
Media information

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Volkswagen's Supervisory Board reaches agreement with Prof. Martin Winterkorn on EUR 11.2 million in compensation

- Volkswagen's Supervisory Board also reaches agreement with Rupert Stadler on compensation amounting to EUR 4.1 million
- Volkswagen to receive EUR 270 million from D&O insurers
- General Meeting to pass resolution on agreements on 22 July
- Report to the General Meeting on the resolution available online

Wolfsburg, June 9, 2021 – The Supervisory Board of Volkswagen AG has reached an agreement with the former Chairman of the Board of Management, Prof. Martin Winterkorn, on compensation in excess of ten million euros in connection with the diesel issue. The agreement between the company and Prof. Winterkorn which was approved by the Supervisory Board last Saturday provides for an amount of EUR 11.2 million. The Supervisory Board also approved an agreement on an amount of EUR 4.1 million from the former member of the Group Board of Management and Chairman of the Board of Management of AUDI AG, Rupert Stadler.

The payments relate to the investigation started by the Supervisory Board in October 2015 into the causes of the diesel crisis and who was responsible for this. Ultimately, the Board resolved in March to assert claims for damages against Prof. Winterkorn and Mr. Stadler on account of breaches of the duties of care under stock corporation law. No breaches of duty by other members of the Group Board of Management were identified. The General Meeting, which will be convened for 22 July, still has to approve the agreements. The report from the Supervisory Board and Board of Management to the General Meeting on the agreements reached can be viewed at https://www.volkswagenag.com/en/news/2021/06/Joint_Report.html.

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Volkswagen AG has also reached an agreement about compensation payments from its D&O insurance in this regard. The D&O insurers will be paying an amount of EUR 270 million.

The law firm Gleiss Lutz carried out an extensive review of liability claims on behalf of the Supervisory Board and submitted the final results of its investigation to the Board in March. It was by far the most comprehensive and complex investigation carried out in a company in German economic history.

Based on the outcome of this investigation, the Supervisory Board has concluded that Prof. Winterkorn breached his duties of care as former Chairman of the Board of Management of Volkswagen AG by failing, in the period from 27 July 2015 on, to comprehensively and promptly clarify the circumstances behind the use of unlawful software functions in 2.0l TDI diesel engines sold in the North American market between 2009 and 2015. Prof. Winterkorn also failed to ensure that the questions asked by the US authorities in this context were answered truthfully, completely and without delay.

The Supervisory Board further concluded that Rupert Stadler breached his duties of care by failing, in the period from 21 September 2016 on, to ensure that 3.0l and 4.2l V-TDI diesel engines developed by AUDI that had been installed in EU vehicles of Volkswagen, AUDI and Porsche were investigated with regard to unlawful software functions.

The Supervisory Boards of AUDI AG and Dr. Ing. h.c. F. Porsche AG also examined the results of the investigations of the Supervisory Boards of their respective companies and based their resolutions on expert opinions drawn up by Gleiss Lutz, which concluded that negligent breaches of duty had occurred. In this connection, an agreement was reached with the former member of the Board of Management of AUDI AG, Dr. Stefan Knirsch, on an amount of EUR 1 million as well as with the former member of the Board of Management of Porsche, Wolfgang Hatz, on an amount of EUR 1.5 million.

All of the agreements were reached without the board members acknowledging a legal obligation to do so in each case.

The former member of AUDI's Board of Management, Prof. Ulrich Hackenberg, was not prepared to reach an agreement. The Supervisory Board of AUDI AG has instructed that preparations be made for legal action to be taken against Prof. Hackenberg.

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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 range from pick-ups to buses and heavy trucks. Every weekday, 662.600 employees around the globe are involved in vehicle-related services or work in other areas of business. The Volkswagen Group sells its vehicles in 153 countries.

In 2020, the total number of vehicles delivered to customers by the Group globally was 9.31 million (2019: 10.98 million). Group sales revenue in 2020 totaled EUR 222.9 billion (2019: EUR 252.6 billion). Earnings after tax in 2020 ended amounted to EUR 8.8 billion (2019: EUR 14.0 billion).
