Coronavirus: Follow the Rules!

Appeal from Gunnar Kilian and Dr. Lars Nachbar: What happens next depends on us

New coronavirus infections are currently on the rise worldwide. For Volkswagen to successfully persevere through the crisis, it is vital that everyone consistently follows the rules. “We need to continue to work together in the fight against the pandemic. We cannot get complacent, especially now in cold and flu cold season,” said Gunnar Kilian, Member of the Board of Management for HR and Truck & Bus, in an appeal to employees. To succeed in responding swiftly and in a controlled, targeted manner, the Group’s crisis team is closely monitoring the current situation on a global scale. The goal is to create a safe working environment and avoid a second lockdown. Every employee can do their part by following the rules. “We are all tired of theadded safety measures. But we can only overcome this crisis together if we have the self-discipline to follow the rules,” says Lars Nachbar, Head of Group Health and Safety. Gunnar Kilian says, “Following the rules – including during breaks, in team rooms, at our company restaurants, in smoking areas and on the way to work – will be crucial in terms of how successfully we make it through the pandemic. The ‘hands, face, space’ rule remains valid: wash your hands, cover your face and maintain a safe distance from others. And, equally importantly, employees with symptoms should stay at home. If you develop a fever, cough or other symptoms at work, please contact the health department as soon as possible by calling +49 5361/9-33-333. You will be given an appointment for a COVID-19 test.”

The editorial team has compiled a list of all the important safety measures in place. Further information, which is updated daily, is also available on the Volkswagen Net and on the 360° Volkswagen app. → PAGE 3
Digital Workforce Update: Board and Works Council Address Employees

Strong sign in times of COVID-19: ten videos available in the app and on the intranet – speeches by Herbert Diess and Bernd Osterloh

F or the first time in Volkswagen’s history, the Board and the Works Council have come together to address the workforce on a digital platform. A total of ten videos have been recorded for the new format in the Autostadt in Wolfsburg, which are now available to around 120,000 employees via internal communication channels. Employees had the opportunity to submit any questions in advance of this update, which focused on the company’s development and progress in 2020 – the year of the coronavirus.

In the key reports delivered by the Works Council and the Board, Bernd Osterloh (Chair of the Works Council) and Herbert Diess (Group CEO) called on all employees to continue to consistently follow coronavirus rules to successfully steer Volkswagen through this pandemic crisis year.

“We are getting through the crisis relatively well here at Volkswagen,” reports Diess in his speech. This is thanks to the excellent compliance management skills of the Corona Task Force headed up by Gunnar Kilian, which has ensured stable supply chains and a smooth restart to production processes. This also includes preventing supply chain disruptions that are consistently adhering to all health and safety regulations during the pandemic phase.

As Chair of the Works Council, Bernd Osterloh thanked all employees for their contribution to containing the wave of infection, saying, “We always want to look out for each other and be considerate, and now means wearing masks and keeping our distance. Our workforce has always been known for its solidarity. That’s something we’ve always been good at. We talk about being one team, one family, and this has never been more apparent in this crisis than we have always emerged from crises stronger than we went into them. And this time is no different.”

Gunnar Kilian, Chief Human Resources Officer at Volkswagen AG, noted in one of the video rounds of talks, “The coronavirus has presented the company and its employees with unique and unprecedented challenges. But the fact that our production processes were able to restart so quickly using our own plan really is a testament to the special team we have here. On behalf of the board, I would like to thank all of my colleagues once again for their hard work. And from a business standpoint, it is now essential for Volkswagen that we all stick to the measures we have taken so far so that we can bring 2020 to a successful conclusion in spite of the pandemic.”

Some background on the digital format: The digital workforce update is a first in Volkswagen’s history. The aim of the digital information offensive is to continue to provide employees at all German sites with comprehensive information on core Volkswagen issues during the coronavirus pandemic. In addition to the speeches by Bernd Osterloh and Herbert Diess, the workforce can follow a total of nine interactive talks on various topics via internal communication channels. These talks focused on the current business situation, the progress being made in transforming the company in terms of electric mobility and digitalization, and the current situation for Volkswagen Passenger Cars, Volkswagen Commercial Vehicles, Components, and Volkswagen Financial Services AG.

Employees across the German locations have access to all videos via the Volkswagen 360° intranet. In addition, the digital workforce update is also available on mobile devices using the 360° app.

Whistleblower Averts 33 Million Euros in Potential Damages

In the third quarter of this year, the whistleblower system received 605 reports of potentially severe rule violations.

Tip-off received through the whistleblower system has saved Volkswagen from over 33 million euros worth of potential damages. According to the report, a manager had deliberately incorrectly valued and recorded services. The whistleblower allowed the experts in the Central Information Office and Group Internal Audit to thoroughly investigate and clarify the facts.

“The case illustrates that serious rule breaches can cause huge amounts of damage to not only the company, but to all of us,” explains Kurt Michels, Group Chief Compliance Officer. “Our whistleblower system helps us quickly and consistently put things right, independently of company politics points out any wrongdoing - via their boss, via the relevant contact person or, in the case of serious violations, via the whistleblower system. - including the fact that we are very brave indeed and is acting responsibly on behalf of all of us.”

Statistics on the reports received

In the event of mistakes and rule breaches, a manager is the first point of contact. In the event of uncertainties and questions relating to compliance and the code of conduct, the Compliance Information Point at Volkswagen.de and the whistleblower system can provide assistance. If a serious breach of the rules is suspected, you can submit a report via one of the whistleblower system’s reporting channels.

During the third quarter, the Volkswagen AG whistleblower system received a total of 605 tip-offs. Three-quarters of whistleblowers submitted their reports using their own name, while 25 percent made use of the option to submit reports anonymously or using an alias.

In total, 317 reports (54 percent) were received directly by the Volkswagen Central Information Office in Wolfsburg.

Around 16 percent of reports were submitted online via the protected website https://www.blms-system.com/vw.

Ombudsmen received six percent of the reports.

The 24/7 hotline (0800) 444 45300 received about 11 percent of the reports.

A further 12 percent or so were received indirectly by the Central Information Office via other agencies.

More on this report and the progress of the investigations can be found on the Compliance page on 360° Volkswagen Net.

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More Information

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Do Your Part – Stay Healthy!

COVID-19: Rules of Conduct

Self-check before going to work
Do NOT go to work if your answer to any of the following question is yes:

- I am in quarantine.
- I am in an exempted risk group and have not been offered a job with the classification “yellow” or “green” during Phase 3.
- My body temperature is above 37.8 degrees Celsius (100 degrees Fahrenheit) before going to work.
- I have a runny nose and frequent sneezing, without any known allergies or hay fever.
- I am coughing frequently, I have an unexpected tickle in my throat and/or I have labored breathing/shortness of breath.
- I have symptoms of a cold with or “green” during Phase 3.
- I have labored breathing/shortness of breath.
- and/or I feel a cold coming on.

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Working remotely
Employees who can work remotely and whose presence in the workplace is not absolutely necessary work from home until December 31, 2020. This precautionary measure will remain in place until the number of infections tapers off again.

Ventilation
Aerosols are tiny particles that circulate in the room, which may transmit coronavirus. The concentration of these particles, and thus the risk of infection, can be reduced by regular ventilation.

Contact management
Before an event, a responsible person must be nominated as a contact for the authorities in case of coronavirus transmission. Create a list of participants for the purpose of documentation on behalf of the health department at internal company events is not permitted for data protection reasons. However, if the event attendees are not known in advance, special rules may apply. If recording of attendance is planned, please consult the Legal department (K-ILC-6).

External service providers
Service providers may only enter the company premises if it is absolutely necessary for business purposes. It is essential that service providers are informed about the coronavirus safety measures at the plant by the responsible units, so that they can act accordingly. Here too, remote working is preferred.

Personal travel
Before traveling domestically or abroad, employees should find out the current status of the area they will travel to (Foreign Office, Robert Koch Institute). Any existing travel warnings and subsequent quarantine regulations should be taken into account when planning personal travel.

Travel/Commuting
Employees who commute from areas in Germany with a high number of infections (more than 100 cases per 100,000 inhabitants in the last seven days) and are able to work remotely, should only come to work if absolutely necessary and permitted by their supervisor. Employees from areas in Germany with a high number of infections may travel to work on public transport. However, they must wear a face mask at all times during the journey and maintain a safe distance from other passengers. Carpooling should be avoided, if possible. Wearing a face mask is recommended in vehicles carrying multiple people.

Shuttle bus
Employees who travel on company shuttle buses. Passengers may only use the back doors to enter and exit the bus. To ensure proper distancing, drivers are currently accepting a reduced number of passengers.

Restaurants and self-service shops
Face masks must be worn on the company shuttle buses. Passengers may only use the back doors to enter and exit the bus. To ensure proper distancing, drivers are currently accepting a reduced number of passengers.

Business travel
Business travel should be reduced to a minimum and only take place if absolutely necessary (“business essential”). Business travel is subject to prior approval by the manager of the respective department via the Xera travel management system. Video conferences, Skype, and Teams remain first preference and are to be used wherever possible. Business travel within Germany is permitted in areas with high numbers of infections if they are “business essential” and the necessary safety and hygiene measures are followed.

Events
Events with more than ten people may only take place if they have been verified as “business essential” by a top management circle and agreed with the health department. The legal department (K-ILC-6) must always be notified about in-person events with more than ten participants, so that any necessary official arrangements can be made.

Outside travel
Employees who travel to high-risk areas abroad should follow the guidelines issued by the Federal Foreign Office.factory. Employees who have been in high-risk areas abroad should stay home for seven days after arrival and report to their supervisor. In any case, employees may resume their regular work.

Test centers
Employees with COVID-related symptoms should stay home and inform their supervisor! If it is not possible to work remotely, employees can call one of Volkswagen AG’s test centers and take a voluntary COVID test. Important: The test can only be taken after consulting with their supervisor. If it is not possible to work remotely, employees should stay home and inform their supervisor.

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Volkswagen supports the official Corona-Warn-App by the German government. The goal of the app: to intercept infection chains early and keep the coronavirus pandemic under control. On company iPhones, the app can also be downloaded from the Volkswagen AppStore.
42 Wolfsburg: An Interview with Gunnar Kilian and Max Senges

Volkswagen Chief Human Resources Officer and head of the new programming school on the extraordinary training concept

Mr. Kilian, why is Volkswagen opening a new programming school?

Kilian: In future, we will largely develop software in our vehicles ourselves. At the moment, less than ten percent of this development is done in-house. But we want to increase that to 40 percent by 2025. And do that, we need impeccably trained specialists. But increasing digitalization and the end of the old-school bureaucracy are in greater demand than ever, worldwide. So it makes sense to train and consolidate talent in Wolfsburg, right on our doorstep. That is why Volkswagen is using the 42 Wolfsburg association to provide 3.7 million euros of funding for the programming school in the first year, and two million euros a year in the years that follow.

How does the new facility differ from existing options, like Faculty 73, for example?

Kilian: Volkswagen’s Faculty 73 trains base software developers over two years whilst the 42 Wolfsburg offers more in-depth programming skills over four years. Training at 42 Wolfsburg focuses on more progressive, project-based learning. Both programs will help us cover our demand in future with top talent. Faculty 73 has already proved to be a successful model. Interest among Volkswagen employees has been and continues to be enormous. The new programming school will complement the education services our location offers and provide valuable training. The school is working in cooperation with Ecole 42, which is based in Paris. Their excellent training means these graduates are already highly sought-after.

Mr. Senges, how would you describe the concept behind the new programming school?

Senges: The school is centered on self-paced learning, having fun together and individual performance. In the end, our graduates come away with software development skills comparable to what computer science students get out of a Masters degree. We don’t teach academic, scientific knowledge. Instead, we help our students become master programmers by completing projects that gradually increase in difficulty. There are no seminars or lectures, no professors and no nationally recognized diploma. But students gain in-depth understanding and experience while paying no tuition and avoiding old-school bureaucracy, without being subjected to outdated teaching material. Our students decide what they want to study and the methodology they want to use.

Who can apply to 42 Wolfsburg?

