

# 360° WOLFSBURG



Volkswagen

ALL ABOUT VOLKSWAGEN – THE EMPLOYEE MAGAZINE FOR OUR LOCATION

JULY 2019



Pull-Out:  
Autostadt  
Summer  
Program



Planting a tree as a visible sign of sustainability: trainees at the Wolfsburg location.

## Groundbreaking Project in Wolfsburg: Trainees for More Sustainability

Apprentice founds the "Zukunft säen – Generation FAIRänderung" (Sowing the Future – Generation FAIR Change) team

**T**rainees at the Wolfsburg location want to make a contribution to increasing sustainability: the young men and women founded the "Sowing the Future – Generation FAIR Change" project team together

with their head instructor. In an initial workshop, they planted a tree to set an example of sustainability that can visibly grow and thrive. Volkswagen's junior staff also learned a great deal about environ-

mental protection in the company. All the participants agreed: the topic should be more strongly integrated into the training course. Melina Klamt, currently in the secretary's office of the Wolfsburg plant man-

agement, is one of the founding members of the project team. She says: "Our generation can change so much. We shouldn't just think about what could be changed, we should just start doing it."

## Services, Searches, and Lunch Menus: What the Volkswagen App Can Do

More than 11,500 employees already have the latest updates at their fingertips

**I**n the factory hall or the quarry pond: thanks to the 360° Volkswagen app, employees can get the latest news and tidbits from the Volkswagen world wherever they are. 11,660 employees (as of July 5) have already installed the free app on their smartphones. It can be downloaded free of charge to private

Android phones from the Google Play Store or to work iPhones from the Volkswagen App Store. A version for private Apple devices is in progress.

The first person to use the app is Chief Human Resources Officer Gunnar Kilian. At the works meeting in Wolfsburg, he said to employees: "I can only ask you all: please install this app. It will help you to navigate the jungle of the Volkswagen world."

So, what can you find on the app? The 360° Volkswagen app features news about the plants and business divisions of Volkswagen AG and the different brands. They will present fascinating articles about cars and people, as well as strategic and diverse topics.

In addition to news, the app will also offer a variety of services. For example, employees now have lunch menus, factory maps and an overview of internal bus routes at their fingertips. What's more, Marco Klein and his team of developers have integrated a search function, and also want to add additional interfaces with Volkswagen systems, such as HR Self Services, soon. Marco Klein says, "Users will decide

which parts of the app we will continue to develop. They are the focus. We want to give them the chance to conveniently access the information they need at any given moment."

Another convenient feature: the app can simply be used with a Volkswagen user ID and WeServices password, which is also used for the Mood Barometer or for the 360° application on Volkswagen Net, for example. This means that all you have to do is download it, log in, and you will find yourself immediately immersed in the Volkswagen world.



Services, news and more: Increasing numbers of employees have the Volkswagen app.

→ The app will be introduced to the sites in Saxony and Osnabrück at a later time.



The app developers: Marco Klein (third from left) and his team of developers attended the works meeting in Wolfsburg.



### Larry Thompson Interview with 360°

The monitor talks about the commitment of Volkswagen employees and reveals his view of the company in the USA.

→ PAGE 3



### New Maximum Reward Paid for the First Time

A suggestion to improve the ventilation of the cooling system has earned two employees in Wolfsburg the new maximum reward of 75,000 euros from the Ideas Management department. → PAGE 2



### The New Design of the Volkswagen Brand

With the help of experts, 360° explains why the brand is getting a new logo and shows what the new brand image will look like. → PAGE 13



### Fire Fighters at Work

For one woman and six men, a dream has come true: They are the first fire fighters to have been trained in-house at Volkswagen.

→ PAGE 22



### How Mission X is Helping the Brand

Improved processes and sustainable component strategies – how the brand plans to reduce costs. Interview with Dirk Große-Loheide and Matthias Rabe. → PAGE 18



<sup>1</sup> ID. BUZZ: Concept car.

<sup>2</sup> Passat Variant: Near-production-ready concept car | e-Golf: Power consumption, kWh/100 km: combined 14.1 with 17-inch wheels – 13.2 16-inch; CO<sub>2</sub> emissions combined, g/km: 0; efficiency class: A+.

## Dear Colleagues,



The hottest June of all time is behind us, and the plant holiday is just around the corner. I would like to thank everyone who worked and sweated under often difficult conditions. We are all looking forward to spending weeks relaxing with family and friends. We've earned our time off after completing a very respectable first half-year. Our cars – especially the new SUVs – are being very well received by customers. The Touareg is winning all comparison tests. The T-Roc and T-Cross are making Volkswagen younger and more modern, and the latest edition of our brand icon, the Golf 8, is in the starting blocks. Our teams have developed a sensational car. Now we need to come together and ensure a successful launch, proving to the world that the Golf is THE number one among compacts.

At the IAA in Frankfurt this fall, it's going to be one thing after another: With the ID.3, we're driving the electric car out of its niche. The ID.3 shows what the future the car of looks like: digital, connected and zero-emissions. It underscores our pioneering role in sustainability. With our commitment to the Paris Climate Agreement and the zero-emission target by 2050, Volkswagen is taking on leadership responsibility. The ID.3 will be the first to proudly carry the new brand logo. Our new brand image will be a quantum leap, with which the "new Volkswagen" will be visible and tangible for everyone. I'm looking forward to it!

