

Volkswagen Group shares future plans with stronger focus on design orientation

- **One year CEO: Oliver Blume presents key findings on realignment of Volkswagen Group and sets guard rails for future design strategy**
- **Design is given greater overall corporate significance, from corporate identity to the products and digital offerings**
- **Refined design principles aim for higher design quality and stronger differentiation of the brands**
- **Design strategy relies on further development of established model series, technological lighthouse projects for e-vehicles, and iconic products of the Volkswagen Group**
- **Volkswagen ID. GTI concept¹⁾ and CUPRA DarkRebel²⁾ showcar give glimpse of electric future**
- **Design heads of the brands move even closer to their respective CEOs**
- **Volkswagen Group CEO Oliver Blume: "Good design is an essential factor in delighting our customers. With sharpened design identities, we design striking products and increase the differentiation of the brands. In their exterior, interior and digital experience. Volkswagen Group is becoming a design-driven company."**

München, September 3, 2023 – "Success by Design" was this year's motto at the Volkswagen Group Media Night. CEO Oliver Blume presented key findings on realignment of Volkswagen Group and set guard rails for future design strategy. Taking a holistic approach, the company increases the importance of design for the business - from the corporate identity to the products and digital offerings. In the future, the design departments will have an even closer connection to their respective brand CEOs.



Die Designleiter der Marken mit Konzernvorstand: v.l.n.r. Christian Schreiber, Bentley, Andreas Mindt, Volkswagen Pkw, Marc Lichte, Audi, Jorge Diez Perez, CUPRA, Albert Kirzinger, Volkswagen Nutzfahrzeuge, Oliver Blume, CEO Volkswagen Group, Michael Mauer, Porsche und Leitung Konzerndesign, Mitja Borkert, Lamborghini, Andrea Ferraresi, Ducati, Stephan Schönherr, MAN Trucks, Oliver Stefani, Skoda

Two days before the official start of IAA 2023, Volkswagen Group invited more than 400 guests from international media to its pre-show event at the Eisbach Studios, a renowned location for movie production. The focus of the evening was on design. "Good design is an essential factor in delighting our customers. With sharpened design identities, we design striking products and increase the differentiation of the brands. In their exterior, interior and digital experience. Volkswagen Group is becoming a design-driven company."

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Oliver Blume, CEO Volkswagen Group

10-point plan yields tangible results

The event coincided with Oliver Blume’s first anniversary as CEO of Volkswagen Group. Since Blume took the helm in September 2022, the Group has successfully executed some pivotal initiatives, including:

- a redesigned platform strategy and competitive technology profile
- a refined portfolio plan for CARIAD under its new leadership team
- forging ahead with the “in China for China” strategy with local partners
- a growth plan for the USA and the relaunch of the Scout brand with electric models with their very own design DNA for the American market
- the ramp-up of PowerCo and its gigafactory expansion to Canada
- the roll-out of an integrated mobility platform
- a stronger focus on sustainability
- a closer engagement with the capital markets

There were also quality improvement programs and a restructured product strategy to position the entire Group for sustainable success, primarily focusing on value-creating growth.



f.l.t.r. Michael Mauer, Head of Volkswagen Group Design, Oliver Blume, CEO Volkswagen Group

Design as the key differentiating factor

With more than 100 million customers worldwide, Blume reiterated the company’s focus on customer satisfaction, emphasizing the crucial role of the Group’s brands in creating sustainable value. Strong brands with a clear differentiation were key to success, he said. This is why Volkswagen Group would become a design-driven company.

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Blume underlined the importance of design in creating an emotional connection with customers: “The design of our models is one of the most crucial factors that decides the success of our brands. Each brand needs its own strong personality. Our refined design principles aim for higher design quality and stronger differentiation of the brands, with our design strategy relying on the further development of established model series, technological lighthouse projects for electric vehicles, and iconic products of the Volkswagen Group.

