



360° WOLFSBURG



Employees from the Wolfsburg plant with members of the Golf family: (from left to right) Lars Brandt, Katja Utermöhlen, Michael Fromme, and Rebecca Schrader.

The Entire Golf Family Is Now Based in Wolfsburg

Even the Variant is now produced at this location – Plant Manager praises employees

The new Golf Variant can now also call the Wolfsburg plant home, as this location is responsible for all derivatives of the new Golf. In addition to the basic models, this also includes the Golf GTE³ with plug-in hybrid, which essentially combines a combustion engine and a battery, the Golf GTI⁴, the Golf R-Line, the Golf Alltrack⁵, and several more besides. The great thing about this

move is that every generation of the bestseller has rolled off the production line in Wolfsburg – ever since the first Golf around 46 years ago. Even the Variant is no stranger at the largest Volkswagen site, as the Wolfsburg employees actually spent 13 years producing it here from 1993 to 2006.

The seventh generation of the Golf Variant was still being made in Zwickau until June of this year. That

plant is now focusing primarily on the new Volkswagen ID. family including the ID.3 and ID.4, and from next year it will also be looking at electric vehicles for two other Group brands: Audi and Seat.

“The Golf is – and always will be – an icon”

Wolfsburg Plant Manager Stefan Loth is proud to now have the

entire Golf family under one roof: “The Golf is – and always will be – an icon. And luckily for us, we don’t just have the one Golf, but a whole series of impressive derivatives, too.”

The plant manager has extended his thanks to all Wolfsburg-based employees, who have been working especially hard over recent weeks and months hard to ensure everything runs smoothly.

Corona: Testing Directly in the Plants

The war against Corona continues: Volkswagen wants to be on the front foot when it comes to recognizing cases and putting a stop to chains of infection. This is why the company is setting up its own testing facilities at its German locations. Test results will be provided by a new center at Wolfsburg hospital. → [PAGE 2](#)



US Monitor Praises Volkswagen

Independent compliance monitor Larry D. Thompson has now finished his investigations. He reports, “Volkswagen is a better company today than it was three years ago.” → [PAGE 5](#)

Software Org: How It Works

Chief Human Resources Officer Gunnar Kilian and Martin Hofmann, Head of HR for the new Group company, discuss personnel planning in a 360° interview. → [PAGE 3](#)



E-Offensive Gains Momentum

Customers receive first ID.3¹ and series production of the ID.4² starts at the Zwickau plant

The Volkswagen e-offensive is running full steam ahead: The brand has now delivered its first ID.3 models to customers at the Autostadt in Wolfsburg, the Transparent Factory in Dresden, and in the retail sector.

What’s more, series production of the second member of the ID. family is also now underway in Zwickau. “With the ID.4, Volkswagen is expanding its range to include a fully electric vehicle in



Ralf Brandstätter, Volkswagen Brand CEO

the world’s largest growth segment – the compact SUV class,” explains Ralf Brandstätter, CEO of the Volkswagen brand. “After the ID.3, it’s already the second model based on the modular electric-drive toolkit (MEB).” Going forward, the ID.4 will be built and sold in Europe, China, and later also in the US. “This is how we’ll

scale the MEB platform around the world, creating the economic foundation for the success of

our ID. family,” Brandstätter adds.

300,000 cars from Zwickau

The Zwickau plant is playing a key role in the system change towards e-mobility: For the first time, a large car factory is being completely converted to electric mobility. All conversions will be

completed this year according to schedule. In the 2021 production year, roughly 300,000 electric cars based on the modular electric-drive toolkit (MEB) will come off the assembly line in Zwickau.

Together with his daughter, Volkswagen Group CEO Herbert Diess took advantage of his summer



Herbert Diess: Group CEO road-tested the ID.3 on vacation.

vacation to road-test the ID.3 on a trip from Munich to Lake Garda in Italy. He shared his experiences on social media, which have proven incredibly popular worldwide. Silke Bagschik, Sales Manager for the e-mobility series, shares her views on the ID.3 in retail in our 360° interview. She explains, “The vehicles are now available to view and test drive at dealers. We expect that this will give a new boost to orders.”

And how do you charge an electric vehicle? One of our 360° editors tried it out and shared his experiences in the Volkswagen Passenger Cars brand section.

→ [PAGES 7-9](#)



And here it is: the ID.4.

Olympic Dream Lives On

Two top athletes at Volkswagen: Canoeist Sabrina Hering-Pradler and Judoka Giovanna Scoccimarro talk about their temporarily shattered Olympic dreams.



Sustainability: Advisory Board Remains

The Sustainability Advisory Board and the Volkswagen Group have extended their cooperation for another two years. At the heart of the sustainability strategy lies the company’s reported carbon neutrality by 2050. → [PAGE 11](#)

kp-wo
¹ ID.3 Pro Performance, 150 kW/energy consumption combined in kWh/100 km: 16.9–15.4 (WLTP); 15.4–14.5 (NEDC); CO₂ emissions combined in g/km: 0; ID.3 Pro S, 150 kW/energy consumption combined in kWh/100 km: 17.7–15.9 (WLTP); 14.1–13.5 (NEDC); CO₂ emissions combined in g/km: 0 | ² ID.4: The vehicle is a near-production-ready Golf concept | ³ Golf GTE – (NEDC) fuel consumption in l/100 km: combined 1.7; power consumption in kWh/100 km: combined 12.4; CO₂ emissions combined in g/km: 38; efficiency class: A+ | ⁴ GTI (180 kW / 245 bhp, with 7-speed DSG) – (NEDC) fuel consumption in l/100 km: urban 8.6, highway 5.3, combined 6.5; CO₂ emissions in g/km (combined): 149; efficiency class: C | ⁵ Golf Alltrack – This vehicle is a near-production-ready concept car and is not yet on sale.

Names & News

VOLKSWAGEN BRAND



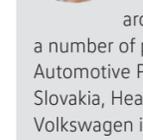
Klaus Zellmer, former CEO at Porsche Cars North America, has been a Chief Sales, Marketing, and After Sales Officer for the Volkswagen brand since mid-September. He's succeeding Jürgen Stackmann, who is now leaving Volkswagen. Zellmer was with Porsche for 23 years before making this move, prior to which he was at the Nürtingen Institute for Automotive Economics where he began his career in 1994. He moved to Porsche in 1999 and held various posts here including Head of Sales and Marketing at Porsche Leipzig, Head of Marketing, and later Chair of the Management Board at Porsche Germany. In 2015, Zellmer moved to Atlanta as CEO of Porsche Cars North America.



Jürgen Stackmann worked for the Group for ten years. His career began at Ford in 1989, where he held the positions of Managing Director and General Director for Sales and Marketing before making the move to Volkswagen. In 2010 he became Chief Sales and Marketing Officer at Skoda, before taking over as Head of Group and Brand Marketing two years later. In 2013 he moved to Spain as the CEO of Seat, and in 2015 he became Chief Sales and Marketing Officer for the Volkswagen brand.



Christian Vollmer, Chief Production Officer for Seat since 2018, has been appointed Chief Production Officer for the Volkswagen brand as of August this year. He takes over from **Andreas Tostmann**, who is now CEO of MAN Truck & Bus. Vollmer has been with Volkswagen for

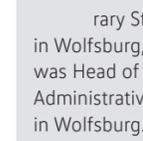


around 20 years, holding a number of posts including Head of Automotive Production at Volkswagen Slovakia, Head of Production at Volkswagen in Shanghai, and Vice President of the SAIC Volkswagen joint venture. Tostmann has worked for the Volkswagen Group for around 30 years. Positions he has held include Plant Manager in Salzgitter, Head of Volkswagen South Africa, Head of Volkswagen Slovakia, and Chief Production Officer at Seat.

FINANCIAL SERVICES



Alexandra Baum-Ceisig has been Head of HR & Organization for Volkswagen Financial Services since August. She follows in the footsteps of **Christiane Hesse**, now retired from the Group. Baum-Ceisig has been working for the Group for around 13 years. In 2016 she took over as Head of Temporary Staffing for AutoVision in Wolfsburg, and from 2018 she was Head of Human Resources for Administrative Areas at Volkswagen in Wolfsburg. Her predecessor, Hesse, had been Head of HR & Organization from 2009.



War Against Corona: Volkswagen Leads by Example

The company is setting up its own test containers across many of its sites

Volkswagen and the city of Wolfsburg are on the same page when it comes to handling COVID-19: They both want to act fast to detect cases, interrupt chains of infection, and prevent the potential closure of company departments or public institutions. This is exactly why Volkswagen is setting up its own testing containers at its German locations. Test results will be provided within 24 hours at most by a new center at Wolfsburg hospital. In several cases, this has allowed coronavirus infections to be detected at an early stage and, most importantly all, prevented from spreading.

These walk-through containers have already been installed at the Wolfsburg, Braunschweig, Emden, Kassel, Salzgitter, and Hanover locations, and some 2500 employees volunteered to be tested in the first few days alone. Of these, seven suspected cases were confirmed (as of mid-September). "If a test is positive, rapid follow-up is absolutely essential. We have a

jointly developed process in place to prevent the spread of the virus, which involves identifying all those who have come into contact with infected individuals," explains Dr. Daniela Kirstein, Senior Company Physician in Braunschweig and Project Manager for Corona Testing at Volkswagen. The measures in place have proven successful in all cases to date.

These quick-fire processes have been particularly advantageous at the Wolfsburg and Braunschweig sites, as "we find out the result within a few hours of the swab in an ideal scenario. In fact, this was the case with a confirmed infection in Braunschweig," explains Kirstein. This meant that three people who had come into contact with this person could be tested immediately and placed in quarantine at home. The in-house test, track, and trace system implemented by Volkswagen is also supporting the public health authorities.

Infection rates have been manageable to date; however, the experts at Volkswagen and in the city of Wolfsburg know that critical times



Open wide! A healthcare worker takes a swab.



No room for confusion: The sign shows where to get tested.

still lie ahead. "Coughs-and-colds season is right around the corner, which means – just like every year – many people are going to be suffering from coughs, sniffles, or

sore throats. This is going to make it even harder to distinguish a common cold from a suspected case of corona," notes Kirstein. An early flu vaccination is strongly recommended this year (see extra article on this page) to try to prevent people from suffering with two illnesses at once.

The city of Wolfsburg is also preparing for the challenge ahead. "Together with Volkswagen, we have built up enough laboratory capacity to implement a test strategy from a single source in the plant and in the city: This joint strategy comprises straightforward testing at Volkswagen, immediate evaluation of results in our laboratory, and – at the same time – rapid follow-up of contacts to interrupt chains of

infection both at work and at home. Chains of infection should not be allowed to arise in the first place," asserts City Councilor Monika Müller.

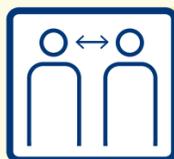
With this in mind, the city has boosted its capacities to make it possible to track chains of infection. "We have trained around 50 employees on the track-and-trace system, but we could easily increase this number if the situation requires," explains Müller. Volkswagen has an excellent system in place to manage points of contact and thereby identify chains of infection in no time.



Test Containers

Around 100 throat swabs are currently being taken every day in the test containers. If necessary, this number could increase to 2,400 tests per day. The Healthcare division has access to a sufficient number of test kits and other materials for this purpose.

Prevention: Protecting Against Coronavirus in Day-to-Day Work



MAINTAIN DISTANCE: Wherever possible, maintain at least 1.50 meters (6 feet) between you and all other people



HAND HYGIENE: Wash your hands regularly with soap and water for at least 20 seconds



SNEEZING AND COUGHING: Always into the crook of your arm, your sleeve, or a handkerchief



NO HANDSHAKES: Do not shake hands with others; it is a common transmission path for germs and viruses

Flu Vaccinations: An Invitation from Group Healthcare

Free of charge, voluntary, and recommended by Volkswagen physicians

It's fall, which means people are starting to think about flu shots again. But the situation is a bit different this year due to the coronavirus pandemic. First things first, the flu shot is entirely voluntary. Volkswagen Healthcare has once again teamed up with healthcare partner Audi BKK to invite employees to get their shots. All employees are invited for a vaccination free of charge and on a voluntary basis, no matter their health insurance company. Anyone who is not insured by Audi BKK just needs a form accessible via Volkswagen Net.

Benefits of the flu shot include a reduced likelihood of severe flu and secondary illnesses, such as pneumonia, and fewer hospital stays due to influenza. What's more, in addition to reducing your own risk, you're also helping to

protect other people around you who may not be able to be vaccinated themselves.

According to Dr. Lars Nachbar, Head of Group Healthcare, "when it comes to this year's flu vaccinations, we can't forget that corona really has put us in a new situation. We simply have no idea how a simultaneous infection or one that takes hold shortly afterward may develop. That's why we're recommending that all employees take advantage of the flu shot to at least minimize the risk caused by the flu virus." According to Dr. Kai Sickmann, Head of International Healthcare, "it's always important

to try and put a stop to illnesses that can be counteracted with preventive measures. This applies even more so in times of a pandemic, as the structures required to cope with it, such as laboratories, health authorities, and health system capacities, should be freed up as much as possible." The flu shot also makes sense from the travel medicine perspective. "It's one of the most important travel medicine vaccinations of all. In fact, influenza is the most common illness travelers pick up that could be prevented with a simple vaccine." Another consideration to bear in mind: "We've observed that developing and emerging countries in



Dr. Kai Sickmann



Dr. Lars Nachbar

particular, where the hygiene level can be catastrophic, often adopt an exaggerated or even outright bizarre approach to entry and controls. A flu shot also reduces the risk of attracting attention when taking temperatures at airports and being confronted with potentially negative consequences like quarantine or compulsory testing."



Flu Vaccination

Vaccinations start in early October. For more details on the vaccination start date, locations, and appointments, check the healthcare pages in the Personnel Portal on Volkswagen Net.

Legal Notice 360°

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Mood Barometer: Take Part Until October 11

116,000 employees at Volkswagen AG called to action – huge photo campaign intended to encourage participation

Around 116,000 Volkswagen AG employees have until October 11 to answer the 24 questions in the Mood Barometer and voice their opinions on topics such as cooperation and leadership, information, the workplace, and work processes. “We might be experiencing difficult times right now, but we still want to hear what our employees have to say,” explains Chief Human Resources Officer Gunnar Kilian. “Here at Volkswagen, we know that we would never be able to achieve our goals as a Group without the full support of our team.” It is so important to take the opportunity to get feedback and drive change.

This year, the Mood Barometer is accompanied by a photo competition to encourage employees to get involved. The hope is that the campaign will also cover people’s experiences of the coronavirus issue. As corona has changed our lives both professionally and socially, the survey is taking place precisely because of the situation we find ourselves in rather than in spite of it.

Some employees have already taken the opportunity to get involved, including Nico Hoppe from Quality Assurance in Kassel, Susanne Böhm from HR Development in Wolfsburg, and Peter Nollido from Recruiting and Talent Marketing.

Peter Nollido from Recruiting and Talent Marketing in Wolfsburg says: “I think it’s great to have the chance to use the Mood Barometer and get involved in the future development of the company. In fact, I would encourage all of my colleagues to do the same.”



Nico Hoppe from Quality Assurance in Kassel shares his story: “The coronavirus pandemic was a real challenge for me – particularly in the beginning since my daughter Hanna was born at the start of March. I was able to spend the first eight weeks at home with her through a combination of annual leave and reduced hours, which gave us a great opportunity to get to know each other and figure out our new lives together. It really has been invaluable for me to be able to stay at home. I work in my living room, or out on the rooftop terrace if the weather is nice, and can still watch my daughter grow up by my side. My family and I couldn’t be more grateful to Volkswagen for being so accommodating and responding so flexibly to this difficult situation.”



Susanne Böhm, HR Development in Wolfsburg (pictured with her husband Ingo): “Corona has meant we have been working from home a lot. Of course it’s a shame that we haven’t been able to see much of our colleagues, but on the other hand we have been very efficient with our work. It’s even made the childcare situation easier. We have become closer as a family, too, as we have been eating together more and generally communicating better. We wanted to take part in the photo competition as we think it’s important for people to share their opinions. After all, no one’s going to hear what you have to say if you’re just mumbling away to yourself in the spare room. It’s great that you can take part using your smartphone, which makes it even easier. It barely takes any time at all.”



How to take part

To take part in the survey, visit www.stibam.de. You will then need to log in using either your PKI card or your user ID and password. If you have any problems, please contact the dedicated helpdesk at +49 5361 933 003. The survey **opened on September 14 and ends on October 11.**

Names & News

VOLKSWAGEN COMMERCIAL VEHICLES



Carsten Intra took over as CEO of Volkswagen Commercial Vehicles (VWN) in September. His predecessor **Thomas**



Sedran has taken over as Head of Investment Management for Commercial Vehicles and Mechanical Engineering for the Volkswagen Group and

reports directly to Gunnar Kilian on the Group Executive Board. Since 2017, Intra has been Chief Human Resources Officer and Industrial Relations Director at MAN, as well as a Member of the Executive Board at Traton, responsible for Human Resources and IT. With his doctorate in Mechanical Engineering, he brings extensive experience from the commercial vehicles segment to his new role as CEO at VWN. Sedran holds a doctorate in Economics and has been working at Volkswagen since 2015, prior to which his roles included CEO at Opel.

SKODA



Thomas Schäfer, formerly CEO at Volkswagen in Africa, took over as CEO at Skoda in August. He takes the reins from



Bernhard Maier, who has now moved on after

five years in the post. A Mechanical Engineering graduate, Schäfer began his professional career at Daimler back in 1991 before making the move to Volkswagen in 2012. He was originally responsible for overseeing the Group’s foreign production, which involved tasks such as handling negotiations on new production sites. From 2015, Schäfer was Chairman and Managing Director of Volkswagen Group South Africa, where he was responsible for Group Brand Development in the Sub-Saharan Africa Region.

Car.Software Organization: An Interview With Gunnar Kilian and Martin Hofmann

Hot topics include personnel planning and the appeal of the new Group company

Going forward, Volkswagen will be developing most of the software in its vehicles in-house. This move will see the newly created Car.Software organization, which will employ up to 10,000 digital experts in the future, play a key role. Chief Human Resources Officer Gunnar Kilian and Martin Hofmann, Head of HR for the new Group company, share their perspectives on personnel planning.