Senges: What counts with us is talent and ability, not formal qualifications or a perfect CV. Applicants don’t need previous programming skills. Being able to learn independently and think logically are, of course, basic prerequisites applicants should have to succeed in our program. Because courses are taught in English, applicants should have at least a good understanding of the language. Students start by completing coursework on the most important aspects of modern programming. This includes various programming languages, building software architecture, and the fundamentals of machine learning.

What makes the school so special?

Senges: Students spend about half of their studies on practical placements at partner companies, similar to typical dual study programs in Germany. What’s unique is that our students are paired with experienced software developers who offer extensive support during these practical placements. And what is perhaps even more important to mention is that our students “learn how to learn,” so that they come away with a natural ability to keep acquiring new skills in groundbreaking techniques and technology.

Mr. Kilian, are 42 Wolfsburg and Faculty 73 both signs of what’s to come in terms of future training at Volkswagen?

Kilian: Yes, we can say with certainty that models like our Faculty 73 and the tuition-free 42 Wolfsburg programming school represent the future of software training. Both examples are indications that, in future, work and jobs will no longer focus exclusively on diplomas and qualifications, but instead on the skills you acquire. So I have no problem classifying graduates of these two institutions as our students.

Faculty 73, which was founded by Volkswagen in the middle of last year, who hold no previous professional qualifications can also use the training they receive toward a qualification from the Chamber of Industry and Commerce (IHK). We are currently in talks with the Works Council regarding how to classify the first graduates of 42 Wolfsburg. And there will be clear guidelines.

For more information and to apply, visit www.42wolfsburg.de

Symposium: IT’s Plans for Driving the Digital Revolution

Event held under unusual conditions due to coronavirus – Group Board Member Witter praises employees

What is Volkswagen IT doing to consistently promote the Group’s path to becoming a digital business – transparently and efficiently across all brands? That was at the heart of the IT Symposium, which was held at IT City in Wolfsburg and digitally broadcast via Skype due to the coronavirus pandemic. Beate Hofer, Head of Group IT, also addressed the issue of adapting the Volkswagen’s IT strategy for the future.

Frank Witter, Chief Financial Officer and Chief IT Officer, stressed the crucial competitive role digitalization plays in transforming the Group into an extensively networked, digital business. Witter praised IT’s outstanding performance during the unprecedented situation caused by the pandemic. He said that, thanks to a stable infrastructure and a great deal of commitment, IT employees had ensured some 40,000 employees were able to work remotely and the company could continue functioning.

Beate Hofer talked about the core elements IT wanted to harness to shape the roadmap for Volkswagen becoming a digital business. “We are working together with all company divisions to proactively and strategically push ahead with digitalization. We are relying on our universal, platform-based IT landscape, rooted in an overall development plan, to achieve the speed and synergistic effects needed here. And we are pooling our strengths within the Group and taking advantage of all the skills within the company around the world.”

Chairman of the Works Council Bernd Osterloh said, “This event to showcase the achievements of our colleagues in IT IS awe-inspiring. Building up more in-house expertise in software development is the only way forward. Between 2017 and 2019, we created 600 new IT jobs for the future as part of the Zukunftspakt ( Pact for the Future). This is now clearly paying dividends. IT is our future! Cutting corners in IT means jeopardizing the success of our company.”

The presentations on the stage and at the marketplace stands made clear that the results are good for future-focused IT. Strolling around the marketplace, visitors were treated to things like demonstrations of how a mobile charging robot charges an ID.3 with an AI-controlled robotic arm.

Well received: IT Symposium attendees, including Group CEO Herbert Diess, Works Council Chair Bernd Osterloh, and Group Board Member Frank Witter, learned about IT projects in the marketplace.

The symposium was somewhat pared down this year compared to years past, due to the coronavirus pandemic. Some 25 people, including Group CEO Herbert Diess, Group Board Member Frank Witter, Volkswagen Brand CEO Ralf Brandstätter, and Works Council Chair Bernd Osterloh, attended the symposium in person, which was held in the company restaurant at IT City. Another 35 people attended via Skype.
Procurement is kicking the journey toward digitalization into high gear. Across brands and divisions, experts are working on completely new computer systems for buyers. This is just one of the contributions made by Procurement on the Volkswagen Group’s digitalization roadmap. Procurement’s digitalization strategy revolves around the Group Procurement Suite (GPS). The goal with GPS is to develop a long-term software solution for Procurement. It combines innovative technology, a database, and modern user interfaces – for every one of the brands and regions in the Group. Procurement is prioritizing cross-sectional collaboration, starting with the development process. Nico Feirer, Head of Global Procurement Control at Volkswagen Group Procurement, says, “Our team is made up of many different players. We truly consider digitalization a team sport here.” These “players” are actually experts from Procurement, IT, and other divisions, plus development partner SAP.

For a bit of background, GPS was created in co-innovation between Volkswagen and the Baden-Württemberg-based software company. According to Feirer, “What co-innovation really means is that both sides invest, bring their own knowledge to the table, and use all of this to develop a new software standard.” The result is a real win-win. The division head says, “What we develop during this process will become SAP-standard. This means the Volkswagen Group will benefit from regular SAP updates, while SAP will be able to learn from our outstanding procurement expertise.”

Procurement colleagues explain with pride: “GPS project colleagues and partners from different brands have continued to collaborate on the project with development partner SAP. A massive digitalization project is underway: Despite the coronavirus and working from home, more than 170 colleagues from different brands have continued to collaborate on the project with development partner SAP.”

No man is an island when it comes to the development process. Procurement included. This is because so many processes involve liaising and interacting with other divisions. According to Feirer, “Working closely with neighboring divisions like Finance, Logistics, and Components is crucial to the whole process running smoothly.” One advantage in doing so is that other divisions, including Logistics and Finance, are also using SAP as part of their own digitalization initiatives.

Users are the focus

Another key tenet of the GPS program is for every employee to be included in the changes. “Users are always our focus. That’s why we involve our buyers to help us shape this digitalization process,” says Feirer. This employee outreach is done through formats like “A Peek at the Workshop,” where buyers get the opportunity to learn a few things about GPS’s current development status and provide honest feedback.

Employee Voices: What Makes the GPS Project So Special

PROCUREMENT AND IT WORKING TOGETHER

“The close collaboration between Procurement and IT is what makes GPS so special in my opinion. The project is so complex that it is extremely important that we work together. The joint project headquarters at the GPS Campus in Wolfsburg-Sandkamp has really brought us together and helped foster trust between employees. This great teamwork is particularly important when we are working together virtually.”

Ruben Symalla, Group IT GPS Project Manager

WORKING WITH BRANDS AND REGIONS

“Including the brands in the project work is what makes GPS so special to me. For example, my Audi colleagues and I actively engage with Volkswagen, Porsche, and MAN on a project team, with us representing the core brands. The good thing about it is that we not only benefit from the knowledge of everyone else there, we are also elevating user acceptance.”

Stefan Prüller, Business Owner at Audi

AGILITY

“I consider GPS to be the first project we have approached with agile methodology. For example, we are developing GPS step by step. To put it in the terms of agility: sprint by sprint. During development, user stories are crafted to identify users’ needs. These needs are prioritized based on our professional feedback and a reasonable development process. It’s really exciting, but it requires a lot of discipline.”

Maria Alt, Product Owner GPS Sourcing at Group Procurement

Digitalization: What Chief Human Resources Officer Gunnar Kilian Has to Say

1. GPS project colleagues explain what’s happening with digitalization in Procurement above. What are your tips for keeping up with digital transformation?

Two key things are essential: patience and flexibility. Our industry is always under constant development. What’s new in the incredible speed of change, the rapidity of transformation. For example, it took just four years or so for the ID.4 to go from the design stage to market launch. With other vehicles in the past, that process usually took six or seven years at least. That’s just one example of how the speed of change is increasing exponentially – and this will only continue. Transformation will become a permanent job. That means we need to proceed with patience and flexibility. We need to be continuously reviewing and updating our processes if we want to continue to succeed.

2. In addition to the “Peek at the Workshop” format, the GPS project also covers change management to get employees on board. How important is it for employees to take this digital journey with you?

Making sure our employees are on board in fundamental. As paradoxical as it may sound, the more technological the world becomes, the more businesses need to focus on people. After all, in a world reaping technological perfection, our employees’ skills will be the deciding factor that will determine our economic success in future. If our colleagues are not on board with this process, it simply won’t work. That’s why transparency is so important – especially in times of change. Transparency provides security and orientation.

3. In spite of the situation with the coronavirus, the GPS team has continued to work on the project from home. Will the current situation bring about permanent changes to employment at Volkswagen? And what role does digitalization play?

Digitalization is the impetus of this rapid transition to a more advanced career landscape. The pandemic has only underscored that. For example, we were able to make our 100-point plan to combat the coronavirus available to the public for digital download. More than 40,000 of our supplier’s took advantage of that. And if you want to draw some other positives from this time of crisis, the coronavirus seems to have been a breakthrough in digitalizing work, including for our office workers at the moment. This has been proven by remote working alone, which we have massively ramped up. If we look at the Wolfsburg plant alone, more than 70 percent of indirect employees have been working from home. When we look at Volkswagen AG, the number of employees working remotely has now increased from roughly 18,000 to 33,000. That happened quickly and unambiguously, while remaining legally compliant and technically efficient. We must now turn our attention to shaping working life in the long term using these positive findings. Whether we term this the new normal or call it something else, I believe that we are lagging behind in terms of the realization that we can’t afford to slow down this digitalization push with bureaucratic hurdles.

Questions

Gunnar Kilian, Member of the Group Board of Management for the HR and Truck & Bus divisions
**New Digital Dialog Formats in TD**

In Technical Development (TD) in Wolfsburg, working remotely was the order of the day for over 11,000 employees after the coronavirus lockdown in March. Skype and other services kept the teams connected electronically, allowing development projects to continue. The employees’ experience with the new dialog formats were a must. “Early on came the requirement to introduce digital formats that we can use to work together with and among TD employees,” reports Agnese Riemann-Birk, who is responsible for “Change Communication” in the TD Transformation department.

**TD Skype dialog supplements TD media**

Employees working from their home PCs kept busy with several questions regarding health protection, work organization, processes and projects. In early June, the TD Skype dialog “Together Against Corona” and its 350 participants provided the first answers. Over chat or microphone, the participants asked questions about their work situation under COVID-19 conditions.

“The new digital dialog formats are a good complement to our media, such as the monthly newsletter ‘Ellegramm’ and the TD website,” explains Michael Esders, responsible for TD internal communications.

Before the coronavirus pandemic, communication events were held with about 100 participants in the TD lecture hall. More than three events would have had to be organized to reach the 350 employees reached with the TD Skype dialog. With the online format, employees also saved on travel to and from work. If they had come from home, they would have covered more than 12,000 kilometers by car – with estimated CO₂ emissions of 3.8 tons.

**Online meetings help with climate protection**

The online meeting’s carbon footprint is considerably better – with 350 participants, only 35 kilograms of CO₂ are generated per hour. The transformation in TD is therefore one of many examples that demonstrate how Volkswagen is becoming a more digital and sustainable company.

After the first digitalization push, demand continued to grow. “We’re preparing a whole package of digital formats that we can use to provide employees with information and conduct dialog with them,” says Egon Faschier, responsible for TD strategy, product data, and services.

For developers working remotely: Agnese Riemann-Birk relies on new digital media.

**Electronic Design Engineers: Digital Welcome**

Roughly 40 engineers, software developers, and IT specialists have made themselves comfortable in front of their laptops. “Welcome!” appears in seven languages on the start screen of their digital meeting. If they had started working at Volkswagen a few months earlier, they would have gathered in a conference room in Wolfsburg to welcome them. But coronavirus won’t allow that. Since April, our new colleagues have been getting to know each other in virtual welcome meetings.

Even in times of crisis, experts are in great demand – which is why the Electronics Development (ED) department brings around three dozen new experts onto the team every quarter. Margit Burkhard and Gian Carlo Brunetti from the “Change & NewWork” team now have a lot of practice planning and moderating online formats. The welcome meetings always begin with a quick greeting from the boss – then it’s the newcomers’ turn. Each person has 30 seconds to introduce themselves with five key words.