The Group's dedication to design excellence was underscored by Michael Mauer, Head of Group Design and Head of Porsche Design, who detailed the strategic role of design in shaping brand identity, consistency, and innovation. In times when traditional unique selling propositions are becoming less important, design takes center stage as one of the most important differentiating factors between brands. „Design works. Because it translates what a brand is at its core, where it comes from, where it's going and what makes it unique. People automatically relate to a brand through design because it communicates with them as an emotional language. In Volkswagen Group's multi-brand universe, with customers ranging from the Ducati pilot to the Scania trucker, each brand needs its own strong personality, with a unique and distinctive character”, Mauer said.

Up to now, brand design was organizationally assigned to technical development. This close cooperation will remain in place to ensure an optimal product development process. However, design now gains in overall corporate significance. For this reason, the design heads of each brand will move even closer to the respective CEO in the future. The direct exchange with the brand CEO is supposed to promote a holistic implementation of the design principles for a coherent brand experience – from corporate identity to products to digital offerings of each brand. The focus will be consistently on the customer and the product.

Based on the sharpened design principles, each brand has developed its own design language that translates its brand values into specific brand experiences in the interior, exterior and digital design. At Group Night, the design heads showcased these differentiated brand identities in their respective presentation areas.

Introducing the Volkswagen ID. GTI Concept

A highlight of the evening was the unveiling of the Volkswagen ID. GTI Concept, marking the next chapter in the iconic GTI legacy. Andreas Mindt, Chief Designer at Volkswagen Passenger Cars, demonstrated the design principles that transfer the DNA of the GTI into the electric era: “The Volkswagen brand has a rich heritage. Stability, likeability, and excitement are what makes Volkswagen a love brand—and it's also the DNA of our performance models.” Blending German engineering with cutting-edge technology, the ID. GTI Concept exemplifies the Group's commitment to electrification without compromising on performance, design, and the emotional connection that defines the GTI.

CUPRA's Provocative Design Unveiled

As a contrast to Volkswagen, a brand with a long tradition, Jorge Diez, Chief Designer at CUPRA, presented the CUPRA DarkRebel, a showcar that pushes boundaries and even questions the way that cars will be designed and created for future generations. Born only five years ago, CUPRA demonstrates what is possible for a brand with no history: the DarkRebel showcar breaks design norms with its striking lines, dynamic proportions, and distinctive features. Created in collaboration with the brand's global community, the CUPRA Tribe, the design of the car incorporates feedback from more than 270,000 online configurations. The CUPRA

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DarkRebel is the maximum expression of CUPRA, embodying the brand's philosophy of challenging the status quo and creating unique, highly emotional vehicles.

Outlook

The design strategy focuses on the further development of established model series, technological lighthouse projects for e-vehicles, and iconic products. As a design-driven company with ten strong, clearly differentiated brands, the Volkswagen Group aims to cover all customer segments. With sharpened design principles, higher design quality and even stronger differentiation of the brands, the Group wants to sustainably expand and secure its competitive edge.

Live Stream Group Night

The Volkswagen Group Night will be broadcast live online from 8:30 p.m. CET on September 3:

German: <https://www.volkswagen-group.com/de/iaa-mobility-2023-17555>

Englisch: <https://www.volkswagen-group.com/en/iaa-mobility-2023-17555>

¹⁾ Concept car

²⁾ Concept car

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About the Volkswagen Group:

The Volkswagen Group is one of the world's leading car makers, headquartered in Wolfsburg, Germany. It operates globally, with 119 production facilities in 19 European countries and 10 countries in the Americas, Asia and Africa. With around 676,000 employees worldwide. The Group's vehicles are sold in over 150 countries.

With an unrivalled portfolio of strong global brands, leading technologies at scale, innovative ideas to tap into future profit pools and an entrepreneurial leadership team, the Volkswagen Group is committed to shaping the future of mobility through investments in electric and autonomous driving vehicles, digitalization and sustainability.

In 2022, the total number of vehicles delivered to customers by the Group globally was 8.3 million (2021: 8.9 million). Group sales revenue in 2022 totaled EUR 279.2 billion (2021: EUR 250.2 billion). The operating result before special items in 2022 amounted to EUR 22.5 billion (2021: EUR 20.0 billion).