You recently hired 385 new employees in just two days. What’s the selection process actually like?

Hofmann: We were delighted to receive several thousand applications, actually. That said, we are still very much in the start-up phase and need to improve the structure of our personnel processes, so we decided to use this to our advantage and create a kind of recruitment challenge. Our team worked closely with the Works Council and our partners from the brand HR divisions to put 680 short-listed candidates through their paces. After some deliberation, we were able to narrow this pool down further and invite 385 talented individuals to come on board. The best thing about it is that we were able to issue contracts as

soon as the decision was made. It was a really exciting experience for everyone involved. The speed of the entire process was particularly well received by the applicants – even by those who unfortunately didn’t make the final cut. According to the feedback, they felt they had been treated fairly, since they didn’t have to wait very long at all to find out where they stood.

How are things going then for the new Group company in terms of personnel?

Kilian: We’re definitely on the right track. Over the last few weeks and months, we’ve seen around 1,800 employees from the Volkswagen, Audi, and Porsche brands make the move to Car.Software organization. Most of the employees who were offered an employment contract on the basis of a Group secondment also agreed in the end, with the final figure coming out at around 85 percent. I have to say, I think that’s a great result. It shows how attractive Car.Software organization is and that our employees are keen to actively shape and build the future

of our company in this area, which is so important to us in terms of our strategy going forward.



Gunnar Kilian, Chief Human Resources Officer



Martin Hofmann, Chief Human Resources Officer, Car.Software organization

What is the atmosphere like within the new organization?

Hofmann: Many employees are incredibly excited about their new roles. They couldn’t be more enthusiastic about what’s around the corner. That’s not to say there isn’t any hesitation, but I think that’s only normal when you move from a traditional environment to a new one with a start-up

atmosphere. The teams have only been together for a few weeks, and there will be around 500 new colleagues by the end of the year who need to be integrated into the growing organization and its new processes. We also mustn’t

forget that we are spread out across various locations in Wolfsburg, Berlin, Ingolstadt, and the Stuttgart area, so there has been limited scope for people to really get to know each other so far due to corona. But we can already feel the motivational spirit in the air – and anything is possible with our positive “hands-on” mentality.

Kilian: It’s not always easy to start a new role

from scratch in an entirely new environment – not least during these uncertain times. It takes some courage to take a leap like this, which is why I would like to thank all of our colleagues who have been willing to join us on this journey. They are all making an invaluable contribution to ensuring the future of the entire Volkswagen Group.

So what are the next steps?

Hofmann: Our successful recruitment challenge allowed us to transfer the recruitment process originally started by the brands to the CSOs and round off all of the application processes. We will now look at honing our selection processes in the software area further so that we are able to take a more targeted approach when reaching out to tech candidates.

Kilian: Our end goal is clear. We really want to up our competence in the digital sector and develop more of our software ourselves. This is why the Car.Software organization will play a crucial role going forward, as this is the key to our transformation into a software-driven mobility company. We know we can already count on extensive expertise within our own brands and our Group companies, so we are now incorporating this into the Car.Software organization to put it to optimum use. Creating better internal synergies is just one side of the coin. The other side is where we look at bringing more top talents from the tech sector on board to secure our place at the top of the automotive industry – even in times of digitalization.



Markus Duesmann: Collaboration Within the Group is the Key to Success

What the new Audi boss and CEO has planned for the Car.Software organization

Smack dab during the height of the coronavirus pandemic, Markus Duesmann took over as CEO of Audi. In an interview with 360°, the 51-year-old reveals how the brand has recovered from the lockdown measures, where the Car.Software organization journey is heading, and why he likens the Artemis project to a speedboat.

Mr. Duesmann, there are certainly more favorable times to take over as Chairman of the Board of Management than at the height of the coronavirus pandemic. You had actually originally planned to hit the ground running with Audi.

"I think of the Car.Software organization as the driver of digital transformation within the Volkswagen Group."

The situation has of course been uniquely challenging for all of us. The first item on the agenda was naturally crisis management. Now it's good to see that Audi has picked up speed again.

What has your impression been of your new role over the past few months?
Audi is doing really well in terms

of substance. In the first few months, I got to know so many great people with such high quality standards, an outstanding spirit of innovation and, above all, a willingness to embrace change. And I've gotten the impression that the whole team is now raring to go. That's a good feeling. We have a great deal of potential here at Audi and we want to take advantage of that.

You've already made a number of changes in your first 100 days. Technical Development has been reorganized, as has Series. What does this involve?

To remain successful in the long term, we need to be efficient. Our aim is to offer our customers a progressive, competitive, profitable and sustainable product portfolio. Reorganizing Technical Development and Series pays off precisely in this respect and helps us develop

our models more quickly without sacrificing our high quality standards. In future, the structure of Series will mirror the evolution of the automobile to become a mobile device. Series will focus on much more than metal cladding in future; electronics architecture will be key.

In your role as Head of Group Research and Development, you



At Audi since April: Markus Duesmann sees a great deal of potential in the four-ringed brand.

were entrusted with two key future-oriented issues: Mission Artemis and the Car.Software organization. What are your plans?
First, it's incredibly important to me that we all work together within the Group to make optimal use of synergies. All the brands collaborating on e-platforms is one of the keys to making electric mobility successful. Our cross-brand Project Artemis is a bit like a speedboat. It's driven by a small,

agile team and will revolutionize the way we move forward. The goal is a highly efficient electric model that will take its place on the starting line in 2024. The first Artemis model was also the first time we were able to use our proprietary operating system, VW.OS.

That's what you're working to develop in the Car.Software organization...

Exactly. I think of the Car.Software organization as the driver of digital transformation within the Volkswagen Group. This digital transformation will decide the future of the automobile. That is why I am so sure that the path to our own operating system is the right thing to do for millions of our vehicles. Software skills will be so formative in the coming years. By 2025, we want to have developed more than 60 percent of the software needed ourselves.



First Six Months: 1,194 Reprimands and Written Warnings

Volkswagen is sanctioning misconduct: for example, grilling in the Production hall led to a written warning

Even seemingly small indiscretions can lead to serious consequences and result in sanctions. A group of employees had to learn this lesson the hard way when they had a barbecue in the middle of a Production hall last year. Those involved received written or verbal warnings. They were also fined.

The reason for the sanctions? Although holding a barbecue is a genial way to bond with colleagues, open



Head of Group Fire Protection: Torsten Starke

fires on company premises are prohibited for safety reasons. The grill triggered the fire alarm. The hall had to be immediately evacuated and production was forced to shut down.

The fire department arrived just a few minutes later. The unauthorized barbecue break brought production to a standstill. That meant multiple vehicles could not be produced as planned. "Open fires or the use of personal electrical appliances can quickly lead to fires, which can endanger the lives of colleagues. That's why both of those things are not permitted without express approval from Health and Safety and/or the local fire department," says Torsten Starke, Head of Group Fire Protection. Volkswagen publishes statistics on misconduct and the resulting sanctions every six months. The aim is to show that

the company's success can only be based on fair, customer-oriented and legally compliant conduct. That's because it's the only way to prevent detrimental effects on the company, employees, and business partners.

Current Statistics Terminations and reprimands

All told, 62 Volkswagen Group companies with 1,000 employees or more received 1,194 reprimands

and written warnings in the first half of 2020. 317 employees were terminated for conduct in violation of the rules. These companies employ around 477,000 people.



Category	Dismissals
Working hours (e.g. unexcused absences)	123
Property crimes/fraudulent activities, incl. incitement	43
Discrimination, bullying, stalking	4
Sexual harassment	10
Failure to perform work due	30
Workplace disturbance of the peace (e.g. assault, threats, or insults)	17
Violations of the alcohol and drug policy	33
Accepting advantage, corruption, conflict of interest (e.g. use of insider knowledge)	1
Breaches of data protection provisions and duty of confidentiality	3
Violations of occupational health and safety requirements	11
Harming the company's image	2
Other violations of labor law obligations (e.g. violations of codes of conduct, violation of traffic rules on company premises, or illicit secondary activities)	40

Monitorship Comes to an End

Executive board and management continue to work intensively to bring sustainable cultural change

The independent compliance monitor, Larry D. Thompson, has confirmed that Volkswagen has met its obligations in the settlement with the US Department of Justice to develop and implement a compliance program, which will prevent and identify violations against anti-fraud and environmental regulations.

In the course of the monitorship, Volkswagen has updated and strengthened its structures, processes, and system in many areas of the business, including the Technical Development, Governance, Risk Management, Compliance and Legal divisions. Volkswagen has introduced and expanded the whistleblower system, strengthened the processes to prevent corruption and cartel violations, and created a due-diligence process for business partners. The company has also flattened hierarchies, decentralized decision-making and given more responsibility to its brands and regional companies, so that they can make the right decisions for their specific markets.

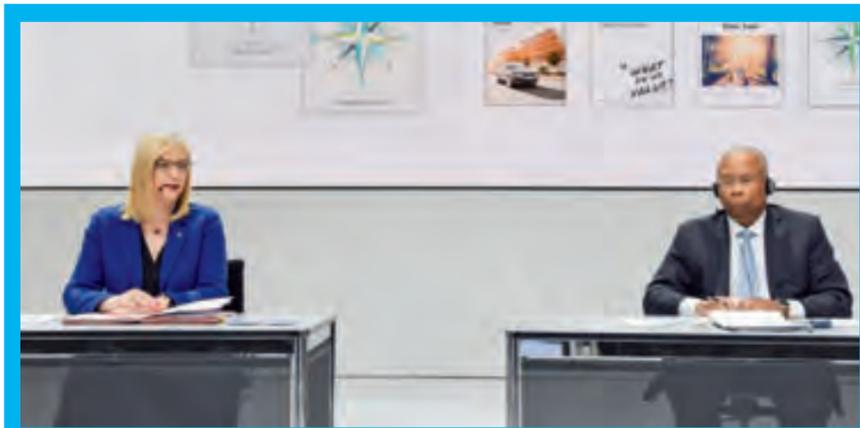
"Thompson and his team have supported us in making

Volkswagen a stronger company, but the end of the monitorship is not the end of our journey," says Herbert Diess, CEO of the Volkswagen Group. "I am committed to continuously improving our company and its culture, just like all my colleagues on the executive board. This attitude is crucial if we want to achieve our goal of producing safer, more intelligent, and emission-free vehicles for the customers of today and future generations." During the monitorship, Volkswagen introduced almost 300 new or revised internal regulations and guidelines:

- Establishing a Group Compliance Committee and an HR steering committee in the Group, as well as a new division for environment, health, and safety at the Volkswagen Group of America



Herbert Diess,
Chairman of the Board
of the Volkswagen
Group



Larry D. Thompson also functioned as an independence compliance auditor. The photo shows him with Hiltrud D. Werner at the presentation of the second audit report in September 2019. In June 2020, Thompson submitted his third and final audit report. This report did not find any new violations against the relevant settlements with the Environment and Natural Resources Division at the Department of Justice, the Californian Attorney General, the Environmental Protection Agency, and the California Air Resources Board.

- Introducing Together4Integrity Group-wide to promote integrity and compliance at Volkswagen, as well as activities promoting cultural change
- Introducing a Group-wide, universally applicable Code of Conduct
- Expanding the whistleblower system by investing in processes, human resources and IT infrastructure
- Publishing an employee survey conducted by the Ethics and Compliance Initiative

"The end of the monitorship is not the end of our journey."

Volkswagen Group CEO Herbert Diess

Hiltrud D. Werner on the End of the Monitorship

The executive board member thanks Larry D. Thompson and hundreds of Volkswagen employees

Larry D. Thompson has made a significant contribution to the transformation of the company. His independent, impartial, external review of our company helped us create the systems and processes that will enable us to grow as an organization. The lessons we have learned while overcoming

the diesel crisis will guide all our actions as we continue to promote an open and honest culture of integrity and compliance. We appreciate the work of Thompson and his team very much. I would also like to thank the hundreds of employees across the Volkswagen Group and its subsidiaries, not

only in the Integrity, Compliance, Risk Management, and Legal divisions, but also in vehicle development, HR and beyond, for their constructive cooperation and tireless support over the last three years."



4 Questions

Larry D. Thompson,
independent US Monitor
at Volkswagen

"Volkswagen is a better company than it was three years ago"

1 What conclusions can you draw after ending your monitorship at Volkswagen, examining the state of compliance and ethics in the company?

Volkswagen is undoubtedly a better company today than it was three years ago. The company is on the right track; it will take hard work, but I believe that the right organizational structures and



Larry D. Thompson, shown here at a press conference at the brand tower in Wolfsburg in September 2019, openly answered journalists' questions.

processes are in place. The company management has made firm commitments to the vigorous continuation of its integrity and compliance efforts, and there are excellent processes in place for oversight by the Supervisory Board. I believe Volkswagen has a clear path ahead of it for a sustainable and successful integrity, ethics, and compliance program.

2 Looking back on the entire period of your monitorship, which lasted just over three years, how would you characterize Volkswagen's cooperation with you and your team?

I would describe the relationship between the monitor team and Volkswagen as one of respect and professional partnership. Early on, the monitor team and the executive board of the Volkswagen Group

agreed that we had a common goal. Our common goal was simply to make Volkswagen a better company, and that was the basis for all our work together.

3 What is your message to the management and the employees of Volkswagen as Volkswagen looks to the future and your monitorship comes to an end?

I mentioned that Volkswagen is a better company today than it was three years ago. Volkswagen employees should know that this was possible because of their hard work and resolve to change. The monitor and the monitor team may have played a small part in this transformation, but the company is better because of its employees – because of their resolve to make Volkswagen a better company.

4 Do you have any final thoughts about the end of your monitorship?

This may be the end of my monitorship, but it's not the end of the relationships and friendships I have made in the course of my three years in Germany. I have been a lawyer for 46 years. I have done many things in my legal career, but it was a particular honor and a privilege to work with my colleagues at Volkswagen to make Volkswagen a better company, and I wish them every success for the future.

Rail Transport Soon to Go Green

Volkswagen Group Logistics will have switched all its domestic rail transport of materials and vehicles with Deutsche Bahn to green energy by the start of 2021. This will save more than 26,700 metric tons of CO₂ emissions annually, compared to the regular energy mix. Currently, the number of transports using green energy is at 95 percent. In addition, more goods will be transported by rail: Volkswagen wants to increase the percentage of vehicles transport by rail from the current 53 percent to 60 percent by 2022. "This green energy campaign is an important part of our decarbonization strategy," says Thomas Zernechel, Head of Volkswagen Group Logistics. To make this possible, Deutsche Bahn will utilize electricity from wind parks and hydroelectric plants.

Zernechel adds: "Volkswagen transports a greater volume of goods by rail with renewable energy than any other car manufacturer in Europe. Along with the carbon-neutral production of electric vehicles, this is an important element in being able to hand vehicles in the Volkswagen ID. family over to customers without a CO₂ footprint."

In normal operation, Volkswagen uses more than 190,000 freight cars per year. On average, 38 long-distance and 157 short-haul freight trains deliver materials to the plants – amounting to around 100,000 freight cars per year. Meanwhile, around 90,000 freight cars deliver around 900,000 vehicles from Volkswagen Passenger Cars, Audi, Skoda, Seat, Porsche, and Volkswagen Commercial Vehicles to 40 hubs, distribution centers and seaports.

"Every metric ton transported by rail automatically reduces CO₂ emissions by 80 percent. Now Volkswagen is going the extra mile and switching to CO₂-neutral, green transport. We are very pleased here at DB Cargo, but not as pleased as our environment will be," says Sigrid Evelyn Nikutta, Member of the Management Board for Freight Transport and CEO at DB Cargo.

Names & News

AUTOSTADT



Mandy Sobetzko, previously consultant to CEO Herbert Diess, joined the Autostadt management board in September.



Claudius Colsman, Head of Park Operation and Events since 2017, has followed the call of Chief Human Resources Officer Gunnar Kilian and is building a new division, the Culture and Change Factory, in the Volkswagen Group Academy.

Sobetzko has a degree in business administration and has been with the Group for 16 years. She started her career as a trainee at Volkswagen in Wolfsburg in 2005. After holding various jobs in Procurement, she was appointed to the General Secretariat of Volkswagen AG in 2015. She was a consultant for Herbert Diess from 2017. Colsman has a degree in economics and has worked for the Volkswagen Group for 15 years, including as Head of Events & Sponsoring in Communication, Head of Experience Communication, and as a spokesperson for Corporate Social Responsibility.

Herbert Diess: ID.3¹ Test Drive on Vacation

The Group CEO drove to Italy in the new electric car and shared his experiences on social media - he also tested out an e-surfboard and e-bike

A vacation and test drive in one: Herbert Diess went away on his summer vacation in the new ID.3. He drove from Munich to Lake Garda, so he could get a feel for the vehicle in everyday use before it is sold to customers. Extraordinary: The Group CEO shared his experiences with the public on the social network LinkedIn - which generated lots of headlines!

"On vacation in an electric car - impossible? On the contrary! I collected a car for my summer vacation in Italy from the ID.3 pop-up store in Munich with my daughter, Caro," wrote Diess, before starting his journey. Rumors soon started swirling that the Volkswagen CEO secretly had engineers follow him. False! Diess drove unaccompanied, as he



Electrified: Herbert Diess at the wheel of the ID.3, the flagship of Volkswagen's new generation of e-vehicles.

wanted to test the electric car in real conditions.

He kept the public updated on social media, sharing his experiences with the charging infrastruc-

ture, driving characteristics, and conversations

with his daughter

about the user experience. As well as praise, he also had a few criticisms for some of the finer details. For example: The charging stations were not accurately displayed by the GPS, and were about 200 meters off. This, he says, is not as convenient for the customer as it could be.

The unusual vacation was covered by many media outlets and was seen by more than six million people - even the Tesla community was talking about it. Diess achieved his goal: to create a powerful adver-

tisement of the ID.3!