The virtual meetings don’t just benefit the new employees – they’re also better for the environment. When 40 participants travel to Wolfsburg for an in-person meeting, they cover an estimated 2,600 kilometers by car. CO₂ emissions: roughly 300 kilograms. In a two-hour online format, only a few kilograms are incurred from the laptop’s consumption. That’s not just true for the welcome events, but for every day our new colleagues work from home.

Electronic design engineers are focusing even more on the digital dialogue than before the pandemic for other dialog events as well. A few weeks ago, for example, new division head Axel Heinrich introduced himself in a virtual plenary meeting via webcam: he talked about his resume and goals, followed by questions from employees.

ED has digitalized several other formats too. Employeereportson their ideas with topics by video – for example, a developer introduces a new feature in the navigation of the ID.3. “The technology films are very popular with our colleagues – it’s unusual for them to speak in a virtual plenary meeting,” reports Burkhard.

Developers can also present their projects in “ED Insights”: they talk about their work for twelve minutes, with the rest of the half-hour reserved for questions.

“Carefully and at a fast tempo, we had to react,” says Leon Kocherscheid, head Heinrich has already made it official: “There will be a dial-in option at every meeting in the future.” Digital work will remain a matter of course, even after coronavirus.

**Cloud Solution for Working Remotely**

TVD teams span the globe. They meet, discuss, and coordinate projects online. The TD team is now working with IT to evaluate the cloud solution as a digital work technology and possibly fit it for remote work in the longer term. “At least as long as the pandemic lasts – and maybe even beyond,” says Mandel.

The group of experts includes around 40 engineers, software developers, and IT specialists who have been working from home. In early June, the TD Skype dialog “Together Against Corona” and its 350 participants provided the first answers. Over chat or microphone, the participants asked questions about their work situation under COVID-19 conditions.

“A new digital dialog format is therefore one of many examples that demonstrate how Volkswagen is becoming a more digital and sustainable company,” explains Michael Esders, responsible for TD internal communications.

**Cloud Solution for Working Remotely**

The TD team is now working with IT to evaluate the cloud solution as a digital work technology and possibly fit it for remote work in the longer term. “At least as long as the pandemic lasts – and maybe even beyond,” says Mandel.

**For developers working remotely:** Agnese Riemann-Birk relies on new digital media.
The new funding program is taking to the starting line. In an interview, Thorsten Nicklass, CEO of green electricity provider Elli, talks about the German government scheme.

Mr. Nicklass, the German government is now offering grants to set up private charging infrastructure. How do you rate the support they’re offering? It truly is a great sign for electric mobility in Germany. The transformation of our current system is picking up speed so offering support for setting up private wallboxes is a logical step. It makes buying an electric car that much more attractive and removes one of the key hurdles to making that leap to electric. In existing buildings in particular, installing charging points can be a considerable investment. So it’s a big help when the state steps in to offer support.

What do we know about the grant? The German government’s new program will provide 900 euros in funding for the purchase and installation of networked wallboxes. Here’s a sample calculation: If you buy an eligible wallbox including installation for 1,900 euros, you will only pay 600 euros of that in future. Only networked, internet-ready wallboxes are eligible for the grant. The wallbox purchase must also include installation by a certified professional. Purchases of wallboxes without installation are not eligible for funding. The wallbox must also be supplied by green electricity. The program officially launches through the German Development Loan Corporation (KfW) on November 14.

What’s your advice for customers thinking about buying an ID. Charger Pro or Connect? We are confident our two networked wallboxes, the ID. Charger Connect and ID. Charger Pro, meet the requirements and will be eligible for funding. We are still waiting on the official seal of approval. Applications for grant funding will open on November 14 through https://www.kfw.de/440 and customers will then be able to order their wallbox from Elli. What’s important to know is that customers need to apply for funding first, then buy and install their wallbox. If customers need to have a wallbox installed quickly before the grant program launches in late November, they can of course order a unit from Elli as normal.

First trialed with AI methods: Sarah Brüggemann worked with her colleagues to develop lightweight components for the ID.3 series

For the developers in charge of a vehicle body’s functional design, one thing is clear: Electric cars need to be just as safe as those with combustion engines in a crash. Sarah Brüggemann’s developer team was faced with unique challenges when designing for the electric engine, transmission, and battery, which sit between the axles like a bar of chocolate in the underbody. These high-voltage components are new territory, after all. “We had to simulate the design of highly sensitive vehicle components like the battery as well as develop new criteria to evaluate the vulnerability of high-voltage components and their surrounding structure in a crash,” says Brüggemann.

Sarah Brüggemann works in Technical Development in Wolfsburg, part of the Body Shop’s functional design team. Along with her colleagues, the 36-year-old structural engineer ensures the body of every Volkswagen brand model meets crash safety standards. The Braunschweig native has been at Volkswagen since 2012 – her work focusing first on lateral crashes, then on frontal crashes. However, her job does not actually involve crash tests and dummies. Her work developing a vehicle’s crash safety design is solely computer-based, using computer-aided engineering (CAE) methodology.

She also works on designs for the ID. models’ high-voltage batteries, which presents special challenges due to its dimensions. The battery has expanded considerably transversely, leaving very little room for deformation and displacement on the rocker panel in the event of a lateral impact. The safety expert’s goal is for all the energy to dissipate in this short corridor in the event of a crash.

The weight of high-voltage components also has major impacts on safety in a crash. The heavier the battery and the structure surrounding it, the more mass must be dissipated in a crash. Because of this, developers try to design the rocker panel, the A, B, and C columns, the roof frame, or the hood plate to be as light as possible by harnessing load-bearing solutions and using innovative materials - all while ensuring there is no loss of performance.

The lightweight design solutions Sarah Brüggemann and her colleagues developed on the computer: This is the first time an extruded aluminum profile is being used on the rocker panel to dissipate the high level of crash energy in the event of a lateral impact. “These days, our simulations cover just about every crash scenario, which saves us a lot of money,” she says.

Designing the extruded aluminum profile was a lengthy and complex process. This is because the profile must have a high level of strength to absorb the energy along the short deformation path. And the block that remains following deformation cannot press down on the high-voltage battery. Sarah Brüggemann explains, “We first designed the extruded aluminum profile using artificial intelligence (AI). That was also a new one for us.”

She’s happy with the results. After all, the Body Shop functional design developer helped bring the extruded aluminum profile to series production and make the ID. even safer in the event of a crash.

ID.3: Five-Star Results on Its Safety Test

A dream start with five stars: The ID.3 scored the top grade on its European New Car Assessment Programme (Euro NCAP) safety test. The test administrator gave the first model built using the modular electric-drive toolkit (MEB) good scores across all criteria – adult occupant protection, child occupant protection, vulnerable road user protection, and driver-assistance systems. “It’s a great success for the entire ID. team,” says Frank Welsch, Head of Development for the Volkswagen brand. “Achieving new levels of safety with our vehicles is always incredibly important to us, which is why we have incorporated that pursuit into the design of the MEB from the start. With our five-star rating, the ID.3 is impressive confirmation that we’re doing something right.”

Adult occupant protection ratings are based on frontal and lateral impact and whiplash tests, among others. These crash tests and an analysis of measures for safe and quick rescue and extraction contributed to the 87-percent safety rating for drivers and passengers of the ID.3. The car was even given an 89-percent rating for children.

In addition to occupant protection in vehicles, the Euro NCAP also tests how well automatic emergency brake (AEB) systems are able to protect pedestrians and cyclists in an imminent collision.
The ID.4 is the first fully electric SUV from Volkswagen and the brand’s first global electric car. It will be launched as a model series in two special edition models, limited to 25,000 units. The 8” edition costs 49,400 euros, and the ID.4 Pro Performance model costs 59,950 euros. A net subsidy of 4,000 euros is available for both models.

The ID.4’s big brother will roll off the production line for Germany and Europe in Zwickau. It will also be built at the Chinese plant in Anting starting this year, and production is planned to start in Chattanooga, (USA) and India in 2022. The e-360, based on the modular electric-drive toolkit (MEB), is an important milestone in Volkswagen’s electric campaign. Volkswagen plans to launch 50 new electric models and sell roughly 26 million e-vehicles by 2029.

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Communication by Volkswagen Rated Highly

Public relations work at Volkswagen is being well received by business journalists – so says a survey by Dr. Doebel, a business research institute. 165 journalists from Germany were asked how they rated communications efforts by the 30 DAX-listed companies.

According to the media professionals, Volkswagen deserved recognition in particular for its “open communication” and the “many good background discussions, even on unpleasant topics” it has engaged in. Volkswagen was ranked second among DAX-listed companies. Only BMW was rated higher by the journalists. The Munich-based company also took first place last year.

After BMW and Volkswagen, the remaining top places went to Deutsche Telekom, Allianz, and Daimler.

Volkswagen was ranked fifth last year.

New Alliance for Traton

Traton and Japanese commercial vehicle manufacturer Hino have signed a joint venture agreement. The companies plan to work together to further develop electric mobility, starting with electric-powered vehicles, fuels, and interfaces. They also hope to develop a joint platform for electric vehicles, complete with software and interfaces.

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Raising Our Profile: The Values that the Group’s Brands Stand For

The Brand Strategy Navigator is the result of a joint project – supporting clear identities

Like a compass, the Brand Strategy Navigator with distinct brand profiles provides orientation in internal decision-making processes.

“The Group’s brand portfolio has grown dramatically over the past several years. That means our brand identities sometimes overlap for our customers, even leading to similar products.”

Brand management remains the responsibility of each brand team. In its role as navigator, the Volkswagen Group is coordinating the overall brand portfolio and is systematically dividing the global playing field into brand territories (similar to positions on a sports field). Each brand contributes with its own strengths, recorded on brand ID cards. These cards present each brand’s identity and values, vision, and mission. These cards are used to compile a clear profile for each brand, along with a unique brand mission and a list of core competencies.

The Brand Strategy Navigator is a project developed under the Volkswagen Group Together 2025+ strategy’s Best Brand Equity module. Best Brand Equity really means increasing brand value. The entire module aims at working together to reposition the brand portfolio. This takes maximum advantage of overall market potential and boosts the value of the Group’s brands.

TD Launches Mission: Cultural Change

Nearly 900 employees attended the event – 83 TD transformers are multipliers

Changing human interaction in Technical Development – that’s the goal of Mission: Cultural Change. The digital event, held online due to the coronavirus, was a success. Nearly 900 employees attended the livestream. Many took part in interactive votes, or shared questions and comments via chat and livestream.

“We have already initiated many important substantive issues as part of this transformation,” said Frank Welsch, Head of Technical Development, referring to TD Strategy 2025+, which launched in 2019. “We now want to turn our attention more to how we interact and the culture within TD.”

He outlined four action areas: Increasing trust, overcoming silos, increasing the speed of decision-making, and promoting diversity. “We still have a problem recognizing issues, we just need to catch up with implementation,” he stressed. That’s why 83 TD transformers from every level in the TD divisions are working with the project management team to make sure this transformation is permanent and really takes hold in day-to-day life. Also present at the event were Dietmar Albrecht, Chief Human Resources Officer for the technical divisions, and TD Works Council Coordinator Gerardo Scarpino.

The discussion was broadly based. Participants had the opportunity to chime in on priority issues as part of the open dialog hosted by Ralph Linde, Head of the Volkswagen Group Academy. It turns out that employees are also interested in the issues being prioritized by the TD management team – decision-making and decision-making processes, first and foremost. Many said these processes took too long and lacked transparency.

Other key issues discussed included dismantling hierarchies in TD and improving work-life balance. And some initial outcomes were presented as well: Johannes Neff, Head of Development in Assembly, presented a new concept for targeted job rotation between divisions for upper-level management – a highly practical silo buster. Implementation has already begun.

Egon Feichter, Head of TD Strategy, Product Data and Services, presented new digital communications formats, including the TD Skype Dialog and the Digital Cafe, which were launched during the pandemic. Having been launched, Mission: Cultural Change is proceeding seamlessly, as project manager Milan Wegener announced. The TD transformers will work on the specifics for each action area in analysis workshops and develop some initial recommendations for improvement.
Hildegard Wortmann has been a Member of the Executive Board of Audi AG, responsible for Sales and Marketing since January 1, 2019. In a 30’ interview, the board member reflects on how deliveries are developing, what the new brand campaign conveys, and how Audi is shaping the future of mobility.

