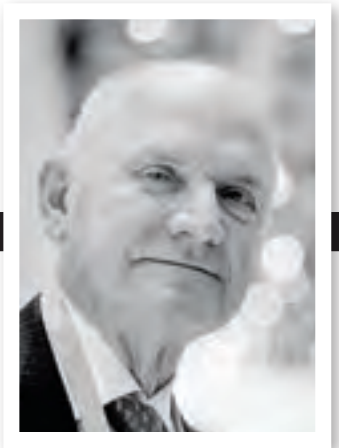




Volkswagen



Mourning Ferdinand Piëch

The Volkswagen Group is mourning its CEO and Supervisory Board Chair of many years, Ferdinand Piëch, who died in late August at the age of 82. At some plants, the flags were flown at half-mast. There were also moments of silence, in which both Wolfsburg employees and Supervisory Board Chair Hans Dieter Pötsch, Group CEO Herbert Diess, Chief Human Resources Officer Gunnar Kilian, and Group Works Council Chair Bernd Osterloh participated.

Pötsch said, "Ferdinand Piëch wrote automotive history – as a passionate manager, brilliant engineer and visionary entrepreneur. Our company and the people who work within it can only express their unending thanks to Professor Piëch. We bow our heads with respect for his life's work."

Diess added, "Ferdinand Piëch was courageous – a consummate businessman and a brilliant technical mind. Above all else, he brought quality and perfectionism to automotive engineering and has deeply anchored this in Volkswagen's DNA."

Piëch began work as Chairman at Audi in 1988. Five years later, he took over chairmanship of Volkswagen AG. Piëch was elected Chair of the Supervisory Board in 2002. He resigned from his positions in the Group in 2015.

→ PAGE 2-3

Premieres at Volkswagen: ID.3¹ and New Logo



Still in camo: The ID.3 will celebrate its world premiere at the IAA.

Just a few more days, and then a new age for Volkswagen will dawn: The brand is celebrating two world premieres at the International Motor Show (IAA) in Frankfurt am Main. In addition to the fully electric ID.3, Volkswagen will be presenting its new brand image, including the new logo, at

Group Night on Monday, September 9th. Five other Group brands will be attending the trade fair.

After the Beetle and the Golf, the ID.3 heralds a new era for the Volkswagen brand: one that's electric, fully connected and CO₂-neutral. The ID.3 is based on the modular electric drive

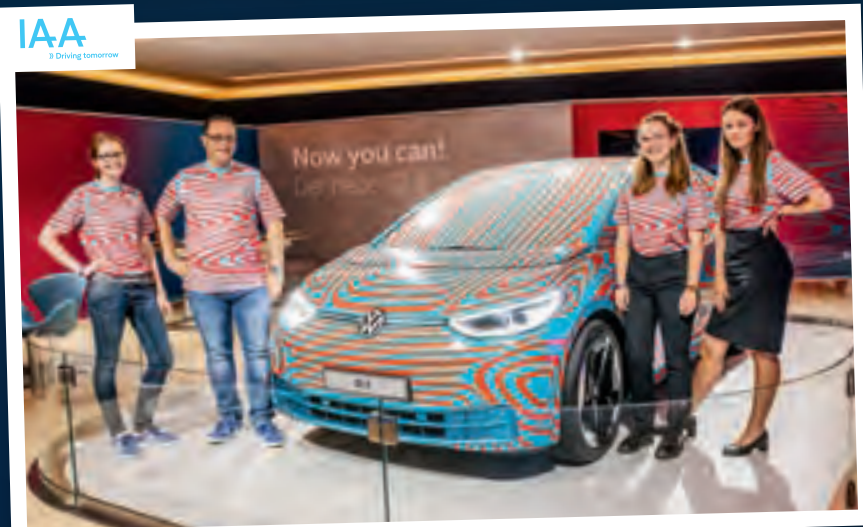
toolkit (MEB), the platform designed exclusively for electric vehicles. Numerous central components and parts for the production of the ID.3 are supplied by Volkswagen Group Components.

The strategic change, initiated almost four years ago with sustainable products, can now also be seen externally with the new image: The brand's image is becoming younger and more digital. The trade fair guests will be among the first to experience the new brand design: The symbol and trademark is the new logo. It's going to become more modern, clearer and simpler. Reduced to its most essential components and in a 2D aesthetic, it will be flexible to use and extremely recognizable in digital media.

The 2019 IAA is open to the public September 12th–22nd. All the brands of the Volkswagen Group will be presenting

themselves under one roof: Volkswagen, Porsche, Seat, Skoda, Audi (with Ducati) and Lamborghini will be located in Hall 3.

→ More about the ID.3 and the logo on PAGES 8-9



Eyecatcher, still with a camouflage look: The ID.3 in the Autostadt.



New brand design: logo swap on the brand tower.



Football Players from China in Wolfsburg

Special promotion: At the invitation of Volkswagen and VfL Wolfsburg, 16 young football players and 14 coaches from China received insights into training methods and youth work by the Bundesliga players. This was the third time the exchange was held. The journey to Germany is the highlight of the youth football program, which the Volkswagen Group China has supported since 2015. Roughly 365 coaches and 5,000 talented soccer players have benefited to date, with more to come as the program continues. → PAGES 12-13

Volkswagen Mourns the Loss of Ferdinand Piëch

The former CEO and Supervisory Board Chair died in late August at the age of 82 – the company is now honoring his many great achievements

The Volkswagen Group is mourning its CEO and Supervisory Board Chair of many years, Ferdinand Piëch. The Supervisory Board and Executive Board expressed condolences to the family on behalf of all of Volkswagen's 660,000 employees and recognized Piëch's many great achievements at Volkswagen, the Group brands and the development of the automobile in general.

SUPERVISORY BOARD CHAIRMAN HANS DIETER PÖTSCH: "Ferdinand Piëch wrote automotive history – as a passionate manager, brilliant engineer and visionary entrepreneur. Since the 1960s, he has played a key role in shaping, driving and molding the development of the automobile, the industry and, above all, Volkswagen into a global mobility group. Our company and the people who work within it can only express their unending thanks to Professor Piëch. We bow our heads with respect for his life's work. We mourn his loss alongside his family. And we will always honor his memory and the memory of his life's work."

GROUP CEO HERBERT DIESS: "Ferdinand Piëch was courageous – a consummate businessman and a brilliant technical mind. As a young engineer, he turned Porsche into a viable racing brand with legendary cars like the 917 and the victory at Le Mans. When he began at Audi in 1972, he helped pioneer innovations such as quattro drive and the TDI engine, taking its cars to the forefront of technology and, as Chairman of the Board, shaped it into a premium brand. As head of the Volkswagen Group, Ferdinand Piëch consistently forged ahead with internationalizing the company, integrated Bentley, Lamborghini and Bugatti into the Group, and made our volume brands competitive globally through a stringent platform strategy. He integrated Scania and MAN into the Group, laying the foundations for us to become a competitive commercial vehicle provider internationally. His keen technical skills saw him and his development teams repeatedly push the limits of what is possible, from the world's first one-liter car to the Bugatti Veyron's 1,001 bhp engine. Above all else, Ferdinand Piëch brought quality and perfectionism to automotive engineering and has deeply anchored this in Volkswagen's DNA. I look upon his life's work with gratitude and great respect."

Piëch began his career at Audi in 1972. In 1988 he became CEO in Ingolstadt before taking over as Chair of the Board of Volkswagen Aktiengesellschaft in 1993. He was elected Chair of the Supervisory Board in 2002. He resigned from his positions in the Group in 2015.

Flags at Volkswagen plants, including Wolfsburg and Dresden, were flown at half-mast in remembrance of Piëch.



Shaping the Group: Ferdinand Piëch was Chair of the Board of Volkswagen AG from 1993 to 2002. He then took over as Chair of the Supervisory Board until 2015.



Visionary: Ferdinand Piëch in the L1.



An early passion for automobiles: Ferdinand Piëch (right) with his grandfather, Ferdinand Porsche.

TRIBUTES

CHAIR OF THE GENERAL AND GROUP WORKS COUNCIL BERND OSTERLOH: "I will remember Ferdinand Piëch as a great executive and engineer who served the Volkswagen Group sustainably and successfully in the highest role. We as the workforce are still grateful for the contribution Ferdinand Piëch made to the compromise on the introduction of the four-day week, which saved 30,000 jobs in Wolfsburg at the time. And later, in his role as Chair of the Supervisory Board, he repeatedly demonstrated a sincere sense of responsibility for jobs at the Volkswagen Group. Without Ferdinand Piëch, Volkswagen would not be where it is today. For this we owe him our gratitude and appreciation."

LOWER SAXONY'S MINISTER PRESIDENT STEPHAN WEIL: "Ferdinand Piëch's death marks the passing of one of the greatest entrepreneurs in the history of the Federal Republic of Germany. His service to Volkswagen and, as a result, to Lower Saxony, was great and lasting. His name is synonymous with Volkswagen's rise to a global enterprise. I very much regretted that the long-standing positive cooperation enjoyed with the state of Lower Saxony had to be terminated in 2015 under difficult conditions. But this has not affected my heartfelt thanks for Ferdinand Piëch's service and the deep respect I have for him."

LOWER SAXONY'S MINISTER FOR ECONOMIC AFFAIRS AND VOLKSWAGEN SUPERVISORY BOARD MEMBER BERND ALTHUSMANN: "Ferdinand Piëch's passing marks the loss of a great entrepreneur for Lower Saxony. His contributions to the Volkswagen success story were vital. We remember him in gratitude and esteem, and our thoughts are with his family."

WOLFSBURG MAYOR KLAUS MOHRS (Piëch was an honorary citizen of Wolfsburg): "Wolfsburg owes Ferdinand Piëch a great deal. He combined business skill with a profound sense of responsibility for our region. The city is losing an outstanding personality in its history."

BRAUNSCHWEIG MAYOR ULRICH MARKURTH (Piëch was an honorary citizen of Braunschweig): "Professor Piëch was a nationally and internationally recognized entrepreneur and executive who rendered outstanding services to the development of the Braunschweig plant and made major contributions to maintaining and expanding Volkswagen's Braunschweig location. He was also highly committed to the cultural life of our city, where he lived with his family for five years."



Bonding with the workforce: Ferdinand Piëch celebrating a production milestone.

Regular guests at the GTI Meeting at Wörthersee: Ferdinand Piëch and his wife Ursula with the mayor of Reifnitz.



In mourning: flags stood at half-mast outside the brand tower at the Wolfsburg plant.



Over many years, he shaped Volkswagen into what it is today: Ferdinand Piëch, pictured here at an AGM.



A moment of silence in front of the brand tower in Wolfsburg: board members, works council members and employees commemorated Ferdinand Piëch (large photo). Supervisory Board Chair Hans Dieter Pötsch remembering Ferdinand Piëch (small photo).

A Moment of Silence in Memory of Ferdinand Piëch

Board members, works council members and employees gathered in Wolfsburg, Ingolstadt and Neckarsulm

Volkswagen observed a moment of silence to honor former CEO and Supervisory Board Chair Ferdinand Piëch in Wolfsburg. A moment of silence was also observed at Audi's Ingolstadt and Neckarsulm plants at the same time. Among his many roles, Piëch served as CEO of Audi before his time at Volkswagen.

Board members, works council members and employees gathered outside the brand tower in Wolfsburg. Supervisory Board Chair Hans Dieter Pötsch spoke words of remembrance in the presence of Group CEO Herbert Diess, Chief Human Resources Officer Gunnar Kilian and Group Works Council Chair Bernd Osterloh, among others. Mourners remembered Piëch in front of a large photo of him. Flags at the Wolfsburg plant were flown at half-mast. The production lines at the Volkswagen Group's largest plant also stood idle for one minute, as did those in Ingolstadt and Neckarsulm. Several condolence books have been placed around the Wolfsburg plant. For more information, visit Volkswagen Net. Condolence books have also been placed in the town halls of Wolfsburg and Braunschweig. Piëch was an honorary citizen of both cities.



Hall 54 in Wolfsburg: employees gathered to remember Ferdinand Piëch, who died in late August.

TRIBUTES

CHIEF HUMAN RESOURCES OFFICER GUNNAR KILIAN: "In Professor Dr. Ferdinand Piëch we have lost a brilliant engineer and entrepreneur – a very special person, indeed. The news of his death has deeply saddened me. My thoughts are with his family, in particular his wife Ursula and his children. I look back with gratitude at the many moments I spent in his company and learning from him. His service to Volkswagen is beyond measure. We owe him a deep debt of gratitude."

WOLFGANG PORSCHE, CHAIR OF THE SUPERVISORY BOARD OF PORSCHE AUTOMOBIL HOLDING SE: "We mourn with his family the passing of Ferdinand K. Piëch, the extraordinary executive and engineer, the strategist and quite simply the lifelong car enthusiast. I am thankful to have many shared memories with my cousin. At the center of those memories was the struggle to continue the legacy of our grandfather, Ferdinand Porsche, which we succeeded in doing together."

HANS MICHEL PIËCH, DEPUTY CHAIR OF THE SUPERVISORY BOARD OF PORSCHE SE AND SPOKESPERSON FOR THE PIËCH FAMILY: "My brother's life's work extends far beyond the companies he worked for. He shaped the German automotive industry like no other. And he enjoyed a close connection with the employees working for the Volkswagen Group, in good times as in bad."

OLIVER BLUME, CHAIR OF THE BOARD OF PORSCHE AG: "The news of his death has hit us hard. Our thoughts are with Ferdinand Piëch's family. His love of cars and his constant desire to drive forward technical progress will never be forgotten. Piëch was a car man, through and through. We thank him for the passion and courage with which he led Porsche to extraordinary engineering achievements. Through important strategic decisions, he has set the course for the successful growth of our company."

BRAM SCHOT, CHAIR OF THE BOARD OF AUDI AG: "One of Ferdinand Piëch's greatest strengths was that he embraced the meaning of the name Audi and always listened to customers and staff alike. He lived the dream of automobility all his life and was the engine of innovation."

CARL H. HAHN, FORMER VOLKSWAGEN GROUP CEO (1982–1992): "I am deeply saddened. My thoughts are with his wife and family. Even before I stepped down in 1992, I had made a point of ensuring that Ferdinand Piëch would succeed me as Chair of the Volkswagen Board, just as I had previously ensured he became head of Audi. He led the Volkswagen Group into a new era. His unique contribution deserves great recognition."



At the opening ceremony for Autostadt in Wolfsburg in 2000: the event fell during Piëch's tenure as CEO.



Presentation in Gothenburg, Sweden: Piëch with the Lupo 3L TDI. The vehicle was the world's first mass-produced car with a fuel consumption of less than three liters.

Groundbreaking ceremony for the Transparent Factory in Dresden in 1999: Piëch with then-Chancellor of Germany Gerhard Schröder (right) and Minister President of Saxony Kurt Biedenkopf (center).



Giving Cars a Personal Touch

A project team is working on a special configurator for accessory components – customers can have their own names printed on components

Is there anyone who hasn't dreamed of adding a personal touch to their vehicle – from choosing the color, special wheel rims, new accessories or even their own sound? The 3DeinAuto project, supported by Innovation Fund II, is now taking the next step towards making this dream a reality. A project team comprised of members from Group Production, Group Innovation and Volkswagen Zubehör GmbH is working to develop an online configurator for customizing vehicle accessories using 3D printing.

3D-printed decorative covers with custom designs

"3DeinAuto allows Volkswagen customers to use 3D printing to configure and order highly customizable accessories online for use in their vehicles," says Martin Kumke of Group Innovation. "Accessory parts that can be incorporated in and on vehicles, such as decorative covers with custom designs and lettering, can be printed, but so can things like storage compartments. It lets you turn A car into YOUR car."

After successfully completing the proof of concept (PoC) phase,



The 3DeinAuto project team has developed a fully functional online configurator to customize the "Flitzer" cover element (known as the R-Line emblem on the wing) for the T-Cross. Pictured here are Daniel Fuchs (left) and Daniel Farias, Group Innovation.

the project team created a fully functional online configurator for the first component. 3DeinAuto provides options for highly customizable modifications to the "Flitzer"

cover element for the T-Cross with three-dimensional structures, images, lettering and color choice. The project team surveyed more than 200 participants as part of the MEB customer clinic regarding their interest in purchasing these kinds of services, conducted extensive testing on the manufacture of customized components, tested various 3D printing methods and developed an assembly aid that will help customers install parts more

easily in future. 3DeinAuto will be made available to a limited number of customers during the pilot phase.

When asked about the next steps for the 3DeinAuto project, Yannick Wehmann from Group Production said, "The goal for the pilot phase, which is starting now, is to develop the project from the PoC to the point where we are able to test our business model on a small group of external customers. If everything goes to plan, we'll reach our



The customized, 3D-printed "Flitzer" cover element.

More Information

...on 3D printing is available on the **3D Printing Portal**:
<https://3ddruck.apps.p.ocf.de-wob-2.cloud.vwgroup.com/>

...on Group-wide production and logistics is available through Group Production's **Group Connect Community**: <https://soco.Volkswagen.com/sbc/community/wir-in-der-konzern-produktion>



What is Innovation Fund II?

Innovation Fund II is run by the General Works Council's "New Business Fields, Environment and Energy" committee to fund strategically relevant business ideas that go beyond the current core business at Volkswagen. In addition to expanding the Group's portfolio of products and services, it contributes to creating long-term jobs for the Volkswagen brand. The first step is turning a business idea into a business plan. During the second phase, a prototype is developed and tested with the intended target audience. Ideally, this then leads to series production of the product or service.

Information on Innovation Fund II is available here:
<http://innovationsfonds2.wob.vw.vwgroup.com>



Trying out a new workplace for a week: Arzu Tasdemir from the Tires division.

A Week at the Dealership

Employees from Group After Sales gain experience

The Retail Experience Program has now launched in four cities, with 39 participants and 14 dealerships involved. New recruits and managers from Group After Sales spend a week at a dealership to gain retail experience. The program will

be held twice a year.

This retail experience through dealerships is being organized in close cooperation with Volkswagen Original Teile Logistik GmbH (OTLG). In the first half of the year, colleagues from Group After Sales were invited

to spend time in Munich, a major sales hub, at affiliated dealerships. Program participant Arzu Tasdemir from the Tires division in Group After Sales said of her time in Munich, "I'm looking forward to returning to Kassel. I've got some homework to do. Our colleagues work so hard to make sure our customers are satisfied. It's truly commendable. It's just motivated me even more to rethink my own approaches." Asked whether she would recommend the Retail Experience Program, she replied, "Absolutely!" Retail is a key partner and a major factor for success in the distribution chain. The Retail Experience Program offers a compact mix of theory and practice, allowing our retail partners to impart foundational knowledge to Volkswagen colleagues.

The next dates have already been set: the program will head to Drieburg and the dealerships in the Rhine Main area. The aim is to eventually roll out the Retail Experience Program internationally as well.



Wanted: Trial Tenants!