After his vacation, he published a report of his experiences on LinkedIn. Conclusion: "The ID.3 is cool! This car feels like the future. It will give many people an entry point to e-mobility and grant them many special experiences - just like the Golf and the Beetle have done for generations. I will



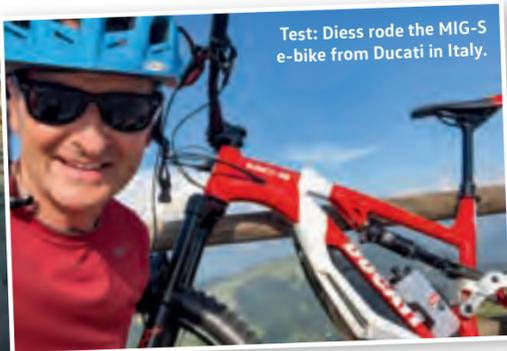
Satisfied on arrival in Italy: Group CEO Herbert Diess drove to Lake Garda in the ID.3.



Shortly before departure: Herbert Diess and his daughter, Caro, collect the ID.3 in Munich.



Athletic: Herbert Diess flits across Lake Garda on the Audi e-tron foil, an electric surfboard.



Test: Diess rode the MIG-S e-bike from Ducati in Italy.

Moria: Donation to Alleviate Suffering

The Volkswagen Group and Siemens AG are donating a total of five million euros as humanitarian emergency aid for refugees in Moria and Greece. After the catastrophic fire at the Moria refugee camp of the island of Lesbos, the situation of people living there has dramatically deteriorated. They are currently being temporarily housed on Greek navy ships and in makeshift tents. The donation will be received by the German Red Cross to support its aid activities.

CEOs Joe Kaeser and Herbert Diess explain: "We all saw the shocking images from the camp at Moria and in Lesbos. The situation of the refugees is dire; most of them have lost what little possessions they had. They don't have many of the basic essentials they need. In this situation, we consider it our humanitarian responsibility to help these suffering people, including both adults and children, swiftly and unbureaucratically. Experienced aid organizations, such as the Red Cross, guarantee that our donations will reach those who need it quickly, and that refugees will be taken good care of."

Volkswagen had already donated one million euros to refugees at risk from the coronavirus pandemic back in April. In addition, Volkswagen's refugee assistance program has initiated and now coordinates an integration scheme that prepares young refugees for education and the job market.

COVID Aid: 663,983 Euros Given to Terre des Hommes

Employees donate to children's charity for medical and social projects

Volkswagen employees help the poorest of the poor: Employees at the German sites have donated 663,983 euros to the coronavirus emergency aid program of Terre des Hommes. The fundraising campaign was initiated by the executive board and Works Council in June. The children's charity will use the funds to support medical and social projects at Volkswagen locations in Brazil (São Paulo), Mexico (Puebla), India (Pune), and South Africa (Uitenhage). CEO Herbert Diess, Works Council Chairman Bernd Osterloh, and Chief Human Resources Officer Gunnar Kilian have now met with Birte Kötter (Chair of Terre des Hommes) for the symbolic presentation of the check.

Herbert Diess: "I am very impressed by the generosity of our employees. My colleagues on the executive board have also unanimously supported and donated

to Terre des Hommes. A global crisis like the COVID-19 pandemic can only be overcome by working together."

Gunnar Kilian: "Our coronavirus emergency aid shows that our employees won't turn a blind eye to

Bernd Osterloh: "Our work with Terre des Hommes is a success story spanning 20 years. With their generous donation, our colleagues are writing the next chapter. They should all be proud of this amazing achievement. It will help thousands of people who need it the most."

Birte Kötter:

"Thanks to the incredible generosity of the Volkswagen workforce, Terre des Hommes will be able to implement many projects in the regions worst affected by the coronavirus crisis."

The annual fundraising

campaign for Terre des Hommes as a long tradition at Volkswagen: employees first waived an hourly wage to benefit Terre des Hommes back in May 1998. Since then, the fundraising campaign has become a regular fixture, and has so far financed more than 250 aid measures for street children and suffering families.



Handing over the donation: Gunnar Kilian (from left), Herbert Diess, Terre des Hommes Chair Birte Kötter, and Bernd Osterloh.

suffering, even in a crisis - something I am very proud of. In order to provide the right aid, we have worked with the aid organization Terre des Hommes to analyze where the coronavirus pandemic has had the worst impact on people. As a result, every cent of our donation will be used where it is most needed."

Names & News

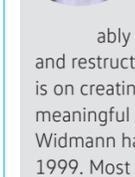
RESEARCH AND DEVELOPMENT IN THE VOLKSWAGEN GROUP



Frank Welsch, Head of Development for the Volkswagen brand, will hand over the management of Research and Development in the



Group, which he previously performed alongside his other roles, to **Ulrich Widmann** in September. Back-



ground: The division has streamlined considerably under Welsch's leadership and restructured its activities. Its focus is on creating and implementing meaningful synergies in the Group. Widmann has worked at Audi since 1999. Most recently, he was head of the Audi/Porsche project center "Premium Platform Electric," as well as Head of Strategy/Business Process for Technical Development in Ingolstadt.

VOLKSWAGEN SOUTH AFRICA



Robert Cisek, previously Head of Production Strategy for the Volkswagen brand, will become CEO of the Volkswagen Group South Africa. He will suc-

ceed **Thomas Schäfer**, who is now CEO of Skoda (see page 3). Robert Cisek studied mechanical engineering and holds a doctorate in industrial management. Before joining Volkswagen, he worked at McKinsey and BMW. At BMW, he was responsible for industrial engineering and the press shop in Dingolfing. Cisek joined Volkswagen in March 2018.

¹ ID.3 Pro Performance, 150 kW/energy consumption combined in kWh/100 km: 16.9-15.4 (WLTP); 15.4-14.5 (NEDC); CO₂ emissions combined in g/km: 0; ID.3 Pro S, 150 kW/energy consumption combined in kWh/100 km: 17.7-15.9 (WLTP); 14.1-13.5 (NEDC); CO₂ emissions combined in g/km: 0

Baby, You Can Drive My E-Car: The Fun New ID.3¹

Subjective impression: 360° editor Tobias Schwerdtfeger test drives the new compact e-car



Dynamic cornering: The ID.3's electric motor makes it a pleasure to drive.



A striking rear: The ID.3 is not timid when it comes to looks.

In theory I know a lot about the ID.3. But I don't know what it's like to drive the e-car from the Zwickau plant. That's about to change. This is the – entirely subjective – story of my encounter with the brand's electric hope bearer.

They say these 4.26 meters are about to change the (Volkswagen) world. Climate neutral, fully interconnected and, most importantly, fully electric. Sounds like the car of tomorrow. But it's here now. And it's ready to offer evidence

of why it has the potential to drive Volkswagen to the front of e-mobility. A huge burden, I think to myself, as I look the first-edition ID.3 in the eyes. The headlamps give the compact e-car a friendly face. Is it looking back at me? I can't help but smile. 1-0 to the ID.3.

Looks

30 years ago, I was convinced that cars would be able to fly in 30 years' time. And that they'd look like saucers with wheels. That's how I, as a ten-year-old, imagined

the automobile of tomorrow. Well, today, I'm standing right in front of the automobile of tomorrow. And I got it wrong. The ID.3 is an eye-catcher that flaunts its differentness. Minimalist and clear. Big wheels that are almost closed. By no means timid when it comes to looks. But the design is never overwhelming. It makes the new car feel cozy and familiar. With its large roof-edge spoiler, the e-car looks very sleek and dynamic. However, the real quantum leap with the ID.3 is under the bodywork: it is the first model to be based on Volkswagen's MEB platform.

The interior

How on earth did they manage to fit a Passat interior into a compact car? That is the puzzling thing about the ID.3's generously dimensioned interior. The answer is MEB. The technical concept with short overhangs and a long wheelbase provides the space of a medium-sized car – and that whichever seat you're in. What's more, the driver and passenger sit in a comfortably high position. Behind the easy-grip steering wheel you always feel in control. The comfortable seats are great for longer journeys. Some have complained about a lack of lateral support but I feel well supported. The center console, which is not connected to the dashboard, offers plenty of space. Keys, mobile, cereal bars, a bottle of water. Everything can be quickly stowed away. And, there's still space for a second unit. The large panoramic roof, measuring more than 1 square meter, is a special highlight in the true sense of the word. If you don't see the light here, you have only yourself to blame. Very clever: the glass panel can be closed with a blind. And of course, it only takes a quick swipe of the finger.

The control center

All that is surely very complicated in an electric vehicle. Different to what we're familiar with in any case. It can do so many new things, it's always online and can be operated by voice control. But don't worry. The truth is, everything is right where it belongs – and where you'd expect it to be in a Volkswagen. You'll be searching in vain for the traditional "radio button". Everything is done by touch here. That's something you have to get used to. But if you can use a smartphone, it won't be long before you find your way around the ID.3's control system. And even digital novices needn't worry: The ID.3 takes care of its driver.

The driving experience

Is it on already? Yes, it is. I let the brake go and the e-car starts moving. I catch myself thinking: "Just like a normal car." Pressing down lightly

of the tires, some wind. But that's all. You just glide along. My little test drive around the region is almost like a wellness program. After the first few kilometers, I stop looking nervously at the range indicator. The distance covered and the kilometers deducted match. No false promises. My verdict after a two-hour drive: wonderfully relaxing. Like that holiday feeling. A hot candidate for my own garage.

on the pedal, I send the ID.3 into the race for my favor. Those who have only experienced combustion engine dynamics will have an aha moment in the first few meters. In the compact e-car, a gentle pressure on the pedal is enough to trigger considerable acceleration. This topic comes up regularly when you discuss electric vehicles. Experienced e-car drivers agree that they're "always first off on a green light". And it's true, the rear-wheel-drive car has incredible forward thrust. The electric motor generates 204 bhp and 310 Nm of torque. 100 km/h in 7.3 seconds. Respect. But all that fun aside, what impresses me most is the quiet. You can't hear anything. Ok, almost nothing. Only a quiet purr when you start. The sound



We could be friends: 360° editor Tobias Schwerdtfeger gives the ID.3 a positive verdict.



CEO selfie: Herbert Diess and Elon Musk.

Elon Musk drives the ID.3

On his German tour, Tesla boss Elon Musk was keen to meet Volkswagen Group boss Herbert Diess. The two went for a spin in the ID.3 at Braunschweig Airport. Diess answered the Tesla boss' questions from the passenger seat. Afterwards, there was lots of praise for the compact e-car for its performance in this price segment. Diess posted the video of the drive on LinkedIn: it reached more than 400 million people worldwide!



Modern, clear, and uncluttered: the ID.3's control center.

"Everyone Is Smiling When They Get Out"

What customers and dealers think of the ID.3: Interview with Head of Sales and Marketing Silke Bagschik

The current situation made it impossible to invite dealers to a major presentation event for the ID.3 – so the ID.3 went to them. In this interview with 360°, Head of Sales and Marketing E-mobility Silke Bagschik reveals what employees experienced when they presented the car to dealers, why TÜV is issuing a special certificate for the ID.3, and what her special ID.3 moment was.

Silke Bagschik, did you have a special ID.3 moment?
To tell you the truth, there were two. The first was the moment in the development phase when

he got out I asked him how the car was to drive. He grinned and said: "Mega!" That was when I knew that we, as a team here in the heart of Wolfsburg, had brought something amazing to life.

Do the customers see it that way, too? How has the car been received on the market?

We have more than 25,000 orders from pre-bookers, i.e. customers who reserved a car a year ago and have now ordered it without ever seeing it, let alone driven it. We get the feeling that people have been waiting for it: for an electric car – a Volkswagen – with long range that can handle all the day-to-day

now? Anyone open to getting to know a new technology and help the climate in the process, anyone who wants an exciting and fully interconnected car with a phenomenal amount of space and amazing driving performance – they should really get behind the wheel of an ID.3. It's worth it.

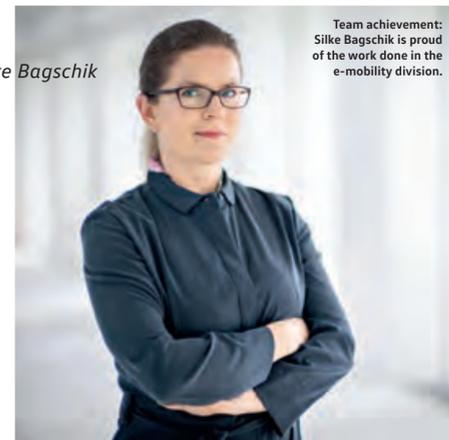
How have dealers responded to the new e-car?

There's something I should explain before I answer that question. In the past, when we've wanted to present a new car from Wolfsburg to dealers, we'd usually organize an amazing event, invite everyone here and present the automobile in all its glory. This time, necessity being the mother of invention, we had to find another way. It simply wasn't possible to put on a major event. What did we do? Instead of inviting dealers to come to us, we first trained everyone digitally before then visiting the dealers with the car – and we presented the ID.3 and trained the dealership employees on site. The same scene played out everywhere: as soon as we arrived on the forecourt in the car, every last one of them in the workshop would drop their tools to come see the new ID.3 and go for a drive. Everyone had a smile on their faces when they got out. Our

partners really liked having the whole dealership team trained in peace "at home", directly, and as equals. We've therefore decided to do exactly the same with the ID.4. That also saves a lot of CO₂.

Has the coronavirus impacted on e-mobility and the ID.3 specifically in any other way?

There is much more focus now on generally being more conscious of the way we deal with society, ourselves, and those around us. People seem to think more about the consequences of what they do than was the case before the pandemic.



Team achievement: Silke Bagschik is proud of the work done in the e-mobility division.

"We get the feeling that people have been waiting for this car."

Silke Bagschik, Head of Sales and Marketing E-mobility

we all knew that what we had was going to be the face of the ID.3. No more tinkering – build it just like that. That was very moving. The second moment I have stored away as a special memory is a conversation with a chassis engineer. He was testing the prototype and when

requirements placed on it. That incredible sign of confidence in the product and the Volkswagen brand speaks for itself. The vehicles are now available to view and test drive at dealers. We expect this to give a new boost to the order numbers. Because let's be honest, what reason is there not to switch

PRESS COMMENTS

The Volks-e-wagen is finally here

Berliner Zeitung

The savior is coming – albeit slightly delayed

FOCUS

Will it be the Golf of the 21st century?

ZEITUNG ONLINE

Automobile 2.0

auto motor sport

The strengths of the VW ID.3 (and its weaknesses)

ID.3 I'LL SHOW YOU YOUR WORLD

Auto Bild

Bild am Sonntag

Silent power: The WAZ verdict on the new ID.3

Wolfsburger Allgemeine

Free Online Training "Electric Mobility and Me"

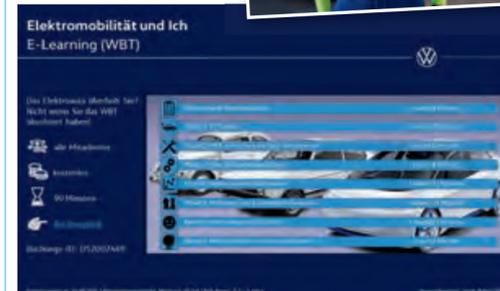
Complete seven learning modules in 90 minutes

In time for the launch of the ID. family, a new online training program by the Volkswagen Group Academy provides an overview of e-mobility at Volkswagen. It was developed by Volkswagen Academy Salzgitter and is suitable for all levels of knowledge.

An opening quiz and seven short learning modules impart lots of knowledge on current ID. models, drive concepts and the Volkswagen electric strategy. The free online training deals with customer fears and clears up fallacies about electric mobility.

The learning module and the knowledge check do not

have to be completed at the same time. The total time required to complete the program is 90 minutes. You can book your place on Group Learn using the reference ID 52007469.



¹ID.3 Pro Performance, 150 kW/energy consumption combined in kWh/100 km: 16.9–15.4 (WLTP); 15.4–14.5 (NEDC); CO₂ emissions combined in g/km: 0; ID.3 Pro S, 150 kW/energy consumption combined in kWh/100 km: 17.7–15.9 (WLTP); 14.1–13.5 (NEDC); CO₂ emissions combined in g/km: 0 | ID.4: The vehicle is a near-production-ready concept



Innovation Fund II: Applications Still Open

The Innovation Fund II is now moving into the accelerator phase for the third time with nine intrapreneurs – or entrepreneurs within the company – and their seven innovative business ideas. Under the motto “Your new future”, the application phase for colleagues interested in working on one of the future projects has been running since the beginning of September and will continue until October 2. The only condition is that managerial approval must have been granted.

Following on from the application phase, the teams have twelve exciting weeks ahead of them in which to validate their business plan, which involves checking its value, using it to build a prototype on the respective topic, testing it out with customers, and developing it further. The aim is to work together to complete a pilotable prototype, with products and services equally represented.

“We are excited to see what exceptional results our colleagues will come

up with together,” enthuses Taylan Ay, Group Works Council and Coordinator of Innovation Fund II. “The recent second pitch has already shown how quickly progress can be seen. With the active support of other colleagues, I am expecting to see interesting further developments in no time.”

Incidentally, the Innovation Fund II team has redesigned its website and populated it with new information, details of completed projects, and a list of the colleagues currently on the lookout. For more information, visit <http://innovationsfonds2.wob.vw.vwg/bewerbung/html>.



Innovation Fund II

The Innovation Fund II was launched as a result of the collective bargaining agreement for the future concluded between Volkswagen and the IG Metall district management for Lower Saxony and Saxony-Anhalt. The fund supports new and innovative business models from future-oriented fields such as health, education, environment, energy, mobility, and digitalization. The main focus of Innovation Fund II is boosting competitiveness and sustainably safeguarding employment at Volkswagen AG. The innovation capabilities of employees are relied upon in the development of new business ideas. Participants are given the opportunity to act as entrepreneurs and to realize a business idea. The project can either start in one division and stay there or else be continued in another division within the Group or as a spin-off.

Technical Development: Next BPE Milestone Achieved

Lead Manager Oliver Brenneis redesigns the air-conditioning component construction kit

The “Best Performance Engineering” (BPE) program has been running in the Group’s Technical Development (TD) division for a good six months now. 360° spoke with Oliver Brenneis (39), who has been BPE Lead Manager for the air-conditioning component construction kit since the start of this year.

Where is BPE at right now?

We have actually made considerable progress so far. The lead managers have started work and, at the end of June, we defined the strategy for the air-conditioning component construction kit in terms of budget and personnel as far as 2025. This sees us hit our next milestone.

