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ID.5 in series production: Volkswagen successfully transforms Zwickau site into an electric vehicle production plant

- Vehicle portfolio complete: Zwickau officially starts production of its sixth allelectric model, the ID.5¹
- World's first complete conversion of a large-scale factory from internal combustion engine vehicle production to dedicated electric vehicle production
- Global EV production network will continue to grow with the addition of Emden, Hanover and Chattanooga in 2022
- Dr. Christian Vollmer, Member of the Board of Management of the Volkswagen Brand responsible for Production: "The Zwickau production plant has paved the way for the Group with six ramp-ups from three brands in just 26 months."

Zwickau, Germany – Volkswagen is driving forward the shift to electric vehicle manufacturing with its ACCELERATE strategy. Today's official start of production of the ID.5 and ID.5 GTX² marks the completion of Volkswagen's successful transformation of its Zwickau plant into a dedicated electric vehicle production facility. The long-established site in western Saxony is the first large-scale facility of any volume manufacturer worldwide to switch over all production from internal combustion engine vehicles to electric vehicles. Six models from the Volkswagen, Audi and CUPRA brands will now be manufactured in Zwickau based on the modular electric drive matrix (MEB). The plants in Emden (ID.4³), Hanover (ID. Buzz⁴) and Chattanooga (USA, ID.4) will be added to the electric vehicle production network this year. The Volkswagen brand has thus laid the foundations for building 1.2 million allelectric-vehicles at its sites in Europe, the USA and China in 2022 based on the MEB.



Volkswagen employee Frank Wiegele checks the ID.5 in the light tunnel

Dr. Christian Vollmer, Member of the Board of Management of Volkswagen Brand responsible for Production: "Volkswagen will continue to increase the pace of e-mobility in 2022 with its ACCELERATE strategy and the expansion of the model portfolio. The Zwickau production plant has paved the way for the Group to do this with six ramp-ups from three brands in just 26 months. The knowledge and experience gained will help us to continue to electrify our production network quickly and efficiently."

Dr. Stefan Loth, Chairman of the Board of Volkswagen Saxony: "After Gläserne Manufaktur Dresden, we have now converted a second Volkswagen factory in Saxony to dedicated electric vehicle production. The start of production of the ID.5 and ID.5 GTX marks the successful transformation of the Zwickau plant on the product side. Our focus now – depending on how the semiconductor situation pans out – will be on achieving full capacity. This year we aim to exceed the 180,000 vehicles Volkswagen Saxony built in 2021."

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Jens Rothe, Chairman of the General Works Council at Volkswagen Saxony: "Switching over to electric vehicle production was exactly the right decision for the Zwickau plant. Demand for our models is booming, and our team's jobs will be safe for years to come. We are a trailblazer of change and have repaid the Group's trust in us. This is first and foremost a fantastic achievement by our workforce."

An efficient digital model factory

Since 2018, around 1.2 billion euros has been spent on converting the Zwickau plant from ICE vehicle production into a digital, flexible, highly efficient showcase factory for the manufacture of electric vehicles. Increasing use is being made of technology such as smart Industry 4.0 robots and driverless transportation systems that take components to the assembly line completely autonomously.

Close to 40 percent of the investment volume went into the enhancement and expansion of the body shop alone. This area's already high level of automation now reaches nearly 90 percent, and the number of state-of-the-art robots has risen from 1,200 to 1,625. Automation in the assembly line has also been almost doubled to 28 percent, and production ergonomics have improved significantly. Only jobs involving monotonous or physically strenuous work have been affected, such as working with one's hands above one's shoulders or overhead work.

In total, more than 50,000 square meters of new building space have been created, such as for the expansion of the press shop, which is where all shell body parts for the electric models are now pressed on site – saving 9,000 truck trips per year. Other major projects involved construction of a new logistics building as well as a battery sequencer, which is now the tallest building at the Zwickau site. The volume of investment for these three projects alone is around 115 million euros.

The transformation to electric vehicle production in Zwickau has created enduring, future-proof jobs. The some 9,000 permanent staff working at the site received training in the new technology as part of a major training initiative. For example, all employees attended information events on electric vehicles. A total of 3,000 production workers completed the training center's e-mobility program to prepare them for the new production requirements. By the end of 2020, the Zwickau team had put in a total of around 20,000 days of training.