Employees can test the quality of new apartments

Volkswagen Immobilien has an exclusive offer for Group employees: the Volkswagen subsidiary is allowing employees to test five apartments – free of charge – right next to the Wolfsburg plant. The test period for the complex, called Splace, will span ten days between November 4 and 15.

The five testers will take on a quality assurance role, closely scrutinizing not only the high-quality business apartments, but their services as well, including apartment cleaning, a box for packages to be delivered to, the exercise equipment in the fitness center – and – for a limited number of items –

the laundry service. "Our testers will also be able to test our digital lock system. Their feedback will help us to precisely tailor the services we offer," says Project Manager Michael Kittel from Volkswagen Immobilien. Here's how you can get involved: Applicants should include a brief letter explaining why they would like to test Splace. Applications should be sent to info@splace.de. The deadline for submissions is September 30.

What is Splace? 60 business apartments intended for use as short-term accommodation are being built near Tor Sandkamp. You'll find more information at: www.splace.de

Legal Notice

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How Plant Managers Are Using the New Volkswagen App

More than 17,000 employees are using their smartphones every day to stay informed



"I think the new app is really innovative, helpful and easy to use. I use the app because it lets me quickly and easily read up-to-date information about Components and each location, no matter where I am. A lot of the posts are fascinating and, as a user, being able to freely select channels allows me to filter the content I see according to my own preferences. I think it's worth subscribing."

Andreas Salewsky, Plant Manager at Salzgitter



"I use the app every day because it facilitates completely new kinds of communication and makes it easier to engage in discussion with staff at the same time. I also hope the 360° app encourages our employees to learn about company news less and less from newspapers and other media and more and more from us directly. Above all, we are now able to reach employees in Production more quickly and directly because they get the news they're interested in right on their cell phones."

Thomas Scholz, Deputy Plant Manager at the Emden plant



"I use the app every day because it really does represent added value: you can get an overview of current events from different locations quickly and easily. I especially like that you can configure your own personal channel selections. And being able to access other services such as plant maps, HR Self Service and the Mood Barometer makes this kind of 'World of Volkswagen' a real asset."

Werner Gose, Plant Manager at Braunschweig



"I use the app every day because it gives me a great overview of all the latest news from the different plants. This quickly results in synergies and interconnections. I think it's great that I have an easy way to get my personal messages across to staff. One good thing is that I can use the comment feature to receive direct feedback, which allows me to get staff involved."

Olaf Korzinovski, Plant Manager in Kassel

"Volkswagen at a glance! Finally, the new 360° app has brought all the important information and services I need to my smartphone. Looking at the app has become a daily ritual for me because I like being able to quickly and easily stay on top of all the news affecting us at Commercial Vehicles and in the Group as a whole. One aspect I especially like is that users have the opportunity to offer real feedback on issues through likes and comments."

Thomas Hahlbohm, Plant Manager, Volkswagen Commercial Vehicles in Hanover



"The vehicles of the future aren't the only things that need to be connected. The people who make those vehicles need to be connected as well. The 360° app gives us the perfect communication medium for employees in production divisions. I'm impressed with the app – I use it daily myself and can quickly and easily access news and services. My favorite thing is the comment feature. It allows me to get direct feedback from staff on current issues."

Stephan Loth, Plant Manager in Wolfsburg

Step by Step: How to Install the App on Your Smartphone

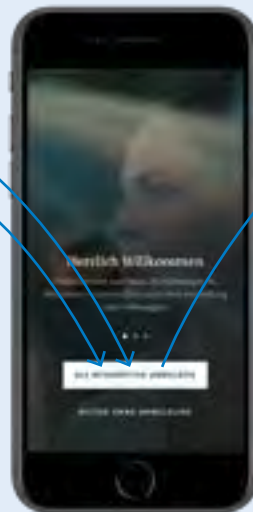
Quick guide covers installation for personal Android phones and work iPhones



Personal Android phone: Open the Google Play Store and search for the app. Then tap the "Install" button.

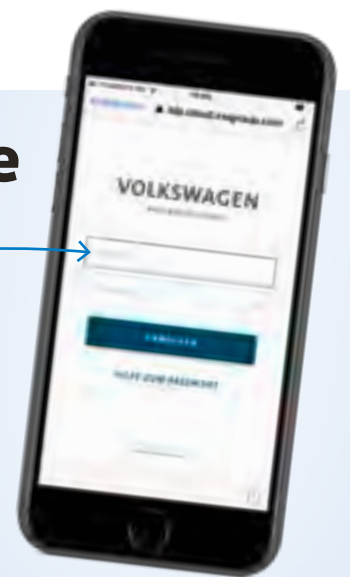


Work iPhone: Open the Volkswagen App Store (not the Apple App Store) and search for the app. Then tap the "Install" button.



Open the Volkswagen App by tapping the app symbol. Tap the "Log in as employee" button.

Now log in with your Volkswagen user ID and the social media password you can also use to log in to Wir-bei-Volkswagen.de, the Mood Barometer or wa@web, for example. This password may not be the same as the password you use to log in to Windows on your desktop computer or notebook. If you've forgotten your social media password, you can request new login info at <http://pwss.vw.vwg>. **Please note:** PWSS is only available on the Volkswagen network. You will need your PKI card to log in.



2 Questions



Thomas Sedran, CEO of Volkswagen Commercial Vehicles

Cooperation with Ford: "We Are Right on Track"

1 One of the first steps in the cooperation between Volkswagen and Ford will affect Volkswagen Commercial Vehicles' products in particular. What's the current status of developments and why is the alliance an asset to everyone involved?

We are right on track with our cooperation. The alliance is helping us boost our competitiveness in light commercial vehicles and pickups in key markets. At Volkswagen Commercial Vehicles, this means that we can get a successor to the Amarok that would not be possible without the alliance. This secures the long-term business success of our brand, and secures jobs at the same time.

2 How would you rate our involvement in Argo AI?

Being involved is hugely important for Volkswagen Commercial Vehicles. For Volkswagen Commercial Vehicles employees at our plants in Hanover, Wolfsburg and Poland, it means that we are getting the best technology so we can develop and build the best self-driving vehicles. For employees working in Development, it means that we can be much faster and more effective. And for our Production locations, it means increased volumes.

MAN: Schenk and Mandel Appointed to the Board

The MAN Truck & Bus SE Supervisory Board has now filled two positions on the board. Christian Schenk (45) will be responsible for Finance, IT and Legal at MAN Truck & Bus SE, and will also head the Finance division starting in October. Holger Mandel (52) will take over responsibility for Procurement, also starting in October. Mandel has been responsible for the German market since 2015, a crucial market for MAN Truck & Bus. He has also been in charge of the Austrian and Swiss markets, bundled together with Germany to form the Sales Area Europe Central, since earlier this year.



Holger Mandel



Christian Schenk

"Serving Global Markets – Together"

An interview with Herbert Diess on why the collaboration with Ford is important to Volkswagen

At a glance: what goals are you pursuing in expanding the Ford Alliance?

Herbert Diess: We are expanding our alliance with Ford, with three strategic goals in mind. First, we want to establish the MEB as the industry standard for electric vehicles. Second, we want to become the market leader in light commercial vehicles and medium-sized pickups. And third, we want to be involved in the fast-growing market for mobility services. Once vehicles become self-driving, a whole host of new business opportunities will open up.

Ford and Volkswagen sold some 16.7 million vehicles combined in 2018. This gives us major leverage and creates significant economies of scale. And size matters – both for electric mobility and autonomous driving. Together, we can seamlessly serve global markets and make better use of our automotive plants to optimize the supply chain. And Ford represents a good complement for us from a geostrategic perspective. It will strengthen our presence in the US.

How will Ford implement the MEB and why is that so significant?

Ford will use Volkswagen's electric vehicle architecture and the modular electrification toolkit (MEB) to engage in large series production of at least one zero-emissions vehicle in Europe for European customers starting in 2023. We have agreed to supply 600,000 MEB platform systems, including battery packs and other components. In addition, we are currently in talks about a completely new supply contract for a second vehicle. This could nearly double the number of MEB platforms we supply to Ford.

This will help us establish electric mobility even more quickly. At Volkswagen alone we are aiming to produce around 15 million vehicles using the MEB in the next ten years. Volkswagen is developing and producing 27 different models based on the MEB platform in the first wave alone. This number will grow to nearly 70 models by 2028.

What are the advantages of the alliance in terms of light commercial vehicles and pickups?

Our alliance makes us the market leader for light commercial vehicles and pickups – with significant economies of scale. Synergies of several hundred million euros will result from this collaboration alone. We are well on track to develop commercial vans and pickups for both brands from 2022 onwards.

With self-driving systems in particular, the entire industry is facing the same challenges: high development costs, a lack of global standards, the need for high-quality sensor technology, anticipating customer requirements and finding talented people to make the whole thing possible.

If we split the investment needed, we will be in a better position to manage the high costs of developing the hardware and software needed for autonomous driving. We are anticipating synergy effects totaling hundreds of millions of euros.

Our cooperation will also facilitate the development of common testing criteria and global standards for autonomous vehicles as well as cooperation with regulatory bodies worldwide. This will improve our chances of establishing our self-driving system (SDS) kit as one of the leading technical solutions for the future.

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Why join forces for autonomous driving?

With self-driving systems in particular, the entire industry is facing the same challenges: high development costs, a lack of global standards, the need for high-quality sensor technology, anticipating customer requirements and finding talented people to make the whole thing possible.

If we split the investment needed, we will be in a better position to

How much is being invested? And what exactly will Argo AI contribute?

Our joint investment in Argo AI will go towards securing superior engineering expertise. We will be able to access a first-class talent pool of SDS developers and intellectual property needed to drive forward our technological leadership in self-driving systems.

In return for our acquisition, Argo AI will receive 500 million USD in

investment will shorten the time to market and will significantly increase Argo AI's market potential. Argo AI's CEO Bryan Salesky is a former Google executive. He has put together a strong team of SDS developers who will be helping us meet the challenges that come with autonomous driving. The Argo AI team's expertise includes robotics, machine learning, computer vision, sensors and computer and vehicle integration. They also have the experience needed for commercialization. It's a great fit.

We will be working with Argo AI's software developers to carry out the necessary analysis of huge amounts of data to understand region-specific driving behavior, road objects and the unique conditions present in different places. This will allow us to develop market solutions specific to each region. Argo AI is currently testing in five cities: Detroit, Palo Alto, Pittsburgh, Washington D.C. and Miami. Another US city is set to be added to that list later this year, and there are plans to expand testing to Europe next year.

But that is just the beginning! I am confident that – together – we will be able to offer reliable, safe, convenient services for autonomous driving. Intelligent services that consumers and businesses alike will want to use to move people and goods. The potential is promising!



Alliance: Herbert Diess and Ford CEO Jim Hackett seal the deal with a handshake.

VOLKSWAGEN
AKTIENGESELLSCHAFT

ALLIANCE WITH FORD:

- Volkswagen is supplying 600,000 MEB platform systems, including battery packs and other components.
- Volkswagen and Ford are developing commercial vans and pickups for both brands.

PCMS: All You Need to Know About the Laws and Regulations

Group-wide clarity: New system ensures compliance with standards for products and services

From the tiniest screw to linking up to digital services: Volkswagen products need to meet countless internal and external standards. Their purpose is to protect people, the environment and society as a whole. The list of international laws, technical standards and internal requirements is long – and the rules are stringent. And Volkswagen uses numerous methods, processes, rules and administrative bodies to ensure compliance with all of them. A new product compliance management system (PCMS) is now coordinating these existing



Head of Technical Development: Frank Welsch

brand and industry-specific systems. The aim is to optimize compliance and ensure Group-wide transparency.

"The PCMS allows to ensure that our products not only meet the highest quality standards, but also comply with all relevant laws, regulation and standards throughout the entire product lifetime," says Frank Welsch, Head of Technical Development

at the Volkswagen brand and Head of Group Research and Development. Using the PCMS to obtain a complete overview of which standards are in place and how to

implement them in our products is as important as it is complex. After all, the processes behind everything are so varied. And they affect nearly every aspect of the company: even before drafting the first design of a new vehicle, the teams working on it need to be aware of all the internal and external requirements. Vehicles are then developed and designed accordingly. Before a vehicle's market launch, the company then needs to verify that the entire vehicle meets all the laws and regulations applicable in each and every individual market. Vehicles and components are also scrutinized in detail for series production. This ensures that our manufacturing processes are also

legally compliant. The PCMS also ensures compliance all the way up to the maintenance and repair stage by guaranteeing that original spare parts and digital services meet all the requirements.

All of the responsibilities that fall under the PCMS are summarized in a Group policy, which is available for all employees on the intranet.

More information

Search "product conformity" in 360° Volkswagen Net to find a video explaining the PCMS and summarizing the processes behind it.

Ford to Build Electric Vehicles Using the MEB

Going forward, the American company Ford will be using the Volkswagen Modular Electrification Toolkit (MEB) – big news before summer vacation began at the plant, and part of a broad-based collaboration between the Ford Motor Company and Volkswagen AG. A good deal of preparation throughout the entire company is needed before implementation, which is set to start in 2023 – and Group Components is no exception.

Efficient, compact and highly attractive

Ford aims to launch a mass-produced electric model on the market by 2023. The vehicle is set to be built using the MEB. After the electric car start-up e.GO, this is the first time another high-volume manufacturer has relied on Volkswagen's modular system. The innovative MEB is set to become a new standard for electric mobility and will open up cost benefits for us through economies of scale. "Our electric platform is efficient yet compact. This makes it highly attractive for other companies," says Thorsten Jablonski, Business Area Manager Gearbox and Electric Drive at Volkswagen Group Components, where key elements for the MEB are manufactured.

Group Components will be supplying Ford with the same components for the new electric vehicle it is planning as it does for the ID.3¹ in Zwickau. Battery systems from Braunschweig, rotors and stators from Salzgitter,

electric drives from Kassel, precast parts from Hanover and Poznań, suspension struts, brakes, steering systems, drive shafts and much more. And Group Components plants are producing these items with great efficiency. The Salzgitter plant, for example, produces the hairpins for the stator. This combines innovative technology and highly sophisticated production, resulting in a hairpin every second.

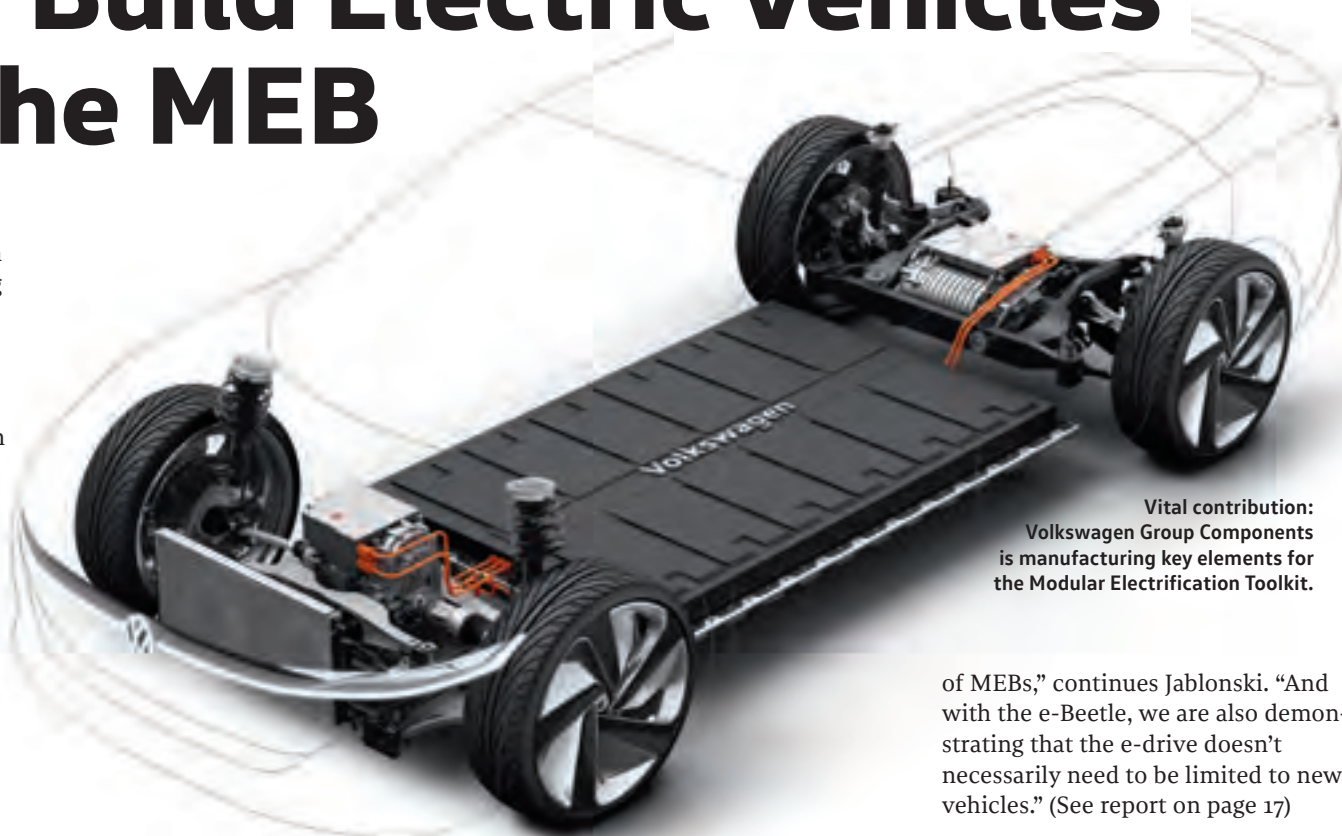
"We are not only relying on the latest technology for the e-drive systems for the MEB, but on the experience we have gained working with the e-Golf² and the e-up!³ as well," adds Jablonski.

Production for the MEB has been optimized, significantly streamlined and supplemented with new manufacturing technologies such as the hairpin method. "This has enabled us to halve product costs for the e-drive compared to that used for the e-Golf," says Jablonski. Complex-

ity has also been reduced and things have been simplified wherever it made sense to do so. "It's because of all this work that today's MEB battery system looks like a bar of chocolate," says Jablonski.

Maximum production volume for a profitable future

The high quantities of MEBs set to be produced lays the foundations for the MEB to become the industry standard for electric vehicles. "But we're not interested in stopping here. We are already thinking ahead. There are also possible applications for zero-emissions mobility beyond vehicles. The aim is to achieve maximum production volume for the MEB to ensure profitability in future. Not only with the aim of recouping the initial investment in the toolkit, but also to drive forward the transformation process within Group Components. Where added value falls away in future, we can compensate in the long term by producing high quantities



Vital contribution: Volkswagen Group Components is manufacturing key elements for the Modular Electrification Toolkit.

of MEBs," continues Jablonski. "And with the e-Beetle, we are also demonstrating that the e-drive doesn't necessarily need to be limited to new vehicles." (See report on page 17)



What Actually Is a Hairpin?