So what does this mean for the air-conditioning component construction kit you are responsible for?

As developers, we were naturally very keen to establish the technical strategy of the component construction kit together with its module families: Which modules do we still need? Which do we need to develop? We also want to establish a greater level of standardization between the modules, and we are well on the way to achieving that, as we will be reducing the number of existing modules from 35 to 25. Adopting this approach for all component construction kits is an essential prerequisite when it comes to shaping the rapid development cycles in the e-mobility sector.

How do you plan to achieve that?

First and foremost, by bundling all of



our strategic activities into one TD division. In the case of air conditioning, this will be my team in Wolfsburg, which is being set up at the center of a network of locations and brands. We will press ahead with our development at the location where we are able to leverage the greatest synergies and where we have the greatest level of expertise – all without ever losing sight of our “one for all” mantra.

What does the BPE project mean for you and your team?

At the moment it means significantly

more effort, since we are implementing the program during our ongoing operations. But we really have to look at it as an investment in a positive future.

What strategy are you pursuing with your air-conditioning module?

Together with our colleagues working on the e-traction component construction kits, we are starting with both the modules and the platforms. To take an example, in one platform we heat the interior via water heat exchangers, in another via an electric heater in the air-conditioning unit. Our aim here is

Air-conditioning strategy now set for 2025: Oliver Brenneis is responsible for BPE component construction kits in Wolfsburg.

to standardize the heaters and use the same modules for both platforms. It is with this in mind that we formed the “Air Conditioning and Central Thermal Management” team, which works with all experts in the Group to develop the most uniform air-conditioning and thermal management systems possible. It really is a huge cog that we’re turning at the moment within the Group, but it only works if everyone pulls together.



“Best Performance Engineering”

“Best Performance Engineering” (BPE) is a building block within the Group’s “Together 2025+” strategy. The aim is to strengthen the Group’s development network across the various brands. 41 lead managers will be responsible for the technology strategy and modular development of component construction kits based on the “one for all” philosophy. Going forward, a project team under the guidance of the lead engineer as “General Developer” will handle developments for all brands in a bid to make more efficient use of the technical development resources within the Group.

Future Heads: Network of 300 Employees

Focusing on tomorrow

What role does ethics play in the future of Volkswagen? Future Head Daniela Blaschke has teamed up with her colleagues to look for answers. The 31-year-old has been a member of the Future Heads network for the past two years. “I was asking myself what my next step was at Volkswagen, as I’ve never been overly excited about traditional assistance functions.”

It was a colleague who told her about the network: “The ability to choose our own topics, think ahead, and share them with the company together – now here was something I could get excited about.” Around 300 employees across the Group are active members of the Future Heads network, united by their passion for what’s coming next around the corner. The Future Heads carry out research, offer advice, and develop ideas. According to Daniela Blaschke, “It makes sense for us to now be looking at the role of ethics, compliance, and law. What does technology do to people and society? What is our responsibility as a company? These are key questions on our



Future Head: Daniela Blaschke

way to becoming a technology firm.” The Communication and Political Sciences graduate, who has just completed her doctorate and works in External Relations, sees the “Futures of Ethics” project as a personal stroke of luck. “We really threw ourselves into the various topics, and I learned so much in the process on a professional, methodical, and even personal level.”

They dedicate up to 20 percent of their work to network projects, with managerial approval. And it’s time well spent, according to Blaschke. She now also uses the network for topics she is working on in her division – and vice versa: “The boundaries can blur a little, but everyone benefits from the synergies and opportunities to share ideas.”



Future Heads

The Future Heads network was established in 2017, with members coming from almost all brands and divisions of the Group. It focuses on the topics of mobility; social, ecological, and economic developments; and the role of ethics. For more information, contact Daniela Blaschke.



Cruising electrically through the capital: Test drives can now be booked in DRIVE.

Now in Berlin: DRIVE Offers Test Drives in the ID.3¹

Experts accompany guests on a tour through the capital

The DRIVE. Volkswagen Group Forum is offering people the opportunity to try out the new Volkswagen ID.3 as part of the “START TO DRIVE ELECTRIC” fringe exhibition. Test drives allow DRIVE visitors to experience the first fully electric car in the ID. family for themselves and see what they think. Those willing to try it out can expect to take advantage of the very latest technology combined with an all-new driving experience. Interested visitors can sign up directly at the DRIVE forum, over the phone, or via email.

The ID.3 combines electrifying performance with pioneering design and ranges suitable for everyday use. A Volkswagen Driving Experience expert will be on hand to explain the essentials of electric driving and accompany guests on their trips

through the capital. These will, of course, be subject to comprehensive health and safety measures. Bookings can be made by emailing event@drive-volkswagen-group.com or calling 030 2092 1300. Last-minute bookings can also be made directly at the DRIVE service counter.

This opportunity runs in tandem with the “START TO DRIVE ELECTRIC” exhibition, which has been running since the beginning of the year and covers the many facets of electric mobility including range, infrastructure, and charging. Under its “Pioneer of Electric Mobility” tagline, the Porsche Group brand is showcasing its view of the world of electric drives and offering insights into its electric mobility history, which has been characterized by a pioneering spirit from the very beginning.

Sustainability Advisory Board: Volkswagen to Extend Collaboration

Says Herbert Diess, "We want to strengthen the dialog with our Sustainability Advisory Board"

Volkswagen is extending its collaboration with its independent Sustainability Advisory Board by two years in hopes of vigorously pushing ahead with the company's sustainability goals. At the heart of the sustainability strategy lies the company's goal of reported carbon neutrality by 2050.

In addition, Rebecca Harms, former Member of the European Parliament, and Magdalena Gerger, CEO and President of Swedish company Systembolaget AB, have been appointed as the board's two newest members. Group CEO Herbert Diess stressed that sustainability is a crucial factor for the company's success. He said, "Volkswagen will only march on successfully into the future if we make changes. The independent Sustainability Advisory Board is becoming ever more important for our Group in the midst of this transformation. We want to strengthen this dialog, and we will not shy away from critical discussions. The board's independent expertise is helping to



More collaboration to come: Group CEO Herbert Diess with Georg Kell, Spokesperson for the Volkswagen Sustainability Advisory Board.

drive and correct our strategy." Diess thanked the Sustainability Advisory Board for their cooperation so far. The independent board has provided crucial stimulus in dealing with the diesel crisis and formulating the Group's integrity principles. In addition, the Sustainability Advisory Board has provided support for the Group's climate targets and decarbonization strategy through intensive discussion. The aim is to make the Volkswagen Group carbon-neutral from a financial perspective by 2050.

The Sustainability Advisory Board is comprised of members from around the world, and was created in 2016 to support the Group

on strategic issues of sustainability and social responsibility. The board, now made up of nine experts, works independently and contributes to the decision-making process with extensive powers to inform, consult, and take initiative.

On the agenda for discussion with the Sustainability Advisory Board are the CEO Alliance for Reform, Resilience and Recovery (R3) initiated by Diess and the Advisory Board to support the EU Green Deal, aspects of corporate governance and integrity, employment in times of increasing digitalization and electric mobility, and sustainable action in international markets.

Introducing the New Members of the Sustainability Advisory Board:

Rebecca Harms served as a Member of the European Parliament from 2004 until 2019. During this time, she fought in particular to implement more stringent environmental and consumer protection standards in the European Union. Harms was a member of the Committee for Industry, Research and Energy (ITRE), the Committee of Inquiry into Emission Measurements in the Automotive Sector (EMIS) and the Committee on the Environment, Public Health and Food Safety (ENVI). Harms began her political career in 1994 as a member of the Parliament of Lower Saxony.



Rebecca Harms



Magdalena Gerger

Magdalena Gerger has served as CEO and President of the Swedish company Systembolaget AB since 2009. The company serves as an instrument for government alcohol policy, pursuing the aim of curbing alcohol consumption in Sweden. One of the focal points of Gerger's work is her effort to consistently bolster the company's attractiveness as an employer and its corporate culture, as well as opening up a dialog between the company and society. She previously held leading roles in international food and consumer goods concerns, including Arla Foods, Nestlé, and ICI Paints. Gerger began her career in 1990 as a corporate consultant in London.



HERBERT DIESS, Group CEO:

"We want the Volkswagen Group to be carbon-neutral from a financial perspective by 2050. We have a clear plan and specific measures in place to meet that goal. But achieving this will still require a great deal of effort. That makes the contributions and momentum provided by the Sustainability Advisory Board all the more important. We need this kind of critical support. That is why I am so pleased to add the strengths of Rebecca Harms and Magdalena Gerger to the board. Ms. Harms brings her environmental policy experience at the EU level to the table, and Ms. Gerger is a true role model for sustainable business management."



GEORG KELL is the Founding Director of the United Nations Global Compact and Spokesperson for the Volkswagen Sustainability Advisory Board:

"We on the Sustainability Advisory Board combine our mandate with our duty to clearly articulate our demands and address them within the company. We can see that sustainability as a strategic goal is now firmly anchored within the Volkswagen Group. We look forward to continuing to forge ahead on this path. After all, the best thing Volkswagen can do to protect the climate is to take a pioneering role and show others the way forward."

Sustainability Advisory Board

More information about the Sustainability Advisory Board is available here:
<https://www.Volkswagenag.com/en/sustainability/sustainability-council.html>

The 2019 Sustainability Report is available here:
<https://www.Volkswagenag.com/en/sustainability/reporting.html>

Group Environmental Talk: Climate Change Is Just Another Opportunity

Round table discussion on the goTOzero environmental mission statement, climate targets, and electrification

What environmental protection goals has Volkswagen set itself? How important is electric mobility? What contribution can Production and Logistics make? CEOs, top managers, and works council representatives discussed these and other issues at the Group Environmental Talk held in the Autostadt in mid-September. Employees were able to follow the event live via 360° Volkswagen Net and the 360° Volkswagen App, and could even ask questions. 360° is here to bring you the highlights.

"We have to see climate change as an opportunity for new technologies and business models. Environmental protection does not necessarily mean going without: electric vehicles charged with electricity from renewable energy sources will continue to ensure individual mobility in future."

Herbert Diess, Group CEO



Participants of the Group Environmental Talk in the Autostadt: from left, Ulrich Widmann, Jürgen Rittersberger, Michael Jost, Herbert Diess, Hiltrud D. Werner, Oliver Blume, Gerd Walker, and Dirk Rosenau-Tornow.



"We take a holistic approach to environmental protection – from development to raw materials, from manufacturing to actually using our products, all the way to recycling."

Oliver Blume, responsible for environmental protection within the Group



"Sustainable action is a matter of leadership. And integrity always includes the question, 'Is my decision compatible with environmental protection?' Those in management positions at our company need to be open to their employees expressing these concerns."

Hiltrud D. Werner, Head of Integrity and Legal Affairs

"goTOzero is not just a promise that we will handle issues of sustainability responsibly. It is something our colleagues are actively demanding and are helping to shape. Our approach has to be to do more than what the law requires of us. For us, one thing is clear: job security and environmental protection can go hand-in-hand."

Dirk Rosenau-Tornow, Group Works Council CEO



The Smallest Unit in the System

Battery cells – the technological key to electric mobility

The modular electric-drive toolkit (MEB) and the ID.3¹ as the first model built using the platform have started a brand-new mobility chapter for the Volkswagen brand and the Group as a whole. Electricity is needed to run this electric vehicle – stored in a drive battery comprising multiple battery cells connected in modules. These cells are the key components behind electric vehicles, accounting for around 40 percent of added value.

What cells (and dreams) are made of

All of the major battery cell manufacturers in the automotive industry use lithium-ion cells. Key components include a lithium metal oxide compound on the cathode and graphite on the anode. Other cell components include carrier foils made of copper or aluminum, an intermediate separator and a liquid electrolyte (see infobox).

However, different manufacturers use different cell formats: some use

round cells, while others use prismatic cells, and others still use pouch cells. All three come with their own advantages and disadvantages. Capacity, energy, cost, safety, and service life are all particularly relevant criteria for use in the automotive industry. Volkswagen has opted for pouch

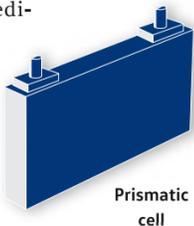


Round cell

and prismatic cells in its electric vehicles, which allow it to achieve the best performance across all of these criteria overall. This covers the high demand for cells, maintains market competitiveness, and ensures future viability.

Working hand-in-hand with battery cell manufacturers

Group-wide, expertise and skills surrounding lithium-ion technology are being bundled at the Battery Cell Center of Excellence (CoE) at the Components plant in Salzgitter. There, battery cells undergo development, testing, pilot production, and quality assurance. This will allow the Group to set its own standards as it contin-



Prismatic cell

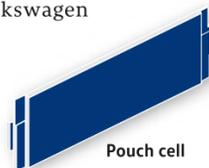


Pouch cell used in vehicles like the ID.3.

ues to develop future cells. When pilot production of battery cells began in late 2019, knowledge of sustainable production processes was further optimized at the plant. The aim is to use the experience gained to reach the top of the entire battery value creation chain in future. Consequently, the Northvolt Zwei joint venture in Salzgitter will be the Volkswagen Group's first proprietary battery cell production facility by 2024.

The path to the future

The aim of continuing to develop future cells is to increase energy density while reducing weight. For example, today's pouch cell used with the MEB platform has an energy density of around 260 Wh/kg – and the only way to improve on this is to modify the



Pouch cell



Read more about the Battery Cell division of Group Components and the Northvolt Zwei joint venture in the Components section on pages 18 to 19.

cell chemistry. However, solid state cell technology promises a significant increase in energy density. The lack of liquid electrolytes means graphite will no longer be required in solid fuel cells. The result will be a greater range with shorter charging times, plus additional benefits in terms of weight, volume, and cost. Volkswagen is currently working with US start-up QuantumScape as a part of a strategic partnership to research just this.

More News from Group Components

A strong future: The coronavirus pandemic is having a major impact on the global economy – and the Volkswagen Group is no exception. To ensure Components remains competitive and viable for the future, the Reshape ONE MISSION 2025 program is being launched.

Transform Minds and the Year of the Shop Floor Supervisor: The application phase for the third round of Transform Minds – The Battle – is now closed. The 30 new Transform



Minds will start in early October. Components' Year of the Shop Floor Supervisor is pressing ahead as well, with digital workshops and a campaign at the plants.

The battery specialists: The Group is bundling all its battery expertise and innovative capacity in Group Components. A new Battery division was launched on January 1, headed up by Frank Blome.



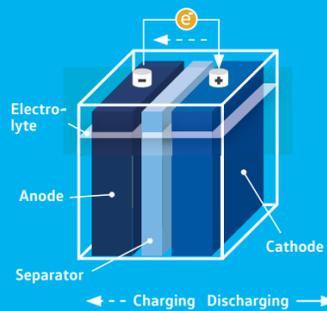
Strong performance: Colleagues in Polkowice and Salzgitter have achieved scores of 100 percent on their quality certification audits.

How Battery Cells Work

As the smallest unit in a battery system, battery cells can store energy and then release it. They convert electrical energy into chemical energy (charging) – and vice versa (discharging). Its most crucial components are two electrodes: the anode and the cathode. The two are

divided by a separator that is permeable to lithium ions. Everything is surrounded by a conductive liquid – the electrolyte. During charging, the lithium ions make their way from the cathode toward the anode, emitting electrons to the cathode. They pass the separator and absorb electrons at the anode. During discharging, lithium

ions travel back toward the cathode, where the current emitted can be used for energy consumption. In the ID.3, the battery cell is designed as a pouch cell. The current MEB battery system uses several of these cells. Multiple cells are interconnected to a module, and multiple modules to a battery system.



More information

The entire Components edition of 360° is available at: <https://bit.ly/31We6XT>



Project Pegasus Successfully Concluded

Cross-divisional team worked to develop a highly integrated system approach for electric drive train

From the engine to the chassis, from the electric drive to the steering: Group Components manufactures numerous components for the Volkswagen Group's vehicles. In addition to manufacturing individual components, Components is

increasingly working to expand as a system supplier in view of the outside competition.

To that end, a project team was put together at Components. Headed up by Karsten Köllner, twelve colleagues from Components formed an interdisciplinary team to

develop a highly integrated system approach for an electric drive train complete with an e-motor, high-voltage battery, and other ancillary units.

The team focused on five points:

1. Comprehensive optimization of the electric drive train system
2. Formulation of different integration concepts
3. Highly integrated thermal management module
4. Optimal utilization and combination of control units
5. Integrated functional and software architecture

The approach involves a clear reduction of high-voltage cables, plugs, cooling system, control units, and weight with the electric drive train. The results developed so far demonstrate that functional and mechanical integration can significantly decrease costs and installation space. During the process, the team is examining whether the approach could also be used for subsequent generations of the modular electric-drive toolkit (MEB).

Back in early July, the project was presented to Herbert Diess and the Group board during Group Components Tech Days and the approach was validated. The first patent registrations have also been submitted, with successful completion of the project imminent. The concepts being developed will undergo further work with support



In focus: the electric drive train in a vehicle.

from the Innovation Fund I. In addition to cross-divisional cooperation, the project benefited in particular from early involvement by the Development, Value Engineering, Procurement, CoE, and Series divisions. The interdisciplinary project and development work was carried out using agile methodology under the guidance of the Agile Center of Excellence. Colleagues also took advantage of the open concept of Hall 6, the Group Components headquarters in Wolfsburg, in carrying out their work, complemented by digital workshops.

The Pegasus project team from Components



Teamwork: The colleagues worked on the project in addition to tackling their everyday responsibilities.



Four Purely Electric SUV Models Announced for the Chinese Market

China CEO Stephan Wöllenstein: Volkswagen now number one for SUV buyers

The range of sport utility vehicles in China is set to grow from ten to twelve models by the end of next year. This was the announcement made by Stephan Wöllenstein, Volkswagen brand board member and CEO of Volkswagen China, in a presentation in Chengdu, China this week.

“Volkswagen remains the clear first choice for Chinese buyers. And we’re now number one for SUV buyers as well,” he said. By the end of 2021, Volkswagen in China will launch another four purely electric SUVs from the ID. family on the Chinese market. “China represents

Volkswagen’s largest portfolio of SUVs worldwide. This once again underscores just how important China is to our brand,” said Wöllenstein.