Ms. Wortmann, the coronavirus pandemic has had a significant impact on Audi’s deliveries this year. What’s your take on the current situation?

Yes, it led to a decline in deliveries in the first half of the year. However, we’ve noticed a significant recovery in the markets worldwide since May.

This growth continued in September: with 18.4 percent more deliveries than in the previous year, it was our strongest month of the year so far. At 6.4 percent, the third quarter was also up on the previous year and we were able to further increase our premium market share. At the same time, however, we continue to closely monitor the further development of the pandemic on a daily basis. The year remains very challenging.

What conclusions have you drawn from the past months?

The COVID-19 crisis is accelerating the digitalization and transformation of the business – this will create new opportunities for us in the future. We’ve already implemented various measures in recent months, such as expanding digital sales with online reservation tools and digital vehicle presentation. Another example is the virtual market launch of the new Audi A6. We are continuing to drive such initiatives forward.

Which models have helped with the upswing?

The Audi Q3, the Audi A6 and the Audi A8 have had especially positive developments recently. But I’d like to highlight the Audi e-tron – a gamechanger. Since the market launch, we’ve delivered more than 69,000 Audi e-trons to customers worldwide, and this year alone we’ve delivered more than 30,000. The Audi e-tron continues to be the best-selling vehicle in its segment worldwide.

So you’re going to continue focusing on electric mobility?

Absolutely. The future of mobility is electric. We have the ambitious Roadmap E, which we’re sticking to despite the pandemic: We will be bringing 10 electric models to market by 2025, around 50 of which are fully electric. Next year, the Audi e-tron GT and Audi Q4 e-tron will be two more emotional highlights that I’m already looking forward to. In the coming years, Audi will become a provider of integrated, carbon-neutral, premium mobility with the aim of taking the lead over the competition.

“Together, we can live progress!”

Audi recently launched its new brand campaign. How does the campaign address this goal?

Our new global brand campaign with the slogan “Future is an attitude” illustrates this transformation. Audi has a contemporary definition of “progress” and is geared toward the future – for a new automotive era and for our customers. Our aim is to use technology to improve people’s lives and make a contribution to society. Together, we can live progress!

Alliance of the CEOs: Focus on Environment

First meeting of the twelve members in Stuttgart – EU climate goals are “achievable”

Common goals: Herbert Diess, Chairman of the Board of Management of Volkswagen AG, and the CEOs of eleven other European companies joined forces in the European CEO Alliance at a meeting for a carbon-free future and a more resilient Europe. The companies involved included ABB, AkzoNobel, Eon, Enel, Iberdrola, A.P. Müller Maersk, Philips, SAP, Scania, Schneider Electric, Siemens and Volkswagen. The European Union has committed itself to becoming climate-neutral by 2050, which is in line with the eleven companies’ own decarbonization strategies. All members support the Paris Agreement climate targets for 2030, the EU Green Deal, and the ambition of increasing the EU climate targets. The members represent various industries, together generating an annual turnover of 600 billion euros and employing 17 million people. The CEO Alliance channels companies’ decarbonization efforts; it links sectors and strategies, identifies potential for cooperation, and promotes projects and investments for a sustainable economy and society. At its constituent meeting in Stuttgart, the cross-sector alliance emphasized, “The climate targets of the European Union are achievable. Our industries will not block the transition to a carbon-neutral economy, but promote it. We see long-term growth potential for all industries. If we can successfully manage this historical, sustainable development and future-proof jobs will be the result. Together, we will support all efforts to reach a social consensus for more sustainability.”

With this launch, the CEO Alliance has become an action alliance bringing together corporate strategies, industries and companies on the path to a carbon-neutral Europe. All alliance members consider the European Commission’s new climate targets, which provide for a 55 percent reduction in emissions by 2030, to be achievable. On the industry-side, the members of the CEO Alliance have already announced that in the coming years, they will invest a total of more than 100 billion euros in their respective decarbonization roadmaps to help achieve these goals. Each member has defined its own strategy to address decarbonization, such as by reducing carbon emissions across the relevant value chains or offering sustainable products and services to customers. To achieve the respective CO2 targets, each member and industry will be dependent on other companies and industries, making cross-sectoral work especially necessary.

The network began its dialogue with politicians from Frans Timmermans, First Vice-President of the European Commission.
Facing the Future

Products, locations, and strategy: Volkswagen Group Components has reinvented itself over the last few years

Launched five years ago, the transformation of Volkswagen Group Components is now progressing at full speed. From product portfolio to strategy, all the signs are pointing to the future: Strong locations with competitive products are making a vital contribution to the Volkswagen Group’s e-mobility strategy.

The aim of the transformation process introduced by Components CEO Thomas Schmall is to turn the traditional in-house supplier into a strong, independent company unit with a competitive product portfolio, efficient plants, and a clear focus on e-mobility. To achieve that, the business area developed a special strategy and efficiency program, restructured its product portfolio and divisions, and discontinued unprofitable elements. At the same time, the production of electric vehicle volumes created new prospects for many employees.

Full e-speed ahead

At the core of Group Components’ value creation is end-to-end responsibility for the battery. Components thereby takes care of the key components of e-mobility for the Volkswagen Group – from the cell to recycling. New production and value-creation capacity was established at the Components locations with the launch of the new Battery Cell Division at the beginning of the year and with the successful production start of MEB components, such as the electric motor in Kassel and the battery system in Braunschweig (see diagram). Components’ strong focus on e-mobility is already apparent with the ID.3 and ID.4, where Group Components’ value-creation share is at around 40 percent – approximately ten percent higher than with traditional combustion vehicles. However, the competitive manufacture of conventional technologies continues to be important as a driver of volume and earnings, which allows continued investment in e-mobility.

Transformation is all about teamwork

The transformation can only be a success if everyone works as a team – because employees must back and support the switch, from plastic production to battery systems, from heat exchangers to charging columns. In order to make the transformation at the locations sustainable, a number of colleagues have already moved to e-mobility topics such as the production of battery systems or electric drives. In addition, comprehensive training sessions and intensive qualification measures have been provided on site.

The international location network is also representative of the close cooperation in Components. The network of more than 60 plants at 48 locations allows the plant utilisation rate to be quickly adjusted when necessary – as shown through the effective collaboration between the engine locations of Salzgitter, Győr, Chemnitz, and Pueckow.

New E-Components at the Locations

A cross-divisional team has also been established with 30 new colleagues recently celebrated its world premiere. And Volkswagen Group Components is ever-present – because with a share of around 40 percent of the value creation, Components is making a major contribution to the success of the ID. family. All kinds of parts, from the electric drive to the rear axle, are made by Group Components (see diagram).

Furthermore, through the manufacture of the flexible fast-charging column, Group Components is playing a key role in the development of the charging infrastructure. In addition to the production of individual components, an expansion of activities as a system supplier is also key for the future. It is expected that Components will deal with the lion’s share of the Volkswagen-Ford cooperation, through which Ford will build an electric vehicle on the basis of the modular electric-drive toolkit. Starting in 2024, more than 600,000 units are set to be produced. Group Components will contribute about two thirds of the volume.

A cross-divisional team has also been occupied with the future of Components as a system supplier ever since the last few months. The twelve colleagues have developed a highly integrated system approach for the electric powertrain with electric drive, high-voltage battery, and other auxiliary units. That shows that the transformation continues!

More News from Group Components

“Having started as an in-house supplier, Components is now entirely responsible for the topic of batteries within the Group. Group Components shows how it’s possible to transform from an underdog to an innovation driver – I’m proud of the hard work by colleagues that has made these essential steps in the transformation possible.”

Thomas Schmall, CEO of Volkswagen Group Components

“Our Group Components is affected by the transformation like no other area – and it also stands for the successful transformation like no other area. That’s down to the fact that, in Components, employees with top qualifications, courage, and team spirit meet an exemplary management culture under the leadership of Thomas Schmall, which carries everyone along. That’s vital for the reorganisation to be a success. Hats off!”

Bernd Osterloh, Chair of the Group Works Council

1. ID.3: power consumption in kWh/100 km (NEDC): 15.6–16.5; CO2 emissions in g/km: 0; efficiency class: A+
2. ID.4: power consumption (NEDC) in kWh/100km: combined 16.9–16.2; CO2 emissions in g/km: 0; efficiency class: A+

New Structure of the Business Areas

The entire Components edition of 360° is available at: https://bit.ly/31wWeKt

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The Transformation Is in Full Swing...

Saks of the ID.3 are booming and the ID.4 recently celebrated its world premiere. And Volkswagen Group Components is ever-present – because with a share of around 40 percent of the value creation, Components is making a major contribution to the success of the ID. family. All kinds of parts, from the electric drive to the rear axle, are made by Group Components (see diagram).

The entire 360° project is available at: https://bit.ly/31wWeKt

Introducing the new Transform Minds

The third round of Transform Minds has started with 30 new colleagues taking part. Under the motto “The Battle,” they are developing ten projects relating to the transformation of Group Components. We introduce the new Transform Minds and their projects.

Components Team in China restructured

China is the Volkswagen Group’s most important market. And Group Components also has a strong team on the ground there. You can find out how the central team around Frank Engel, the Executive Vice President of Components China, has been restructured and which projects our colleagues are driving forward there on the Components pages.
MAN Truck & Bus worked with healthcare experts to develop a unique, innovative diagnostics vehicle to quickly and safely test for SARS-CoV-2 infections in hotspots. The rolling laboratory is based on the MAN TGE van. With the ability for each vehicle to administer 100 tests a day, the rolling lab is perfect for deploying to conduct testing house calls for suspected infections, including at nursing homes, schools, businesses, and other organizations. The MAN Coronavirus Diagnostics Vehicle can even be used to target and interrupt chains of infection. When mobile equipment is needed, for example at border crossings along the Autobahn, the diagnostics vehicle gets the chance to show off another strength: its flexibility. In this way, testing capacity can be quickly relocated as required and deployed where needed. The mobile diagnostics vehicle is also digital. It allows four tasks to be completed as part of one continuous process: swabbing, testing, analyzing, and communicating. Test results are digitally sent to the laptop from the testing device in real time. This allows the mobile units to quickly report directly to the competent health authorities, officials, and patients themselves.

Panamera 4S: fuel consumption, combined: 9.2–8.8 L/100 km; CO₂ emissions, combined: 210–202 g/km, energy efficiency class D
Panamera 4 E-Hybrid Sport Turismo: fuel consumption, combined: 2.3–2.2 L/100 km; CO₂ emissions, combined: 51–49 g/km; power consumption, combined: 18.2–17.5 kWh/100 km, energy efficiency class A+
Panamera Turbo S E-Hybrid Executive: fuel consumption, combined: 2.8 L/100 km; CO₂ emissions, combined: 63 g/km; power consumption, combined: 22.7 kWh/100 km, energy efficiency class A+

Barcelona: Herbert Diess Tests Electric Scooter
Group CEO praises “a perfect solution”

Huge praise for the Seat team: Group CEO Herbert Diess has now taken a test drive on one of the sharing service electric vehicles in Barcelona. More than 400 fully electric Seat MÓ scooters help residents and visitors get around Barcelona in an environmentally friendly way. The background on this development is that Barcelona implemented an extensive environmental zone early this year. Users of the motor sharing service can now move freely around the city, since the electric scooters are exempt from the traffic restrictions.

With a full charge, the electric scooters have a range of up to 125 kilometers. The batteries are also removable and interchangeable. On LinkedIn, Herbert Diess said of his test, “A perfect solution for discovering Barcelona, one of the cities with the most number of scooters in Europe. In an accessible, affordable, fun, quiet, and carbon-neutral way. The best mobility option for the pandemic.”

Friendly exchange: Seat CEO Wayne Griffiths and Herbert Diess.