A hairpin is a flat shaped coil of copper wire, similar to a hairpin you would use in your hair. It is part of the stator, a key component of every electric engine. Thanks to an innovative new production method in which these hairpins are braided into a stator basket, the power density and efficiency of the electric engine are increased – using less material and the same amount of space. This will enable Volkswagen Group Components to push forward with the first mass-production use of electric engines with such a high power density.

A single hairpin. 144 hairpins featuring 19 different variants are braided together for a stator basket.



E-Beetle, Digitalization, SPEED+ Award:

More News from Group Components at a Glance

Electrifying the Beetle: Group Components is working closely with a partner company to electrify historic vehicles.



ONE MISSION Digitalization: Led by Oliver Fischer, the Information Management & Digitalization division is responsible for digitalization within Components.



Cultural Change in Components: Six exciting pilot projects focusing on equal opportunity and diversity.

SPEED+ Award: The second plant tour of Components' efficiency competition is now complete across all plants.

Transform Minds at Components: The change agent program is entering its second phase.

More information

The entire Components edition of 360° is available at: <https://bit.ly/322Udil>



Streamlined Structures for Maximum Results

Chief Financial Officer Thomas Eichenberg on Group Components' goals and direction



Lord of numbers at Group Components: Chief Financial Officer Thomas Eichenberg

Group Components has been a stand-alone brand under the umbrella of Volkswagen AG since January 1, 2019. What are your financial targets for Group Components?

The aim is to increase our operating profit-turnover ratio in order to be able

to finance the investments necessary for the transformation to e-mobility as well as digitalization in addition to our investments in conventional drive technology. To that end, we have created the "Road to 6%" program (profit-turnover ratio) and are establishing transparent operating earnings management by business segment. This is hard work for the divisions involved as well as the financial organization. We are drafting business plans for each division, setting up overall financial planning for Group Components and developing viable investment targets.

62 plants at 47 production locations worldwide, representing several brands – how does financial management work for Group Components plants?

Group Components runs on the basis of a hybrid management logic. For all of the European components plants and companies that were part of the

Volkswagen Passenger Cars brand at the end of 2018, full responsibility for management and performance now lies with the new corporate unit known as Group Components. This means that Group Components is responsible for extensively planning for and consolidating these plants. This includes Braunschweig, Kassel, Salzgitter, Chemnitz, Wolfsburg Chassis and the casting facilities in Hanover and Poznań, Motor Polska and the SITECH Group.

There are also components plants that belong to other brands like Audi, Skoda and Seat. For these plants, virtual profit-and-loss reporting is being set up through Group Components while the profits remain with those Group companies. Strategic management comes through administrative bodies and report controlling. Key components plants from other brands include those in Győr, Mladá Boleslav, Vrchlabi and Prat. International components plants

including those in Córdoba, Kaluga and Silao still belong to Volkswagen Passenger Cars, and those in Tianjin and Dalian are wholly-owned subsidiaries of the Group in China.

Hybrid management logic sounds complicated. Why didn't the Group consolidate all 62 components plants that form Group Components?

That wouldn't have been prudent from a business perspective. The expense of financially extricating those plants from the various companies and regions would have been greater than the positive effects. The focus is on streamlined, meaningful structures with the maximum effective outcome. The purpose of this financial structure is to harness the combined strength of this international, cross-brand group of plants to make the transition to e-mobility and digitalization competitive and to contribute to the Group's financial targets.

¹ ID.3: This vehicle is not yet sold in Europe.

² e-Golf: power consumption, kWh/100 km: combined 14.1 with 17-inch wheels – 13.2 16-inch; CO₂ emissions combined, g/km: 0; efficiency class: A+.

³ e-up!: The vehicle is a near-production-ready concept car and is not yet on sale.

IAA 2019: Double Premiere of the Volkswagen Group's Core Brand

Volkswagen Passenger Cars presents fully electric ID.3¹ and new brand image to the public



The ID.3: already the focus of interest at the last IAA 2017.



Facts About the IAA

- **Tradition:** First IAA in 1897
- **Location:** Frankfurt am Main
- **2019 dates:** September 12th–22nd
- **2019 motto:** "Driving tomorrow"
- **Number of exhibitors:** 994 (last IAA in 2017)
- **Visitors:** More than 800,000 (last IAA in 2017)



Volkswagen Group Brands at the IAA

In addition to the Volkswagen Passenger Cars brand, which is celebrating both the world premiere of the ID.3 and the new brand design at the IAA, five other Group brands are in on the action in Frankfurt am Main. Porsche, SEAT, Skoda, Audi and Lamborghini will also be presenting their latest product highlights. For example, employees from Ingolstadt will present more than 30 different vehicles during the public days, which are open to everyone. In addition, there will be two-wheelers from the Italian motorcycle brand Ducati, which will also be on display at the Audi stand. For visitors: All Volkswagen Group brands represented at the IAA will be exhibiting in Hall 3 of the exhibition grounds. The nearest entrances are "Torhaus" with S-Bahn access and "City" with subway connection.

The Volkswagen brand will be celebrating two world premieres at once at the IAA in Frankfurt: In addition to the fully electric ID.3, the brand will present its new logo and brand appearance to the global public, under the slogan "New Volkswagen". After the Beetle and the Golf, the ID.3 heralds a new era for the brand, one that's electric, fully connected and CO₂-neutral. The strategic change, initiated almost four years ago with a new orientation and sustainable products, can now also be seen externally with the new brand

image. The brand's image is becoming younger, more digital, and therefore more modern. Ralf Brandstätter, Chief Operating Officer of the Volkswagen Passenger Cars brand: "The IAA in Frankfurt is going to be a key moment in the strategic realignment of the Volkswagen brand: The fruits of our labor can be seen in the ID.3 and the new brand image."

New brand logo to be rolled out worldwide

The trade fair guests will be among the first to experience the brand design up close – the Volkswagen emblem in a completely new look. The symbol and trademark is the new logo. It's going to become more modern, more clear and more simple. Reduced to its essential components and in a 2D aesthetic, it will be flexible to use and extremely recognizable in digital media. There's already a first visible change: The previous logo on the Volkswagen Administration Tower in Wolfsburg has been removed. It is currently being covered with the new brand symbol. The unveiling

ceremony will take place on the evening of September 9th. It will take several months before the new logo can be seen on all buildings and car dealerships worldwide, as well as on ketchup bottles (see article at the bottom of this page). The Volkswagen Passenger Cars brand's second world premiere in Frankfurt: the ID.3. The vehicle stands for the starting signal of Volkswagen's electric campaign. Over the next ten years, the Group will be launching 70 purely electric cars on the market – and the ID.3 is the very first model of a new generation of electric cars that makes a real statement: With the new ID.3, Volkswagen is not only taking responsibility for global climate protection, but also setting the course for the future of the company.

Preparations for the start of production of the ID.3 are underway

All teams at the participating locations – Saxony, Wolfsburg, Braunschweig, Kassel and Salzgitter – are pulling together to ensure a safe and successful launch at the end of the year. The employees in the Volkswagen Passenger Cars brand's

vehicle manufacturing plants and the staff of Volkswagen Group Components are all working hard to see it successfully completed. The first pre-series vehicles have already rolled off the assembly line at the Zwickau vehicle plant.

ID.3 winning over thousands of customers

The first ID.3s will be delivered to customers in mid-2020. 28,000 people have already secured a production slot. The vehicle features an appealing design, an augmented-reality heads-up display, LED matrix headlights and a panorama glass roof. With the ID.3, the first vehicle based on the (MEB) is also coming onto the market. Its focus is the battery. It will be available with 45, 58, or 77 kWh and will enable ranges from 330 to 550 kilometers, according to WLTP. The IAA 2019 is also the stage for important premieres for other Group brands. Volkswagen Passenger Cars is joined by Porsche, SEAT, Skoda, Audi and Lamborghini in presenting the latest product highlights. The topic of "e-mobility" plays an important role in many trade fair appearances.



1948



1960



1967



1978



1996



2000



2012



2019

The logo: An intermediate logo was already presented in 2019, which can be seen on the jerseys of the German national soccer team. The new logo will be unveiled at the IAA.



2019

The History of the Volkswagen Logo

A V and W in a circle: The inventor of the world-famous symbol was an engine designer at Porsche KG

It's not just the ID.3 being celebrated at the IAA in Frankfurt; a new brand logo is also being presented. No rarity in the history of Volkswagen: The logo has been repeatedly adapted to the spirit of the times over the past decades. Franz Xaver Reimspieß is considered its inventor. The engine designer was employed by Porsche KG in the 1930s and played a crucial role in the design of the engine for



Volkswagen. The artistically gifted engineer drew at every opportunity; for example, he even drew conversation partners on a piece of paper. In 1937, he drew, unprompted, the letters V and W in a circle. Ferdinand Porsche is said to have been delighted. Over the years, the logo has changed over and over again: among other things, the proportions of the letters have changed. On October 1st, 1948, the V on top of the W in a circle was registered as a trademark. In the 1950s, the logo was mostly printed in black and white, until the late 1960s when the color blue was increasingly used. There were variants of the black or blue VW-in-a-circle symbol on a white background, or of the white symbol on a black or blue background. There's also a version with a square edge around the logo.

In the 1980s, the color blue had finally established itself. In 1996, the logo was given a darker blue than before and a gradient from left to right. In the year 2000, a new three-dimensional impression provided for a contemporary design. With the new brand appearance,



1955: Logo on Gate 17 in Wolfsburg.



1967: Volkswagen logo on the engine cover of a Beetle.



1997: A special crane lifts the logo onto the brand tower.



New Logo: How Distribution in 171 Markets Works

Wolfsburg team organizes the rollout – replacing 70,000 logos in dealerships alone

When the new Volkswagen logo is unveiled on September 9th on the brand tower in Wolfsburg, the work for Alexander Skibbe will be far from over. Together with his three-person marketing team, he is responsible for the worldwide rollout of the new brand design. In other words: Skibbe and his colleagues Sarah Schmidt, Tammo Westra and Jort Mentink must ensure that the new logo is seen in 171 markets all over the world – in Germany and China, South Africa and the US, France, Albania and Andorra. "It's one of the most exciting jobs I've ever had," says Skibbe, who in the past weeks has to think truly globally from his office in

Wolfsburg. The numbers that he and his teammates list sound impressive: Worldwide, 70,000 logos alone have to be changed at dealerships. Nobody has counted how many logos there are in total; the range extends from the Wolfsburg power station to printing

workshops. This isn't just about the Volkswagen logo, but a completely new brand design with a new visual language, car dealership designs and TV campaigns. 1,200 colleagues from all divisions – Marketing, Communication and Aftersales – have already been brought on board in this way.

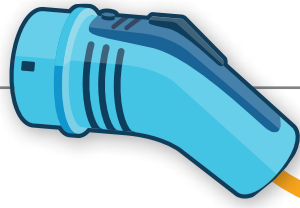


Responsible for the global distribution of the new logo (from left to right): Tammo Westra, Alexander Skibbe, Jort Mentink and Sarah Schmidt.

But the Group is large, so the rollout won't be a matter of a few weeks. When will everything be completely changed over? "In 2021," says Skibbe. And there's a good reason. "We want to generate the greatest effect possible in each market." Therefore, the starting signal will be given in Germany, together with the world premiere of the ID.3

at the IAA. In India, for example, the changeover won't start until next spring, just in time for the Delhi Motor Show. But even the Wolfsburg plant will gradually be converted. It will start with the brand tower, the East Gate and Sandkamp, and then the rest will follow. Even the models aren't going to be equipped with the new logo right away. The ID.3 and Golf VIII will be the start of that. For a longer transition period, both the old and new logo will be visible. For cost reasons, this is certainly desirable. "If, for example, you have business cards with an old logo, you should use them up first," says Skibbe. The team is convinced that the new brand design will be well-received. "We've already shown it to 1,200 coworkers," says Skibbe. Only one of them didn't like it. "We can live with that rate."

¹ID.3: This vehicle is not yet sold in Europe.
²ID.: Concept car.



"The ID.3¹ Is the Beginning of the Third Great Chapter of Our Brand"

Interview with Jürgen Stackmann: The Sales and Marketing Director on the launch of e-mobility and the new brand identity



These are exciting days for the Volkswagen brand. The ID.3 is set to celebrate its world premiere at the IAA in Frankfurt. Volkswagen is also getting a new brand image with a new logo. Jürgen Stackmann, Head of Marketing and Sales, talks about the optimistic spirit in an interview.

Mr. Stackmann, Volkswagen is reinventing itself to a certain extent with the ID.3 and the new brand identity. What is the mood like around you, so soon before the beginning of the IAA?

Fantastic! We're entering a new era; the future of Volkswagen is going to be electric. So I'm full of anticipation. What we're seeing at the IAA is the result of three and a half years of hard team effort. During this period, Volkswagen has shown agility that can certainly be described as a cultural change.

Let's start with the ID.3: Why is this car so important for Volkswagen?

It's important because we've committed ourselves to the goal of the Paris Climate Agreement, which is to create a nearly climate-neutral society by 2050. We've pledged to make the greatest contribution we

can to doing so, which is why we're realigning our resources. The ID.3 is the first model in our fully electric ID. family, and marks the start of the implementation of our e-mobility campaign.

Customers have been able to register for the new ID.3 since as far back as May. How is that going?

28,000 people have already secured a production slot, even though we haven't even presented the car yet. That shows that many customers are ready to get involved in e-mobility. It's an outstanding beginning! We're counting on being able to produce more than ten million e-cars in the next ten years.

In contrast to the many pre-bookers, you're already quite familiar with the ID.3. What can customers look forward to?

The vehicle will bring a completely new experience with its drive technology. The ID.3 also offers new networking, a new sense of space

and a completely new design. It's about local, emission-free driving, intuitive operation and personalized networking – and at an attractive price. I'm excited about the car and I'm convinced that our pre-bookers can look forward to exactly that. They can also follow the car's development and get exclusive news via our hub, so they're involved every step of the way.

Why did you name the car ID.3?

All the members of our ID. family are going to have the ID. name. The letters stand for intelligent design, identity and visionary technologies. The number 3 stands for the Compact class in the internal project nomenclature for all Group vehicles. It shows that we're starting from the middle, just as we've always done successfully. And on top of that, the ID.3 is the beginning of the third great chapter of strategic significance in the history of our brand.

Are you referring to the Beetle and the Golf?

Exactly. The Beetle stands for individual mobility for the everyman; back then, it created a new feeling of freedom. We brought technologies into

the mainstream with the Golf. Before that, you could only find ESP and ABS in top-of-the-range cars. Now, with the ID.3, we want to turn a new chapter. Volkswagen is democratizing electric mobility by making it fit for daily use and affordable.

It's not just the ID.3 being celebrated at the IAA; a new Volkswagen logo is also being presented. Why is that?

Courageous and far-reaching decisions were implemented for the reorientation of Volkswagen. We also want to make this visible to the outside world. The redesign of the logo and the entire visual appearance will show the courage of the Volkswagen team. There are also practical reasons for the redesign. Today, we spend almost 50 percent of our global marketing budget on digital media.

The current 3D logo with its fine nuances doesn't work that well in the digital environment. The new 2D visuals guarantee that the logo is ideally showcased, no matter the medium – from billboards to a smartphone.

Together with the logo, there will be a completely new brand image.

The IAA is the debut for the New Volkswagen. We're becoming more human, more open, more inspiring – and keeping our sense of humor in the process. The new visual language focuses more on people and their surroundings. In contrast to the past, advertising no longer has to depict the entire vehicle and illuminate it perfectly. It's about depicting real situations in which our customers find themselves. In addition, light is becoming the central element, meant to generate warmth and humanity. The new brand design also applies to all our vehicles, e-cars as well as combustion engines.



The ID.3 and the New Brand Design

The ID.3 is set to celebrate its world premiere at the IAA in Frankfurt. It will be the first model of the fully electric ID. family, produced in Zwickau. The market launch is scheduled for next year. The new brand design will also be presented at the IAA. Volkswagen is giving itself a completely new look and feel. The focus will be the redesign of the brand logo (see also page 8–9).

3 Questions



Pre-booker Merlin Plagge, ID. Family Distribution, on the anticipation for the ID.3.

"The ID.3 Looks Really Good!"

1 Mr. Plagge, why do you want the new ID.3?

There's a long history between me and e-mobility. I was responsible for the e-Golf² and e-up!³ in European Sales. Then I

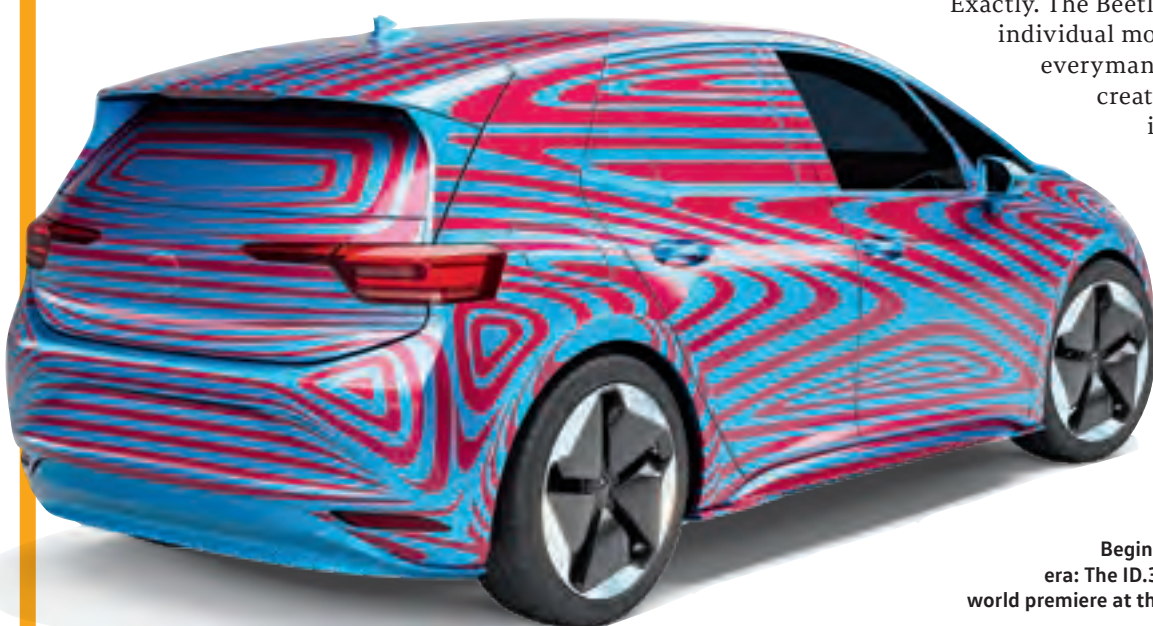
worked on the MEB, the modular electrification toolkit, for nearly four years, first in China and now in the G4 series in Wolfsburg. In general, I'm convinced by the company's electric strategy. And the ID.3 looks really good, I think!