The specifics of the plan for the new models

The Tiguan X will make its market debut later this year. The series version of the large crossover SMV concept will launch in 2021. Another large SUV will make an appearance in 2022. Along with the Tiguan L PHEV and the Tayron GTE, the flagship Touareg PHEV plug-in hybrid SUV will follow.



A strong group: The Tiguan X will make its market debut later this year, expanding the company’s portfolio.



Volkswagen brand board member and CEO of Volkswagen China: Stephan Wöllenstein.



On the road: driving to the presentation through the mountains near Chengdu.

“Volkswagen remains the clear first choice for Chinese buyers. And we’re now number one for SUV buyers as well.”

Stephan Wöllenstein



40,000th Flying Spur Manufactured

Sedan made by hand

40,000 models of the Flying Spur luxury sports sedan have been manufactured by Bentley at its Crewe location. The British luxury brand broke this record back in August. The first generation of the luxury sports car was launched in 2005. Fast-forward to the third generation and virtually everything about it has now changed – including its name: Back in its first generation, it was known as the Bentley Continental Flying Spur. Today, the Flying Spur boasts 467 kW/635 bhp, races from 0 to 100 km/h in 3.8 seconds, and reaches a maximum speed of 333 km/h.

All three models were conceived, designed, and manufactured in the English town of Crewe – the home of Bentley. This is where Bentley employees celebrated the record-breaking achievement of their flagship model. 250 employees manufactured the Flying Spur in around 100 hours – entirely by hand.



Impressive handiwork: Employees made the Flying Spur in around 100 hours.



Cult VWs Transformed into Playmobil Miniatures

Classic VW Beetle and Bus to be added to the collection at the start of 2021

Playmobil and Volkswagen will be joining forces next year to transform two cult vehicles into Playmobil format for the very first time in the form of the Bus and the VW Beetle. The Playmobil T1 Camping Bus will come complete with a seating area, travel kitchen,

and even a bed. The Beetle, on the other hand, will feature a roof rack and plenty of accessories for a family outing. The two classic Playmobil miniatures will soon be available to purchase from Volkswagen Accessories and general retailers. Watch this space!



Coming soon from Playmobil – Beetle and Bus.



Porsche Starts New "9:11" Podcast

"9:11" is the name of Porsche's new audio venture. In the first podcast, Communications Director Sebastian Rudolph talks to former BILD Editor-in-Chief Kai Diekmann

and Porsche boss Oliver Blume about corona and the impact it has had. The podcast is available on Spotify, Apple Podcasts, and in the Porsche Newsroom.



The Skoda Enyaq iV: the first electric car from Mladá Boleslav.

The World Premiere of the Skoda Enyaq iV

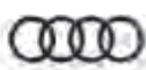
Skoda showcases first MEB model in Prague

The Skoda Enyaq iV was revealed to a worldwide audience in Prague earlier this month. The SUV is the first electric car from Skoda to be based on the modular electric-drive toolkit (MEB). It will be available with two drive variants, three battery sizes, rear-wheel or all-wheel drive, and five performance levels ranging from 109 to 225 kW (148 to 306 bhp). Manufactured in Mladá Boleslav, the Enyaq iV has a range of up to 510 kilometers in the WLTP cycle, making it fully suitable for everyday use. A particular highlight comes in the form of the exclusive Enyaq iV Founders Edition, of which only 1,895 have been made. This figure represents the incredible

anniversary celebrated by the brand this year, which marks 125 years since Skoda was founded by Václav Laurin and Václav Klement. According to Thomas Schäfer, Skoda CEO, "The Enyaq iV marks the start



of a new era for Skoda. I would like to thank the entire team that contributed to getting the Enyaq iV on the road. It's turned out to be a great car and I couldn't be prouder of the team."



CO₂ Underground

Facility in Iceland filters CO₂ from the air

Audi is working together with Swiss start-up Climeworks to store CO₂ underground. The world's largest direct air capture and storage facility for the fossilization of atmospheric CO₂ is being built in Iceland. The plant will filter 4,000 tons of CO₂ from the air per year and mineralize it underground. 1,000 tons of this will be taken from the atmosphere by Climeworks on behalf of Audi and stored permanently underground. Absorbing this amount of carbon dioxide naturally would need around 80,000 trees.

The system sucks in air and feeds it into the CO₂ collector, which contains a special filter material that absorbs the CO₂ contained in the air. Once this filter is saturated with CO₂, it is then heated to 100 degrees Celsius to extract the CO₂ molecules. Water then flows through the plant and transports the carbon dioxide around 2,000 meters underground. Here, the CO₂ molecules react with the basalt rock and convert to carbonates over the years. This allows the CO₂ to be stored permanently underground.



Facility in Iceland: Audi stores CO₂ underground.



3D Printing Saves Time

Tools made in 15 hours



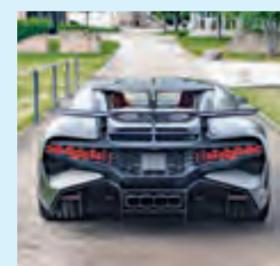
In the 3D printing lab: Parts can be made significantly faster.

A 3D printing lab at Seat is capable of producing prototypes and components for divisions including Design, Production, and Logistics up to ten times faster. The 3D printing technology not only saves a great deal of time but also offers real flexibility for vehicle development and production.

Seat's 3D printing lab is home to nine printers, and 80 percent of the parts printed here are prototypes for use in vehicle development, although they are also used to create customized

tools and objects for the assembly line. The main advantage of 3D technology is the speed at which the parts can be manufactured. Taking exterior mirrors by way of example, conventional processes can take weeks to produce a mold

for the mirror. The 3D printing engineers can now receive a file with the design and send it to the printer just like a document. Fast-forward 15 hours and the part is ready to go. If you want to change the mirror again, reproducing the mold not only takes a lot of time, but also costs a lot in terms of money and resources. If you're using the 3D printer, all you have to do is modify the design file. Seat hopes to start incorporating 3D technology to an even greater extent going forward.



Ready for delivery: the Divo with its eye-catching taillights.

Bugatti Divo: Delivery Underway

Deliveries of the Bugatti Divo are now underway, with the first supercars starting to leave the Molsheim workshop back in August. The entire series is limited to just 40 models. The Bugatti Divo boasts an 8-liter W16 engine with 1,500 bhp, and a top speed of 380 km/h. The supercar is named after the successful French racing driver Albert Divo, who was also a plant driver for Bugatti from time to time. The Bugatti Divo costs around five million euros.

The ID.4¹: The second model based on the modular electric-drive toolkit, also known as the MEB.



The E-Family Is Growing: Here Comes the ID.4

Brand's first purely electric SUV goes into production in Zwickau

The company's e-offensive continues to gather speed: "With the ID.4, Volkswagen is expanding its range to include an all-electric vehicle in the world's largest growth segment, the compact

SUV class," says Ralf Brandstätter, CEO of the Volkswagen brand. "After the ID.3², it's the second model based on the modular electric-drive toolkit (MEB). In future, the car will be built and sold in Europe, China, and later also in

the US. This is how we'll scale the MEB platform around the world, creating the economic foundation for the success of our ID. family."

Thomas Ulbrich, Chief E-Mobility Officer: "We are right on schedule in the Volkswagen brand's transformation process towards e-mobility. The ID.4 now follows on the heels of the ID.3. The successful start of series production for the ID.4 is an extraordinary achievement in light of the major social challenges of recent months, and my praise and thanks go to the Volkswagen team in Saxony and to all members of the ID. team. Where we were building

combustion engines just recently, the second model of the ID. family is now coming off the assembly line."

Zwickau plays a key role in the system change towards e-mobility: For the first time, a large car factory is being completely converted to electric mobility with investments of around 1.2 billion euros. All conversions will be completed this year on schedule. In 2021, the first fully electric production year, around 300,000 electric cars based on the modular electric-drive toolkit (MEB) will roll off the assembly line in Zwickau.



Ralf Brandstätter, CEO of the Volkswagen brand



Thomas Ulbrich, Chief E-Mobility Officer



Elegant ambient lighting: interior view of the ID.4.

Background: The Design of the ID.4

Good design is always functional – in an electric car, wind resistance plays a major role in the vehicle's range. "The electrical design evolution in the ID.4 also means that we've paid very close attention to aerodynamic issues," explains Klaus Zyciora, Head of Group Design, who designed the car together with his team in his previous position as Head of Design for the Volkswagen brand. The ID.4 achieves an excellent drag coefficient of 0.28. The most important factor for this is the flowing basic shape of

the body and passenger compartment, which is strongly drawn in towards the rear. In addition, there are numerous meticulously executed details. For example, the body of the taillights together with the large roof-edge spoiler ensure that the flow breaks off neatly.

The new SUV will initially be available with rear-wheel drive, with an electric four-wheel drive to follow.

And the interior? Driver and passengers get in through large door openings, sit on high seats, and enjoy as much space in the back seat as a conventional SUV of the next larger class. Not to mention that plenty of luggage can be easily stowed away – the trunk offers a capacity of 543 liters with the rear seats up.

The instrument panel seems to float – it's not connected to the center console, which is designed as a separate component. When darkness falls, the ambient lighting, available in 30 colors, sets striking accents in the interior.

One new feature that all ID. models have is the ID. Light – a light band under the windshield. It assists the driver in many situations with colored light effects that can be intuitively understood. The ID. Light helps the driver as they get into the car by signaling that the car is ready to drive, and that it is unlocked or locked. It highlights notifications from assistance and navigation systems, and announces brake prompts and incoming phone calls. In conjunction with the navigation system, the ID. Light helps you get through traffic without stress: Flashing means it recommends changing lanes, and it can warn the driver if their ID.4 is in the wrong lane.



Klaus Zyciora, Head of Volkswagen Group Design

The ID.4's front seats are both sporty and comfortable. In the ID.4 1st Max³, which will make its debut for the German market launch, they carry the quality seal of the Campaign for Healthier Backs (Aktion Gesunder Rücken, AGR). They can be adjusted electrically in a variety of ways, and a massage function is integrated into their pneumatic lumbar supports. The materials underline the feel-good lounge character. The seat covers of the two future ID.4 edition models are animal-free. They're made of a combination of artificial leather and ArtVelours – a microfiber material consisting of 20 percent recycled PET bottles.



"A new dimension of e-mobility – the ID.4 is the second series e-vehicle in our factory and sets new standards. It's the Group's first fully electric SUV and comes from Saxony."

Demi Grimm, employee in Final Vehicle Assembly at the Zwickau plant



"High seating position and unbeatable room: pure freedom. The ID.4 is going to win over a lot of SUV drivers – it's already wowed me."

Christian Riemer, employee in Final Vehicle Assembly at the Zwickau plant

Names & News

Personnel changes in the Small (G1) and E-Mobility (G4) product lines: Michael Bäcker, previously Head of the E-Mobility (G4) product line, moved to Volkswagen China Investment as Head of Purchasing in August. He was succeeded by Andreas Krüger, previously Head of the Small (G1) product line. The new Head of G1 is Martina Biene, previously Head of the Volkswagen Brand in South Africa.



Andreas Krüger's career began at Volkswagen in Wolfsburg in 1991. After management positions in Changchun (China), Curitiba (Brazil), Emden, and Mosel, he became Head of Product Line Small in 2008, then Head of Body Shop Planning. In 2012, Krüger was appointed Head of the Pilot Series Center. He'd been in charge of the Small product line since 2017.



Martina Biene began her career in Volkswagen's German Sales division in 2001. She took over as Area Sales Manager for Belgium and Luxembourg in 2006. She established national product marketing in 2008, and later led international product marketing. She was Head of Volkswagen Passenger Car Brand South Africa from 2018.



Michael Bäcker began his career in Factory and Infrastructure Planning in 1991. He assumed international management positions at Volkswagen do Brasil and Volkswagen Group China. Bäcker took on responsibility for Group Procurement Exterior starting in 2012, and then Procurement Connectivity/E-Mobility in 2018, before becoming Head of G4 in 2019.



Jozef Kabaň was appointed Head of Volkswagen Design in July. He succeeded Klaus Zyciora (né Bischoff), who took over responsibility for Group Design. Kabaň began his professional career in Exterior Design at Volkswagen in 1993. He moved to Audi in 2003, where he became Head of Exterior Design in 2006. From 2008 to 2017, Kabaň was responsible for design for the Skoda brand. He moved to BMW in 2017, and to Rolls-Royce as Head of Design in 2019.



Danny Auerswald has been Site Manager in Dresden since August. He was previously the head of the Malaysian plant. Former plant manager Lars Dittert has taken over Volkswagen Saxony's fourth site in St. Egidien.



Auerswald began his career at Volkswagen in 2013 after five years at Volkswagen Consulting. He was appointed plant manager in Malaysia in August 2016.

¹ ID.4 The vehicle is a near-production-ready concept car | ² ID.3 Pro Performance, 150 kW/energy consumption combined in kWh/100 km: 16.9–15.4 (WLTP); 15.4–14.5 (NEDC); CO₂ emissions combined in g/km: 0; ID.3 Pro S, 150 kW/energy consumption combined in kWh/100 km: 17.7–15.9 (WLTP); 14.1–13.5 (NEDC); CO₂ emissions combined in g/km: 0

3 Questions



Murat Aksel (48),
Chief Procurement Officer
for the Volkswagen Brand
since July

“Developing New Skills”

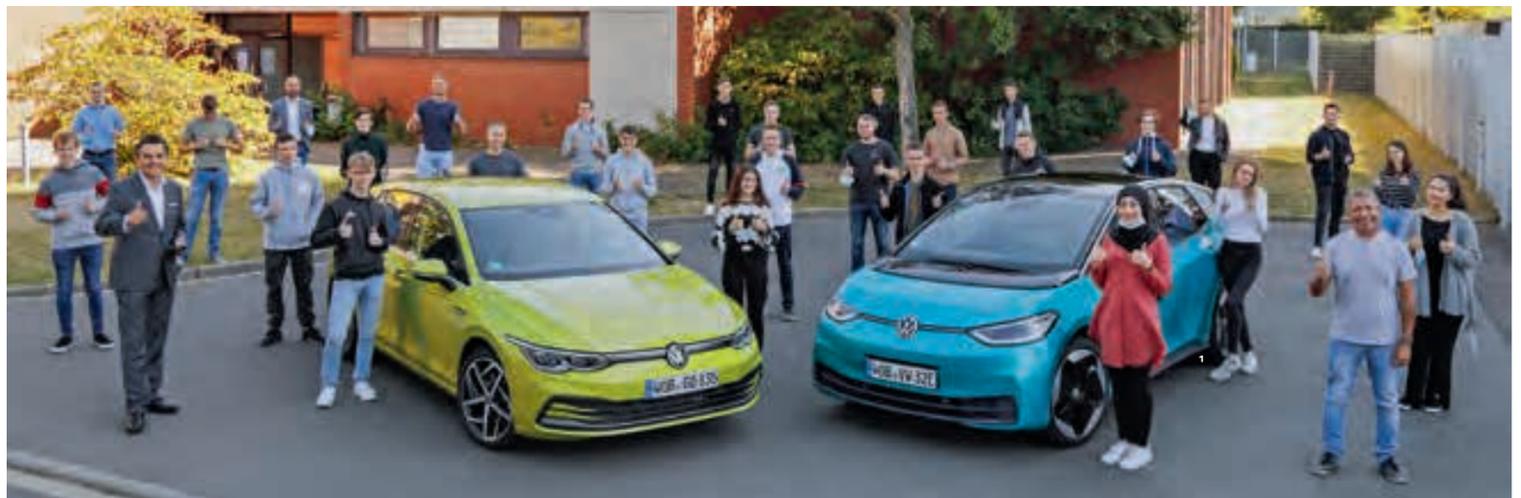
1 Murat Aksel, you’ve been in your new position now for almost 100 days. What is your initial impression of your assignment and the team? People in the industry say that Volkswagen procurement plays in the Champions League; it’s one of the best there is. I can now confirm that. I’ve met a professional and effective team. The assignment and responsibility are huge: To help shape the future of Volkswagen. After all, in Procurement we control 70 percent of the costs incurred in the production of a vehicle.

2 What will you change next in your department? The decade that lies behind us was characterized by growth, both in terms of products and markets. That growth is going to flatten out in the coming decade, and there are several new influences on the markets. Take all the computer manufacturers who are suddenly building cars. Suddenly we have a glut of new competitors. We’re also currently in the middle of a transformation in drive technology. We are experts on what lies behind us. Now we’re suddenly dealing with batteries and new, complex software. We need to develop new tools and skills to make sure we remain effective.

3 How do you intend to take the team with you on this journey? Closeness is very important to me when working with my team. Of course, things are a little more difficult with spatial proximity at the moment. But I also mean connectedness in a more general sense. I don’t wait for someone to come to me. I actively address the employees, ask them what they’re passionate about, what goals they want to pursue, where they need my support. I’ve moved my office to be where my employees work. I want to be right in the thick of it. That is important to me. We’re a team. I don’t have to get anyone excited about the new technologies anymore. My impression is that the team is keen; the enthusiasm is there. For example, we’ve just set up a unit that deals with all processes related to batteries. We’re ready.

New Trainees Start at Volkswagen

Starting dual apprenticeships and dual degree courses: 271 women and 879 men are new aboard



514 new talents have started in Wolfsburg alone: Due to COVID-19, they were only welcomed in small groups this year.

1 400 new talents have started their careers at Volkswagen again this year. 1,150 trainees and students have joined since the beginning of September. The 271 women and 879 men are beginning their training in five commercial and 25 technical professions, or working towards one of 20 dual degrees. In the 2020 training year, Volkswagen is also offering an IT qualification program for 200 junior software developers in Faculty 73. In addition, 50 people will receive a study grant after successful training at Volkswagen.

Technical careers are the number one priority

The majority of the latest newcomers are starting a dual apprenticeship. Among the technical professions, the group of IT specialists,

electronics engineers for automation technology, and electronics engineers for information and systems technology has the highest number of new entrants (339). After them are automotive mechatronics engineers, mainly for system and high-voltage technology (125), and mechatronics engineers (110). Among the commercial professions, industrial managers (33) are the most numerous group. Among the dual study programs, computer science, computational engineering, and automotive computer science are the most frequently chosen subjects (50).

