using the shareholder portal at www.volkswagen-group.com/agm-portal.

- f) Declaration of objection to resolutions of the Annual General Meeting pursuant to section 118a(1) sentence 2 no. 8 of the Aktiengesetz in conjunction with section 245 of the Aktiengesetz

Duly registered and electronically connected shareholders (or their proxy holders) will have the opportunity to file objections to resolutions of the Annual General Meeting during the meeting by means of electronic communication, to be minuted by the notary public. Objections can be filed via the shareholder portal at www.volkswagen-group.com/agm-portal. The notary public has authorized the Company to accept objections and receives them electronically via the shareholder portal.

9. INFORMATION IN ACCORDANCE WITH SECTION 124A OF THE AKTIENGESETZ (GERMAN STOCK CORPORATION ACT) ON THE COMPANY'S WEBSITE

The content of the notice convening the Annual General Meeting, the documents to be made available, shareholder motions and proposals for election as well as additional information relating to the Annual General Meeting (including on shareholder rights) are available on the Company's website at www.volkswagen-group.com/agm.

The voting results can also be accessed at this web address after the Annual General Meeting has ended.

10. INFORMATION ON DATA PROTECTION FOR SHAREHOLDERS AND SHAREHOLDER REPRESENTATIVES

As the controller, Volkswagen Aktiengesellschaft processes personal data in connection with holding the Annual General Meeting, particularly contact details and information on share ownership to ensure the proper functioning of the meeting, to enable you to exercise your shareholder rights and to fulfill legal obligations and obligations under stock-corporation law. This data is processed to fulfill legal requirements and for legitimate interest.

Further information on the data processing and your rights (of access, to rectification, to restriction of processing, **to object**, to erasure, to transfer of your data and to lodge complaints with a competent supervisory authority) is available at www.volkswagen-group.com/agm-data-protection.

If you have any questions, please do not hesitate to contact Volkswagen Aktiengesellschaft's data protection officer by mail at Berliner Ring 2, 38440 Wolfsburg, Germany, by phone on +49 5361-9-0, or by e-mail at datenschutz@volkswagen.de.

The notice convening the Annual General Meeting was published in the Federal Gazette on May 5, 2026 and distributed throughout Europe.

VOLKSWAGEN AKTIENGESELLSCHAFT

The Board of Management

Wolfsburg, May 2026

Chairman of the Supervisory Board:

Hans Dieter Pötsch

The Board of Management:

Dr. Oliver Blume

Dr. Arno Antlitz

Ralf Brandstätter

Dr. Gernot Döllner

Dr. Manfred Döss

Thomas Schäfer

Thomas Schmall-von Westerholt

Hauke Stars

Domiciled in: Wolfsburg

Commercial Register: Braunschweig Local Court HRB 100484

IV. ANNEX TO AGENDA ITEM 5

RÉSUMÉ OF MR. HANS DIETER PÖTSCH



Hans Dieter Pötsch

Year of birth: 1951
Place of birth: Traun, Österreich
Residence: Wolfsburg, Germany
Nationality: Austrian
First appointed: Oct. 7, 2015
Appointed until: 2026

Current professional activity:

Since 2015: Chairman of the Supervisory Board of Volkswagen AG, Wolfsburg, Germany
 Since 2015: Chairman of the Executive Board of Porsche Automobil Holding SE, Stuttgart, Germany

Professional career:

2009 – 2022: Member of the Executive Board responsible for Finance, Porsche Automobil Holding SE, Stuttgart, Germany
 2003 – 2015: Member of the Finance and Controlling division, Volkswagen AG, Wolfsburg, Germany
 1995 – 2002: Chairman of the Executive Board, Dürr AG, Stuttgart, Germany
 1991 – 1995: Chairman of the Executive Board, Traub AG, Reichenbach, Germany
 1987 – 1991: Managing Director Finance and Administration, Trumpf GmbH & Co. KG, Ditzingen, Germany
 1979 – 1987: Positions held at BMW AG, Munich, Germany, most recently as Head of Group Controlling

Education:

Degree in Industrial Engineering from Darmstadt University of Technology, Darmstadt, Germany

Membership of statutory supervisory boards in Germany:

- AUDI AG, Ingolstadt
- Bertelsmann Management SE, Gütersloh¹
- Bertelsmann SE & Co. KGaA, Gütersloh¹
- Dr. Ing. h.c. F. Porsche AG, Stuttgart²
- TRATON SE, Munich (Chairman)²
- Wolfsburg AG, Wolfsburg¹

Appointments in Germany and abroad that are comparable with membership of a statutory supervisory board:

- Autostadt GmbH, Wolfsburg, Germany
- Porsche Austria Gesellschaft m.b.H., Salzburg, Austria (Chairman)
- Porsche Holding Gesellschaft m.b.H., Salzburg, Austria (Chairman)
- Porsche Retail GmbH, Salzburg, Austria (Chairman)
- VFL Wolfsburg-Fußball GmbH, Wolfsburg, Germany (Deputy Chairman)

Relationships with the Volkswagen Group:

- Lease of real estate property
- Leasing of vehicles and parking facilities
- Use of workshop services

Relationships with executive bodies of Volkswagen

Aktiengesellschaft:

-

Relationships with shareholders with a significant interest in Volkswagen Aktiengesellschaft:

- Mr. Pötsch is Chairman of the Executive Board of Porsche Automobil Holding SE, Stuttgart, Germany. Porsche Automobil Holding SE is the largest shareholder of Volkswagen AG, Wolfsburg, Germany, holding 53.3% of the voting shares.

Knowledge, skills and professional experience:

- Hans Dieter Pötsch has specialist knowledge and experience of the automotive industry thanks to his years of work as Chief Finance Officer for Volkswagen AG. Furthermore, he has extensive knowledge and experience in the areas of corporate strategy, vehicle manufacture/sale, finance and accounting, taxes, capital markets, management/supervision, law/compliance, human resources, as well as particular expertise in the North America market.
- In addition, he is particularly experienced in interacting and working with government and authorities, industry associations, and trade unions and special knowledge on the subject of sustainability/ESG – environment, social and governance. Given his knowledge and experience, the Supervisory Board of Volkswagen AG has appointed Mr Pötsch as its ESG officer.

¹ Appointment outside the Group ² Listed company

RÉSUMÉ OF MS. SUSANNE WIEGAND



Susanne Wiegand

Year of birth: 1972
Place of birth: Kassel, Germany
Residence: Schönaich, Germany
Nationality: German
First appointed: July 5, 2025
Appointed until: 2026

Current professional activity:

Since 2025: Member of the Supervisory Board of Brenntag SE, Essen, Germany

Since 2024: Investor

Professional career:

2021 – 2024: Chairwoman of the Executive Board of Renk Group AG, Augsburg, Germany
 2018 – 2021: Chairwoman of the Executive Board of the Electronic Solutions Division and Member of the Defense Executive Board of Rheinmetall AG, Bremen/Düsseldorf, Germany
 2007 – 2018: Member of the Management Board of Nobiskrug GmbH, Rendsburg, Germany; German Naval Yards Kiel GmbH, Kiel, Germany; Lindenau Werft GmbH, Kiel, Germany
 2005 – 2007: Senior Vice President and Head of Strategy, Business Development and M&A at ThyssenKrupp Marine Systems GmbH, Hamburg, Germany
 2001 – 2005: Management Consultant with projects for (among others) Fresenius, Daimler, and ThyssenKrupp
 1999 – 2001: Senior Vice President Business Development at T-Systems International GmbH, Frankfurt am Main, Germany
 1996 – 1999: Management Consultant, Unit Manager Chemical/Pharmaceutical Industry at Diebold Deutschland GmbH, Eschborn, Germany

Education:

Master of Business Administration at the Johann Wolfgang Goethe University Frankfurt am Main, Germany

Membership of statutory supervisory boards in Germany:

- Brenntag SE, Essen^{1,2}
- BWI GmbH, Meckenheim¹

Appointments in Germany and abroad that are comparable with membership of a statutory supervisory board:

-

Relationships with the Volkswagen Group:

-

Relationships with executive bodies of Volkswagen Aktiengesellschaft:

-

Relationships with shareholders with a significant interest in Volkswagen Aktiengesellschaft:

-

Knowledge, skills and professional experience:

- As CEO of Renk Group AG, Ms Wiegand was responsible for the Sustainability division and promoted the development of processes and the organisation as well as the implementation of sustainability ratings there. She monitors and supports general developments in the field of sustainability reporting and the auditing thereof, and contributes her expertise to the Audit Committee of Volkswagen AG.
- During the IPO of Renk Group AG, she gained in-depth exposure to the auditing of balance sheets, the drawing up of financial reports, and implementation of the subsequent requirements of the capital market.
- Furthermore, diverse roles and extensive experience in the defence industry have equipped Ms Wiegand with comprehensive knowledge and experience in the fields of risk management, compliance, and export control.

CONTACT INFORMATION

in case of questions relating to organizational matters:

You can reach us Monday to Friday (except for national holidays) during normal business hours (CEST)

via phone: +49-5361 - 9 13088

via e-mail: hauptversammlung@volkswagen.de

PUBLISHED BY

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