2 You paid a 1,000-euro deposit for a car that you won't be getting for months.

It's a lot of money, I know. But I trust that we're going to be putting a good vehicle on the road. And, as a salesman, I thought to myself: 'If I'm constantly preaching e-mobility, I have to be one of the first people to drive an electric car.' The waiting period doesn't bother me. Anticipation is a beautiful thing.

3 As an employee of the series, you've already gotten to know the ID.3 quite well. What about the car has won you over?

True. We had the great opportunity to test drive the vehicle recently on the small TD test site, accompanied by experts. The acceleration really is terrific. But what's even more interesting for me are the new cockpit and interior concepts: simple, intuitive, just contemporary.



Beginning of a new era: The ID.3 will celebrate its world premiere at the IAA in Frankfurt.

Diesel Crisis and Consequences

Employees in discussion with chair Hiltrud Werner

The Autostadt ship on the Mittelland Canal was the unusual location, the diesel crisis and its consequences the topic. Three employees sat down to talk with Hiltrud D. Werner, Head of Integrity and Legal Affairs. Internal Communications hosted and moderated the event.

Harmut Erben:

"I don't put pressure on my employees. If a mistake happens, they should be able to honestly say what happened without fear. That's very important to me. Anything else would be fatal. Here's an example: if someone in our warehouse breaks a shelf support with a forklift, the structural integrity may be endangered. If they then park the forklift in the corner and don't dare to say anything, what's been gained? You can learn from your mistakes. As managers, we have to communicate this."



Discussing the consequences of the crisis: moderator Jesko Giessen (from left to right), Audi employee Adil Koc, Charlotte Gerhardt of Volkswagen, her colleague Hartmut Erben, and Chair Hiltrud Werner.

management and other sectors. There's still a lot of melon green being reported, that is, green on

ees to openly ask critical questions. If necessary, you can also get advice from the Compliance department."

Audit, and other risk-reducing functions again."

enter into joint ventures due to hazy information about the potential partner. Or when we voluntarily pay a CO₂ offset for our unavoidable business flights with the air service. We have a whole range of issues that we have vetoed from a compliance perspective, even though they would have been commercially profitable."

First talk topic

Mistake culture in everyday working life

Charlotte Gehardt:

"I see it differently. I still see it as the case that it's predominantly those who always say 'yes', who don't stand out, who always nod and agree, and take part in whatever the boss wants that get promoted."

Hiltrud Werner:

"It's such a shame that you've had those kinds of experiences, but unfortunately this will sometimes still be the case in times of change and transformation. We're experiencing the positive, the new and, unfortunately, the old corporate culture at the same time. It's important to see positive experiences and new things, and to talk about them. The new needs to become a multiplier. And isn't it a part of our Group principles to try to influence your boss from below?"

Charlotte Gehardt:

"I experience it very differently. In our division, you can speak relatively openly. But I'm also familiar with things from project

the outside and red on the inside. A lot of people still find it hard to say that they're 'yellow', so we have a problem there. And the further up it goes, the harder it gets."

Hiltrud Werner:

"There's a saying that you can tell a particularly good corporate culture by the fact that bad news travels fast. That is, bad news quickly gets to someone who has the means to deal with the problem. We need to anchor that deeply in our company. I also often hear that people don't say anything in their division because they're afraid. But sometimes that's also a personal justification for never leaving your own comfort zone. We need to motivate employ-

Adil Koc:

"But it's precisely this fear and insecurity that paralyzes people in times of upheaval. In my work I hear, 'Yes, that's difficult, we'll have to see how it develops.' Where is the courage to make decisions?"

Hiltrud Werner:

"We're realizing that we need to train up a lot of management skills right now. We need to strengthen that level. The goal is for the entire management team to assume responsibility and feel confident again when making decisions. That's why we've more than doubled our Compliance team. It's why the Group Internal Audit has developed new jobs. In the transition phase, during which there are still many fears, we now have more security for our company. But I hope that later, when we have more responsibility at grassroots level and among managers again, we'll be able to reduce jobs in Compliance,

Second talk topic

Performance versus compliance

Harmut Erben:

"Ms. Werner, how do you ensure that compliance is really our guiding value?"

Hiltrud Werner:

"Everyone at Volkswagen should now know what non-compliance costs and that there is no alternative to compliance. I can say that during my tenure of office, there were a whole series of decisions in which we placed compliance above returns, and said, 'Sometimes compliance just hurts and sometimes compliance is pain', as they say so beautifully. For example, when we have terminated important contracts. Or when we didn't

Background: Hiltrud Werner made the call to 360° media employees: "Ask me your questions about the diesel crisis." She has already answered several questions in the magazine and on the Volkswagen Net.



Four videos on the talk with Hiltrud Werner on the ship are available on the Volkswagen Net. The focus is on legal processing, mistake culture, and the courage to make decisions in times of upheaval.



Hartmut Erben (56), is a foreman in Group After Sales in the Original Parts Center at the Baunatal plant.



Charlotte Gerhardt (25), works in Production Strategy for the Volkswagen brand at the Wolfsburg site.



Adil Koc (40), together with his colleagues in Assembly, builds the Audi 8 at the Audi plant in Neckarsulm.



Hiltrud Werner (53), has been Head of Integrity and Legal Affairs for the Volkswagen Group since 2017.

Travel Expense Accounting Goes digital

Easily scan and upload receipts



Travel expense accounting at Volkswagen is going digital. The new service is expected to be available on Monday, September 9th. Here's how it works: Employ-

ees scan their paper receipts such as fuel receipts, taxi receipts, or bus tickets directly into their accounts or upload their receipts in digital form to the xera travel management system (xera TMS). The travel expense report is then only sent to the accounting center in digital form.

The advantages are obvious: The digital way saves paper, time, and money. And: employees get their travel expenses reimbursed more quickly. It's expected that, starting at the end of the year, the receipts can even be digitally captured via a mobile phone camera with a new app during business trips. The trav-

el expenses are settled as usual in the xera TMS. Travel bookings via the xera TMS won't change either.

Important: according to the requirements by tax authorities, all

domestic receipts that do not have an invoice recipient must have the first and last name written in by hand. This means that employees should write their first and last

names on the bus ticket and only then scan the receipt. In addition, employees must retain their receipts until they are notified by email.

xera TMS – How to Access the New System

The xera TMS is accessed via self-service: <https://selfservice.wob.vw.vwg>. Employees can find valuable tips and assistance, such as short instructions and training videos, via the quick access link "Business Travel" on the Volkswagen Net.

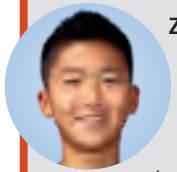
In accordance with the strategic motto "Moving forward", the Group Travel Management department is gradually digitizing all processes, from applications to invoicing. Have questions, or need help? Telephone +49 (0)5361 9-44010



Dr. Stephan Wölkenstein, CEO of Volkswagen Group China: "Through the concept of 'Football is More Than a Match', we instill of spirit of team work and self-discipline within young football players, core values that our company and brands share. We believe that football not only makes the body stronger, but also strengthens the mind by teaching young football players important values and ideas that will help them grow as a person."



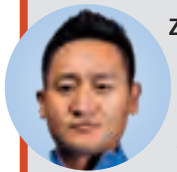
Mr. Jochen Sengpiehl, Chief Marketing Officer of VW: "If you can name one sport which brings people together and which is known everywhere in the world, you always end up with the same: Football. The '2019 Volkswagen Junior Football Train-the-Trainer Program and Junior Football Summer Camp in Germany' is a great example and role model how to live this spirit."



Zhu Jiahao: "The weather in Wolfsburg is very cool and I enjoy the training and competition here very much. I am a goalkeeper in the team and the German coach worked carefully to provide me with goalkeeper training. They are very rigorous about the technical details such as how to catch and save goals. I have learned a lot through the three friendly matches with different age groups from VfL Wolfsburg players. They are very confident and calm. I hope to play in the Bundesliga in the future. Maybe I can meet these German players there again."



Guo Hui: "Learning about theory and practice methods made me deeply experience the different football culture, advanced training philosophy and diversified training methods for junior players in Germany. What impressed me the most were the professional ethics, pursuit on details and open attitude of German coaches. When communicated with German coaches, they encouraged us to ask more difficult and challenging questions and I benefit a lot from this kind of two-way discussion."



Zhao Tiezheng: "China is not short of talented children, but professional junior football coaches with an understanding of modern football. Therefore, it is necessary for our coaches to improve professional ability, change the traditional football teaching mode, and recognize and understanding the concept of modern football. It would be better if we could watch the actual training sessions of German coaches for young German players of different ages, which may make us understand the German youth training system and training methods directly."

More Than a Match

Outstanding football coaches and youth players from China visiting Volkswagen Summer Camp in Wolfsburg

This is an unusual football training in the Volkswagen Arena in Wolfsburg, Germany – in mid-August, a selection of 14 outstanding youth football coaches and 16 U12 football players from China came to Germany to participate in the „2019 Volkswagen Junior Football Train-the-Trainer Program and Junior Football Summer Camp in Germany“. The tour, which lasts from August 16 to August 27, is a CSR program by Volkswagen Group China (VGC) in collaboration with the Chinese Football Association and the China Sports Foundation.

"Train-the-Trainer" Program: Teach One to Fish

Developing and vitalizing football is a high-profile topic in China. Shortage of professional youth football coaches and low amount of young football population are the key obstacles for the country. Together with its two partners, VGC launched the "Junior Football Train-the-Trainer Program" in 2015. At the very beginning, the project invited experts from the German Football Association and VfL Wolfsburg to provide training courses for local coaches in China. With the development of the project, every year, 15 outstanding youth coaches are selected for theoretical and practical training in Germany to explore the youth training systems and talent development programs.

Mr. Rainer Kraft and Mr. Eckhardt Krautzun, who was the former head coach of the China National U20 Football Team, served as Head Coach and consultant in this year's TTT program respectively. Both of them have rich experience in exploration and training of junior football talents, as well as the establishment of youth training system.



Mr. Pierre Littbarski from the VfL Wolfsburg youth football training expert team has been invited as the head coach and scout of the program, to teach the U12 football players from China.

During the theoretical training courses, two German coaches introduced their methods for professional football training for players aged 7-14 years old. In addition, the training also covers topics on world football development trends, talents scouting and training, DFB junior training schemes and implementations, as well as how to become a qualified football coach. Mr. Krautzun delivered a keynote speech on Chinese and German Football based on his observation and experiences. While in practical trainings, Chinese coaches had the chance to experience German training equipment, and also conducted various special training such as passing and receiving practice, engaging warm-ups, competitive matches with different teams. The training program not only provided the Chinese coaches

with comprehensive professional knowledge, but also brought new ideas and strategies, which they can integrate into their own junior football training systems.

U12 is a golden age for playing football

2019 Volkswagen Junior Football Summer Camp in Germany was held in the same time period, with participation of 16 U12 junior players selected nationwide in China. U12 is a golden age for playing football and there is a lack of training and support for juniors of this age group in China.

Depending on the junior players' capabilities, the German coach team, headed by Mr. Pierre Littbarski, brand representative of VfL Wolfsburg, developed targeted

teaching content, including advanced warm-up methods, short pass, technical and tactical drills, and in particular, attacking and shooting.

In addition, the youth players and coaches also experienced the authentic German football culture by watching the VfL home match, visiting the Volkswagen Arena and Football World. The youth players were also deeply impressed by 3 friendly matches with the German U12, U11 players, gaining amount of practical experiences, friendship and joy.

The best venue and facilities were provided to ensure that these junior players can learn as much as possible from the training and competition. Junior football players also enjoyed German cultural experiences during their spare time to balance training and free time.



A dedicated translator was arranged for the program to ensure smooth communication between German coaches and junior football players from China.

Volkswagen Group Promotes Development of Football

Background information of CSR football program in China

The Volkswagen Group has made significant efforts to promote the development of football worldwide. In China, the Group focuses on the development of junior football. Currently, junior football training is regarded as an effective way to improve the development of Chinese football, and the exploration of a new junior football training system suitable for China's national conditions can decide the future development direction of Chinese football. The priority for junior football training is to increase the number of football population, competition and

improve the capabilities of coaches. Since 2015, through Volkswagen Group China ZHIXING CSR Fund, Volkswagen Group China has been mobilizing internal and external resources to cooperate with the China Sports Foundation, working closely with the Chinese Football Association and launching multiple public welfare programs to boost Chinese junior football.

As of today, a total of 5,000 junior football players and 365 coaches have directly benefited from these programs, and another 48,000 junior football players indirectly.

Football Has Been an Important Bridge for Cultural Exchange

Cooperation between Germany and China

Since 1972, China and Germany have had diplomatic relations for over 40 years. Football has been an important bridge in the exchange of visits between Chinese and German national leaders in recent years. On November 25, 2016, China and Germany reached a five-year football strategic cooperation agreement made and concluded by the German Football Association, German Football League, Chinese Ministry of Education and the Chinese Football Association. Besides this, the representatives of China and Germany signed strategic cooperation documents on football in Berlin including the Strategic Cooperation Agreement for Sino-German Junior Football Development signed by the Chinese Ministry of Education and German Football Association. This means that the two countries

will comprehensively strengthen exchanges and cooperation in the field of junior football.

Volkswagen's history with Chinese football dates back to as early as 1992.

At that time, China Men's Football Team attempt to hire an international coach for the first time to lead the National Team. With the support of Volkswagen, the Chinese Football Association (CFA) finally selected Mr. Klaus Schlappner, the German football coach that later served as the Head Coach of China Men's Football

Team and officially took office in June 1992. Volkswagen, as well as the joint ventures FAW-Volkswagen and SAIC VOLKSWAGEN, invited internationally renowned teams such as Bayern Munich, Inter Milan and VfL Wolfsburg to participate in friendly matches in China, contributing to football culture exchange between China and Germany.



Klaus Schlappner



Mr. Pierre Littbarski gave Chinese players tactical guidance during the half time interval of the friendly match. Youth football coaches from China were observing.



Three friendly matches with the German U12 and U11 players were arranged, which provided a strong understanding of how the youth football players from Germany perform.



In the training session, U12 football players from China were divided into two groups to make competition at the Volkswagen Arena.



The junior players were fully engaged although the friendly match was played in heavy rain.



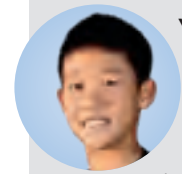
The youth players from China also experienced the auto culture of Germany by visiting the Auto Museum in the Autostadt.



It was a tight, fierce, high-profile friendly match between the China U12 team and German U11 team. The two teams fought extremely hard in the competition.



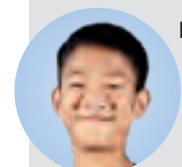
For most children, this is their first time to Germany. In addition to training session, the young players also visited the Autostadt and took a picture with the Volkswagen ID.3 Prototype.



Yang Mingrui: "The whole program is well arranged, which not only provided us time to make professional training, but also the opportunity to learn about the culture of German football, such as visiting football museum and watching Bundesliga match. It was very excited to watch the Bundesliga on the spot. It makes me firmly believe in my football dream, which is to be a football star like Toni Kroos in the future."



Xiao Bojie: "I benefit a lot from the communication with German coaches, especially their training theory for junior players. The German coach's idea is to enable children to proactively expertise how to play by themselves, rather than teaching them step by step through a standard course. It allows children to gradually understand tactics while enjoying the joy of football. When I return to China, I will apply what I have learned to my training course."



Luo Sang: "Playing football makes me very happy, both in China and in Germany. I enjoyed the friendly match against the German junior players very much. During the training session, the German coach always broke down technical skills and made explanation in detail, which is easy for me to understand and master the main points. Cristiano Ronaldo is my favorite player. In the future, I hope to play for Chinese national football team and win glory for my country."



Mr. Eckhard Krautzun, training consultant of TTT program: "The key to further promoting the development of Chinese football is to learn football strategies and methods from other countries, integrate and adapt them to the real requirements and situation in China. I believe that Germany's experiences in football training can be well applied to China and based on all these learnings, China must find its own football style and create its own philosophy."



Mr. Pierre Littbarski, Head coach of football training camp: "Around the age of 11 and 12, youth football players learn techniques and develop a football mentality that will shape their future. That is why it is important to spot talent at a very early age and start developing it through high-quality training as soon as possible. Thus, it is crucial that youth coaches are constantly on the lookout for talent, finding exceptional kids and supporting their growth."



New Location in the USA

Porsche Digital now also in Atlanta



Porsche Digital has opened its second US location in Atlanta, Georgia – thus expanding its business portfolio for North America. The team of business experts, designers and software developers develop and optimize new digital business models. In addition to the “My Porsche” customer portal, the team is working on a central e-commerce platform and digital services.



Stefan Zerweck

a total of six locations worldwide. “North America is home to highly dedicated Porsche enthusiasts and a hotspot for technology talent – especially Atlanta,” explains Stefan Zerweck, Chief Operating Officer of Porsche Digital GmbH. “So it makes a lot of sense from a strategic point of view to expand our team in this region and intensify our local activities.”

Porsche Digital GmbH was founded in spring 2016. In the meantime, the company has grown to around 120 employees at six locations. In addition to its headquarters in Ludwigsburg and the new office in Atlanta, Porsche Digital has locations in Berlin, Silicon Valley, Tel Aviv and Shanghai.

In Atlanta, Porsche Digital Inc. uses the facilities at the headquarters of Porsche Cars North America. The second US office is in San Jose, in Silicon Valley. Over the course of the next year, the number of Porsche Digital employees in the US is set to climb to 45. The wholly owned Porsche subsidiary now operates



100 Years: Anniversary Concept Car

Fully electric EXP 100 GT presented – with a range of up to 700 kilometers

Congratulations: The British luxury brand Bentley Motors is now 100 years old. The traditional car manufacturer from Crewe not only looks back proudly on its past: with the EXP 100 GT, the company unveiled a fully electric concept vehicle that demonstrates Bentley’s idea of luxurious mobility in 2035. The vehicle, which weighs only 1900 kilograms and is 5.8 meters long, is based on a fully electric platform and can drive autonomously. The battery is rechargeable to 80% in around 15 minutes, which could allow the sporty British concept car to drive up to 700 kilometers.



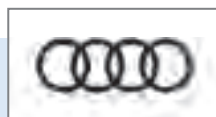
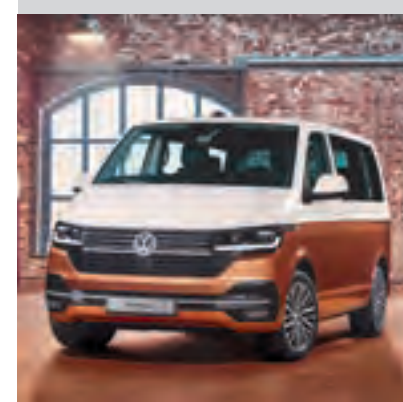
Adrian Hallmark, Bentley Chairman and Chief Executive, said, “On our 100th anniversary, we are demonstrating our vision for the future of the Bentley brand with the EXP 100 GT – a modern, ultimate grand tourer, designed to prove that the future of luxury mobility is as inspiring and challenging as the past 100 years.”