Women make up about a quarter of these newcomers. Here’s how the new Volkswagen brand trainees and students are divided between the plants: Wolfsburg 514, Hanover 172, Emden 99; the Group Components plants: Braunschweig 94, Salzgitter 91, and Kassel 180.

What effects has the coronavirus had on training?



“It’s still not possible to run our regular operations in the training centers. We have therefore developed individual plans for each professional group and year group. The groups are divided into smaller units, sometimes starting at different times. There will still be home working days accompanied by instructors. I’m convinced that we have implemented good ideas and that the trainees and dual students in particular have coped with this crisis with great discipline so far. For that, I’d like to thank everyone.”

Christoph Görtz, Director of Vocational Training in Wolfsburg



“We find ourselves in an exceptional situation. Naturally, this is a pity for our trainees. It might take longer for the new year group to integrate into the company. We ask for understanding on that front. I think it’s good that we’re paying attention to who needs what support in the moment. Of course, our new trainees mustn’t be sent directly to work from home; they have to settle in at Volkswagen first. However, older year groups can be trusted to get to grips with their training materials from home on some days.”

Gerardo Scarpino, Works Council Coordinator

Step-by-Step Explanation: How to Charge an E-Vehicle

Visual instructions using the example of the ID.3¹



¹ ID.3 Pro Performance, 150 kW/energy consumption combined in kWh/100 km: 16.9–15.4 (WLTP); 15.4–14.5 (NEDC); CO₂ emissions combined in g/km: 0; ID.3 Pro S, 150 kW/energy consumption combined in kWh/100 km: 17.7–15.9 (WLTP); 14.1–13.5 (NEDC); CO₂ emissions combined in g/km: 0

Launch Experts Learn from Each Other: Program Starts With Boris Filo from Bratislava

Sent to Wolfsburg for three years – knowledge transfer with the whole team

Boris Filo, the launch manager from the Slovakian multi-brand plant in Bratislava, has been with Central Launch Management (PMA) in Wolfsburg for around three years. He helps to ensure a smooth production launch for a future Volkswagen product.

Filo has been with the Group for ten years and is well versed in the launch business. He's supervised various launches in his home country.

For Filo, the most important qualities of a launch manager are clear: "You're both a police officer and a firefighter for the project. Reacting flexibly and quickly is immensely important in my job."

Under the new approach, the launch managers from the international plants and head-

quarters come together to benefit from each other's experience.

Within headquarters, Filo gets to know the launch projects at an early stage. That's completely new.

The start-up is in full swing. He returns to the plant around a year before the start of production, and is responsible for the operational launch business. He implements the collected expertise from headquarters directly into the project. Additional launch managers from all over the world are expected to stay at headquarters for about two years.

Filo is supported by early networking with the global launch manager community and access to experience and best practice approaches from other projects. This enables him to act efficiently and effectively in his project.

At the same time, the plants' involvement in the early phase of the product development process makes it possible to incorporate the experience and requirements of the plants and production early on. This ensures implementation starting from launch release in the factory. "It brings clear advantages for everyone involved and for the new product



ID.3¹ production: Two Volkswagen employees in Zwickau install the headlights. Every detail is important for a smooth launch.

itself," emphasizes Filo.

The new approach creates a closer link between the plants and

headquarters. Together, they further develop processes and increase launch excellence.



Launch Management: What's New

Launch Management was also restructured when the central departments were reorganized in mid-2019. Central Launch Management (PMA) was set up in Project and Launch Management (PM). This is where knowledge and information from all over the world is coordinated and transferred. A further building block for

optimizing launches is the early nomination of a plant's launch manager.

The processes and standards of the launch business are designed based on experience values from the plants, presented to central committees, and further developed. Every division can benefit from that.

3 Questions



**Christian Vollmer,
Chief Production Officer
for the Volkswagen brand
since August**

"Keen to Set the Example of 'We, Not Me'"

1 What were the first few weeks at Volkswagen like?

It's very easy to explain: I used the last few days and weeks mainly to get to know the production team better. In addition to the first rounds with my direct reporters, I also took the opportunity to visit the first production sites and find out where we stand in production today, in many discussions with a wide variety of production staff. I've found that I have a highly motivated team that has achieved a lot in recent years.

2 What plans do you have for the brand?

Many exciting things are happening in Volkswagen production right now. Digitalization is progressing rapidly in many places, new vehicle launches are planned, and there are several challenges surrounding productivity and efficiency. We as a production company are going to make a major contribution to preparing the Volkswagen brand for a successful 2021.

Basically, I'd like to continue a lot of things, but also reassess them at individual points, together with the team. This includes the important topic of launches, to which we will pay even greater attention in the future.

3 How would you describe your management style?

I have a highly experienced, professional team here that is very well-practiced, that has already overcome several challenges, and that has already achieved great results in the past with their hard work. I'd like to build on this foundation together with the team. And while doing so, exemplify teamwork and a "we, not me" attitude.



**Now in Wolfsburg: Boris Filo
from Bratislava.**

Together on the Path to Carbon Neutrality

Volkswagen Passenger Cars and Volkswagen Commercial Vehicles production strengthen cooperation

The Production divisions for the brands Volkswagen Passenger Cars and Volkswagen Commercial Vehicles (VWN) are strengthening their cooperation on environmental matters.

For almost a year now, Production has been pursuing a new approach to minimizing the impact of the company's factories on the environment. Climate-neutral production is a central part of Volkswagen's environmental strategy. It is also a key aspect of the Zero Impact Factory environmental program, which replaces the previous strategy Think Blue. Factory.

With Think Blue. Factory., the production divisions succeeded in reducing the environmental impact per vehicle produced by a quarter in 2018 compared to 2010. And now they're taking things further. Volkswagen Passenger Cars and VWN are also working more closely together on Zero Impact Factory, again focusing on the synergies between the two brands. The new program is significantly more complex than its predecessor. In addition to resource use and emissions, Zero Impact Factory's goals also include new topics such as biodiversity, low-CO₂ commercial vehicles, and the exemplary ecological actions of each individual.

More information

You can find more information on the production environmental strategy on the Net.



Christian Vollmer, Head of Production and Logistics for Volkswagen Passenger Cars

"We're building on the solid foundation that we've built together, expanding our objectives, and continuing to pursue them together. The new goal: carbon-neutral production. In future, we're going to focus even more intensively on the key figures with the greatest environmental impact at the plant."



Josef Baumert, Head of Production and Logistics for VWN

"With Think Blue. Factory, we've already set ourselves the goal of halving our environmental impact by 2025. But we won't stop after this goal has been achieved. With Zero Impact Factory, we've defined our vision of a factory without any negative environmental impact. The only way we can achieve this goal is together."

¹ ID.3 Pro Performance, 150 kW/energy consumption combined in kWh/100 km: 16.9–15.4 (WLTP); 15.4–14.5 (NEDC); CO₂ emissions combined in g/km: 0; ID.3 Pro S, 150 kW/energy consumption combined in kWh/100 km: 17.7–15.9 (WLTP); 14.1–13.5 (NEDC); CO₂ emissions combined in g/km: 0



More Space: The New Golf Variant

World premiere: The station wagon is longer than its predecessor, there's more legroom in the rear, and the trunk volume has been increased

The new Golf Variant celebrates its world premiere: The compact station wagon is now even more spacious, dynamic, and digital than ever before. Its groundbreaking features include more space, extensive standard equipment, and new drives with mild hybrid and twin-dosing technology. Also debuting in parallel is the new Golf Alltrack, a four-wheel drive Golf Variant with SUV genes. Presales for the Golf Variant have begun in Germany, with other European countries to follow in stages. At 4,633 mm, the new Variant generation is a full 66 mm longer than its predecessors. The wheelbase is now at 2,680 mm, a 50 mm increase. This increase in length changes the proportions and makes the vehicle appear flatter and more elongated.



The new Golf Variant: more spacious, dynamic, and digital than ever before.



"We've made the newest generation of the Golf Variant even bigger, more digital, and more efficient. This package will get many customers excited about this car in the compact station wagon segment."

Ralf Brandstätter, CEO of the Volkswagen Passenger Cars brand

Compact Athlete: The Golf GTI⁵

Product expert Jürgen Pützschler talks about his highlights during a press driving event

During the plant holidays, journalists had the opportunity to test drive the new Golf GTI in Wolfsburg. Product experts like Jürgen Pützschler, responsible for vehicle dynamics development, as well as professional racing driver and Volkswagen factory driver Benjamin Leuchter, were on hand to answer editors' questions. Almost 45 years after the world premiere of the first Golf GTI in 1976, the eighth generation of the compact sports car also stands for sporty design. The new GTI is flatter, more stretched, and more dynamic than its predecessor. New features include the illuminated grille clasp, the open bumper at the rear, and the multifunction touch sports steering wheel. But the GTI is also a synonym for dynamic driving. Pützschler: "The new Golf GTI is markedly more agile in the lower speed range. In the high-speed range, we've increased stability and steering pre-

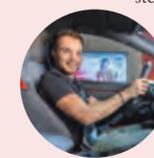
cision. Understeer is eliminated in all areas. The new vehicle dynamics manager is responsible for this – a higher-level control system that now networks DCC and XDS as chassis components." According to the developer, the suspension is even more sporty than in the conventional Golf: "The dynamic chassis tuning and the combination of wheels and the 19-inch tires newly developed for the GTI also provide significantly more grip when cornering. The improved front axle transverse lock provides more traction and driving pleasure. This shifts the power to the outer wheel on the corner." Another highlight: Selecting the driving profile. "It means you have two different characters in one vehicle: super comfortable on



the one hand and super sporty on the other," says Pützschler.

The compact sports car is powered by a 180 kW (245 bhp) 2.0-liter TSI engine. The expert's conclusion: "With both the optional seven-speed DSG transmission and the manual

six-speed transmission, the engine delivers an outstanding combination of longitudinal and lateral dynamics. Put simply, the new Golf GTI is an outstanding car."



Benjamin Leuchter, professional motorsport driver and Volkswagen factory driver

"The new Golf GTI is even more responsive to the driver's needs. It does what you ask it to do – even better and more directly than its predecessor. The total package fits. Thanks to the perfected engine-gearbox combinations combined with the chassis, the car is absolutely suitable for the race track. At the same time, the GTI is perfectly suited for comfortable, everyday driving."



Digital cockpit: Jürgen Pützschler in the new Golf GTI.

New Golf Hybrid Models: An Interview With Karlheinz Hell

The Head of the Compact product line talks about the five versions

An international press driving event was held in Wolfsburg's Autostadt. Automotive editors were given the opportunity to test drive the new Golf hybrid models. Volkswagen experts were on site to answer their questions. 360° spoke with Karlheinz Hell, Head of the Compact Product Line and the man responsible for the Golf.



In front of the car towers in Wolfsburg: Karlheinz Hell with hybrid models of the new Golf.

The new Golf is available in five hybrid versions: What are they and how are they different? The new Golf's hybrid models cover the entire range of customer needs – starting with the new mild hybrid eTSI, which will be available this year with three different engines. The current range currently includes the 1.0 eTSI with 81 kW (110 bhp) and the 1.5 eTSI with 110 kW (150 bhp). Just a few weeks later, the 1.5 eTSI with 96 kW (130 bhp) will join the range. Also new is the Golf eHybrid, a comfort-oriented plug-in hybrid with a system output of 150 kW (204 bhp). For sporty drivers, we offer a GTE just like in the seventh Golf generation. With a system output of 180 kW (245 bhp), it's more powerful while also offering an even greater range than its predecessor.

Why is Volkswagen offering so many electric Golf versions – but no more e-Golfs? Demand from our customers for hybrid vehicles is growing, for example with the Passat. Many people appreciate the advantages of our conventional drives. At the same time, they're curious about electric mobility and want to contribute to reducing emissions. We're responding to this demand in the Golf with a wide range of

hybrids. Metaphorically speaking, we're building a bridge to our all-electric vehicles like the ID.3⁴. With the new MEB platform, it offers the best conditions for fully electric driving. How does the eTSI mild hybrid work? In the Golf eTSI, a belt starter generator, which acts as an electric motor, supports the TSI power unit. This offers two advantages: When starting off or accelerating, the

belt starter generator supports the combustion engine and ensures a powerful start and a lively driving experience. This technology also allows you to coast. Here, the TSI unit isn't just uncoupled in overrun mode, but actually switched off completely. This significantly reduces consumption and increases driving comfort. When braking, the generator converts the kinetic energy and charges the extra 48-volt battery.

How do the Golf eHybrid and GTE differ?

We address different target groups with the two vehicles: The new Golf GTE is the sporty one. It's even more dynamic than its predecessor, has more power, and also shows its sporty orientation visually through extensive details in the interior and exterior. The eHybrid is the comfort-oriented one – the design language is more understated. We've significantly increased the electric range in both vehicles, making multiple trips possible entirely in e-mode. Predictive navigation helps find the most suitable route.

Another personal question: Which product gets your heart pumping the most?

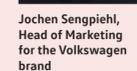
Of course, every vehicle and every drive system has its own individual strengths, and as series manager, every model is dear to my heart. But my family loves the GTE. My wife appreciates driving locally and emission-free in the city, and is excited about the thrust of the electric motor. My daughter has fallen in love with the look and makes intensive use of the infotainment options.

Jochen Sengpiehl: Advertising the New Golf

The Head of Marketing provides insights into the campaign for the Wolfsburg compact car

Mr. Sengpiehl, the campaign for the new Golf has picked up speed once again and can now be seen in various media. How does that feel for you?

After the brand's change to New Volkswagen and after ID.3, this is now the opening of our third major chapter on the marketing side. We don't have a bias towards any of our products, but of course it is something very special to create an advertising campaign for the Golf. I would even go so far as to say it's an honor for any marketing professional. Because the Golf, like the ID.3, is part of Volkswagen's DNA. It embodies everything we stand for – what Volkswagen represents. It's perfect for anyone, from students to chief physicians.



Jochen Sengpiehl, Head of Marketing for the Volkswagen brand

With the Golf, you're always in good hands. It's a faithful companion, like a friend in every situation in life.

A previously published ad video caused an uproar because of its questionable content. Not an easy burden for a reboot, is it?

We made a mistake there, and didn't notice the racist elements of the video in the overall context of the campaign.

We are very sorry about that. What especially depresses me is that this video was part of a series of short clips aiming to show exactly the opposite of what has now been taken away from it: namely, diversity. The foundation on which the whole campaign is built is diversity, the emphasis is on otherness and joy of life. This also includes showing a same-sex couple as protagonists in a video.



The advertising for the Golf is almost as legendary and award-winning as the car itself. Does that hamper or inspire you?

With the Golf, we always talk about a leadership campaign. We are thus positioning a product that is at the top of its segment. Of course, this is a very special challenge – but one we were happy to accept. However, if your aim

is to take things a step further a new campaign, that's the wrong approach – and in the end, it won't lead to good results either. It's much more important to trace the essence of the product and tell a credible story about it. We succeeded in doing that with the new Golf. We focused on lifestyle and technology. Volkswagen is colorful and diverse.

Volkswagen customers know what life is all about. The Golf is your partner in every situation in life. Driving the new, digitalized Golf means getting in touch with the joy of life. That is what we believe in – and what we want to convey in the advertising for the car.

How long did it take to prepare the campaign? We started work on the new Golf two years before its market launch. At the beginning, there's a first meeting with the designers, who show us where the car could go visually.

The same applies to the technical direction. In the case of the Golf 6, for example, value and quality were at the heart of the campaign; while with the eighth-generation Golf, the technical focus is on digitalization. The new Golf is the most digital Golf of all time. Our advertising is therefore primarily geared towards the inner values of the new Golf.

How big is the circle of people who worked on the campaign? The ideas and implementation

skills of around 100 people, including employees, the agency team, and the production company, went into the campaign for the new Golf. It's been Volkswagen's biggest and most extensive campaign ever. It consists of around 600 elements. For comparison: The campaign for the Golf 4 consisted of about 40 elements. Marketing isn't only done in newspapers, magazines, and television anymore. The channels we manage today are as diverse as the new Golf itself.



Know what life is about: marketing campaign for the new Golf.

¹ Golf Variant 2.0 TDI SCR 110 kW (NEDC) power consumption, l/100 km: urban 4.9–4.7 / highway 3.7–3.5 / combined 4.1–4.0; CO₂ emissions combined, g/km: 108–104; efficiency class: A+
² Golf Alltrack – vehicle is a near-production ready concept car and is not yet on sale

³ Golf eTSI (110 kW / 150 bhp) – NEDC: fuel consumption in l/100 km: urban 6.1–5.9; highway 4.1–3.9; combined 4.8–4.6; CO₂ emissions combined in g/km: 111–106; efficiency class: A. Golf eHybrid – NEDC: fuel consumption in l/100 km: combined 1.4–1.2; power consumption in kWh/100 km: combined 11.6–11.0; CO₂ emissions combined in g/km: 31–28; efficiency class: A+. Golf GTE – NEDC: fuel consumption in l/100 km: combined 1.7; power consumption in kWh/100 km: combined 12.4; CO₂ emissions combined in g/km: 38; efficiency class: A+. ID.3 Pro Performance, 150 kW: energy consumption combined in kWh/100 km: 16.9–15.4 (WLTP); 15.4–14.5 (NEDC); CO₂ emissions combined in g/km: 0; ID.3 Pro S, 150 kW: energy consumption combined in kWh/100 km: 17.7–15.9 (WLTP); 14.1–13.5 (NEDC); CO₂ emissions combined in g/km: 0. *Golf GTI (180 kW / 245 bhp, with 7-speed DSG) – NEDC: fuel consumption in l/100 km: urban 8.6, highway 5.3, combined 6.5; CO₂ emissions combined in g/km: 149; efficiency class: C.



E-Mobility: How Volkswagen's Accessories Range Is Changing

360° interviewed Managing Director Börries Lorenz-Meyer – a portfolio of roughly 50 special products for the ID.3¹

How are Volkswagen's accessories changing to adapt to the company's electric offensive? And what are the general trends in the accessories business? 360° caught up with Börries Lorenz-Meyer, Management Spokesman of Volkswagen Accessories, to discuss this.