Porsche is completing its product range with three new Panamera models – the Panamera Turbo S E-Hybrid®️, the Panamera 4 E-Hybrid®, and the Panamera 4S®️. The new Panamera Turbo S E-Hybrid combines the four-liter V8 bi-turbo, 420 kW and 1000 kW [336 bhp] electric engine – peak performance in this fully revamped model series. Porsche succeed- ed in enhancing its purely electric range by up to 30 percent with a new 179.6 kWh battery and optimized driving modes. The same is true of the new Panamera 4 E-Hybrid, featuring an electric engine that cooperates as before with a 263 kW, 2.9-liter V6 biturbo, resulting in a system output of 540 kW [462 bhp]. The Panamera product portfolio is rounded off by the 4S, which delivers 324 kW and benefits from all the optimizations of the latest model update in terms of its chassis, design, equipment, and infotainment.

How AI Can Help You Find a Parking Spot
Camera analyzes images on factory premises
As part of its push to digitalize all of its corporate divisions, Skoda is relying more and more on artificial intelligence (AI) applications. At the Skoda FabLab, experts from Central Technical Service work in different clusters to develop and implement innovative technologies. The possibilities the future holds are demonstrated by image analysis technology. It is currently used to help identify and report vacant parking spaces on plant premises in Mladá Boleslav. In the future, it could also be used to assist trucks in accessing the site. In Production, Skoda is also testing how image analysis can be used in Production for maintenance on different systems.
China CEO Stephan Wöllenstein’s Remarks on the World Premiere of the ID.4 in the Far East

Audi and FAW Found New Company to Produce Electric Vehicles

Herbert Diess Tests the Volkswagen Viloran

Audi is ramping up its operations in China. A key milestone on the path to becoming sustainable luxury mobility providers, Audi and FAW today signed a memorandum of understanding that sets out the framework for the joint production of electric vehicles based on the PPE platform. The agreement was signed as part of a German-Chinese automotive conference held in the northern Chinese city of Changchun. In future, Audi will even bring the premium platform electric (PPE), which was developed together with Porsche, to China to push ahead with transformation in this major market. Plans for multiple fully electric Audi models to be produced for the Chinese market using the new PPE platform starting in 2024 are underway. “This decision underscores the strategic importance of the Chinese market. By taking this step, we are actively pushing ahead with local innovation here in China,” says Markus Duesmann, AUDI AG Chairman. “By signing the memorandum of understanding, Audi is reinforcing its cooperation with its long-term joint venture partner, FAW. Audi is also consistently pursuing sustainable mobility approaches and is specifically focusing the local production portfolio on the needs and preferences of Chinese customers in the premium segment. The new co-operation company is currently in the planning stage. The first Audi should roll off the production line in 2024.”

Werner Eichhorn, President of Audi China, says, “This is yet another milestone in our electrification strategy for the Chinese market. By signing this memorandum of understanding, we are reinforcing our commitment both to our long-term Chinese partner, FAW, as well as to China, which we are now taking to the next level.”

Audi’s electric offensive in China has already begun: Audi and FAW jointly produced the purely electric Q4 e-tron and the A6L TFSIe plug-in hybrid. In addition, production of the e-tron moved to Changchun in late September. Before then, the models had to be imported. Over the next few years, Audi will offer or localize more fully electric models from the e-tron family in China. By 2025, Audi hopes to generate around a third of its sales in China. Herbert Diess called it “the most comfortable chauffeured sedan you could imagine.”

Traveling in comfort is hugely important to families and managers in China, unlike in Europe, where status is perhaps considered more important. According to Diess, “Our strength lies in the fact that we understand different regions and we build the right cars for them. Congratulations to Stephan Wöllenstein and the SAIC Volkswagen team.”

Chin
M otor interview: Brand CEO Ralf Brandstätter on the success of the company’s corona measures, incoming orders for the new Golf, and the quality of Volkswagen products.

What’s currently driving you, Mr. Brandstätter?

Right now I have three priorities: leading the company through the corona crisis, improving its financial stability, successfully steering Volkswagen through the transformation, and systematically implementing the “Way to Zero” we’ve adopted. The situation is still very untenable, but extremely challenging. I want to take this opportunity to thank all our colleagues keeping Volkswagen on course with such flexibility and commitment.

You mentioned the effects of the COVID-19 pandemic. Where is Volkswagen today?

Volkswagen responded to the pandemic quickly and resolutely. We’ve done everything to protect the health of our employees. And we’ve reduced our expenses to the bare essentials, thus securing the company’s financial stability. Nevertheless, the second phase of the pandemic thus far in the summer has left us with some scars. For weeks, we haven’t been able to produce any cars. In the period from January to September, we delivered almost no percent fewer vehicles than the previous year. As a result, our financial results also took a hit. Sales fell by €6 billion. We posted a loss of €1.5 billion in the first half of the year.

But has the situation improved in recent weeks?

Interest in automotive markets has recently started picking up again speed. There have been favorable developments in our incoming orders. For example, we received more orders for the Golf in September than we’ve received since 2009. Now the emotional versions of the Golf family are finally available. And the ID.3 and ID.4 also have a good start. So we’re seeing a small glimmer of light at the end of the tunnel, but the current infection rates show how fast things can change. We’re preparing for rapidly increasing numbers of cases really concerns me. Further lockdowns in important markets can't be ruled out. Health protection and cost discipline remain top priorities. And we need to become much more robust overall.

What do you mean by that?

How well a company is positioned is especially easy to see during a crisis. Despite the strong impact of COVID-19 on deliveries to customers, we’ve even managed to slightly increase our market share worldwide. Volkswagen hasn’t faced hard times, but many competitors are coping with the current situation a lot better than we are. So we can do even better.

How?

By jointly tackling our structural challenges with vigor, now. There are four crucial points for Volkswagen.

1. Focus on quality: Brand CEO Ralf Brandstätter wants to see more value again.

2. Cost discipline remain top priority. We’ll have to reduce our CO₂ footprint significantly. That’s why we’re tackling this now.

3. Health protection and the digital transformation plays a key role. We’ve made major investments in digital technologies and could use them in the future to compete.

4. From September, we’re delivering the ID.4, which shows once again how important it is to continue making major investments in electric models.

Volkswagen First: We need to finally become profitable in the South America and North America region. The teams on site are doing a good job, but we have to maintain it sustainably. Second: We need to further reduce our CO₂ emissions.

It’s one of the reasons why the current “level freeze” is so important when it comes to increasing personnel in the administrative divisions. Third: We need to increase our productivity. Volkswagen sells its products worldwide, and has to stand up to the competition. High productivity ensures sales and makes the jobs in our company future-proof. And fourth: We need to keep an eye on margins. Volumes won’t help us if it doesn’t make money. Every car we build needs to contribute to the success of the company. If we can make progress together on these points, Volkswagen will not only be more crisis-proof, but also much more future-proof.

Speaking of the future: Will you stick to the Volkswagen 2025+ strategy? By all means! The 2025+ strategy is our long-term handbook for the future. But in difficult times, you also have to react flexibly. We must take into account that important framework conditions have changed in recent years. Digitalization, for example, has reached a level that has turned many business models completely upside down. The issues of sustainability and climate protection are becoming increasingly important for society. Politicians in Europe are reacting to this by, among other things, tightening up CO₂ targets. The European Parliament only recently significantly tightened the climate targets for Europe. The German Government has also decided. We have to reduce our CO₂ emissions in Europe by 80 percent by 2050. The original target was 60 percent. It’s a huge challenge. We’re now adapting our 2045+ corporate strategy to these altered conditions and are aligning our compass accordingly. We’re therefore working intensively on Strategy 2030.

You recently said in a speech to management that you also commit product substance and brand promise at all levels. What do you mean by that?

Volkswagen is a strong brand. Our positioning is “top of volume.” That means, for example, that we bring innovations from the premium class to volume. We expect customers to pay a certain extra price for this. But we have to provide them with the corresponding added value – for the entire product experience.

In addition to outstanding handling and cutting-edge technology, Volkswagen has always stood for a premium interior and quality. It’s how we’ve stayed ahead of the competition. In my opinion, we haven’t always lived up to this brand promise in some areas in recent years. We continue to build cars that drive sensitationally and set technical standards. We’ve also made major investments in digital innovations – such as large displays and the ID. Light. But we’ve neglected value in the interior a bit. Hard plastic may be cheap, but it isn’t nice to look at or touch. I know that many colleagues at Volkswagen would like to see more value here again. I feel exactly the same way. We can’t stop living our Volkswagen values. That’s why we’re tackling this now.

What does that mean, specifically?

Our new Chief Design Jürgen Lahub, the product lines, and I have regular exchanges. We were able to implement some changes in the ID.3. If you look at the results, they’re impressive. However, our measures are only really going to become visible in things like the product upgrade of the T-Roc. We’re also on the right track with the successor models to the Passat and Tiguan. With these cars, we show that a premium appearance doesn’t necessarily have to cost more and more money. Overall, I think more simplicity would do us good. We don’t need 30% new aluminum wheels and dozens of new seat fabrics every year. Sometimes less is more. We should stick to that. We do less – but what we do, we do really well. By the way, that shouldn’t just apply to Design, but to all Volkswagen divisions.

In our opinion, Ralf Brandstätter is one of the greatest transformers of the automotive industry in 100 years. And Volkswagen is at the forefront of this development. We’ve achieved in the brand with the development of the MEB platform and the development of the platform, but also a life insurance policy for the Volkswagen Group. Dues of fully electric models will be produced throughout the Group on this basis. We’ve been Volkswagen proud of this achievement.

Last question: Is there anything else you want to tell the Volkswagen team?

First of all, it’s very important to me that all colleagues stay healthy. I would therefore urge everyone to stay mindful and disciplined. Please continue to keep your distance, wear your mask and observe the hygiene rules – on and off plant premises. I would also ask everyone not to lose patience with Volkswagen. I know from my own experience that it’s annoying to get constantly negative articles in the magazines print negative reports about Volkswagen, or friends ask what’s going on here. But I also know that Volkswagen is a really strong company with a top-class management. In more than 30 years with Volkswagen, I’ve experienced that again and again.
 christian volleir, head of automation

the volkswagen passenger cars and volkswagen commercial vehicles brands are continuing to work at full speed on the transformation into the age of electric mobility and on the conversion of their plants to a digitally connected state. the volkswagen group has now ordered more than 2,100 robots from the swiss manufacturer aBB for the assembly plants in chattanooga (usa) and emden. aBB has ordered a further 800 robots from the swiss manufacturer aBB for the hanover location. these robots will be used in body construction and battery assembly. the three plants are currently being prepared for the production of electric cars with cutting-edge assembly lines. from 2022, the id.4 will roll off the production lines in chattanooga (USA) and in emden, and the model known by the concept car name id. buzz² will be produced in hanover. christian voller, volkswagen board member responsible for production and logistics: “in emden and chattanooga we’re establishing two of the most cutting-edge assembly facilities in the industry as part of the transformation to electric mobility. and in these times, we’re also investing in the latest technologies such as digitalization and automation.” the id. buzz² will be produced in the vw plant in hanover from 2022. “our conversion measures are right on schedule,” says josef baumert, board member responsible for production and logistics at vwv. “by the time the id. buzz goes into production, we will have completed the current modernization of our hanover plant, from which all subsequent models at the location will also benefit.”

the group is planning to make investments totaling €3 billion by 2024, with the aim of becoming the global market leader in electric mobility. of that, several billion euros are going into the three plants mentioned above.


designers go even more digital

in the age of covid-19: increased use of online meetings, data glasses, and an 18-meter-long led wall

mauro pavone was a frequent flyer until recently. “it was clear to us that it’s better to discuss important decisions face to face. design depends on us looking at shapes from the same perspective and being able to show changes,” says the head of exterior design at the volkswagen brand. then came the coronavirus epidemic, and business travel was put on hold. since then, the designers have learned to replace a large percentage of those trips with online meetings. the technology available has been improved. this is one of many examples showing how volkswagen is becoming a more digital and sustainable company during the pandemic. only a small number of colleagues are there waiting for pavone in the large presentation hall in the wolfsburg design center in the mornings these days – but there is an 18-meter-long led wall. colleagues from china and brazil, who would usually have travelled all the way, now join in online.