The New T6.1 – State-of-the-Art Icon

Cult model completely digitized

It’s the original in its class: the Volkswagen van. Around twelve million sold all over the world. The DNA of an icon for six generations. Now, Volkswagen Commercial Vehicles has brought the cult model into the era of digitalization: the T6.1. A state-of-the-art icon. The “Bulli” 6.1 is going online, providing complete digital information on request, offering modern driver assistance systems, receiving an upgrade to the equipment and an update to the design. Advance sales in the first countries have just begun; the market launch will follow in autumn. 70 years separate the press launch of the T1 and the T6.1 – no other commercial vehicle on earth has been on the market for such a long time. Now the first digitalized van is picking up speed.



Supply Chain Now More Sustainable

Aluminum for production is certified by e-tron

The supply chain for the Audi e-tron¹ is getting more sustainable: Starting immediately, the aluminum manufacturer Hydro will be delivering sustainable aluminum for the battery housing of the company’s first fully electric model. The material is processed

and produced in an environmentally friendly manner and under socially acceptable working conditions throughout the entire process chain. This is confirmed by the Aluminum Stewardship Initiative (ASI) with a corresponding “Chain of Custody” certificate.



Luca de Meo (Seat, right) and Barca president Josep Maria Bartomeu

Partners: Cupra and FC Barcelona

Area in the stadium

Spectacular new business for Cupra: Seat’s performance brand is the exclusive mobility and automotive partner of FC Barcelona for the next five seasons. Among other things, Cupra will have its own area in the stadium where soccer fans from all over the world can experience the brand, which is also based in the Catalan metropolis.



Work Visit to Alsace: Herbert Diess at Bugatti

Brand celebrates 110th anniversary

Current topics and plans for the future were the focus of discussions at the meeting of Group CEO Herbert Diess and Bugatti president Stephan Winkelmann.

The Bugatti brand, based in Molsheim, Alsace, was founded in 1909 – and this year, is celebrating its 110th anniversary with a special model. The Geneva International Motor Show is where the Chiron Sport “110 ans Bugatti”², which is limited to a run

of just 20 vehicles, was presented. The car is capable of top speeds of 420 kilometers per hour. Bugatti has been part of the Volkswagen Group since 1998 and has roughly 300 employees.

Bugatti has been producing the hyper sports car, the Chiron², of which only 500 will be made, for two years. Each vehicle takes ten months to manufacture, with the final assembly of the model taking about eight weeks.



Skoda Brings New SUV to Market

Kamiq planned for European market

Skoda is supplementing its successful SUV range on the European market with a third model, and with the Skoda KAMIQ³, will for the first time occupy the rapidly growing city SUV segment. The KAMIQ combines the typical advantages of this vehicle class, such as more ground clearance and an elevated seat

position, with the agility of a compact and brand-typical, emotional design. With state-of-the-art assistance and infotainment systems, lavish space, and numerous Simply Clever ideas, the new KAMIQ and true Skoda fulfills the requirements of families and lifestyle-oriented customers in equal measure.

¹ AUDI e-tron: energy consumption combined in kWh/100 km*: 26.4–22.9 (WLTP); 24.6–23.7 (NEDC); CO2 emissions combined in g/km: 0. – Information on fuel/electricity consumption and CO2 emissions at ranges depending on the selected equipment of the vehicle.

² Bugatti Chiron Sport 110 ans and Chiron: fuel consumption, l/100km: urban 35.2 / extra-urban 15.2 / combined 22.5; CO2 emissions combined in g/km: 516; efficiency class: G.

³ Skoda KAMIQ: fuel consumption, l/100km: urban 6.5–4.8 / extra-urban 4.5–3.9 / combined 5.1–4.2; CO2 emissions combined in g/km: 116–111; efficiency class: B–A.

VOLKSWAGEN PASSENGER CARS



World Premiere of the T-Roc Convertible¹

Made in Osnabrück: What the workforce has to say about the new open-top Volkswagen

The new T-Roc convertible is celebrating its world premiere. The open-top variant of the SUV, which has been available for order since September 2017, will be officially presented at the International Motor Show (IAA) in Frankfurt from September 12 to 22. Its market launch will take place in the spring of 2020.

The roof: The T-Roc convertible has a canvas roof that opens – fully automatically – in nine seconds. The roof can even open and close while moving at speeds of up to 30 km/h; the soft top locks and unlocks electromechanically.

Safety: passengers on board the T-Roc convertible are protected by the extendable rollover protection behind the rear seats. The system extends outwards from behind the

rear headrests in a fraction of a second if the vehicle exceeds a certain degree of lateral acceleration or tilt. In addition, the T-Roc convertible is designed with a reinforced wind-screen frame.

Always on: thanks to the optional next-generation infotainment systems (MIB3), customers can choose to keep their convertible constantly connected.

Configuration: customers can choose between two different equipment series – Style and R-Line. Style represents design and individuality. The R-Line, on the other hand, is sportier.

Drive: for vehicles equipped with front-wheel drive, there are two efficient gas turbo engines to choose from.

Volkswagen Osnabrück continues its long convertible tradition with the new T-Roc convertible. The vehicle will be fully manufactured at the plant in western Lower Saxony. Here's what employees at the site had to say about the new product:



STEFANIE KRUSE, TEAM SPOKESPERSON, JOINT SEALING: "Finally, there's another Volkswagen convertible from Osnabrück. I'm fully confident that the vehicle will be a great success and customers will have a lot of fun with it."



PIET NUBHER, DESIGNER, PAINT SHOP: "The T-Roc convertible was the first project I worked on as a designer – and I had a fantastic time. After completing the design phase, we can now showcase our skills in serial production, too."

CARLOS ALBERTO CRUZ RODRIGUES, ZONE MANAGER, FRONT END: "I'm already familiar with the T-Roc from my hometown, Palmela. Working with my colleagues in Osnabrück to get the open-top version of this amazing vehicle ready for launch is enormous fun, despite the challenges involved."



HEINZ PETERS, PRE-SERIES AND SERIES COORDINATION: "The T-Roc convertible is a project that is really close to my heart because it will carry on our tradition of successful open-top vehicles from Osnabrück."



REINHOLD STEENBLOCK, TEAM LEADER, ASSEMBLY LINE 1: "It's finally here! I followed the T-Roc convertible all the way from concept vehicle to series production. I've had an amazing time and I'm proud of our new product."



SERDAR OZTURK, PLANT OPERATOR, BODY SHOP: "I feel proud to have worked on this beautiful convertible. We finally have a car that is fully produced in Osnabrück again."



DETLEF SCHULZE, HEAD OF LAUNCH MANAGEMENT: "I am proud to have worked with the team at our plant to put another convertible from Osnabrück on the road."



WLTP: Implementation Almost Complete

Measures implemented yielded considerable improvements compared to the previous year

Good news on the WLTP-readiness of the Volkswagen model range: with few exceptions, all engine-transmission variants were converted to the new emissions standard, wordily named Euro 6d-TEMP-EVAP-ISC, in time for the deadline on September 1.

From that date, all newly approved vehicles in Europe must fulfill the next stage of WLTP, known as the second act. Over the past few weeks, all models have been updated to the new model

year for 2020 in the configurator.

Only on very few engine-transmission variants will availability be temporarily affected; these will follow in the coming weeks.

Multiple measures have been taken to ensure a smoother transition than the previous year. Capacity was increased by around 30 percent by installing additional test rigs to reduce bottlenecks. The teams involved, especially those in Technical



Sophisticated measuring technology: this is used to measure exhaust levels on the road during WLTP testing.

Development, benefited from reinforcements with additional staffing. The entire WLTP certification process is supported by new IT systems that considerably improve efficiency and speed. Variants for which there is low customer demand have been discontinued and no longer need to be certified.

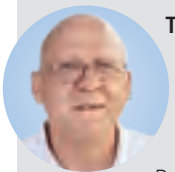


Need a Refresher on the WLTP?

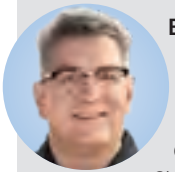
Legislators are implementing standardized test procedures for the type approval of new vehicles. The testing measures vehicles' exhaust gas and CO2 emissions as well as fuel consumption. In electric vehicles, electricity consumption is measured. In the European Union, this procedure was previously based on the New European Driving Cycle (NEDC), which was in place until 2017. This was replaced by the WLTP cycle last year in the hopes of generating more realistic data.

¹ Near-production-ready concept car.

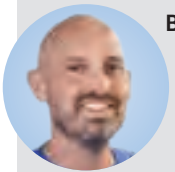
New Company Management in Chattanooga



Tom du Plessis will take over the position of CEO from Frank Fischer. Du Plessis previously served as Production Manager at SAIC Volkswagen in Shanghai, where he was responsible for 43 market launches and nine plants. He joined the Volkswagen Group in 2008, when he assumed the role of Production Manager at the South African plant in Uitenhage. Prior to that, Tom du Plessis had already gained many years of experience in the automotive industry.



Burkhard Ulrich will succeed Nicole Kösling in the position of Senior Vice President of Human Resources in Chattanooga. Previously, he was Managing Director of Human Resources and Organization at Volkswagen Osnabrück GmbH. Ulrich has worked for the Volkswagen Group for 27 years.



Brent Hinson, formerly Senior Director of Finance for the North American region and responsible for regional controlling and financial planning, became Head of the Finance and IT division at Volkswagen Chattanooga in July. Brent Hinson has worked at Volkswagen Chattanooga since 2009.

Carsten Stapel to Become Head of Controlling



Carsten Stapel (45), previously Head of Product Controlling at the Volkswagen brand, will become Head of Controlling at the Volkswagen brand, starting on October 1, 2019. Stapel, who holds a degree in economics, has held various managerial roles in the Group for more than 20 years, including managing the Finance division at Volkswagen South Africa from 2012 to 2016. Carsten Stapel will succeed Christian Schenk (46), who will take over responsibility for Finance, IT and Law on the MAN board on October 1, 2019.



Kirsten Zimmermann (52), previously Head of Controlling for Divisions and Procurement at the Volkswagen brand, will take on a new role starting on September 1, when she will take over as Head of Controlling at the Wolfsburg plant. Kirsten Zimmermann holds a degree in business administration and has been working at Volkswagen for 20 years, having held various positions in Controlling since 2012.



Kick-off event: 140 managers from the HR division of the Volkswagen brand met on the Mobile Life Campus in Wolfsburg.

Blueprint for Human Resources

Reorganization: Chief Human Resources Officer Gunnar Kilian informed 140 managers about the future HR organization

The Human Resources division of the Volkswagen brand is being reorganized. At a kick-off event on the Mobile Life Campus in Wolfsburg, Chief Human Resources Officer Gunnar Kilian launched the transition to the new HR organization.

Standing in front of 140 managers, Kilian said, "Shifting our core business toward electric mobility and other new and innovative digital business segments poses new challenges for our human resources team here at Volkswagen. That's why we have been working on transforming our Human Resources division through the Fokus Personal (Focus on Human Resources) project." Kilian provided information about the current status

and next steps. Specifically, these will include new, tailored functions in Human Resources, new structures and leadership changes. Kilian says, "My congratulations to all our colleagues who are part of the new leadership team."

Kilian: "We have a lot of work ahead of us"

But people are just one part of the equation, says the Chief Human Resources Officer. The primary focus is on refining the operating model for the HR department. For example, there are plans to create a company-wide HR consulting center, which will help satisfy customers of the HR

division more quickly and comprehensively in all individual matters. In addition, there will be new centers of excellence, from which the HR department will supply the specialist divisions with tailored products related to learning and change. Not least, newly created organizational units like the Recruiting Center and HR Strategy & Innovation will provide the impetus for modernization.

Kilian says, "Even though we have achieved so much already, we have a lot of work ahead of us. The Fokus Personal project will now become One HR – a Group-wide blueprint for the strategic and organizational alignment of human resources at Volkswagen."



New structures: Gunnar Kilian briefing his managers.



Ready for action: Colleagues from the Bratislava plant are in Wolfsburg until the end of October.

Keen Support from Bratislava

Employees are helping with the production of the Golf 8

In October, the eighth generation of the Golf will celebrate its world premiere. Colleagues in Production are currently making meticulous preparations for this new member of the Wolfsburg family. A new vehicle model always means training Production employees on new work steps and components. In this case, it's necessary for employees to undergo training during ongoing operation through various training sessions and in learning workshops during the training period. To ensure continuous operation during the training period, colleagues from the Volkswagen plant in Bratislava will be there to support the team in Wolfsburg until the end of October. They will work in Production 1

"After intensive preparations, we are very pleased to receive such strong support from Bratislava and look forward to our time together."

Henning Habicht, Head of Production 1

in the body shop, assembly and car completion, as well as plastic technology.

"After intensive preparations, we are very pleased to receive such strong support from Bratislava and look forward to our time together," says Henning Habicht, Head of Production 1. From assembly work to fitting parts, straight through

to the finish line – our Slovakian colleagues bring plenty of experience to the table. Five coordinators from Bratislava are always on site to help overcome language barriers, translate work instructions and mediate in case of any questions. By the way, "hello" in Slovak is "ahoj" (pronounced like "ahoy"). Ahoj, colleagues from Bratislava!



Pooling knowledge: The entire team is undergoing training in the learning workshop in Hall 54.



One Plant – Five Brands

The Volkswagen Slovakia plant in Bratislava is the only automotive plant in the world to produce vehicles from five brands under one roof. It exclusively manufactures the Volkswagen Touareg, Audi Q7, Audi Q8, Porsche Cayenne, Volkswagen up!, Volkswagen e-up!, Skoda Citigo and the Seat Mii.

Half-Time in the Competition Between Factories

Race4TRANSFORMATION: These three plants are in the lead



In it to win it: the team from the Palmela plant.



Aiming to overtake their opponents: employees from the Bratislava plant.



Will the trophy stay in Kaluga? This team is among the favorites again this year.

Getting better together is the primary goal of this internal competition for Production and Logistics at the Volkswagen brand, called race4TRANSFORMATION.

The competition not only establishes which plant works most efficiently, but also shows just as strikingly how the teams buckle

down and get the job done for their local plant. There is no prize money for the winners. Instead, the competition is a matter of pride – and winning the title of Transformer of the Year.

Three plants are currently in the lead: last year's winner, Kaluga, and Palmela and Bratislava. It's a very close call between the three compet-

itors. Which plant will win the battle for the title this year? To find out, we asked the three plant managers for their opinions.

Stefan Depka, Plant Manager at Kaluga: "The trophy is not just an end in itself; it's a reason to be proud. We're delighted that our hard work has been recognized by the brand. That's

why we are continuing to fight. Our goal is to reach the top. And that's what we'll do!"

Oliver Grünberg, Plant Manager at Bratislava

"Ever since the race4TRANSFORMATION began, the whole team has really knuckled down. Our plan was clear from the start: we want to be

the most efficient plant in the Volkswagen brand and win Transformer of the Year."

Sanches Miguel, Plant Manager at Palmela

"The transformation contest is a healthy competition that promotes growth and competitiveness among the Volkswagen brand plants. We see our colleagues as partners. It's all about sportsmanship, just like in Formula 1."

Specialists in Major Projects

Experts from Brand Planning in Wolfsburg

Whether it's a building shell construction, an extension, or both – whenever Volkswagen has a large building project on the go worldwide, they are involved from the get go. Their expertise and specialist knowledge in structural factory planning are in high demand throughout the brand.

The internal specialists from Brand Planning come in precisely at the moment when broad but



Assisting with planning: the specialists from Wolfsburg.

internal expertise is needed in major projects. The team comprises some 60 experts. This includes structural and industrial engineers, technical draftsmen, architects, supply engineers and electrical engineers. As a team, they offer a one-stop shop for complete project development, management and consultancy services.

The projects are carried out on site with local colleagues. After all, in addition to the general conditions and legal requirements, it is the site-specific requirements and environmental constraints that make every build a one-of-a-kind project that calls for real teamwork.

Only recently, the Zwickau plant celebrated a launch event for its conversion into an electric site, and, with it, the official start of three central building projects for MEB. The team from Wolfsburg provided on-site support.

Bye Bye, Beetle!

Volkswagen Mexico discontinues production of the model



"Gracias, Beetle": The team says an emotional farewell to the model, a cult classic.

In July, the last Volkswagen Beetle rolled off the production line at the Mexican plant in Puebla. "We are very proud of the two generations of the Beetle that were produced here in Puebla. The quality produced here in Mexico saw success in more than 90 markets worldwide," says

Steffen Reiche, CEO of Volkswagen de México.

Volkswagen de México started production of the New Beetle coupe in late 1997. The second generation followed in 2011. Volkswagen produced a total of more than 1.7 million Beetles.

Production to Be Restructured



Working together: Henning Jacob and Matthias Rabe.

The new role of Production is particularly evident in the new Product Technology unit. Henning Jacob, Head of Product Technology, and Matthias Rabe, Head of TD Operations, explain what this means for the divisions and how they will work together.

What's changing in the way the divisions work together?

Rabe: "The collaboration between divisions will be strengthened by the newly created TD Operations unit, which will be responsible for the operational management of vehicle projects throughout the entire development process. As powerful project managers for TD Operations and the point of contact for product ranges, the Chief Technology Officers (CTOs) are tasked with developing the optimal product for our customers based on the extremely varied requirements of the business divisions.

Jacob: As well as working more intensively with the CTOs and the specialist divisions of TD, Product Technology will also play a central role in the approval deadlines for the four construction cycles of the product development process. Here, Production's technical product requirements will be visible and secured in the construction data.

The entire interview is available at Volkswagen-net.de.

Copying Expressly Permitted

The best solutions for the plant: second World Development Meeting for Production and Logistics in Wolfsburg

100 production experts from 14 Volkswagen sites worldwide came together at the pilot hall forum to uncover ideas with the highest potential. Representatives from Skoda and Volkswagen Commercial Vehicles, who expressed interest in the system, were also present. The goal of the exercise was to identify, standardize and copy applicable solutions on a large scale and harness the benefits of each plant's size to their advantage.



Head of Production Andreas Tostmann greets meeting attendees.

The World Development program, which started in May 2018, bundles ideas that promise maximum

rollout of available technologies, process solutions and IT solutions. The aim is to increase

efficiency, productivity and standardization at Volkswagen Passenger Car brand plants. This will achieve long-term savings in the nine-figure range by 2022. The entire program is divided into three categories (Technology, Process and Digitalization) and is a permanent part of the TRANSFORM.TOGETHER production strategy.

This is how 200 originally defined source measures have grown into more than 1,700 "copies" across all sites.