How has Volkswagen Accessories been preparing for the mass launch of electric mobility?

We have a clear aim for electric mobility: we want to offer our customers the most comprehensive portfolio of accessories available of all our competitors. For example, we have about 50 vehicle-specific accessory products just for the ID.3.

What are they?

Classics like a wide range of rims and snow chains, protective products like mats, door protection strips and trunk liners, but also mirror caps with dynamic indicators and various charging cables, including boxes for storage. Also important is the slot for the bike rack. In addition, we offer a carbon-neutral ID. lifestyle collection with another 15 or so products – from bath towels to backpacks, everything is included.



Börries Lorenz-Meyer has been Management Spokesman since May. Here, he shows off his favorite products from the Volkswagen Accessories portfolio.

Next year we will launch an ID. activity walker toy car for our littlest drivers. It's all rounded out with cross-vehicle accessories, from the mobile espresso machine and cooler to the valve cap with the Volkswagen logo and the care products. As you can see, we're well prepared. None of our competitors offer such a broad product range.

What are the general trends in the accessories business?

The charger cable portfolio will certainly establish a trend, just like connectivity products today. We've sold well over a million units of the Volkswagen telephone charging cable. And there are always millions of sales of floor mats, complete wheels and rims, and emergency kits and key rings. Nevertheless, there are some remarkable trends to watch, especially in bike racks at the moment. We can hardly pro-

vide enough, since the demand for everything to do with bicycles has risen so sharply during the COVID phase.

The Golf 8 has also been launched. What special offers are available for the Volkswagen brand's endurance runner?

Here, too, we have about 50 vehicle-specific products on the starting line: several rim designs, aerodynamic components, a plug-and-play sound system, and all kinds of roof superstructures – even kayak brackets. We also offer lifestyle highlights for the Golf in general, not to mention a sporty GTI collection that's especially popular.

What is your favorite product from the huge range of Volkswagen accessories on offer?

That's a difficult question. I really like our portfolio, almost 6,000 items – we have so many chic and useful accessories. If I had to highlight one product, it's one of our top sellers: the dynamic hubcap. Normally, the hubcap in the center of the rim rotates with every turn – and our beautiful new brand logo is some-

times upside down. Not so with this product. A special bearing means the logo is always positioned the way it should be with every turn of the wheel. Our true fans aren't the only ones who love that!



Volkswagen Accessories

The wholly owned Volkswagen subsidiary based in Dreieich near Frankfurt am Main and Wolfsburg was founded in 1974 as Votex, and currently has around 250 employees. Volkswagen Accessories offers around 6,000 products for 120 markets – mainly original accessories for the Volkswagen and Volkswagen Commercial Vehicles brands, alloy wheels, complete wheels, and lifestyle products. **Tip:** Volkswagen factory employees receive a 20 percent discount on all accessories and lifestyle products. You'll find more information in **360° Volkswagen Net.**

Olympic Dream Lives On

Interview: Sabrina Hering-Pradler and Giovanna Scoccimarro would have just recently returned from the Tokyo Games

Interview with two peak athletes who work at Volkswagen: Sabrina Hering-Pradler (28, canoeing) and Giovanna Scoccimarro (22, judo) on postponed Olympic dreams, Volkswagen as an employer, and the new Arteon.

How deep was the hole you fell into when the Olympics were cancelled due to COVID-19? The Summer Olympics would have been held in Tokyo from late July to early August.

Hering-Pradler: If I'm honest, the disappointment was within reasonable limits. Especially since the news of the Olympics being postponed didn't really come as a surprise. We had been expecting it in the days leading up to the announcement. By the day it became official, my training group and I already knew that we would just keep going and get geared up for the 2021 Olympics. Scoccimarro: That first moment, my world collapsed a little bit. I had fought so hard to compete in my first Olympics, and I was looking forward to it so much – and then a virus comes along and upsets your plans. That was depressing. But for us judokas, those who qualified for this year will still be qualified for next year. So postponed isn't cancelled.

Many colleagues have been simmering with excitement along with you. How did they react to the postponement?

Hering-Pradler: Many have asked where I go from here and what will happen. I've found that really touching. In the months leading up to everything, they'd eventually gotten a first-hand impression of how much I had invested in competing in the Olympics.

Scoccimarro: It was similar story for me. It's good to know that your colleagues care about you and have your back. One of my coworkers even attended one of my last competitions in Düsseldorf before the virus hit – he wanted to see for himself.

There was much to be read about athletes who were suddenly plagued with existential fears after the Olympics were postponed.

Hering-Pradler: I myself am familiar with enough examples of athletes who had planned to enter the workforce after the Olympics this year. They have now had to consider whether they could afford to continue their sports careers for another year. Fortunately, Giovanna and I don't have those worries. Our jobs at Volkswagen give us security.

Scoccimarro: It's something that many other athletes envy us for. Sometimes it's only the top-level athletes that receive support. If for some

reason their performance no longer meets expectations, for example due to an injury, they'll get dropped. We, on the other hand, have the certainty of having a good job here at Volkswagen – regardless of how we perform.

"We're going to keep going and get geared up for the Olympics next year."

Canoeist Sabrina Hering-Pradler

You not only spend a lot of time in the hall or on the water, but also in the car – be it on the way to training or to competitions. What driver assistance system can you no longer go without?

Hering-Pradler: Over the past few months I've done a lot of commuting between our apartment in Hanover and my training group in Berlin. I'd hate to travel the A2 without the automatic distance-regulating assistant (ACC) now.

Speaking of cars, you were both on the road in the new Arteon for the first time. What were your impressions?

Hering-Pradler: It's a really, really awesome car. Sporty... Scoccimarro: ...and elegant at the same time. It really draws everybody's attention, whether in front of the Olympic base camp or downtown. It's a car for every occasion. Hering-Pradler: I especially liked the large infotainment system display. I like it when the GPS is displayed in full. And the Travel Assist in the new Arteon is great as well. It makes journeys in stop-and-go traffic and through construction sites noticeably more convenient.



Judoka Giovanna Scoccimarro (left) and canoeist Sabrina Hering-Pradler with the new Arteon: one dressed for practice, the other in elegant evening wear. Both top athletes say, "We like to get dressed up sometimes. And we clean up good!"



Top Athletes at Volkswagen

Sabrina Hering-Pradler (28) and Giovanna Scoccimarro (22) are officially employees of Volkswagen Commercial Vehicles in Hanover. The Olympic bases for canoeing and judo are located there in Lower Saxony's state capital. Volkswagen regularly exempts Hering-Pradler and Scoccimarro from work for competitions and training camps.

Commercial Vehicles in Hanover. The Olympic bases for canoeing and judo are located there in Lower Saxony's state capital. Volkswagen regularly exempts Hering-Pradler and Scoccimarro from work for competitions and training camps.

VfL Player Shoots Goal of the Month

Anna Blässe pulls ahead of David Alaba

For nearly 50 years, ARD has selected a "Goal of the Month." Now the winning medal goes to Wolfsburg: Anna Blässe's 2:2 equalizer in the DFB Cup final against SGS Essen was voted "July Goal of the Month" by spectators. "I'm very happy that my goal won, and I'd like to thank everyone who voted for me," says the 33-year-old, who completed her training at Volkswagen and took some time off a few years ago to play professional soccer.

The midfielder relegated Bayern Munich defender David Alaba (28.16 percent) to second place with 28.84 percent of the votes cast. "This award is also a great sign of how women's soccer is now being seen," says Blässe. This is the 14th time in "Goal of the Month" history that a woman has won.

But Blässe and her team did end up losing in the Champions League final. Defeat came against Olympique Lyon, 1:3 (0:2), at the final tournament in Spain. This marked the seventh win for the French women in this competition, the fifth in a row. "It just wasn't quite enough. But still, on behalf of the entire Volkswagen team, I'd like to congratulate VfL Wolfsburg's female players for a fantastic season," says Ralf Brandstätter, CEO of the Volkswagen brand. Champion, cup winner, and second-best team in Europe in 2020 – this is "the scorecard of a true champion," Brandstätter continued.



Great jubilation: Anna Blässe celebrating her goal against Essen.

Founding VfL: Contemporary Witness Helmut Bork Looks Back

The Verein für Leibesübungen Volkswagenwerk was founded 75 years ago in Wolfsburg



Founding member: Helmut Bork today and in the early years of the VfL. He's proud of his membership card.



Congratulations! The Verein für Leibesübungen Volkswagenwerk – now known as VfL Wolfsburg – was founded 75 years ago, on September 12, 1945. It originally consisted of seven departments: gymnastics, calisthenics, handball, chess, tennis, cycling and boxing. A soccer department was not among them at first, but was created two weeks later, as contemporary witness Helmut Bork remembers.

At the turn of the millennium, today's VfL Wolfsburg-Fußball GmbH split from the club as a whole, which continued to exist – at some points growing to more than 40

departments. The "75 years of VfL Wolfsburg" anniversary is, above all, a celebration of the registered association headquartered in Elsterweg.

What exactly happened 75 years ago? Perhaps the last contemporary witness who can report first hand is Helmut Bork, now 91 years old. As early as the summer of 1945, he recalls, he and his fellow campaigners had joined forces. "That must have been sometime in June. We young, athletically inclined people of the city gathered together in a pub in Heßlingen. Two groups formed. One wanted to play soccer. But that wasn't for me, especially since I had already been an enthusiastic gymnast during the war." But it would take a few more weeks before the wishes of

some of the city's inhabitants could be turned into a sports club. The reason? Permission from the English occupational forces was required. But on September 12, after some back and forth, the time had come.

The anniversary also means that the VfL isn't the only one celebrating its 75th year; Bork is, too. And, to his knowledge, he's the only one. "I don't know if there is anybody else. I could be the last one left."

By the way, Bork is a former Volkswagen employee. He was first employed in Materials Management, and later in Payroll Accounting and in the Human Resources department. In 1989, after more than four decades at the Wolfsburg plant, he went into retirement.

Tunisians at Volkswagen – Past and Present

The first workers from Tunisia were brought into the Volkswagen plant in May 1970. The legal basis for them coming was the German-Tunisian Agreement on the Employment of Tunisian Workers of 1965. By the summer of 1970, 200 Tunisians had begun working on the production lines at the Wolfsburg plant. Back then, the largest group of foreign employees were the Italians, with 8,078 people working for Volkswagen. Men from Turkey, Greece, and Spain also worked in Volkswagen's plants.

By the end of 1970, the number of Tunisian employees had grown to 836 workers. The number of employees ultimately topped out at more than 1,500 in Wolfsburg and the other plants in 1972. 1,181 Tunisians left the company when Volkswagen massively reduced its workforce during the 1974 sales crisis. One year later there were still 304 Tunisian employees in Wolfsburg, and 231 in 1976. Most of them lived with their families in the high-rise buildings on Oebisfelder Strasse.

The first Tunisian on an IG Metall works council list was Abdelkebir Gritli in 1990. Ahmed Neffatti also applied in 1994. 187 Tunisian migrants were working at the German plants in 2007. By last year, this number had more than halved: in 2019, 71 Tunisian employees remained, almost 60 of whom were employed on a performance-based or time-based wage.



Ferdinand Piëch (1937–2019)

One Year Ago: Ferdinand Piëch Passes Away

On August 25, 2019, Ferdinand Piëch passed away – after a one-of-a-kind career. On April 1, 1963, the grandson of Ferdinand Porsche began his tenure at Dr. Ing. h.c. F. Porsche KG. He took over as Head of Testing in 1966, before joining the Management Board in 1971, where he was responsible for technology and external development.

Piëch joined Audi in 1972 and, as CEO, shaped the company into a premium brand from 1988 on. Piëch then became CEO of Volkswagen AG in 1993 and was elected Chair of the Supervisory Board in 2002.

At the helm of the company, Piëch pushed ahead with internationalization and brought Bentley, Lamborghini, Bugatti, MAN, and Scania into the Group.

He resigned from his positions at the Volkswagen Group in 2015. He died on August 25, 2019. In an obituary, he is quoted as saying, "I only ever wanted to build cars."

REARVIEWMIRROR – A look at the Volkswagen history books



50 Years Ago:

The First Tunisians Working at the Wolfsburg Plant

Contemporary witness Salem Abdelfattah remembers the early days

The first workers from Tunisia came to Wolfsburg 50 years ago. Like the Italians, Turks, Greeks and Spaniards before them, they initially worked mainly on the production lines. One of the first generation of Tunisian employees at Volkswagen is Salem Abdelfattah. He took up work in the Body Shop in February 1971 when he was 24 years old. He stayed with Volkswagen for 33 years before retiring early in 2004. To this day, the man from Monastir lives with his family in Wolfsburg.

The Beetle was booming when the 1970s began. The plant in Wolfsburg was urgently looking for new workers, and found them in Tunisia. The first 200 Tunisians were brought in by the Volkswagen plant in May 1970. By the next year, 929 of them were working in the German plants, 884 of them in Wolfsburg. "I was part of

the third group that arrived by train in February and I lived in Heidwinkel near Grasleben for half a year," says Abdelfattah. He had already signed his employment contract with Volkswagen in the fall of 1970 when he was still in Tunisia. As a "metal laborer," he received a gross wage of five Deutschmarks per hour, according to the collective wage agreement.

The Tunisians commuted to their shifts with a factory bus. Most could only speak their native language and French. The factory provided them with an interpreter for the first few days, which also helped to train them safely on the line. "Germany was an unknown country for us back then, and we didn't understand the language," says Abdelfattah about what were sometimes difficult days at the beginning. His conclusion: "But everything went well." He soon

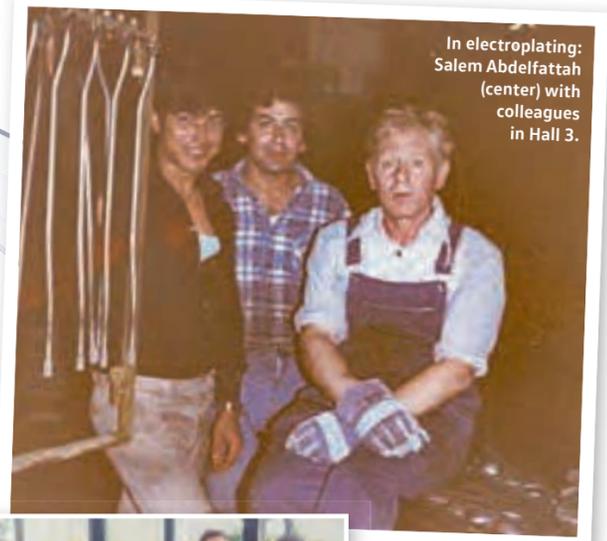


Two generations at Volkswagen: Salem Abdelfattah with his daughter, Ines Chebil, at the Autostadt's Customer Center.

met his future wife, Heidemarie from Burgdorf. They married in 1976. She and the now-74-year-old have a family with five children. His daughter, Ines Chebil, works at Volkswagen as an administrative assistant in German Sales.

The first thing Abdelfattah learned was how to insert parts into the welding machines in the Body Shop. He later did the same in the Press

Shop in Hall 1. In 1978, he switched to electroplating and then drove parts between the Press Shop and Assembly in the halls on Südstrasse as a forklift driver from 1993 until his early retirement. The pay was just right. Unlike some of his countrymen, Abdelfattah had no desire to return to Tunisia. "This is where I had and still have a good time with my family. Wolfsburg became my second home."



In electroplating: Salem Abdelfattah (center) with colleagues in Hall 3.

30 Years Ago: The Golf Country Sets Early SUV Trends

A Golf for off-road, the first of its kind, with a rustic look, plenty of ground clearance, and four-wheel drive – this was the Golf Country, launched in 1990. Employees at the Wolfsburg plant built the compact off-road vehicle based on the Golf II Syncro, which was equipped with permanent four-wheel drive and a 98 bhp 1.8-liter engine. The four-door models finished in Wolfsburg were then converted in Graz by terrain specialist Steyr. First, a ladder frame was placed under the car. This increased the ground clearance to 180 millime-

ters. Of course, the conversion program also included an underride guard and bull bars at the front and rear. One characteristic feature of the Golf Country is the spare wheel mounted on the trunk, which swings round to the side when the trunk lid is opened.

Back then, the elevated Golf was rarely seen on the streets. The Golf Country is and remains "the Golf for individualists," as an advertisement from the year 1990 also conveyed.



The pioneer of compact SUVs: the Golf Country.

30 years later, the off-road Golf is a sought-after classic. The "compact SUV" was the early trendsetter for the later SUV success stories of the Tiguan and T-Roc.

60 Years Ago: Volkswagen Becomes a Publicly Listed Company

Volkswagenwerk GmbH, which had been in business since September 1938, was renamed a stock corporation

(Aktiengesellschaft or AG in German) on August 22, 1960, and was entered in the commercial register of the Wolfsburg District



From GmbH to AG: the entry in the commercial register.

Court. Previously, on July 21, 1960, the Bundestag had overwhelmingly accepted the law on the transfer of shares in Volkswagenwerk GmbH, a limited liability company, into private hands. 60 percent of the company's capital stock is sold as people's shares, while 40 percent remains in the hands of the federal and state governments, ensuring state influence on the company. The new stock corporation published its first annual report in May 1961, shortly before the first ordinary shareholders' meeting in Wolfsburg. In the Report on the 1960 Fiscal Year, the new CEO Heinrich Nordhoff was able to report that Volkswagen had built over 860,000 Beetles and vans, thus increasing its sales by 30 percent.

70 Years Ago: The Oldest Road-Legal Bus

An extremely rare Volkswagen Bus can be found in Volkswagen Commercial Vehicles' classic car collection – this powder blue panel van's name is Sofie. It's considered the oldest road-legal Volkswagen Bus in the world. This T1 rolled off the assembly line on August 5, 1950, with chassis number 20-1880. It was delivered to Hildesheim as a commercial van. Its later history is lost, having been housed in the collections of various Volkswagen enthusiasts. In the early 1990s, it reappears when a Bus fan from Denmark buys it. There the Bus is also christened Sofie. The Danish owner drives more than 20,000 km with Sofie. They often drive to Bus meetups, where Sofie is always the oldest. The vehicle returns to Volkswagen Commercial Vehicles at the end of 2014. When saying goodbye, the Dane said tearfully, "I know that the best place for her is her home."



