
Media information

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Class-action suit: Volkswagen offers settlement solution

- **Settlement negotiations with consumer protection representatives collapsed over unjustified demands for €50 million made by the plaintiff's attorneys**
- **The Group Board of Management approves a settlement package of up to €830 million during an extraordinary meeting**

Wolfsburg – The Group Board of Management at Volkswagen AG approved a settlement package during an extraordinary meeting today. The Board said the collapse of settlement negotiations with the Federation of German Consumer Organisations (Verbraucherzentrale Bundesverband – vzbv) should not have a negative impact on the company's customers. For this reason, Volkswagen will offer the previously negotiated settlement to customers who joined the class-action suit and who meet the terms of the settlement package without seeking the support of the vzbv.

A settlement of up to €830 million had previously been reached with the federation. Nonetheless, no binding agreement could be negotiated. The talks broke down as a result of unwarranted demands of the litigation attorneys who sought a flat fee of €50 million to carry out the settlement. The federation's legal advisers were asked multiple times to provide sufficient justification for this fee, but failed to do so. The attorneys have also refused to allow an independent third party to review their request.

Hiltrud Werner, the Board of Management member for Integrity and Legal Affairs, said: "We have said from the very beginning that a fair and practical solution for our customers was a top priority in these negotiations. This is why we now want to offer the previously negotiated settlement terms to our customers. The lawyers' unwarranted demand for €50 million was unacceptable. The purpose of a class-action suit is to efficiently and cost effectively achieve legal certainty. Nonetheless, we believe that the settlement solution as such is in the interest of our customers – they will receive their one-time payment easily and quickly. The business practices of the plaintiffs' attorneys should not have a negative impact on the customers."

Dr Manfred Döss, the Chief Corporate Counsel at Volkswagen AG, said: "The class-action suit process was designed by lawmakers in such a way that hundreds of thousands of customers still had to seek damages in 115 county courts across Germany even after a prompt ruling by the Higher Regional Court of Braunschweig and the German Federal Court of Justice. It would have taken several years until

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individual legally binding rulings had been issued. Germany's legal system would have been unable to handle this major effort. For this reason, a settlement is the most reasonable solution for this case – for customers, for the legal system and for Volkswagen.”

Volkswagen AG is working intensely at the moment to develop a platform. Beginning at the end of March, customers entitled to settlement payments will be able to easily and quickly receive the offer for a one-time payment that is designed especially for them. Until the platform is completed, interested individuals can register for an e-mail newsletter at vergleich.volkswagen.de to receive information from the company about the latest developments related to the VW settlement.



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About the Volkswagen Group:

The Volkswagen Group, with its headquarters in Wolfsburg, is one of the world's leading automobile manufacturers and the largest carmaker in Europe. The Group comprises twelve brands from seven European countries: Volkswagen Passenger Cars, Audi, SEAT, ŠKODA, Bentley, Bugatti, Lamborghini, Porsche, Ducati, Volkswagen Commercial Vehicles, Scania and MAN. The passenger car portfolio ranges from small cars all the way to luxury-class vehicles. Ducati offers motorcycles. In the light and heavy commercial vehicles sector, the products include ranges from pick-ups, buses and heavy trucks. Every weekday, 664,496 employees around the globe produce on average 44,567 vehicles, are involved in vehicle-related services or work in other areas of business. The Volkswagen Group sells its vehicles in 153 countries.

In 2019, the total number of vehicles supplied to customers by the Group globally was 10,8 million (2018: 10,8 million). The passenger car global market share was 12.3 per cent. In Western Europe 22.0 per cent of all new passenger cars come from the Volkswagen Group. Group sales revenue in 2018 totalled €235.8 billion (2017: €231 billion). Earnings after tax in 2018 amounted to €17.1 billion (2017: €11.6 billion).