Personnel Changes in Production



Jan Spies (49), Head of Production Planning at Volkswagen Commercial Vehicles Hanover, will succeed Uwe Schwartz as Head of Planning and Production Technology at the Volkswagen brand. He holds a doctorate in mechanical engineering and has worked at the Volkswagen Group since 2001. After joining Volkswagen Coaching in Wolfsburg, he held various leadership functions in Production at Volkswagen in Wolfsburg. In 2007, Spies took over structural factory planning. In 2015, he transferred to Volkswagen Commercial Vehicles in Hanover, where he was until recently Head of Production Planning.



Jürgen Unser (54), Technical Vice President and board member for FAW Volkswagen Automotive Co. Ltd. in China since 2013, will become the project manager for the planned multi-brand plant from September 1. He holds a degree in mechanical engineering and has worked at the Volkswagen Group since 2004. Unser started his career at Mercedes-Benz in 1994. After transferring to Volkswagen, he held various positions of responsibility in Production at Volkswagen Commercial Vehicles, Audi, and in production planning/strategy within the Group.



Uwe Schwartz (52), Head of Planning and Production Technology at the Volkswagen brand, will become plant manager of the Emden plant, starting October 1, 2019. He holds a degree in mechanical engineering and has worked at the Volkswagen Group since 1992. From 1998, he held various leadership roles in the Planning business unit for Components, before taking on the role of project manager for the Tiguan at "Auto 5000" in 2005. In 2009, Schwartz took over Planning at Volkswagen Commercial Vehicles in Hanover, and in 2015, Production Planning for the Volkswagen brand. Since 2019, he has also been responsible for toolmaking and plant construction.



T-Roc R² Is Now Available to Order

The latest model of the T-Roc series is now available to order. The T-Roc has a four-cylinder TSI engine with a 2.0-liter capacity and an output of 221 kW/300 bhp. The vehicle is equipped as standard with a 7-speed dual-clutch transmission with 4MOTION all-wheel drive. A sleek, silver band of anodized aluminum spans the length of the radiator grille. The bumpers in the model-specific design are painted in the same color as the car. The 18-inch light alloy "Spielberg" rims are equipped as standard. The car is available to order in Germany from 43,995 euros.



Quality Assurance Secures Internal Young Talent

200 apprentices on the special training program – ten employees move to the department after completion

An affinity for communication, showing initiative, and assertiveness: These qualities are advantageous in many professions. "Here in Quality Assurance, however, they are indispensable," says Lukas Długajczyk, Deputy Head of Quality Assurance (QA) for Purchased Parts.

Those responsible for a component not only need to know exactly how it works, but also need to keep potential sources for faults in mind and react quickly to ensure production keeps running smoothly at all times. To find suitable young talent, the department started a special training program in 2012. Around 200 apprentices have been through the program since then.

Giving prospects to young colleagues early on

Here's how the program works: In the first year of training, the QA Purchased Parts department and Measuring Center scope out which candidates would be suitable. "By the end of the course, these trainees are then put to work in our department for at least six months," explains Długajczyk. After passing

a final exam, the young colleagues with the appropriate skill sets go straight to work in the specialist department. "The program is to our benefit as it saves us long induction periods," adds Carsten Berger, Head of the Measuring Center in QA, which adopted the concept in 2014.

A further advantage for the departments included the fact that posts can be filled early. As many as ten employees have found their way into Quality Assurance this way.

Works Councilor Giuseppe Cutrona has faith in the special program: "Young people are the future of the company. That's why it's so important to offer them prospects

for professional and personal development as early as possible."

A win-win situation for everyone involved

The apprentices start their careers as goods inspectors in Quality Assurance. In four years, they become experts in their components, with experienced colleagues at their side to help and guide them.

"Those who gain additional qualifications, such as a technical qualification, progress to employment," says Długajczyk, describing the prospects for the trainees. Matthias Schalk, Head of Quality

Assurance for the Europe and Rest of the World regions, is impressed by the commitment that the apprentices have brought to the table: "It's impressive that the young colleagues have experience from three vehicles launches to draw on after such a short time."

Dieter Kramer, Head of Quality Assurance at the Wolfsburg plant, sees the concept as a "win-win situation for everyone involved." "Quality Assurance in particular depends on the experience gained from different vehicle projects. The transfer of experience and knowledge in this structured way is a shining example of 'on the job' training."



Special training program (from left): Waldemar Klimov, Giuseppe Cutrona, Lukas Długajczyk, Dieter Kramer, Carsten Berger, Jasmin Okwieka, Matthias Schalk, Mark Rubarth, Andreas Richter, Malte Nicolai, Christian Matzedda, and Marlon Schneller.

Still in Camo: The Eighth-Generation Golf

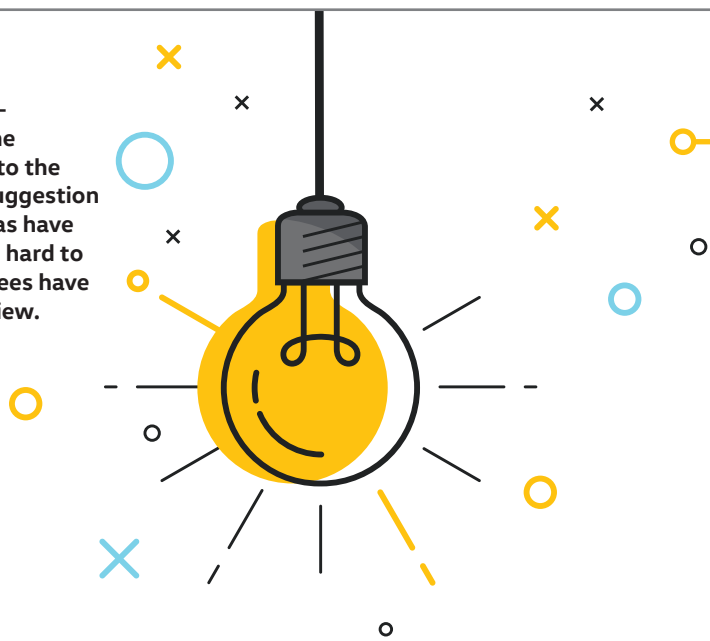
The final testing phase has begun in time for the world premiere this fall

The camouflage reveals that the black and white lines conceal a five-door car of powerful proportions. And it makes no secret of the fact that it is a Golf, since its aesthetic DNA is unmistakable. A closer look reveals the word "Golf" integrated into the camouflage pattern. But there is one thing the camouflage keeps hidden: What the finer details of the new design will look like. The countdown to the debut of the eighth generation has begun: In the fall of 2019, the new Golf will celebrate its world premiere.



70 YEARS IDEAS MANAGEMENT

The Ideas Management department at the Volkswagen brand's German plants is celebrating its 70th birthday: In 1949, when the Volkswagenwerk GmbH was handed over to the German state, it was still known as the "suggestion scheme". Exactly how many employee ideas have been examined and rewarded since then is hard to say. But in the last 20 years alone, employees have submitted around 1.5 million ideas for review.



Did You Know ...?



A Look Back:

- **Since 1970**, there has been a separate department for employee suggestions that is part of the Human Resources division. The first head of department was Herbert Nowak. Today, it's Thorsten Janotta. The Ideas Management department of today is part of the Group HR Policy and Standards division.
- **Previously**, the suggestion scheme was part of Quality Assurance for 21 years. According to company chronicles, employee Ernst Kaluza was responsible for the continuous rise in participation and costs saved.
- Historical Communications learned that the suggestion scheme was already a topic of discussion during a Works Council meeting **in July 1949**: At that time, it was discussed that two permanent members of the Works Council would be sent to the Commission to review improvement suggestions.
- In **1972**, the company increased the maximum reward to 100,000 marks. One year later, the number of ideas submitted reached a new high of 16,700. For comparison: In **1954**, Volkswagen employees submitted 1,863 ideas for improvement, of which 508 were rewarded. The average reward at that time was 233 marks. The benefit to the company was stated as more than one million marks.
- In **1999**, the suggestion scheme was renamed as Ideas Management in a bid to make it sound more modern. The motto back then was: "We haven't run out of ideas yet. We're only just getting started!"
- Further milestones: **As early as 2005**, ideas for improvement could be submitted and processed digitally via "IdeasOnline". In February 2019, Volkswagen modernized the ideas management process with a new works agreement. The maximum reward has increased by almost 50 percent from 51,129 to 75,000 euros. At the same time, a new IT system has simplified the online submission of suggestions. Managers, reviewers, and implementers can now review and process the ideas in a user-friendly system.

"Good ideas for improvements pay off for our company as well as for the people submitting them. This has been the case for many years already thanks to sustained employee participation. Let's keep up the good work! Often, the saying quite rightly goes: Small idea, big effect."



Thorsten Janotta,
Head of Ideas Management



Mario Kurznack,
Chairman of the
General Works
Council
Ideas Management
Committee

"Those who work for the benefit of the company with their ideas should get something back. That's why it's good that, after 20 years, we have finally adjusted the maximum reward and introduced a new tool for submitting ideas."

1 The most successful submitter of ideas at Volkswagen submitted exactly 4,651 ideas in 27 years and received rewards amounting to millions (calculated in Deutsche Mark) when they came to fruition.

2 The new maximum reward of 75,000 euros introduced in February 2019 was paid out for the first time after only four months – to two employees at the Wolfsburg site who submitted an idea to improve the ventilation of the cooling system. This idea has already saved the company around half a million euros in the first six months.

3 The year with the most ideas ever submitted was 2001 – 95,645 ideas with a benefit of around 148 million euros for the company.

4 In the last year, employees submitted 42,729 ideas, saving the company 127,590,564 euros.

[More Information](#)

Information on submitting ideas via Volkswagen Net.

Faster Production of Test-Ready Components

TD's Pilot Series Center is forging new paths: 3D-printed tool inserts speed up the production of components

In Technical Development's Pilot Series Center, the time pressure is high and steadily rising due to the growing abundance of projects. Components for prototypes and test vehicles must be provided on time so that the vehicles can reach the planned point-8 deadline – sometimes despite a

lack of input data. To overcome this challenge and reduce production times, the department is now forging new paths.

"Since 2017, we have been developing 3D-printed tool inserts together with our supplier and the Fraunhofer Institute Dresden, which will be used to produce test-ready components," explains Marcell Welikis in Process Management.

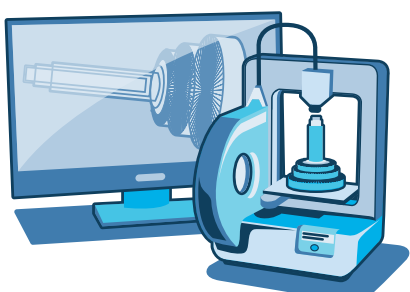
It started with a tool insert for a PDC holder (parking distance sensor). After positive experiences, mirrors caps are now being produced using the new process. Next to be produced will be a B-column cladding. "If everything goes well, we will produce a test-ready



bumper next year," says Björn Schrader. This depends on finding the right material for the tool insert, to ensure test-readiness of the injection-molded components.

Compared with conventional machining processes, the delivery time could be reduced from eight weeks to four. It would also halve the manufacturing costs, as noted by Marcell Welikis. "What's more, we have achieved our goal and gotten all the components produced ready for testing."

Faster and more efficient: Marcell Welikis (left) and Björn Schrader with the 3D-printed tool inserts.





Benjamin Marks

New Colleagues – Shared Goal

26 plants with almost 35,000 employees: Engine and Casting is the largest business area within Group Components. One of the people involved in raising its profile is Benjamin Marks, who previously worked in Casting at the Kassel plant. What attracted him to the new role? “I wanted to change perspectives: from the operative day-to-day work of Production in the plant to the broad, global strategic view in this business area. But I also wanted to develop myself personally and take on responsibility for more strategic work and network building with in the Components business area.” The central business unit in Wolfsburg is home to a total of 36 employees.



Clear Direction: Components' "Road to 6%"

A competitive edge and future viability are firmly anchored in the ONE MISSION 2025 components strategy. The way there comes in the form of the “Road to 6%” with its target of achieving a return of 6%. The transformation of the business areas and locations, plant assignments, and job losses along the demographic curve all count towards Group Components' efficiency program. Concrete measures for plants and central offices were constructively discussed by employee and employer representatives at two retreats in April and July. Discussions are currently continuing in order to finalize “Road to 6%” contents soon.

How Can Cultural Change Work?

Promoting equal opportunities and diversity within Components: That is the aim of six pilot projects that were initiated a year ago. Since then, colleagues from Chassis in Wolfsburg, from the central offices in Wolfsburg, Braunschweig, Salzgitter, and Kassel, and from SITECH Wolfsburg have pushed forward the topic with various approaches: from “Promoting flexibility and diversity in the production units” to “Balancing fatherhood and work”.

200 New Places in Faculty 73

Model of success goes into the second phase: Apply by September 22 – participant reports back

To see a car driving on the roads for which she had programmed the software: “That would be my biggest dream,” says Michelle Gabriel (22) with a smile. And it seems that her dream is coming true. Gabriel is one of the first participants in Faculty 73, the program through which Volkswagen is training specialist software experts to deal with the complex challenges of digitalization. Via an apprenticeship and a spell at Production, her career path has led her to the Group's digital lab. And because the training model has proven such a success, Volkswagen is now creating an additional 200 training positions.



There from the start: Wolfsburg employee Michelle Gabriel is training to become a software specialist.



The application deadline is fast approaching: Employees can apply for the Faculty 73 training program until September 22.

Kilian: “We have hit the bullseye with Faculty 73”

The two-year training program begins after the entrance examinations on March 1 next year – the application deadline is September 22 this year. A further 100 participants will be accepted into the program on September 1, 2020, bringing the total number of those in training to 300. Chief Human Resources Officer Gunnar Kilian says: “Our experiences with the first year of recruits has been very positive and it proves that the program is a huge success. We are therefore continuing with it with great intensity.”

In spring 2019, Volkswagen began training software developers itself to meet growing in-house demand. The response was incredible: 1,500 people applied, and 100 of those came out on top in the selection process. “We have hit the bullseye with Faculty 73,” says Kilian. “The qualifications are coming along very well, and

the results of the first intermediate examinations far exceeded our expectations. That speaks volumes about the participants and our concept. The participants are highly motivated, and the departments are very keen to take on the program's graduates.



Gunnar Kilian, Chief Human Resources Officer

Volkswagen is thereby demonstrating that, when it comes to digitalization, investment in technologies is not the end of the story. Digitalization also calls for investment in people and their skills.” Gerardo Scarpino, the relevant Works Council Coordinator, emphasizes:

“The qualification of colleagues is a key point on the road map of digital transformation, with which we are keen to prepare our company for the major changes of the future and for the switch to e-mobility and digitalization. That is why it was important for us as representatives of the workforce that the Faculty 73 provision was aimed primarily at Volkswagen AG colleagues and former apprentices.” The program was developed by the Volkswagen Group Academy. It prepares participants for work as



Gerardo Scarpino, Works Council Coordinator



In-car digitalization: Faculty 73 participants are specializing in processes in vehicles.

software developers at Volkswagen. Once again with the second year of recruits, the program is geared toward former apprentices with basic IT skills, as well as toward internal and external applicants with other suitable initial qualifications. An academic degree is not required.

[Apply here
www.Volkswagen-karriere.de](http://www.Volkswagen-karriere.de)

Turbocharging Innovation in Dresden

Cooperation with start-ups: Johannes Rösberg, start-up coordinator, and Tim Weschpatat, Ideation:HUB, in conversation

Volkswagen has been working with start-ups in the Transparent Factory since 2017. Why is that? The Dresden-based start-up coordinator Johannes Rösberg and Volkswagen Ideation:HUB's Tim Weschpatat explain all.

What is a start-up incubator?

Johannes Rösberg: In Volkswagen's

Future Mobility Incubator we help young start-ups to develop a business idea and get it market-ready. Part of our job is to find the right technical department for the start-ups for a joint project.

Tim Weschpatat: We also show the new company founders how they can tap into their customer potential and grow their businesses

on a large scale. We at Ideation:HUB designed the corresponding incubator program together with the Transparent Factory.

What is the objective?

Tim Weschpatat: We want to introduce innovations into the company quickly. Good start-up solutions that can help directly often already exist. The key is to find the right start-up for the respective challenges that we face.

Johannes Rösberg: As a company we can benefit from the decision-making and implementation speed that start-ups bring to the table. To this end, the incubator program also helps us as an organization to become more agile and dynamic.

What areas and themes are covered?

Johannes Rösberg: The focus is on

mobility, of course. The spectrum ranges from carpooling and automated driving to charging solutions for electric mobility. However, the program is also allowing us to open up to other topics such as innovative solutions in the area of Industry 4.0 that are, not least thanks to the formation of the Software Development Centers (SDC), suitable for joint projects with start-ups.



The Start-up Incubator

The start-up incubator in Dresden is targeted at students and scientists keen to start new businesses. The program includes financial support of up to €15,000 per start-up. The state capital Dresden is closely involved in the project. The Ideation:Hub, as part of the Volkswagen Group, is looking for start-ups to help drive forward digitalization.



In conversation: Johannes Rösberg (left) and Tim Weschpatat (center).

“In the Future Mobility Incubator we help young start-ups to develop a business idea and get it market-ready.”

Johannes Rösberg, Start-up Coordinator

Oliver Glasner: "For Me, a Good Work Atmosphere Is Immensely Important"

360° interview: The new coach of the Bundesliga soccer team VfL Wolfsburg on his philosophy and the upcoming Europa League campaign

A new coach has been in place at the Bundesliga club VfL Wolfsburg since the start of the season: Oliver Glasner (45). And what a start he's had since moving from Linz! VfL have won their first three competitive games (in the cup against Halle and in the league against Cologne and Berlin). 360° spoke with him before the match against Paderborn.

Mr. Glasner, after the decisive 3-0 victory against Hertha BSC Berlin, you were still dissatisfied with your team's performance. You must be a perfectionist. The result is fantastic, no question about it. But there was room for improvement, especially in the early part of the game and in terms of ball control. I admit, though, that I am never completely satisfied with a performance – I don't think that will ever happen.

What kind of a coach are you?

It's hard to say – and I don't particularly like talking about myself. But if I had to, I'd say I was a stickler for detail – and yes, I have a tendency towards perfectionism. We, the coaching team, find it's important that everyone has an inner drive to always want to improve. If we manage to instill that spirit in all the players, we will have achieved a lot.

Why did you move to VfL?

The setup here in Wolfsburg is a great platform for achieving success together. Just take a look at our training facilities! On top of that, the team – with their strong wills and strong legs – has the right mentality. But above all, I realized during a long conversation with the Managing Director Jörg Schmadtke and Sporting Director Marcel Schäfer that we, together, have lots of ideas on how we can further develop VfL and bring the club forward, even after the good season they've just had. For me, it's important that we're all pulling together, and that we're pulling in the right direction.

How have you settled in at Wolfsburg?

Very well! All the VfL fans and employees are extremely friendly and ready to help. That's a key point for



Magic touch: Oliver Glasner still knows what to do with a ball.

"I'm already looking forward to the first tour of the plant here in Wolfsburg."