Built in Wolfsburg: the oldest street-legal Bus in the world.

Dear Colleagues,



The future is electric: Volkswagen is investing heavily in e-mobility, and Group Components



will play a key role with end-to-end responsibility for batteries. One thing is clear: battery cells are at the heart of e-mobility (page 12) – that’s why we are bundling our expertise and innovative strengths Group-wide in our Battery Cell division. From the Center of Excellence in Salzgitter to our joint venture with Northvolt: In this issue, we present all the responsibilities, disciplines and projects of the business division on a double-page spread (pages 26–27).



Our innovative strengths and specialist know-how is advancing technology in the Volkswagen Group: In the project “Pegasus”, an interdisciplinary team of twelve has developed a highly integrated system approach for an electric drive train with an e-motor, high-voltage battery, and other ancillary units. More information about the project can be found on page 12.



The COVID crisis has had an immense economic and social impact worldwide, and poses a huge challenge for the Volkswagen Group. In Components, we are launching a targeted response to the crisis with our Reshape program. This way, we can pull the right levers to secure the future viability and competitiveness of Group Components. Read the article on the right-hand side of the page to learn more.

Yours sincerely,
Thomas Schnell

CEO
Volkswagen Group Components

A Strong Future

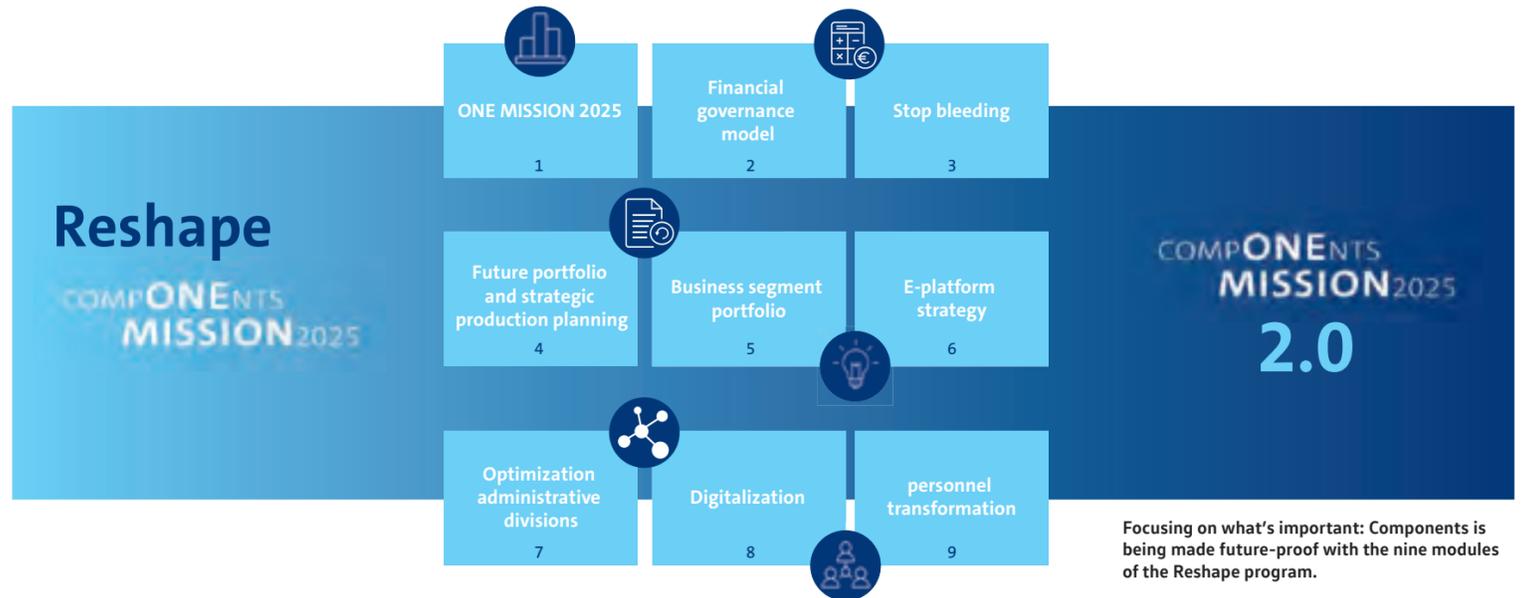
Reshape program will secure the future viability and competitiveness of Group Components after the coronavirus pandemic

The coronavirus pandemic has had a worldwide economic impact – and the Volkswagen Group is no exception. To ensure that Volkswagen Group Components

remains competitive and viable for the future, the direction of the Group Components strategy program ONE MISSION 2025 was reviewed and revised to create the new “Reshape

ONE MISSION 2025” program. This will place the focus on the current challenges of production, liquidity, and digitalization. The Reshape program is divided into

nine modules, each of which is overseen by a designated individual from the company management and business division management of Group Components.



Focusing on what’s important: Components is being made future-proof with the nine modules of the Reshape program.

The modules “Financial Development” (2) and “Stop Bleeding” (3) concern the future direction of financial reporting, securing the short-term liquidity of Volkswagen Group Components and ensuring that the goals of the performance program “Road to 6%” are met.

The modules “Future Portfolio” (4), “Business Division Portfolio” (5), and “e-Platform Strategy” (6) concern all aspects of the progression of Group Components’ product portfolio. This takes into account the profitability of existing products and defines the future direction of the portfolio.

The modules “Optimization of Administrative Areas” (7), “Digitalization” (8), and “Human Resources” (9) are already

included in the ONE MISSION 2025 strategy program, but will be given higher priority for the short-term future. The goal is to ensure that structures and processes of Group Components are viable for the future and to continue to support the transformation of the workforce. Innovative digitalization approaches will be an important tool.

All the existing Group Components Initiatives (GCIs) of the ONE MISSION 2025 strategy program will continue as they are, and are bundled in the Reshape program as a separate module (1). The goal is to complete the Reshape program by the end of

the year, and to incorporate the results and impetuses in the updated strategy program, ONE MISSION 2025 2.0.



“The Reshape program will allow us to respond to the effects of the coronavirus pandemic in the short term, and to secure our competitiveness and future viability for the long term.”

Ludwig Fazel, Head of Strategy at Volkswagen Group Components

Transform Minds: “THE BATTLE” Begins



The application phase for the third round of Transform Minds is now closed! From the beginning of October, the 30 new Transform Minds will start what is probably the most demanding round of the program: “THE BATTLE.”

Colleagues were sought from Salzgitter to Polkowice and from Wolfsburg to Győr, who can use their creative input and expert

know-how to help transform Components and serve as multipliers for the Components strategy in the plants.

By the end of the application phase in late July, many colleagues from the German and international Components plants had seized the opportunity to apply for three of 15 subject areas, ranging from digitalization to charging infrastructure. The

Transform Minds will develop concrete projects in ten subject areas in teams of three.

The Transform Minds will pitch these project ideas to the heads and managers of the Components division, or “coaches”. The teams and coaches choose each other and work together on their project. Exciting workshops will once again provide the Transform Minds with

creative input. In the semi-final, the five best projects are selected and further developed by the teams. The remaining Transform Minds will support the five winners of the semi-final and inject fresh momentum into the projects. In the final, the coaches will select the winning team, whose project will be implemented in Components.

Digital Workshops and Campaign: Year of the Shop Floor Supervisor Gains Momentum

Between the manufacturing process and team leadership: The 30 shop floor supervisors and trainee shop floor supervisors, who are participating as multipliers in Group Components’ Year of the Shop Floor Supervisor, have started working on projects at their plants with the support of the plant managers. The six project themes of the Year of the Shop Floor Supervisor range from

the role of shop floor supervisors to a standard KPI system for shop floor supervisors.

In order to collect feedback from the shop floor supervisors and give them the chance to contribute their own ideas and input, workshops will be held in Kassel, Salzgitter, Braunschweig, Wolfsburg Chassis, SITECH Wolfsburg, Chemnitz, and Hanover until mid-October. Due to the current situation, the project

participants will present their projects online. The findings and ideas generated by the workshops will be incorporated in the further progression of the projects.

Meanwhile, the campaign for the Year of the Shop Floor Supervisor will begin at participating sites. The aim of the campaign is to show appreciation for the work that shop floor supervisors do and demonstrate how important they are for Components.



Clear message: slogans from the Year of the Shop Floor Supervisor campaign.

The Battery Specialists

The Battery Cell division of Components is responsible for battery cells Group-wide

The car of the future runs on electricity. That's why the Volkswagen Group is investing heavily in building expertise in the development and production of battery cells. The Group is bundling all its expertise and innovative capacity in Volkswagen Group Components. Volkswagen Group Components is responsible for batteries from end to end, dealing with everything from cell development to battery recycling.

Since the beginning of this year, Frank Blome and his team in the new Battery Cells division have been responsible for all

things battery cell.

The goal is to bundle cell expertise and know-how, and to master battery-related issues and trends as quickly as possible. This will reduce dependency on Asian providers and strengthen Volkswagen's position as a battery manufacturer.

Some 300 experts are already developing, testing, and piloting innovative production methods to manufacture rechargeable lithium-ion batteries at the Center of Excellence for battery cells (CoE) at the Salzgitter plant. With the opening of the pilot production of battery cells



82% men
18% woman



Approx. 25 series projects



4,000 m² pilot line
2,500 m² labs



Approx. 400 employees (Plan 2020)



Cooperation
(QuantumScape participation, QuantumScape IV, Northvolt AB participation, Northvolt Zwei, Gotion participation)



3
The division is represented at three locations (Wolfsburg, Salzgitter, Beijing).

Facts about the Battery Cell division

at the CoE in autumn 2019, the Volkswagen Group has started building expertise in the development and production of battery

cells in Germany, and setting its own benchmarks by bundling development, testing, and pilot production of battery cells in one

centralized location. Collaborations and joint ventures (see right) will also be managed by the business division.



"In the Battery Cell division, we are driving forward the development of battery cells as key components of e-mobility and engineering new standards so that we can quickly launch series production."

Thomas Schmall, CEO of Volkswagen Group Components



"With our young, dynamic team from twelve different countries, we are the point of contact for everything to do with battery cells for the entire Group. I am proud of my colleagues' fantastic work and commitment to building up our new business division."

Frank Blome, Head of the Battery Cell division

Joint Venture With Northvolt

Group's first cell factory at the Salzgitter Components plant

A German and Swedish collaboration in cell production: The cell factory "Northvolt Zwei" will be created based on the CoE for battery cells at the Salzgitter components plant as a joint venture of the Volkswagen Group with Swedish battery manufacturer, Northvolt AB. Volkswagen will construct the necessary buildings and infrastructure. The Volkswagen Group is investing almost one billion euros in the construction of a 16-Gigawatt battery cell factory shared with Northvolt

AB. The factory will produce lithium-ion batteries from 2024. The CEO of the joint venture is Fredrik Hedlund, previously Chief Strategy Officer at Northvolt AB.

The company will work with the individual departments of the Battery Cell division (see below).

FYI: Northvolt AB is a Swedish company based in Stockholm which develops lithium-ion batteries for electric cars and energy storage solutions.



WE NEED YOU: Join the Battery Cell Division

From growing the business division to working on joint ventures, from quality assurance to development: Do you think and act outside the box? Our colleagues in the Battery Cell division need your support:

We are looking for motivated and committed employees who want to work in an international team, helping to grow and shape the business division.

How to apply:

The internal job listings for the Battery Cell division are available on the Volkswagen Portal at: Me at Volkswagen - Job Market - Internal Job Board. Prospective applicants can also contact Alexander Dittrich at the

following email address: alexander.dittrich2@Volkswagen.de.



Responsibilities of the Battery Cell Division (CZ)

CZ-P PLANNING & PROCESS DEVELOPMENT

Employees are working on the pilot line for the production of cell prototypes at the Salzgitter components plant. New process technologies are being developed and tested there. The CZ-P is also responsible for planning and establishing the pilot line, as well as training battery specialists.

Employees of the division also act as service providers for planning and process development, both for the Group and external partners, and are responsible for the digitalization of cell production. In addition, CZ-P is responsible for the process testing and production of innovative prototypes in the automotive format, as well as analysis, evaluation and decision-making, and not least, project and construction management for factory construction.

CZ-E DEVELOPMENT

Development is focused on cell materials and components for anodes, cathodes, separators and electrolytes. In addition, employees are responsible for cell components, including requirement management, concept development, design and construction, and also oversee technology management, along with benchmarking and the design-to-cost process for the cell.

The simulation of the electrical, thermal, or mechanical aspects of cells, as well as cell aging, are also the remit of CZ-E. Employees are also responsible for the analysis of cells, semi-finished products and cell materials, and conduct electrical, environmental, and safety tests on the battery cells.

CZ-M SUPPLIER CELLS/PRODUCT & PORTFOLIO MANAGEMENT

The employees of CZ-M are responsible for the development of supplier cells and the product and portfolio management of cells and modules. Key areas in pre-development, concept development and series development include requirements management, simulation, life cycle analysis and test management. Technology roadmaps form the basis for comprehensive portfolio management. This includes the creation of a battery and cell cycle plan. CZ-M is also in charge of battery module management via the Battery Steering Committee (SKB) and the Group Research Committee for Batteries (KAK), including module and variant management. Finally, the department also acts as an interface to the local regions and the Group brands.

CZ-C COLLABORATIONS & DIVISION MANAGEMENT

Together with the Group and the brands, this department is responsible for the strategic management and target attainment of all cell and battery collaborations, such as the joint venture Northvolt Zwei or Volkswagen's participation in QuantumScape and Gotion. The department is also responsible for screening market participants and collaboration partners, as well as managing contract volumes and committee presentations - along with implementing business division processes.

In addition, employees are responsible for ensuring information and planning processes, tracking objectives, and risk management and compliance for the entire Battery Cell division.

CZ-Q QUALITY ASSURANCE

Employees at CZ-Q are responsible for the quality of supplier battery cells in the Group, battery cell modules for the Volkswagen brand and the in-house cells of the pilot line, and support Volkswagen joint ventures with establishing a quality management organization. A quality concept is being developed for the products and processes of the electrode production, cell construction, and cell conditioning areas of the pilot line. As well as building expertise in the quality of primary materials, the division is developing and implementing quality-assurance measures.

The QA department coordinates the quality requirements, grant product and process approvals to cell and cell module suppliers, develop and train suppliers in automotive standards, and conduct field observations and damage analysis of cells and cell modules Group-wide. Lastly, the department is responsible for determining quality guidelines and long-term, competitive quality goals for itself.



Leadership team of the Battery Cell division: (from left) Thomas Hoffmann (Head of CZ-P), Dr. Matthias Ullrich (Head of CZ-E), Dr. Axel Zimmermann (Head of CZ-Q), Frank Blome (Head of CZ), Dr. Günther Mendl (Head of CZ-M) and Thomas Lehnert (Head of CZ-C).

Names & News



Sabrina Bewersdorff, previously Head of NE Controlling, assumed the role of Business Division Controller at Chassis and Battery Systems on June 15, 2020.



Patrick Wegehaupt, previously employed in Project Management PMP, became Head of Smart Excellence & One Mission 2025 (CU/3) on August 1, 2020.



Ralf Heil, previously Head of Procurement for Forward Sourcing Components, became Head of Procurement for Chassis/Electrics Jetta Brand at FAW Volkswagen on September 15, 2020.



Andre Renner, previously Head of Production Control PWL-F, took over responsibilities in Production Planning and Control CO on August 1, 2020.



Altan Temiz, previously Head of CoE Technology (CCB-T) in Braunschweig, became Head of Motor Assembly (CMS-01) at the Salzgitter plant on September 1, 2020.



Ralf Junitz, previously Head of Quality for the Group Components Competence Center, became Head of Quality Assurance for Components at Volkswagen (China) Investment Co. Ltd Beijing on August 1, 2020.



Heiko Dröse, previously Product Manager in Drive Development at Audi AG in Ingolstadt, took over Business Strategy in Gearbox Construction and E-Drives at the Kassel plant on September 1, 2020.



Alfred Schollmeier, previously Production Manager in Zwickau, became Head of DL Gearbox Production in Kassel on September 1, 2020.

Share Your Opinion with the Mood Barometer!



The **Mood Barometer** for the Volkswagen Group is ready for another round: the four-week survey period for the German Components plants will start on Sunday, **October 11, 2020**. So don't miss the opportunity to take part and let us know your opinion!



Top Marks in the Certification Audit

Strong performance by colleagues in Polkowice and Salzgitter

A few weeks ago, a certification audit was conducted by the German Association for Quality at Motor Polska in Polkowice. This external audit needs to be completed every three years so that engines and vehicles can be sold in Europe. The external auditors assess the quality management system, as well as processes and process documentation.

Our colleagues were rewarded for their outstanding work with an overall score of 100 percent. A fantastic performance, made possible by a joint effort between the individual departments. Plant Manager Dirk Strümpfler and Quality Manager Holger Becker thanked the team for their hard work.



Proud team: Dirk Strümpfler (left) and his colleagues achieved the top score, thanks to their commitment and enthusiasm.

Top marks in Salzgitter, too

Colleagues in Salzgitter have also achieved a top score of 100 percent in the quality audit for the future viability and competitiveness of Volkswagen Group Components. Plant Manager

Andreas Salewsky and Head of Quality Assurance Charles Frese explained, "All the divisions at the site have contributed to this success with all the excellent work they have done to prepare for this. We would like to thank everyone involved for their efforts."

Support Innovation Fund II Projects Now!

Group Components is in the lead with the most innovations submitted to the Innovation Fund II. But it's not just our ideas that strengthen the competitiveness and future viability of Volkswagen. The Innovation Fund II can be used to support other projects that have already



been submitted. The accelerator phase, in which colleagues seek support for the ideas they submitted, will begin shortly. Anyone interested can find out more at <https://innovationsfonds2.wob.vw.vwg/bewerbung.html> and apply to work on a project by October 2.

Project business plans will be validated and

prototypes built from November, which are then tested and further developed with customers in order to deliver product and service prototypes that function as new business models.

"As the current frontrunner in project ideas, Components is a real driver of innovation. Since I worked there myself for many years, I know that there are many sharp minds to provide the teams with valuable support," says Tobias Ludwig of the Innovation Fund II.