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– Herbert Diess –

Looking ahead, the situation remains challenging. The technological change in our industry – from e-mobility through to digitalization, connectivity, new mobility solutions, and on to automated driving – is going to take a lot of energy and financial resources. We want to shape this development from the top. Therefore, we are realigning our activities. We will increase our efficiency and competitiveness, pick up speed and revise our cost structures.

The coming years will be guided by our electric campaign. We are committed to the Paris Agreement and to making our contribution to protecting people and the environment. We're planning investments of around €30 billion in electric mobility in the next five years. Our emphasis is on the electric car, because from today's perspective it is the best and most efficient choice for reducing CO₂ in transport. By 2025, we will put 50 new electric models on the road. By then, every fourth car in our range will be an electric model. With the Volkswagen ID., we will soon offer the first vehicle with a CO₂-neutral supply chain and production. This will also change the face of our plants: Zwickau, Emden and Hanover will be transformed into pure-play electric car plants, forming Europe's largest electric production network. In China, too, the conversion of the Anting and Foshan plants is in full swing. The production launch of electric cars in North America is planned for 2022.

But the transformation of the car will go far beyond drives. It is becoming a highly complex, connected device, like a "tablet on wheels", if you like. From assistance systems through

infotainment to fully autonomous driving: software will shape the car of tomorrow. To be globally successful, companies need economies of scale, and as a leading company in the sector, Volkswagen has the necessary size. What we are lacking in many areas is software expertise. We are taking steps to acquire these skills by forging alliances with partners, increasing resources at full speed, revising our structures and changing our workflows. We are the first established automaker to separate hardware from software development. At the Volkswagen brand, we have therefore established a separate Board of Management position for software, which will additionally be responsible for the Digital & Software-Services Group division.

We are keeping a close eye on our goal to become the global leading provider of sustainable mobility. This will be possible if we continue to improve. We want to achieve sustainable growth and create value. For our customers. For our workforce. For our shareholders.

I thank you for your trust and invite you to stay with us as we move forward on this journey.

Sincerely,

A handwritten signature in black ink, appearing to read 'H. Diess', written in a cursive, stylized script.

Herbert Diess