details can be seen in razor-sharp focus on the led wall

pavone is presenting the virtual model of a new vehicle. he explains what his team has changed since the last meeting and why. he can even show details in razor-sharp focus on the video wall – almost like on a real car. “we know that we can trust the technology,” says pavone. the digital formats not only make it possible for employees to work together during the pandemic – they’re also better for the environment. “i made 13 business trips by plane last year,” says pavone. that’s about 133,000 kilometers and 50 tons of co2 emissions. online meetings may also result in a certain level of power consumption and co2 emissions, but the environmental footprint is significantly lower when than attending meetings on other continents.

one thing that really helped the designers was the fact that they had already digitalized a number of work steps before the outbreak of the pandemic. for example, designers, engineers and other development partners work together in virtual reality using data glasses. and the use of plasticine models had already been reduced dramatically before the beginning of coronavirus crisis. that change resulted in millions of euros in savings. the first concept car ever to be designed entirely virtually and without the intermediate step of plasticine models will be presented at a trade show next year. “the 3d world almost feels like reality. we wouldn’t have thought that to be possible before,” says pavone. the designers are keen to continue using these new digital possibilities after the pandemic. there’s no going back – the time, money, and emissions savings are too great. “i expect that we’ll have a mixture of virtual meetings and some face-to-face meetings,” explains pavone. that’s something he’s looking forward to. “after all, we are human.”

would it be possible to do without such encounters long-term? pavone shakes his head. he says, “the digital possibilities are incredible – but you can still miss a mistake. perfect design is only possible when we also get to see the model outside in sunlight, in the real world. after all, the car will be driving around on real roads later – not on a screen.”

historian: “the golf is good at transformation”

ingo köhler from the humboldt university of berlin talks about the diversity of the golf and its enduring appeal

the compact car seems to inspire everyone. manufacturers often stick to the basic concept, but vary things when it comes to features and engines. however, this continuity in transformation is only made possible by a growing number of variants. back in the 1970s, volkswagen was successful with a spectrum that ranged from the small diesel to the sporty gti. the golf has repeatedly shed its skin with customers, while always remaining true to itself.

share your view of the future for the eighth golf generation. the golf imparts a sense of security that you basically can’t go wrong when you buy one. it’s this image as a perpetual modern classic among all-in-one cars that has made it the success it is. however, it remains to be seen whether e-mobility and the suv boom leave enough room for the golf. the model will certainly face major challenges in integrating new requirements.

across all social strata and milieus. once a golf, always a golf? the compact car seems to inspire great loyalty. golf owners often stick to the basic concept, but vary things when it comes to features and engines. however, this continuity in transformation is only made possible by a growing number of variants. back in the 1970s, volkswagen was successful with a spectrum that ranged from the small diesel to the sporty gti. the golf has repeatedly shed its skin with customers, while always remaining true to itself.
The Story Behind the Functions Pilot Hall

New idea: Close communication between areas right from the start of new projects – Development and Production involved

A re all the planned customer functions included in the vehicle in time as projected, or are further updates required? Until recently, these questions were discussed with all business areas on new vehicle projects with the start of Pilot Hall Discussions. But now, under the leadership of Jörg Grandt and Thomas Maier, a new idea has been developed: Top Functions Discussions are now held under the leadership of Technical Development at the beginning of a project, at the Product Mission project milestone. This means that all participants get together at a very early stage. Then, at the Procurement Approval milestone, Production takes over responsibility and continues the process as the Functions Lead.

Top Functions Discussions convey greater transparency at an earlier stage for all business areas. Werner Meyer (Production) and Detlef Aufdermauer (Technical Development) explain how that works and what the advantages are.

What are the Top Functions Discussions and the Functions Pilot Hall all about?

Meyer: In the area of Project and Launch Management, we’re constantly working on improving vehicle launch- es. Technical complexity has to be kept under control for a good launch. And the interaction between the hard- ware and software utilized in the vehi- cle is a crucial factor in that. Two aspects are relevant here: The components and functions that are experienced by the end customer, and the technology for production.

What functions do you focus on in these discussions?

Aufdermauer: Our aim is to ensure that all the functions of an elec- tronic architecture – such as in a toolkit - are compatible and work together. We then put the finished functions in a kind of "warehouse", from which the individual vehicle projects can help themselves and take whatever they need.

Together with Development, Procurement, Quality Assurance, and Production, we develop technical components and functions for our three MQB toolkits.

Can you give us an example?

Meyer: The first Top Functions Discussion was about the succes- sors to the Tiguans and the Passat. The Tiguan takes, metaphorically speaking, all the functions from the Tiguan to modern Passat, with an electronic architecture – such as in a toolkit. These components and functions that are relevant here: the lane assist function, and anything required for production such as error detection software.

Then, in the Top Functions Discussions, all the participants check whether the required soft- ware and hardware are included in the schedule. If any problems are discovered, the participants vote on corrective measures. Influences on development process are discussed at an early stage, as are effects on production.

aufdermauer: Bringing together all the participants in the Top Functions Discussions saves time and money. It means that everyone is aware of the requirements for their partners, not just their own. Problems are identified at an early stage and are addressed directly with the person in charge. All business areas gain a shared view of the current project status of the functions.

The basis for the Top Functions Discussion includes – if we look at the example of the MQB baseline – the daily consultations in the digital café of the TD project center, and the weekly technical discussions in Technical Development.

What concrete advantage does that offer the Volkswagen brand?

Meyer: It’s great when the two work areas together on a project to bring Volkswagen as a whole forward.

Jörg Grandt

The First Commissioning Robot

In the Bratislava plant: Machine lifts 250-kilo transmissions

T he Bratislava plant in Slovakia produces vehicles for several Group brands. Until recently, the commissioning of the transmissions for the SUV models Audi Q8, Audi Q7, and Volkswagen Touareg was done manually. A logistics employee would take the transmission weighing between 200 and 350 kilos from a container using a manipulation and pre-commission- ing it on a just-in-sequence trolley. This task is now carried out by a robot.

It is the first fully automated commissioning process of its kind. This is made possible by the dynamic and fully auto- mated feeding of the material to the robot and the interplay of sophisticated technical solutions. The new commissioning robot is free standing in the room and can be moved slightly at any time, which makes it flexible and location-independent. That is possible because of the dynamic positioning of the material using driverless transport systems around the robot.

Alongside the dynamic posi- tioning, the system also features an innovative safety concept. LiDAR sensors, which are normal- ly used in driverless cars to ensure a safe and collision-free journey, monitor the robot’s entire work- area. This allows for safe oper- ation without the use of con- ventional safety technology.

A safety gripper specially designed for this task takes the component without precisely positioning or centering the container. That is made possible by the 3D camera installed there and the sensitive protective skin fixed on the outside of the gripper. When touched, this functions like an emergency stop button, which in combination with the LiDAR sensors allows the sys- tem to operate without need of further safety housing for the robot.

For around 1,400 local families who are suffering as a result of the pandemic. Both campaigns were held under strict adher- ence to hygiene rules.

The world is going through a difficult time and we are all learning the real mean- ing of the words ‘solidarity’ and ‘charity’. At Volkswagen Taubaté, Willrättich (WeHoBi) is part of the culture, and our social initiative shows how committed our team is,” explained Plant Manager Vilque Rojas from Taubaté.

Brazil: Toys and Food Donated

Employees at the Curitiba and Taubaté plants support children and their families

Feeling a strong sense of solidarity, the workforce at the plants in Curitiba and Taubaté in Brazil recently carried out two charitable collections, resulting in more than 6,000 toys and around 40 tons of food being donated.

It was International Children’s Day that inspired the team from São José dos Pinhais in Curitiba to do something to help disadvan- taged children from the region, while the Production team from the Taubaté plant collected food for around 1,400 local families who are suffering as a result of the pandemic.

Both campaigns were held under strict adher- ence to hygiene rules.

Read the full interview in Volkswagen Net
Hybrids Put to the Test: On Tour With the Touareg

Product consultant Bram den Dunnen accompanies journalists on a test drive in the large SUV

Volkswagen is electrifying the Touareg, the flag model of the luxury brand. From the front, the Touareg eHybrid looks like a plug-in hybrid, and anyone who gets behind the wheel can feel the new electric motor immediately. “The electric motor is the kind of power I know well, which I learned to handle during my racing career,” says product expert Jimenez. “It’s a direct, very responsive motor that’s perfect for the modern driver.”

Jimenez is particularly enthusiastic about the electric motor’s features, which include a regenerative braking system that recovers energy when decelerating. “This means we can travel long distances using electric power alone, which reduces fuel consumption and emissions,” he says.

Jimenez also highlights the Touareg’s five transmission modes, which allow the driver to customize the vehicle’s performance to their needs. “The driver can choose from five different modes: E-mode, C-mode, B-mode, and two special modes,” he explains. “E-mode is for purely electric driving, while C-mode combines electric and internal combustion engine power. B-mode prioritizes efficiency, and the special modes allow for even more个性化 settings.”

Jimenez is also excited about the Touareg’s interior, which features a new touchscreen module. The optional “Volkswagen Digital Cockpit” tool comes standard in the Touareg eHybrid and includes a 12.3-inch screen and “Virtual Cockpit” technology. The configurable display shows important information such as speed, navigation data, and fuel consumption. “This allows the driver to customize the display to their preferences,” Jimenez says.

Jimenez is also impressed with the Touareg’s intelligence features, such as the predictive hybrid strategy, which integrates the topography, route data, and destination area into the route calculation so that the vehicle can save fuel and reduce CO₂ emissions. “This strategy is particularly useful when driving in areas with frequent stops, such as cities,” he explains.

In conclusion, Jimenez says, “The Touareg eHybrid is the perfect combination of luxury and performance. It offers a unique driving experience that is both enjoyable and environmentally friendly.”
New Golf¹ and ID.3² Clean Up at the “German Car of the Year” Awards

Car of the year 2021: German automotive journalists tested 72 models in five categories.

What does Germany consider to be the car of the year for 2021? 18 renowned automotive journalists from all over Germany meet once a year in Bad Dürkheim (Rhineland-Palatinate) to find out the answer. The jury deciding on the “German Car of the Year” recently decided in favor of Volkswagen on two occasions: The eighth-generation Golf and the fully electric ID.3 both came out on top in their respective classes.

The jury had 72 innovations to choose from, broken down into five categories: compact cars up to a basic price of 25,000 euros (Compact), premium models up to a basic price of 50,000 euros (Premium), more expensive vehicles in the luxury segment (Luxury), those with alternative drives (New Energy), and sports cars (Performance). “Both the new Golf and the ID.3 impressed our jurors in their respective segments, and against very strong competition at that,” reveals co-organizer Jens Meiners, who reports for German and American trade media.

Klaus Zellmer, Sales Director for Volkswagen, was delighted with the verdict from the trade journalists: “The new Golf and ID.3 have already come out on top in a number of relevant comparative tests. The fact that both top models were awarded by the jury for their environmental friendliness and innovations in particular is a great sign for all of us at Volkswagen that we’re doing something right.”

Zellmer went on to add: “Environmental friendliness and innovation really are the most important building blocks on our ‘Way to Zero’ with the aim of making emission-free mobility available for everyone. The Golf, with its highly efficient engines, plays just as important a role in the transformation phase as the fully electric ID.3, which is already climate-neutral.”

¹ Golf eHybrid – (NEDC) fuel consumption in l/100 km: combined 1.4–1.2; power consumption in kW/h/100 km: combined 11.6–11.0; CO₂ emissions combined in g/km: 31–28; efficiency class: A+.
² ID.3: power consumption in kWh/100 km (NEDC): 15.4–14.5 (combined); CO₂ emissions in g/km: 0; efficiency class: A+.
ID.3*: National Team Coach Launches Pilot Series in Dresden

Introducing Joachim Löw as you’ve never seen him before: The Volkswagen brand ambassador has launched pilot-series production of the all-electric ID.3 at the Transparent Factory in Dresden. Together with Thomas Ulbrich, Board Member for Electric Mobility at Volkswagen, and Dresden site manager Danny Auerswald, Löw placed the first pilot-series ID.3 on the assembly line at the unusual production facility, which not only stands out for its open and transparent architecture, but is also used as a start-up incubator and a venue for concerts, readings, and congresses.

