**Volkswagen Aktiengesellschaft**

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Volkswagen Aktiengesellschaft, also known as Volkswagen AG, or the Volkswagen Group, was founded by The German Labour Front in 1937 and grew very rapidly after launching the first model Volkswagen Type 1 (a.k.a. the Beetle) in 1945. In the 1970s the company created a series of front-wheel drive vehicles – the Passat and Golf which are the most popular models of the brand today. The popularity and reputation of the company in the automotive world led it to the acquisition of many major brands. Volkswagen Group currently owns 12 car companies or brands, including Volkswagen, Seat, Audi, Skoda, Bugatti, Bentley, Lamborghini, Ducati, Porsche, Scania, MAN, and Volkswagen commercial vehicles. Today Volkswagen is the largest carmaker in Europe and one of the leading automobile manufacturers in the world. Apart from car manufacturing the Volkswagen Group also provides a comprehensive range of financial services, including dealership and customer financing, leasing, banking and insurance, fleet management, and mobility services. The Group has 117 production plants which are located in 20 European countries and 10 North and South American, Asian and African countries. More than 660 thousand employees are working the company to provide vehicles and services to the world’s 153 countries.

According to the data of 31 December 2020, Porsche Automobil Holding SE is a major shareholder of Volkswagen Group, holding 31.4% of shares. It is followed by Qatar Holding LLC with 14.6% and State of Lower Saxony 11.8% of shares. 25.9% of shares are owned by Foreign Institutional Investors. Private shareholders/others hold 12.9% of shares and the remaining 3.4% is in the hands of German institutional investors. Voting rights are distributed similarly to shares in the Group. Porsche Holding has the highest voting right of 53.3%, followed by State of Lower Saxony with 20% rights, Qatar Holding – 17%, and others – 9.7% voting rights. This gives Porsche Holding the highest power among other shareholders and there is a good chance that it will exercise this power for its benefit. Thus, conflicts because of different interests are expectable.

Volkswagen adopts a two-tier corporate structure, consisting of two independent boards: Management Board and Supervisory Board. The Supervisory Board of Volkswagen AG consists of 20 members. Half of them are independent shareholder representatives. The other half consists of employee representatives. Hans Dieter Pötsch, Chairman of The Supervisory Board is independent. Dr Herbert Diess, CEO and Chairman of the Brand Board of Management has no seat in The Supervisory Board. This board should be able to independently and unbiasedly protect shareholders’ and employees’ rights in the company. Everything about the Board members, their profile of skills and expertise and diversity concept, working procedure of the Board, etc. is disclosed and easily accessed on Volkswagen AG’s Official [website](https://www.volkswagenag.com/en.html) or its [latest annual report](https://www.volkswagenag.com/presence/investorrelation/publications/shareholder-meetings/2021/Annual_Report_2020_e.pdf).

The 61st Annual General Meeting took place virtually, without physical attendance of shareholders or their proxy holders, in 2021 July. Shareholders had to vote on the pre-planned agenda, which was prepared by the Board of Management and the Supervisory Board. First, there were introductory speeches of Supervisory Board members- Chairman Hans Dieter Pötsch and his deputy Jörg Hofmann and the presentation of some statistics of the previous year by the CEO Herbert Diess. After the presentation shareholders voted on the agenda which consisted of 11 issues that needed the resolution: The appropriation of the company’s net profit; formal approval for the fiscal year 2020 of the actions of the Board of Management and The Supervisory Board members who held office in 2020; election of the Supervisory Board members; the approval of the remuneration system for the Management Board members; the confirmation of the remuneration and the remuneration system for the Supervisory Board members; the exercise of voting rights by absentee voting; the advance payment on the dividend; the approval of settlement agreements with former members of the Board of Management and with the D&O insurers of the company; and the appointment of an auditor. Shareholders who meet the certain minimum requirement of shares have the right to require motions to be added to the agenda and be published. They can also submit countermotions and proposals. The countermotions that were submitted at the 61st Annual Meeting was deemed incorrect and therefore rejected by the Management and Supervisory Boards. In the end, only 11 issues raised by the Boards were discussed and voting results are available on Volkswagen AG official website in [the Annual General Meeting 2021](https://www.volkswagenag.com/en/InvestorRelations/annual-general-meeting/2021.html) section.