Oliver Glasner, Head Coach of VfL Wolfsburg

me, I attach great importance to a good work atmosphere. For example, in order to lay the right foundations within the coaching team for a good atmosphere and real teamwork, we've turned two offices into one here at the VfL Center. I didn't want the new Austrian coaches who came with me to be sitting in one office, and the German coaches who stayed on from last season to be sitting in the other. We can only be successful as a team. Now especially, with us competing in the Europa League too, we need all the opportunities for regeneration that we

can get. And teamwork is an incredibly important part of that.

You've already mentioned the Bundesliga, the DFB Cup and now the Europa League – that triple burden is a new challenge for this VfL team.

I wouldn't call it a triple burden, I'd call it a triple reward. It's great that VfL is finally getting to play in other countries as a reward for its achievements last season. In any case, we train less to balance it out. We're really looking forward to finally getting some European action on September 19.

Did you always plan on becoming a coach once your playing days were over?

Lots of former colleagues predicted that I would take this career path. I was a team captain for many years and was therefore always in close contact with my coaches. But having also done a distance learning course in Economics with Hagen University on the side, my first thought was that I hadn't swotted for six years to be a coach. I was then Sport Coordinator at RB Salzburg for a good six months, and I soon realized that I was drawn to it. That's how I became Roger Schmidt's assistant coach.

In professional soccer, coaches are almost always measured by the trophies they win. What are you aiming for?

I've won one championship as a head coach – with Linz in the Second Division. Titles are always the icing on the cake and they are what's listed in the history books. But what's stayed with me are the emotions that went with that. I don't define myself by trophies. For me, the most important thing is how we play soccer. But I do know that the results are what ultimately counts.

Would you also have been prepared to move to a non-German-speaking country?

I can speak English, but the question didn't come up. What's important to me is that I enjoy my day-to-day work. I've been able to pursue my favorite hobby as my profession for 27 years and I've earned good money doing that. As the child of a single mother, I know that that is an enormous privilege.

VfL is a fully owned subsidiary of Volkswagen. Do you feel that closeness?

Yes, and it's nice. Back during my time at Linz, I always found it fascinating to look out beyond the world of pro soccer and to visit the plants of our sponsors. That grounds you because you see how hard some people work to earn a living. I'm already looking forward to the first tour of the plant here in Wolfsburg. That'll be happening in September.



Oliver Glasner (45)

was appointed the head coach of VfL in July. The Wolfsburg team's next home Bundesliga game is against Hoffenheim on Monday, September 23, at 8:30 p.m. Glasner earned 410 caps as a defender in the Austrian First Division – the vast majority of those with SV Ried – before a serious head injury ended his playing career. He then became Sport Coordinator and later Assistant Coach at RB Salzburg. In 2014, he was given his first full managerial job (also at SV Ried), before moving to Linzer ASK in 2015, where he stayed until this summer. Glasner is married and has three children, who are aged 17, 14 and 9. His family lives in a small village in Austria around half an hour's drive from the German border.



Oliver Glasner in an interview with 360° at the VfL Center.

The Jersey Campaign: Volkswagen Supports Amateur Clubs

Clubs can claim a promotional code from participating dealers in Germany

Soccer clubs take note! Volkswagen is giving away kits to soccer clubs. "We are committed to supporting soccer at every level. Local clubs are just as important to us as the DFB national teams," says Holger Santel, Head of Sales and Marketing Germany at Volkswagen. He emphasizes: "We know how valuable the work of the grassroots clubs is. With our jersey campaign, we are keen to acknowledge this – often voluntary – engagement. This is our declaration of commitment to amateur soccer."

How can you get involved? Clubs can get a promotional code from their participating Volkswagen dealer and redeem it

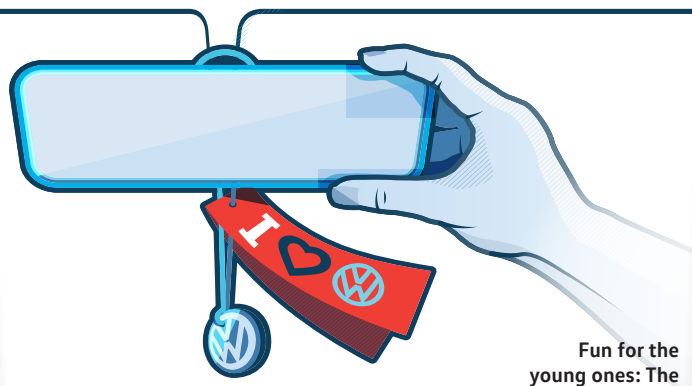
on the configuration website of the sporting goods retailer 11teamsports. When ordering the jerseys, clubs can choose between the manufacturers Adidas, Jako, Nike, Puma, and Umbro, as well as between at least five colors for jerseys, shorts, and socks. A standard set comprises 14 jerseys and 1 goalkeeper kit, including shorts and socks.

The jerseys will feature the new Volkswagen logo. Flock-printed club name and shirt numbers are also included. There is also an option to add a flock-printed club logo on the chest and player names on the back.



Spoilt for choice: Clubs can choose from various colors and manufacturers in the Volkswagen jersey campaign.

REARVIEW MIRROR – A Look at the History Books of Volkswagen



Farewell: Puebla staff see off the last Beetle from the plant.

Fun for the young ones: The Volkswagen 181 multi-purpose vehicle.

16 Years Ago:

The Last Beetle Rolls Off the Production Line at Volkswagen de México

The last Beetle rolls off the production line on July 30, 2003: Volkswagen de México staff say farewell to the 21,529,464th Beetle with flowers and traditional mariachi music. After almost 68 years, a story of success unparalleled in global automotive history comes to an end. Mexico was the last

country in which the Beetle, or the Vocho as it was known there, was produced. Reinhardt Jung, CEO of Volkswagen de México, thanks the company's employees "who not only played a part in producing a car, but also in creating a legend. A legend that will live on in the hearts and minds of all

those for whom the Beetle was a companion." The last Beetle to be produced is an aqua blue Última Edición model with a 1.6-liter, 46 bhp/34 kW gasoline engine. 3,000 Última Edición vehicles were produced. Today, they are in great demand by collectors around the world.

50 Years Ago:

New on the Market – The Rugged Volkswagen 181 Multi-Purpose Vehicle

In August 1969, Volkswagen presents the VW 181, a rugged multi-purpose vehicle, in the booklet "Die schnelle Information." The Volkswagen 181 is a vehicle for professional groups such as builders, foresters, farmers, and tradespeople. But it is also popular with young drivers looking for fun in an open "bush/off-road vehicle." Some of the technical specs: A 1.5-liter, 44 bhp, rear-mounted engine drives the independently suspended rear wheels via a fully synchronized four-speed gearbox. The vehicle has

ground clearance of more than 200 millimeters. The permissible rear axle load is raised to 800 kilograms thanks to an auxiliary spring. There are attachment points for safety belts, hazard warning lights, and a dual-circuit braking system, and the safety steering column was also taken from the Volkswagen 1500. And as if that were not enough, the lower edge of the dashboard is upholstered, the metal parts in the driver's field of vision are anti-glare, and the control buttons are elasticated.

54 Years Ago:

Interested in the Volkswagen 1600 TL, Not the Beetle

Important visitor at Volkswagen: On August 30, 1965, Federal Minister for the Treasury Werner Dollinger comes to Wolfsburg. In the morning,

he takes part in economic talks in Salzgitter. His visit in the afternoon to the Volkswagen plant in Wolfsburg is somewhat personal in nature: Not

only does he want to cultivate contacts in the company, he is also keen to drive the new Volkswagen 1600 TL. General Director Heinrich Nordhoff initially offers him a test drive in the Volkswagen Beetle 1300, but Dollinger declines, saying he already owns that model as a second car. After the test drive in his car of choice, Dollinger congratulates Nordhoff on the successful



In focus: The Beetle (left) and the Volkswagen 1600 TL.

Volkswagen 1600 TL. In particular, he is full of praise for the beautiful shape, interior fittings, and impressive acceleration of the new Volkswagen. The Federal Ministry of the Treasury was established in 1949, and was responsible above all for issues relating to the Marshall Plan.

27 Years Ago:

Genesis World Tour: With Volkswagen as Partner

Phil Collins' rock group Genesis embarks on a world tour in 1992. And Volkswagen is there as a partner. The advertising slogan is "Genesis presented by Volkswagen." That summer, the band plays three concerts in the Niedersachsenstadion in Hanover to a total of 180,000 fans. Two special-edition models roll off the production line just in time for

the Volkswagen Genesis tour: the Polo Coupé and the Golf Cabriolet "Genesis". Both models are available exclusively in "Violet Touch Pearl Effect" with color-coordinated, partially painted bumpers and violet decor band. The "Genesis" sound system, featuring "gamma" stereo cassette and radio, lives up to what the aesthetics promise.



Full: Parking lots around the Wolfsburg plant.

60 Years Ago:

The Parking Space Shortage Intensifies

The effects of the economic miracle and mass motorization can even be felt in tranquil Wolfsburg 60 years ago. Despite the generally broad and spacious way the streets are laid out, the city has a parking problem, which becomes particularly intense during shift times. The parking space shortage is getting worse outside the Volkswagen plant in particular. As the number of commuter vehicles rises, even the residents of surrounding streets are finding it hard to park their vehicles at the end of the working day. According to calculations by experts, there is a shortage of 1,000 car parking spaces on Fallersleber Straße, known today as Heinrich-Nordhoff-Straße, alone. New car parks would have to be built quickly.

48 Years Ago:

Federal President Heinemann at the Plant

Federal President Gustav Heinemann visits the Volkswagen plant and the city of Wolfsburg. During his visit on July 20, 1971, the Federal President focused in particular on the concerns of guest workers. His first stop is the plant, where he is welcomed by the Volkswagen CEO Kurt Lotz. After that, Head of Production

Otto Höhne reports on the company's product range. There then follows a tour of the factory, and conversations with German and foreign employees. Heinemann then drives to the "Italian Village" by the Berliner Brücke. The Federal President also visits guest worker homes in the new high-rises in Kästorf and speaks to the residents.

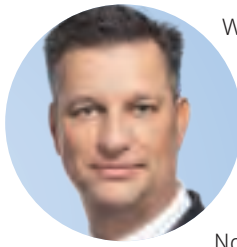


Arrival: Volkswagen CEO Kurt Lotz (front left) welcomes Federal President Gustav Heinemann outside the Administration Tower.



Special model: Phil Collins (left) and the band with the Polo "Genesis".

Dear Colleagues,



Welcome to the first 360° edition after what I hope has been a most relaxing holiday period!

Now's the time for us to put those fully charged batteries straight into action, as the second half of the year is short and we are still working on our competitive edge and future viability as a global team. Our focus here is on the "Road to 6%" – the Group Components performance program incorporating content and objectives that we are currently working on for our various sites (see page 20)

Going forward, the American company Ford will be using the Volkswagen MEB – and we are directly involved in this cooperation here at Group Components. Read all about how we streamlined our production processes for the MEB and developed new technologies such as the hairpin technique (in the Group section on page 7).

Group Components also incorporates components plants from other regions and brands, including Audi and Skoda. When it comes to financial management, we often talk about a "hybrid management system." Chief Financial Office Thomas Eichenberg joins us in an interview to explain exactly what this means and talk us through the practical benefits of this type of system (also on page 7).

We'll also be discussing our take on digitalization, along with where we stand on the SPEED+ Award and our projects relating to equal opportunities and diversity. Read on to find out more on these and plenty of other topics.

I hope you enjoy this issue!

Yours sincerely,
Thomas Schmall

CEO
Volkswagen Group Components

Electrifying the Beetle

Volkswagen Group Components makes historic vehicles fit for the future with e-mobility

For well over a year now, more and more Beetle models have been passing through the plants in Wolfsburg and Braunschweig. It's an unusual experience for the employees as the Beetle rolls on by, not least because of the unexpected sound effects: instead of the familiar traditional boxer sound, the convertible Beetle now coasts silently through the plant. By the time the Beetle makes it to the charging station, the mystery of this fully electric vehicle is solved. But this wouldn't be possible without Group Components, which is working closely with a partner company to electrify historic vehicles.

Mass-production parts give the Beetle a new, electrical lease of life

There are very few companies around the world offering an electrical conversion service for traditional and modern-era classic cars, and this is generally on the basis of used batteries and electric drives from old electric vehicles or even beyond the automotive industry. But if one thing is clear, it's that the demand is growing. "By electrifying the Beetle – and Volkswagen in general – we are looking to enhance the e-mobility experience further still while offering our customers and Beetle owners

a professional, high-quality retrofit solution," explains Ludwig Fazel, Head of Strategy for Volkswagen Group Components.

From a technical perspective, the e-Beetle platform is based on the Volkswagen e-up!, making for a compact and contemporary series

production e-vehicle. Rather than relying on second-hand parts, it only uses compatible new parts from the Group Components series production. The chassis and brakes have also been enhanced, not only on account of the higher weight due to the high-voltage batteries, but also due to the increase in power. After all, the peak performance of 60 kW makes the e-Beetle one dynamic bug, capable of speeds of up to 150 km/h. "What a fantastic driving experience in the fastest and most powerful Beetle I've ever sat in," enthused CEO Dr. Herbert Diess recently on LinkedIn, sharing just how impressed he is with this silent and emission-free Beetle.

But the plan is not to just stick to a single model. "We are already working on making the platform suitable for the Volkswagen Bulli van and the Karmann Ghia. In fact,

we're even toying with the idea of creating an e-version of the Porsche 356," notes Fazel, sharing an insight into a charged-up future for historic vehicles. Even the platform itself is experiencing an upgrade. According to Fazel, "We are already planning to transition from the e-up! to MEB technology. This move is set to promise not only added performance and a better range, but also greater efficiency."



Selfie with the e-Beetle: Even Herbert Diess was impressed with the electric drive.



Plenty of fun on the way to work: Gunnar Kilian behind the wheel of the e-Beetle.



Making a statement in front of the camera and e-Beetle: An interview with Thomas Schmall.



At the heart of the action: The e-Beetle was one of the highlights at the Braunschweig site symposium for Group Components.



Tradition and modernity in equal measure: The e-Beetle.

Performance Data:

- Top performance: 60 kW
- Top speed: 150 km/h
- Range: Up to 210 km
- DC high-speed charging up to 50 kW



New Employees, Exciting Tasks, and a Common Goal

Benjamin Marks on how he started out in the Engine and Casting division

26 plants in 13 countries with almost 35,000 employees: Engine and Casting is the largest business area within Group Components. One of the people involved in raising its profile is Benjamin Marks. The 33-year-old has been Coordinator of the Operations division within this business area since May. This is where coordination tasks such as capacity planning and scheduling within the company network take place, performance management is in operation,



Expertise and on-site experience: Benjamin Marks brings both to the table to develop this business area.

and efficiency programs are created. But for the time being, it is time to establish some structure and organization so that the Engine and Casting division can operate cleanly and efficiently within Group Components.

Born in North Rhine-Westphalia, Marks has extensive experience when it comes to casting, having gained invaluable expertise across three different Casting subdivisions at the Kassel plant. It was during this time that he was also responsible for the shopfloor support team.

But what was it that prompted him to switch locations and responsibilities? "I wanted to change perspectives: from the operative day-to-day work of Production in the plant to the broad, global strategic view in

this business area. But I also wanted to develop myself personally and take on responsibility for more strategic work and network building within the Components business area."

Transformation toward sustainable mobility

The central business unit in Wolfsburg is home to a total of 36 employees. Their primary focus is on the development of a cooperation model involving partners and plant managers from within the business area, as well as on making strategic product decisions. Ensuring customer needs are met is

yet another key area of focus. Furthermore, the production network of the locations within the business unit is intended to reduce costs and optimize product quality in a bid to contribute toward the competitive edge and future viability of Group Components.

The Top 3 Engine Product Families:

- EA211 (gasoline 1.0 l TSI; 1.4 l TSI; 1.5 l TSI)
- EA288 (diesel 1.6 l TDI; 2.0 l TDI)
- EA888 (gasoline 2.0 l TSI)



"Cross-site cooperation in the international components network helps us take a consistent approach to working on product costs and quality."

Herbert Steiner, Business Area Manager Engine and Casting

¹ e-up!: The vehicle is a near-production-ready concept car and is not yet on sale.

ONE MISSION: Digitalizing the Components Division

Led by Oliver Fisher, the Information Management & Digitalization division is responsible for digitalization within the Components division



Digitalization is firmly rooted within the ONE MISSION 2025 Components strategy as part of the “Excellence” dimension. Led by Oliver Fisher, the Information Management & Digitalization (CS-I) division is responsible for cross-divisional digitalization within the Components division. The division is made up of three units: Governance & Portfolio Management led by Claudia Sutter, SAP Pro-

gram & Enterprise Resource Planning (ERP) with Christine Medler, and Production Control & Shopfloor led by Jens Röbbing. To identify and implement solutions both quickly and



Claudia Sutter (CS-IG)



Christine Medler (CS-IP)



Jens Röbbing (CS-I/F)

effectively for the wide range of tasks associated with digitalization, three Group Components Initiatives (GCIs) have been derived from the ONE MISSION 2025 Components strategy with this in mind:

Establishing a holistic approach to IT management (GCI 12.1)

- Establishing a local digitalization manager (LDM) at various locations in order to accelerate and control digitalization across the sites
- Analyzing all existing IT systems, identifying potential, and developing a target development plan along with an accompanying digitalization roadmap

More Information

Learn more about the LDMs of the leading plants on the location pages.

Digitalizing business processes on a sustainable basis (GCI 12.2)

- Launching SAP S/4HANA: The Components division works closely with employees in the Logistics and Finance sectors of Volkswagen Passenger Cars, Audi, and Skoda to ensure uniform processes across

the brands. This is applied at all locations as part of an integrated system of Finance and Logistics.

- Introducing a digital production platform (DPP) as part of a strategic, Group-level partnership with Amazon Web Services (AWS). The aim is to develop a standardized platform across all plants with regard to services and applications for the Production division (comparable to iOS and the App Store for Apple). The first app on the DPP for the Components division will be the Digital Shop-floor Management system.

Introducing digitalization measures (GCI 12.3)

- Digitalizing and automating central and location-specific processes with the help of Robotic Process Automation (RPA), chatbots, and artificial intelligence (AI) to increase process efficiency and quality in the long term.
- Identifying appropriate processes in workshops and brainstorming sessions with the specialist departments, carrying out aptitude tests, having process ideas evaluated and prioritized by experts, followed by successively implementing

digitalization projects in cooperation with IT.

To be included in the “Road to 6%” figures, the departmental and IT-based development of the Components division is transformed successively. Together with the various locations, business areas, and central offices, a professional target image is developed in a bid to define the digitalization roadmap.



Cooperation with Group Employees

Under the leadership of Volker Kratzenstein, the Group IT Components (K-FIC) team supports employees in the Information Management & Digitalization divisions – as well as the Local Digitalization Managers (LDMs) – by implementing IT solutions at the plants.