“I have always been fascinated by technical innovations. But mobility is something else: It represents a revolutionary kind of progress for not only the environment, but also society as a whole,” enthuses Löw. For the national coach, the visit was a first: “I have been to the stadium in Dresden several times, but never to the Transparent Factory. It’s so exciting to see how Volkswagen is driving change at this location, too.”

But actions speak louder than words for Joachim Löw, who is keen to actively lead – or rather, drive – the mobility turnaround, rather than simply talk about it. “While I was in Berlin for the Cup final last year, I had the opportunity to test drive an ID.3, which was still in development at the time. This is when I had my first taste of what it means to be on the road electrically, and now I’m intrigued to see how the vehicle will fit into my everyday life,” shares Löw, revealing that he already has a Volkswagen wallbox installed at his home.

Volkswagen currently produces the ID.3 models exclusively at the Zwickau site. After a short conversion phase in the Transparent Factory, series production of the ID.3 is also set to start in Dresden from February 2021. ‘Sustainability: VFL Way Ahead’

VFL Wolfsburg is playing a pioneering role in professional soccer when it comes to sustainability. Alongside Bremen, Stuttgart, and Leverkusen, to mention St. Pauli and Paderborn, the wholly owned Volkswagen subsidiary has chosen to take part in the sustainClub sustainability certification. sustainClub is the first and only recognized sustainability standard and orientation framework in professional soccer, and involves evaluating around 180 criteria relating to ecology, economy, and social affairs. Of the six founding members of sustainClub, VFL plays a special role, as it has been involved in the development from the very beginning. In fact, the “Wolves” were the first – and at the time only – partner to achieve a score equivalent to Gold status way back in 2016. VFL has now also completed the current certification as the best club in terms of points and achieved Gold status.

“The fact that we have now defended our success, to speak, makes us very proud,” shares VFL Managing Director Michael Meeske, emphasizing: “To us, being a sustainClub Gold partner does nothing to anyone, and try looking at their own mistakes instead. We are very proud of what we have achieved.”

There’s no one who can’t pick up points against HSV shouldn’t try to gain an advantage at the expense of a refugee, who has done nothing to anyone, and try looking at their own mistakes instead.

Daniel Thionue, then-coach of second division soccer club VfL Osnabrück, in response to protests from a number of clubs regarding much results following the allegation that HSV pro Bakery Latta competed under a false name.

On Location: Nine Clubs Supported by Volkswagen

From Braunschweig to Dresden and Zwickau to Osnabrück and Emden: The company extends its contracts with Eintracht Braunschweig, VfL Osnabrück (3rd division), Dynamo Dresden, FSV Zwickau (3rd division), Chemnitzer FC, Hessen Kassel (regional league), KSV Baunatal and Kickers Emden (Oberliga) have each been extended by one year. At the company’s headquarters in Wolfsburg, support is also granted to fifth-league side Lupo Martini, which was the first soccer club in Germany to be founded by former migrant workers. And, as everyone knows, Volkswagen has been an ardent supporter of VfL Wolfsburg since the club was founded back in 1949. The professional division for the “Wolves” has been a 100% Volkswagen subsidiary for many years now.

It is by supporting soccer clubs across its plant locations that Volkswagen aims to fulfill its social responsibility objectives. At the heart of the partnerships lie the youth sections, which are provided with one or more minibuses. For the Volkswagen workforce, the clubs and the communal activities they engage in contribute to a real sense of identification with each respective location. Last season, for example, a number of Volkswagen employees had the opportunity to let their children enter the stadium hand in hand with the pros at a VfL Osnabrück home game. Meanwhile, over in Dresden, the Transparent Factory took part in the “Love Dynamo – Hate Racism” campaign day and invited coach Markus Kauczinski to help with the production of the e-Golf.

Sponsoring local clubs is all part of the wider football strategy at Volkswagen. In Germany, the company is committed to supporting the German Soccer Association, the DFB-Pokal competition, young soccer players, and cultural projects in soccer. The car manufacturer lives and breathes its motto of “Soccer is for all of us” to express its support for soccer at every level – from the grassroots right to the top.

“Volkswagen is set to continue its cooperation with the most traditional and generally highest-ranking soccer clubs across its locations. The expired contracts with Eintracht Braunschweig, VfL Osnabrück (3rd division), Dynamo Dresden, FSV Zwickau (3rd division), Chemnitzer FC, Hessen Kassel (regional league), KSV Baunatal and Kickers Emden (Oberliga) have each been extended by one year. At the company’s headquarters in Wolfsburg, support is also granted to fifth-league side Lupo Martini, which was the first soccer club in Germany to be founded by former migrant workers. And, as everyone knows, Volkswagen has been an ardent supporter of VfL Wolfsburg since the club was founded back in 1949. The professional division for the “Wolves” has been a 100% Volkswagen subsidiary for many years now. It is by supporting soccer clubs across its plant locations that Volkswagen aims to fulfill its social responsibility objectives. At the heart of the partnerships lie the youth sections, which are provided with one or more minibuses. For the Volkswagen workforce, the clubs and the communal activities they engage in contribute to a real sense of identification with each respective location. Last season, for example, a number of Volkswagen employees had the opportunity to let their children enter the stadium hand in hand with the pros at a VfL Osnabrück home game. Meanwhile, over in Dresden, the Transparent Factory took part in the “Love Dynamo – Hate Racism” campaign day and invited coach Markus Kauczinski to help with the production of the e-Golf. Sponsoring local clubs is all part of the wider football strategy at Volkswagen. In Germany, the company is committed to supporting the German Soccer Association, the DFB-Pokal competition, young soccer players, and cultural projects in soccer. The car manufacturer lives and breathes its motto of “Soccer is for all of us” to express its support for soccer at every level – from the grassroots right to the top.”

ID.3: National Team Coach Launches Pilot Series in Dresden

Jogi Löw joins the many others now on the road in the new electric vehicle from Volkswagen. For the national coach, “Wolves” has been a 100% Volkswagen subsidiary for many years now. “Wolves” has been a 100% Volkswagen subsidiary for many years now. “Wolves” has been a 100% Volkswagen subsidiary for many years now. “Wolves” has been a 100% Volkswagen subsidiary for many years now. “Wolves” has been a 100% Volkswagen subsidiary for many years now.
VOLKSWAGEN PASSENGER CARS

50 Years Ago: The K70 Set the Course

Karl-Günter Queißer has seen it all and looks back on how it all began at the new Salzgitter plant

Back when the first K70 rolled off the production line 50 years ago, he was there: Karl-Günter Queißer – a man of the first hour at the Salzgitter plant. He experienced the turbulent period of upheaval at Volkswagen in the early 1970s. “It really was something special,” is how he sums up his time with the K70.

Now 79 years old, Queißer began his career at Volkswagen in 1970 as a painter and varnisher at the new plant in Salzgitter. He was quickly impressed by the comfortable sedan with its four doors, spacious interior and trunk, and the water-cooled front-wheel drive. The K70 represented a completely new drive concept, which would later become the Passat and Golf. The Salzgitter model also set the bar in terms of both active and passive safety with its reinforced passenger compartment, crumple zones at the front and rear, and safety belts for all seats.

It was as early as fall 1971 that Queißer bought his first K70. Until then he had always driven Beetles, so the change was a quantum leap. After three K70s, a Golf made its way into his garage. “It just keeps on going,” says the man who welcomes change and experiences it with joy.

Queißer also successfully takes part in classic car rallies today he drives both: a K70 LS and a Golf 8. Driving the K70 is his dream come true, and he successfully takes part in rallies and excursions in his classic car. A trip to Salzgitter back in September took him to his old place of work.

He would have loved to celebrate the 50th birthday of the K70 with the fan club on a drive and anniversary event, but unfortunately the coronavir¬us pandemic wouldn’t allow it. Instead, he celebrated with a small circle of friends in Salzgitter and looked back on memories of his time with the K70.

What is the purpose of Volkswagen Classic?
Communication is right at the heart of Volkswagen Classic. We are building bridges between the past and the future, which is why we take part in classic car events or showcase historic cars at trade fairs. We also see ourselves as a reliable contact for the media as well as for fans and drivers of classic Volkswagen cars. After all, it is now more important than ever to give our customers something to identify with and focus on. The way to successfully build trust is to share stories from bygone times. The Volkswagen story touches many people because it is part of their life story.

The classic cars are right at the heart of Classic – how do you keep them fit for rallies, classic car meets, or trade fairs like Techno-Classica?
Our team is very small, so while we are able to carry out minor repairs and maintenance, we depend on external partners for larger undertakings. This is why Classic has made the move to Volkswagen Group Services, just as the commercial vehicles classic car division did years ago. We hope that this move will result in some real synergies with our sister project in Hanover, not to mention a greater level of planning reliability.

Volkswagen Classic guards the brand’s automotive capital – why is this important going forward?
Volkswagen has become what we are today thanks to the Beetle and the Golf. This kind of continuity is important to many of our customers, and we see the Classic division can strengthen this trust in the brand by highlighting these continuities. Take electric mobility, for example, which has a long history at Volkswagen. Electric cars have been over 40 years in the making and are now making their way onto the road. Classic showcases the reliability, quality, and innovative power that is inherent to the Volkswagen brand.

47 Years Ago: Series Production Launch of the Passat
Volkswagen was undergoing a period of transformation in the early 1970s, and the new Passat brought a breath of fresh air to the model range. As the advertising slogan so aptly described, it was “The car that was long overdue.” In 1973, the mid-class sedan went into series production as the first model of the Volkswagen generation at the plant on the Mittelland Canal. The Passat came complete with a whole host of new features, and its technology was closely based on the Audi 80: Front-wheel drive, water-cooled four-cylinder engine in the front with the corresponding manual and automatic transmissions, overhead camshafts, and an all-wheel drive system.

In the case of the Passat, Volkswagen also switched to suspension assembly for the vehicle construction. This not only made production more flexible, but also improved assembly conditions for employees. Following the press driving demonstration, Volkswagen showcased the Passat at the IAA in Frankfurt in September 1973, launching it under the slogan of “The car of the future.” It proved a real hit thanks to its clear contours, low belt line, and real diversity. Those who were interested could choose between no less than 17 variants: two doors, four doors, or a practical variant with four doors and a tailgate, with outputs of 1.3 liters with 55 Bhp or 1.4 liters with 75 or 85 Bhp. The price of the Passat started at 5,955 marks. In the first year alone, more than 120,000 Passat models rolled off the production line.

60 Years Ago: How the Management Became a Board
The transition to an Aktien¬gesellschaft – similar to a public limited company – in the summer of 1960 brought about some fundamental changes at the top of the company: Volkswagenwerk GmbH became Volkswagenwerk AG, which was taken over by singer-age and 80 years at the head of the facility was “Chairman,” as stated by the 1960 annual report. He was joined on the board by Fritz Frank, Kurt Haal, Otto Hübner, Julius Paulsen, and Wolfgang Siebert, with Hans Hiemenz, Frank Novotny, and Helmut Orlich joining a little later. The Board, which had grown to nine top managers, then presented its first annual report at the Annual General Meeting of Volkswagenwerk Aktiengesellschaft on July 1, 1960. This was another first in itself and the balance sheet was well worth seeing, as Volkswagen had sold over 860,000 Beetles and Transporters all over the world. With a turnover of over 4.8 billion DM, the company on the Mittelland Canal remained the driving force behind Germany’s economic miracle.
Dear Colleagues,

In the last issue of this year’s 360°, we examined the transformation of Group Components – from 2016 to today and into the future. It all started five years ago when we rolled up our sleeves, adapted our product portfolio, fine-tuned our business divisions, and developed our own Components strategy. When doing so, we had to say goodbye to unprofitable product ranges. At the same time, we were able to create many new, long-term job prospects for our employees in the production of e-components. In other words, we are on the right track and we have a clear vision for the future of Group Components: at its core is end-to-end responsibility for batteries, and accordingly, our key role in the ID. family. Meanwhile, we are exploring how we can use our expertise to establish ourselves as a system supplier in the future. Read more on page 12 in the Group section of this issue.