Models and production figures

In Zwickau, six models from three brands will leave the production line – the Volkswagen ID.3⁵, ID.4 and ID.5 plus the Audi Q4 e-tron⁶, Q4 Sportback e-tron⁷ and CUPRA Born⁸. The production capacity corresponds to an annual output of more than 300,000 vehicles, making the Zwickau plant currently the most efficient electric vehicle manufacturing facility in Europe.

Green production

With the models produced in Zwickau, Volkswagen only delivers vehicles to customers that are produced in a carbon-neutral manner throughout the entire supply and production chain. In the manufacturing process, carbon generation is avoided or reduced as far as possible – and any unavoidable emissions are offset through climate action.



The carbon avoidance measures in manufacturing also extend to energy-intensive production of battery cells. Here, it was agreed that suppliers would use green electricity from renewable sources in cell production. The life-cycle assessment of electric vehicles can be improved further with this important tool.

At the Zwickau plant, the external power supply was switched over to 100 percent green electricity as early as 2017. Since production of the ID.3 began in November 2019, any remaining emissions from the site's highly efficient cogeneration unit and the entire upstream chain have been offset for all models manufactured in Zwickau through certified climate projects implemented in accordance with officially recognized standards.

Target vision of the Volkswagen brand

At the heart of the "Way to ZERO" decarbonization program is the brand's ACCELERATE strategy aimed at stepping up the pace of the electric offensive. Volkswagen intends to be net carbon neutral by 2050 at the latest. The interim target is to cut CO_2 emissions per vehicle by 40 percent in Europe by 2030 (baseline: 2018). The production, including supply chains, and operation of electric cars are to be made net carbon neutral.

Added to this is the systematic recycling of the high-voltage batteries from old electric vehicles. The goal is the full electrification of the new vehicle fleet. By 2030, at least 70 percent of all Volkswagen's unit sales in Europe will be all-electric vehicles – i.e. substantially more than one million vehicles. In North America and China, the share of electric vehicles in unit sales is expected to reach at least 50 percent. In addition, Volkswagen will be launching at least one new electric car each year.

Video: <u>ID.5 in series production: Volkswagen successfully transforms Zwickau site into</u> <u>an electric vehicle production plant</u>

¹⁾ID. 5 - combined energy consumption in kWh/100 km: 16.2 (NEDC); CO₂ emissions in g/km: 0; efficiency rating: A+++.

²⁾ ID.5 GTX – combined power consumption in kWh/100 km: 17.1 (NEDC); combined CO_2 emissions in g/km: 0; efficiency class A+++.

³⁾ ID. 4 - combined energy consumption in kWh/100 km: 16.3–15.6 (NEDC); CO₂ emissions in g/km: 0; efficiency rating: A+++.

⁴⁾ ID. Buzz – the vehicle is not yet offered for sale.

⁵⁾ ID. 3 - combined energy consumption in kWh/100 km: 14.0–13.7 (NEDC); CO₂ emissions in g/km: 0; efficiency rating: A+++.

⁶⁾ Audi Q4 e-tron – combined energy consumption in kWh/100 km: 18.2–15.8 (NEDC); CO₂ emissions in g/km: 0; efficiency rating: A+++.

⁷⁾ Audi Q4 Sportback e-tron – combined energy consumption in kWh/100 km: 17.9– 15.6 (NEDC), CO₂ emissions in g/km: 0; efficiency rating: A+++.

⁸⁾ CUPRA Born – combined energy consumption in kWh/100 km: 16.8 (NEDC); CO₂ emissions in g/km: 0; efficiency rating: A+++.



The Volkswagen Passenger Cars brand is present in more than 150 markets worldwide and produces vehicles at more than 30 locations in 13 countries. Volkswagen delivered around 4.9 million vehicles in 2021. These include bestsellers such as the Golf, Tiguan, Jetta or Passat as well as the fully electric successful models ID.3 and ID.4. Around 184,000 people currently work at Volkswagen worldwide. In addition, there are more than 10,000 trading companies and service partners with 86,000 employees. With its ACCELERATE strategy, Volkswagen is consistently advancing its further development into a software-oriented mobility provider.