Oliver Fischer

Head of Information Management & Digitalization in the Components division.

Mr. Fischer, how are you handling the digitalization of Components?

We are introducing standardized IT systems and processes across the board in a bid to ensure our work is more efficient across the locations. We are saying

“No More Isolated Solutions”

goodbye to isolated solutions, as many divisions are still working manually in Excel. Going forward, we want information to be available in real time at the push of a button to give us greater control over our production. To this end, we have launched a pilot project for digital shop floor management with selected locations. This has been designed to ensure a networked and consistent data transfer without system breakdowns.

So what exactly are you putting into place?

We have developed a new cooperation model in conjunction with the various

Components locations and Group IT. An important building block comes in the form of the new “Local Digitalization Managers” (LDM) employed across the sites. These pool the various digitalization topics on site and act as the link between the locations and us. There is also a dedicated decision-making body, the Digitalization Components (C-VAD) executive committee, which ensures a consistent approach to IT system development. The overarching development project is already underway, as June saw the integration of the actual development process and various projects. Future workshops were held

in conjunction with the LDM and the respective experts from across the locations, strategy papers were put together by the business units and central offices, and interviews were held to allow us to establish an overall target picture, derive the target development roadmap, and select the necessary technologies. At the end of the day, if we want to maintain our competitive edge then only the systems and technologies that make a direct contribution toward our strategic goals will be used. Even when it comes to SAP S/4HANA, employees are well on their way toward digital transformation. The business processes of Finance and

Logistics have been subdivided into process sections in which employees are currently developing the specialist and technical requirements for the upcoming SAP-S/4HANA system. The aim is to have these requirements completed and handed over to SAP by next summer, so that we can have a Volkswagen-ready system from SAP as soon as possible. By using SAP S/4HANA, we are pursuing our objectives of replacing the old systems in Finance and Logistics (which have evolved over decades), standardizing processes across all locations, and also replacing local solutions.

Current Processes Under the Microscope

From quality management sample approvals: Viola Sebastian from the SITECH plant in Emden talks us through her life as a manager



Manager at SITECH Emden: Viola Sebastian heads up the Quality Assurance division.

Viola Sebastian casts a scrutinizing eye across an Arteon seat that has just rolled off the production line. A few moments later and she nods her head satisfactorily. “In my job, it’s so important to work to precise standards and ensure processes are reliable,” explains the manager.

Sebastian is Head of Quality Assurance for seat and module production at the Emden location for the Passat and Arteon models. Does the quality of the finished components live up to the expectations of Volkswagen customers? Are the seats supplied compliant with statutory product quality standards? These are the questions Viola Sebastian and her team have to ask themselves at the SITECH facility in Emden.

Sustainability is fundamental to day-to-day operations

Her range of responsibilities is extensive. Sebastian is also tasked with over-

seeing on-site quality management, approving initial samples, and minimizing incidents caused by suppliers. Another task for which she and her team are responsible for includes carrying out fault and damage analyses.

“Finding a way to incorporate the knowledge gained from our analyses of how to improve our seats effectively into future process and product plans is a huge challenge. I have to make sure I’m thinking both entrepreneurially and with a future-oriented outlook on a daily basis in my job. From time to time, this means we have to leave some of our well-trodden ways behind,” explains the manager.

Sebastian took a fairly unconventional route into management. After completing her engineering studies, she started out with Volkswagen as a trainee. Having taken on various roles within Production and Quality Assurance at the Volkswagen plant in Emden, she made the move first to

Wolfsburg, where she was Subdivision Manager for Group Quality Assurance, and then to Salzgitter, where she was involved in QA-Production at the Volkswagen plant. She later took on an assistant position on the Executive Board and now heads up the Quality Assurance division at the SITECH location in Emden.

Silo mentality has no place here

For Sebastian, sincerity, honesty, and respect are fundamental qualities when it comes to dealing with customers, suppliers and employees. After all, this is the only way to achieve common goals. Her top tip is to constantly put tried-and-tested processes under the microscope and question whether they still are still relevant today or need to be changed. Thinking beyond the boundaries of the division is essen-



Inspection underway: The quality of the seats and their components are scrutinized.

tial when it comes to taking employees on this journey and convincing them that innovation and change are good. The cultural change within the Group goes hand in hand with a real paradigm shift. If change is ever going to be a real possibility, it is essential to change perspectives and dare to try something new.



Home Straight in Sight

The second plant tour of the SPEED+ Award is now complete across all plants

From Braunschweig to Puebla, and Mladá Boleslav to Győr: The second plant tour across all 23 participating plants took place between the start of July and the end of August. The aim here was for the employees in the SPEED+ team at CO-3 and from ROI Management Consulting to work together with the on-site line teams to identify additional scope for improvement. Employees are provided with feedback on how to improve their lines and boost their ranking ahead of the latest award. The plant tours focus in particular on the shopfloor system, how problems are resolved, and how line bottlenecks are identified.

There is also an opportunity for the teams to see their previous performances in the development of key figures during the factory tours. Some lines, in fact, have already seen an increase in performance in the two-figure percentage range.

Final push!

The third and final round of the plant tours will be taking place in October. Until then, all plants will have the chance to go the extra mile, but it's only the teams that demonstrate their excellent performance both methodically and in terms of key figures that will ultimately secure a spot on the podium.

Team from the AVS, DQ200, Dispatch Warehouse, Maintenance, and Production System divisions.

Dalian



Puebla



Győr

Team from the Assembly Efficiency division for engine assembly of the R4 Otto GE (G/P4-4).



Poznań

Team from the Casting Round Table, Mechanical Processing, Maintenance, Tool Construction, and Logistics divisions.

The "Networking" Category

What exactly gets measured?

The networking activities in the seven award categories are evaluated in this process, which also includes an assessment of successful cross-plant exchange and implementation of good practices. A SPEED+ networking event takes place once a year, providing an opportunity to share ideas on methods, standards, and processes.

Winners over the last two years

Networking exchange 2017: Salzgitter and Wolfsburg Chassis Networking exchange 2018: Motor Polska and SITECH Polkowitz

More Information

More information is available on the location pages

Second Round Starts

An exciting participation program awaits the next Change Agents

host of exciting applications from all divisions and hierarchical levels, and these are currently being sorted and processed. For the first time, applications have even been received from other brands such as Skoda, Porsche, and Audi.

What happens next in the application process?

The executive board, management,

and plant and HR managers work together with the Works Council to select participants for the program. The Heads of the Group Component Initiatives (GCIs) are also involved in the selection process. Transform Minds shares information on the transformation process and the ONE MISSION 2025 Components strategy with its colleagues across the plants and at head office.

"We are delighted to be continuing

our work on transforming Components together with Transform Minds and putting exciting ideas relating to the communication of our ONE MISSION into practice together," enthuses Ariane Kilian (Head of Communication and Compliance), who set up the Transform Minds program together with her team. "Successful participants will be notified and published at the start of September."

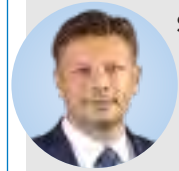
Names & News



Robert Weggässer, formerly Head of Finance and Controlling MWC (CM) for Volkswagen Sachsen GmbH at the Chemnitz location, has taken over as Head of Finance for Shanghai Volkswagen Powertrain Co., Ltd., in Shanghai as of 7/1/2019.



Frank Böhner, formerly Head of Industrial Engineering & Production Systems at the Puebla location, has taken over as Head of Site Optimization/Production System (CCB/V) in Braunschweig as of 8/1/2019.



Szilárd Szakál, formerly Head of the R4 Otto GE Engines (G/P4) product segment at Audi Hungaria Zrt., at the Győr location, has taken over as Head of Production (CMS-O) in Salzgitter as of 9/1/2019.



Andreas Graefe, formerly Head of Finance for Shanghai Volkswagen Powertrain Co., Ltd., has taken over as Head of Finance in the Gearbox and Electric Drive (CF) division in Wolfsburg as of 7/1/2019.



Holger Becker, formerly Head of QA Production-Assembly (CMS-Q3) at the Salzgitter location, has taken over as Head of Quality Assurance at Volkswagen Motor Polska in Polkowitz as of 9/1/2019.



Michael Hoheisel, formerly Head of Quality Assurance (TMQ) at Volkswagen Sachsen GmbH at the Chemnitz location, is coming to the end of his service as he goes into retirement.

Volker Hischmoeller, formerly Head of Quality Analysis/Planning (CGK-Q1) at the Kassel location, is coming to the end of his service as he goes into retirement.



Dates

9/8/2019

Wolfsburg: 14th Hexad Wolfsburg Marathon

9/25/2019

Wolfsburg: Works Council meeting

9/25/2019

SITECH Wolfsburg: Works Council meeting

25/09/2019

Polkowitz: Diversity Day

Transform Minds

After a successful start in its inaugural year, the participation-based Change Agents program for the "Transform Minds" Components is now going into its second cycle: Head office has already received a whole

Ready for the Transformation

Strategic competence management piloted in Kassel

Components is undergoing an extensive transformation process. All current and future competencies are now being determined for employees to ensure everyone is well prepared for this change. To this end, the Competence Management Team (CO/4) and Development employees in Kassel (CG-E) have launched a pilot workshop: Together with managers and employees from the HR division and on-site academy, existing competencies, required competencies, and capacities have all been established and evaluated. The starting points for the analyses were the future drivers of the Development division, which include electrification, Industry 4.0, and Development V. Incidentally, Development V refers to the independent development of individual components by the Development division in Kassel. Several tasks were moved from the TD in Wolfsburg to the Development division in Kassel.

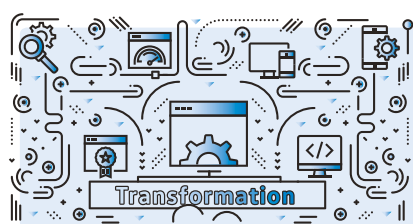
The results made it possible to derive concrete transformation needs and training measures, which highlighted that around half of the employ-

ees will need one or more qualifications in order to be optimally equipped to handle tasks in the fields of measurement/testing technology, software development, and manufacturing process competence by 2023.

Next steps

Even in the Logistics and Plant Technology divisions as well as in the Gearbox and Electric Drive division in Kassel, the methods from the HR Development division at Porsche will continue to be applied from September.

More information can be found on the Group Connect page for [Components Competence Management](#).



Strong results: Participants in the audit.

Top Process Quality in Kaluga

Russian employees achieve 94 percent in the process audit

Employees at the Engine Production facility in Kaluga demonstrated their outstanding quality workmanship in the Group process audit. The purpose of the audit was to align on-site processes with the relevant requirements and specifications. It focused primarily on the mechanical production of the cylinder head, cylinder crankcase, and engine block assembly. The mechanical production of the crankshaft and engine assembly production

were also then checked in the Group process audit. Most notably, the cleanliness and organization of the entire production area was found to be outstanding, as well as the maintenance and repair of the equipment. The way employee ideas were put into practice following CIP workshops in the Production division was also rated highly. With all aspects considered, the employees in Kaluga achieved an excellent overall result of 94 percent. What an achievement!



A Look Into the Volkswagen Passenger Cars Brand

T-Roc, WLTP, and 3D Printing

The new T-Roc Cabriolet¹ celebrates its world premiere. The open top variant of the SUV, which has been available for order since September 2017, will be officially presented at the International Motor Show (IAA) in Frankfurt am Main from September 12 to 22. The market launch will take place in the spring of 2020. +++



WLTP: The transition is already well underway. Good news on the WLTP-readiness of the Volkswagen model range: With just a few exceptions, all engine-transmission variants are expected to be converted in line with the new emissions standard from September 1. +++

Access functional components faster than ever: TD's Pilot Series Center is forging new paths. 3D-printed tool inserts speed up the production of components +++



"Road to 6%": Where Are We Now?

The transformation of the business areas and locations, plant assignments, and job losses along the demographic curve all count towards Group Components' "Road to 6%" efficiency program. The aim of this program is to increase the competitive edge and future viability of the Components division. Concrete measures for plants and central offices have already been constructively discussed by employee and employer representatives at two retreats in April and July. Participants included the heads of the central offices, business and plant managers, heads of personnel and controlling, as well as representatives of the Works Council. Discussions are currently continuing in order to finalize "Road to 6%" contents soon.

How Can Cultural Change Work?

Overview of six equal-opportunity and diversity pilot projects within Group Components

Promoting equal opportunities and diversity within Components: that is the aim of six pilot projects that were initiated a year ago. Since then, colleagues from Chassis in Wolfsburg, from the central offices in Wolfsburg, Braunschweig, Salzgitter, and Kassel, and from SITECH Wolfsburg have pushed forward the topic with various approaches. We've put together an overview of the projects and measures here.

Pilot 1: "Raising Awareness of Subconscious Prejudices" in Braunschweig

Aim: To counteract subconscious – and conscious – prejudices.
Measures: Employee survey, foremen and team spokesperson forums, management forums, executive meetings, planning a diversity film for the second half of 2019, and more.



Board Trials Financial Planning Program

Discovering and experiencing business contexts: this was the basis for which Thomas Schmall and his direct reports tested a pilot training program at the end of August before it was rolled out to executives.

Pilot 2: "Lunch & Learn for Managers" in Salzgitter

Aim: To provide an opportunity for managers to discuss topical issues.

Measures: Two Lunch & Learn opportunities in 2018 on the topics of working remotely and part-time working/ leadership.

Key messages and content: Support from company management and plant management with regard to working remotely and part-time, for example, or presentation of success stories. The format is currently being rolled out across all plants in Germany.

Pilot 3: "A Day in the Life Of" at Chassis in Wolfsburg

Aim: To support cultural change, break down power struggles, and create understanding.

Measures: An employee from the immediate environment or a different business area shadows a manager for a full day. The aim is for them to share experiences with each other.

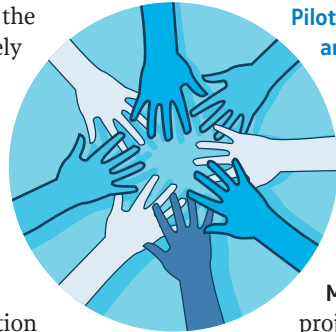
Pilot 4: "Promoting flexibility and diversity in the immediate environment" in Kassel

Aim: To develop comprehensive, flexible and family-friendly working arrangements for the immediate environment.

Measures: Large-scale project comprising topics including remote working, flexible shift patterns, and knowledge sharing.

Pilot 5: "Staying in contact with employees on parental leave" at SITECH Wolfsburg

Aim: To maintain contact and an open transfer of knowledge with employees on parental leave.



Measures: Information folder for family-related leave and re-entry to the workplace, pregnancy and parental leave, or a mentor program for maintaining contact with the department, for example.

Pilot 6: "Fathers and compatibility" at the central offices in Wolfsburg

Aim: To promote compatibility between work and home life for men in the workplace.

Measures: A Lunch & Talk event was held in May, which was very well received by employees. Interested fathers have also set up a working group and are keen to initiate a dads' network.

More Information

You can also discover how the individual project supervisors voted on the [Group Components channel of the 360° app](#).



Essentially, the program is all about exploiting the synergies of the Group Components initiatives of "Thinking and acting in an entrepreneurial manner" and "Establishing a KPI system across the Group." The aim is to train up managers on entrepreneurial issues such as the new KPI system for Components and the component strategy. From November, it will all be kicking off for the German locations, SITECH, and Chemnitz, as all managers and heads of central offices are set to be trained up to foreman level.



Diversity Day at SITECH Polkowice

This year saw Polkowice-based SITECH Sp. z o.o. organize yet another fun-filled competition for

employees' children. The slogan this time around was: "We're different but together we can be more – because diversity is cool." The children were invited to paint pictures of their parents working together with their colleagues. Other highlights of the Diversity Day at the plant included photo booths, bouncy castles, and a whole host of other attractions. There was even a short movie created in which the children talk about what diversity means to them – a fine indication of diversity, tolerance, and respect.

Battery Workshop in Wolfsburg

Knowledge network launches for Group Academy

Learning and networking: 34 employees from the Volkswagen training academies and specialist departments in Braunschweig, Hanover, Salzgitter, and Wolfsburg came together in Wolfsburg to take part in a battery workshop. The event marked the launch of a new "Community"



It's fun to share: Participants enjoy the launch event

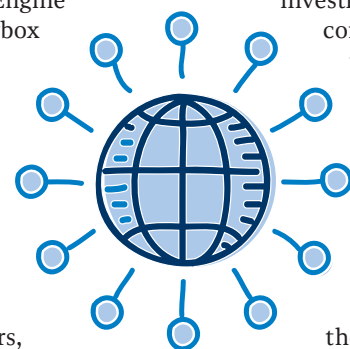
network for Group Academy with the aim of sharing expertise and inspiring discussions on relevant topics. Employees were able to talk about how things stand with regard to battery develop-

ment and reliability as well as the flexible quick-charging stations for Components. Participants also had the opportunity to discuss further cooperation and define cross-divisional fields of work, such as the creation of the battery PDP. The next meeting is scheduled for September 23 and 24 in Salzgitter, in cooperation with the MEB community. More on the Group Connect involvement of the network can be found on the [Group Components channel of the 360° app](#).

Combined Workshop for Planning Session

Employees from two business areas work together

From Argentina to China: Colleagues from all over the world attended a combined workshop in Wolfsburg hosted jointly by the 'Engine and Casting' and 'Gearbox and Electric Drive' business areas. Participants in the annual workshop included plant and planning managers from the Components locations that manufacture conventional engines, electric motors, and gearboxes. The invitation was also extended to the plant managers of the Casting locations. The aim of the workshop was to discuss



the needs of the new planning session as well as the capacity measures across the locations and the required investments. Another topic of conversation included how to avoid double investment entries. The event provided an opportunity for the individual locations to introduce both themselves and their plans. Employees from the central units of the Components division – including Strategy and Procurement – also took part in the meeting, which is set to take place again next year.

Human and Robots: Collaboration in Hanover

Robots support battery radiator production

Going forward, battery radiator production in the heat exchanger is set to increase from today's figure of 80,000 to 1,000,000 radiators per year in 2021. This means today's small-scale PHEV (plug-in hybrid electric vehicle) battery radiator series in Hall 22/27 will no longer be adequate, which is why a new, state-of-the-art production line is coming to Hall 28. The highlight of the new production facility has to be the five HRC robots (human-robot collaboration). "Six manufacturing

engineers will be trained up beyond the basic training elements to ensure the robots can be configured and commissioned properly and safely in each shift. These engineers will also be capable of carrying out programming tasks," explains Christian Gotfryd, a planner from the heat exchanger production facility at the Hanover location. The first collaborative robot from Universal Robots is being set up for practice purposes in the heat exchanger learning workshop.



Employees from Hanover with the new robot in the learning workshop: Matthias Schulz, Matthias Richtsteig, Sascha Kuttig, and Furkan Yilmaz (l-r).