Now more than ever, we need leaders, lateral thinkers and doers who will take us forward with clever ideas and innovative technology. These are my expectations for the 30 new Transform Minds, who entered “The Battle” at the start of October. The employees are working in small groups on ten innovative projects, which will be pitched to a jury in December, and are being planned with help from me and a coach from our leadership team. All the Transform Minds and their projects are presented on the right.

The most important sales market for our vehicles is China. We are represented there as Group Components by a strong team, led by the head of Components China, Frank Engel. Employees in China are working on projects such as the collaboration with battery manufacturer Gotion, exchanging of knowledge between plants, and optimization of processes. In addition, these colleagues are an important interface to our business division teams in Germany. More information can be found on pages 26 and 27.

Last but not least, I would like to thank Herbert Steiner, who managed the Engineering and Casting division until the end of October, and is now Head of Production and Logistics at Seat. He drove the transformation of the business division forward and did a fantastic job together with his team Thoralf Hanschel, a distinguished expert in components, will take over from Herbert Steiner on December 1. I wish them both a great start in their new roles. Read more on page 28.

Yours sincerely,
Thomas Schmidt
CEO
Volkswagen Group Components

VOLKSWAGEN GROUP COMPONENTS

Introducing the New Transform Minds!

The third round of Transform Minds has begun – so here are the 30 Transform Minds and their project topics.

S econdly, it begins: 30 new faces, ten exciting topics, and one goal: to develop the best project. That’s why the third round of Transform Minds has been dubbed “The Battle” – now faster, more exciting, and most competitive than before. It started at the beginning of October with a two-day meeting at the Volkswagen Arena and in Hall 6, the Group Components headquarters. Due to the current situation, some of the Transform Minds attended in person while others joined online from the international sites. Besides getting to know each other, the focus was the topic of transformation. In addition, there was input on the Components strategy, rapid fire presentations, and a silence walk – a journey through the period from 2016 to 2023 at ten stations. An initial group session with intensive brain storming on the ten project topics was also on the agenda. Currently, the Transform Minds are working on their projects in teams of three (see infographic). At the start of December, they will pitch the projects to the heads and managers of the Components division, or “coach- es.” Once groups are matched with a coach, they will work together on their respective projects in the fight for victory. In the semi-final, a jury will evaluate the projects and decide which teams will compete for first place in the final.

Overview of the teams and their project topics:
From the EA 211 to the chassis in China, the most important sales components is well-represented in CHINA plants in July, were delighted by these two new plant managers, Raimund colleagues at the engine to be manufactured at the first was the six-millionth EA888 production milestones to celebrate: "I have been General Manager at Volkswagen FAW Engine in Dalian since September. I was responsible for electric drives, battery energy and efficiency in the logistics network, our aim is to reduce our full costs, stakeholder profits and increase operational strength and sustainability. I am also working on digitalization for the optimization of production and processes, and organize knowledge-sharing between the plants." — Johannes Tep, Component Business (C-PC)

"I transferred to the Component Business team in March and I am responsible for the Engine and Casting business. I am also responsible for the China business. I work closely with the plants and the Group’s procurement department. The implementation of the Components strategy is very good. I also conference working on building up a network of experts to share best practice and supporting SOPs in the plants." — Wenchao Du, Component Business (C-PC)

"I have been on the Component Business team since May, and responsible for the Engine and Casting business and for the China business. I transferred to the Component Business department. I am responsible for electric drives, battery energy and efficiency in the logistics network, our aim is to reduce our full costs, stakeholder profits and increase operational strength and sustainability. I am also working on digitalization for the optimization of production and processes, and organize knowledge-sharing between the plants." — Johannes Tep, Component Business (C-PC)

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"I have been part of the Volkswagen strategy team since October and now responsible for digitalization and supporting the localization of high-performance premium engines in the FAW-VW and SAIC-VW joint ventures. Our focus is on high-quality and cross-brand information exchange and sharing of technical knowledge between the joint ventures and Volkswagen AG." — Haiqing Wu, QA Components (C-PH)

"I have been in charge of Quality Assurance at Volkswagen Group China since August. We have important goals in China: we need to build the new Volkswagen factory in Chengdu and the new Volkswagen plant in Shanghai. The NEV vehicle launches of our joint venture are very important. My focus is on company-wide issues. Our challenge is the increased complexity and the efficiency in the logistics network. I also work through effective cooperation within the scope of ROADMAP 2025." — Jian Zhou, Head of Logistics (C-PL)

"The main goal of VWATD is to make progress on the challenges of the future, such as supplying our electric cars with batteries, making CO₂ savings, and further developing our successful engine generations. We are working with the highest standards and exacting quality criteria. It’s our mission to make a significant contribution to achieving this. It’s our mission to make progress on the challenges of the future, such as supplying our electric cars with batteries, making CO₂ savings, and further developing our successful engine generations." — Frank Engel, Managing Vice President of Volkswagen Group China, Components, Logistics and QA, commented.

The New WE

Teamwork, strategy and future projects: Volkswagen Group Components has a strong team at its back in China.

Components Colleagues Celebrate Production Milestones

"I have been a General Manager at Volkswagen FAW Engine in Dalian since September. I was responsible for electric drives, battery energy and efficiency in the logistics network, our aim is to reduce our full costs, stakeholder profits and increase operational strength and sustainability. I am also working on digitalization for the optimization of production and processes, and organize knowledge-sharing between the plants." — Johannes Tep, Component Business (C-PC)

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"I have been General Manager at Volkswagen FAW Engine in Dalian since July. In this role, I am responsible for the sites in Dalian and Changchun, including the production of approx. 900,000 EA888 engines per year. In recent weeks, the team has impressed me with strong technical expertise and abilities. I’ve also been impressed by how well the two sites have utilized digitalization for the optimization of production and processes. As of September 25, the six-millionth EA888 rolled off the production line. An outstanding team effort!" — Jianhong Zhu, Head of Productivity Management (C-PE)

"After seven years of professional experience as a planner in the body production, I transferred to the Component Business department in 2016. My specialist areas are industrial management and digitalization in the areas of KPI-systems, the SPEEDIE Award, and also digitalization in the area of co-operations with China. I am responsible for a project at the new Yixing plant, my special project is components for the e-mo project. Together with my colleagues from JAC, I have been working on the implementation of the Components strategy. My colleagues have had two major projects at the two new plants. An outstanding team effort!" — Jörg Gommrich, Business (C-PC)

"I have been working for the Component Business department since July. I am responsible for the sales of Components in all regions of China. Our most important sales component is the chassis. A fantastic production milestone: Raimund Rösch (second from right) and Ralf Riepl (right) congratulate Heiko Knatz (second from left), Frank Engel (left) and Heiko Kleiss-Schmid (right) for the fifth millionth DQ200 gearbox together. I would like to thank the team for this achievement." — Frank Engel, Managing Vice President of Volkswagen Group China, Components, Logistics and QA, commented.

Our current challenges call for a rethink in our heads and structures. Whether it’s ROADMAP 2025, environmental compliance, or new projects like the collaborations with Gotion High-Tech and JAC Volkswagen in the past few months, we have been working hard on transforming our structures and processes so that we can continue to quickly, reliably and successfully overcome challenges in the future. Our new Component Business team in particular, which serves as an interface between the plants in the China region and the business segments Engine & Gearbox, Electric & Drive, Chassis & Battery System and Seats, will make a significant contribution to achieving this. It’s our mission to make progress on the challenges of the future, such as supplying our electric cars with batteries, making CO₂ savings, and further developing our successful engine generations.

"I would like to thank the team for this achievement."

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Diversity and Openness in the SITECH Group

The SITECH Group lives and breathes diversity. At each of the six SITECH sites in Germany, Poland and China, the workforce consists of a colorful rainbow of different personalities. These diverse teams bring completely different perspectives and creative approaches to the table – that’s why diversity is so important to any modern company. That includes women in leadership positions: almost one in four management roles at SITECH Sp. z o.o. and SITECH Sitztechnik GmbH is occupied by a female manager.

What’s more, communication formats such as Strength Through Diversity and With Passion at SITECH promote respect and consideration between colleagues. These articles offer a look behind the scenes as employees show us what they do in their free time, from social commitments to unusual hobbies (see images). Thanks to these new formats, employees at SITECH can get to know each other from a different perspective, and are reminded not to judge their colleagues’ values and skills based on their appearance.

As well as community, the SITECH team also values social responsibility: many sites run local corporate social responsibility campaigns. For example, colleagues at the Polish sites have worked with local forestry offices to regularly organize fun quiz hikes for elementary school children in local forests. This helps children expand their knowledge of flora and fauna. In addition, SITECH colleagues regularly organize events, such as Diversity Day, to promote diversity, respect and tolerance.

From volunteering to hobbies: SITECH communication formats show employees enjoying every part of their lives.

Spotlight on Productivity

The Industrial Engineering and Production System department manages productivity across all of Components

1. Productivity culture
   Experts ensure the transparency of productivity goals with a holistic indicator and reporting system. The focus is on overall equipment effectiveness (OEE), effective employee utilization, and monitoring and visualizing measures.

2. Productivity optimization
   Improving and qualifying OEE
   Qualification concept pilot program in Braunschweig with a focus on loss of speed and organizational losses, setup and TPM.
   Target utilisation
   Short-term, intensive support for plants in the event of supply bottlenecks.

Value stream planning
   Implementation of macro value stream activities to develop shared process visions with a focus on holistic processes and their management.

3. Standardization and networking
   Developing methodologies, coordinating IT and setting factory plans.
   Third plant tour. However, the Plant Environment and Diversity categories are simply not possible to judge these extensions in place mean the Shop Floor Management, C-HPU, Environment and Diversity categories will be digitally prepared for an online third plant tour. However, the Plant Efficiency, Assembly Efficiency and Lead Time categories rely on on-site evaluations by SPEED+ experts. It is simply not possible to judge these categories given the current travel restrictions. Because of this, awards will not be given in these categories.

5. SPEED+ Award
   The second plant tour took place digitally. Travel restrictions in place mean the Shop Floor Management, C-HPU, Environment and Diversity categories will be digitally prepared for an online third plant tour. However, the Plant Efficiency, Assembly Efficiency and Lead Time categories rely on on-site evaluations by SPEED+ experts. It is simply not possible to judge these categories given the current travel restrictions. Because of this, awards will not be given in these categories.

More information about the Industrial Engineering and Production System is available on the intranet: https://vw-volkswagen-net.de/wiki/display/PCMS

Names & News

Heiko Dröse, previously Product Manager in Drive Development at Audi AG in Ingolstadt, took over Business Strategy in Gearbox Construction and Electric Drives at the Kassel plant on September 1, 2020.

Herbert Steiner moves to management role at Seat

A change at the helm of the largest Components division: the former division head, Herbert Steiner, moved to Seat on November 1 as the new Head of Production and Logistics. His successor, Thoralf Hanschel, who is currently Head of Engine Production at Audi Hungaria in Gyor, will start on December 1. Thoralf Hanschel was already responsible for production planning at Components before moving to Gyor.

On his departure, Herbert Steiner remarked, “I would like to thank the entire Components team for our time together. My colleagues at the various plants and in Wolfsburg do a first-rate job and have worked hard to ensure the competitiveness and future viability of Group Components. I would like to thank the Engine and Casting team in particular, who have achieved so much in the last two years, from the SOP to the production anniversary. I now hand the baton to my successor, Thoralf Hanschel, with a strong team at his back and exciting projects ahead.”

New Head of the Engine and Casting Division

Herbert Steiner moves to management role at Seat

Product Compliance Management

Important guardrails for product work

1. Define and establish CULTURE
2. Set GOALS and measure effectiveness
3. Identify, evaluate and report RISKS
4. Define and implement PROGRAMS and PROCESSES for risk management
5. Create ORGANIZATION with roles and responsibilities
6. Implement COMMUNICATION and TRAINING
7. MONITOR and IMPROVE effectiveness

More information about product compliance is available on the intranet:
https://vw-volkswagen-net.de/wiki/display/PCMS