We all know it: Volkswagen is girding its loins in preparation for tomorrow's mobility requirements. The environment isn't making it easy for us. But we are a strong company with a lot of potential and a great team. We, the Executive Board team, look forward to working with you to take Volkswagen forward. But first, I wish you and your families a nice and relaxing holiday! And to all those who are holding down the fort during the holiday season and continuing to work for your commitment.

Yours sincerely,

*R. Brandstätter*

Ralf Brandstätter  
COO Volkswagen Brand

# Ideas for Improvement: New Maximum Reward Paid for the First Time

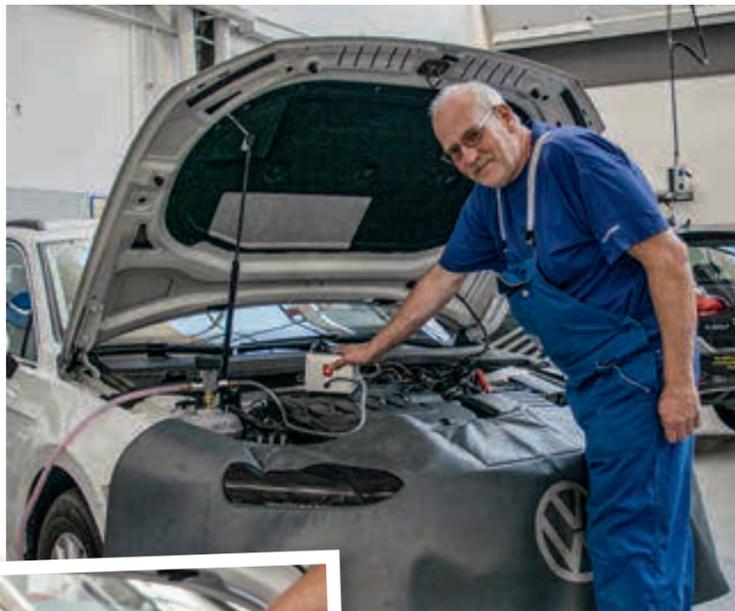
Two employees enjoy 75,000 euros – their suggestion: use electric instead of pumps for venting

**F**or the first time, the Ideas Management department of the brand's German plants has awarded the new maximum reward for improvement ideas: They rewarded two employees from Wolfsburg, who wish to remain anonymous, with a total of 75,000 euros. The employees proposed allowing service workshops changing coolants to choose whether they would continue to use a standard mechanical pump for venting or a new electric pump. This saves time and money – already more than half a million euros. "The first idea rewarded with the new maximum reward is something special in two respects: On the one hand, the company has already saved more than 600,000 euros in the first year," says Thorsten Janotta, Head of Ideas Management. "On the other hand, the employees had still submitted the idea during the validity period of the old works agreement. The transitional regulations in force enabled the improvement idea to be rewarded with the new maximum premium."



Thorsten Janotta,  
Ideas Management

Background: Volkswagen has modernized its Idea Management department based on a new works agreement. A new IT system, for example, simplifies the online submission of suggestions for improvement. In addition, the maximum reward has risen – from around 51,000 to 75,000 euros. Mario Kurznack, Works Council member, is pleased to hear it: "The maximum reward was adjusted along with the new works agreement in February. An absolutely



New method: Andreas Hummel (not one of the idea's submitters) works with the electric vacuum pump in the customer service workshop at the Wolfsburg plant.

correct and necessary step after about 20 years. It's great that the maximum reward was awarded for the first time."

### The rewarded idea

**The problem:** If the coolant of a vehicle is changed in a service workshop, negative pressure must be generated to obtain air from the coolant system. Up to now, mechanics have generated this vacuum on all Volkswagen units

with a standard tool that is operated with compressed air. For models with diesel engines, the complex cooling system has to be vented using various procedures. This process takes a lot of time – time that costs money. If a repair is carried out during the warranty or goodwill period, Volkswagen pays the material costs and the time units that the mechanic spends in the workshop.

**The solution:** In the Repair Guide for service centers, Volkswagen now provides an alternative working method for the diesel engine: The mechanic can use an electric vacuum pump. By using them, the residual air in the cooling system is reduced and the final venting routine no longer takes that long. This reduces the working time by 13 minutes. The electric vacuum pump can already be ordered via Volkswagen. Evaluations show: workshops like using this method – the pump has been used more than 60,000 times.



### IDEAS MANAGEMENT

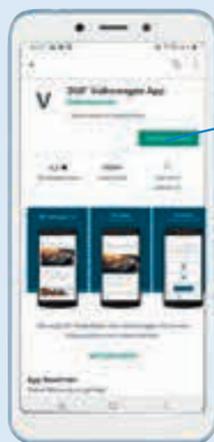
The old maximum reward (around 51,000 euros) was paid 23 times to employees at Volkswagen's German sites last year. You can find more information on ideas management and submitting ideas on Volkswagen Net.

## Step by Step: How to Get the App on Your Smartphone

Quick guide explains installation for private Android phones and work iPhones

**J**ust a few taps, and the new 360° Volkswagen app will be on your smartphone. The program, which is only a few megabytes in size, can be downloaded free of charge from the Google Play Store to a private Android phone or from the Volkswagen App Store to a work iPhone. How exactly is explained in the step-by-step instructions on the right.

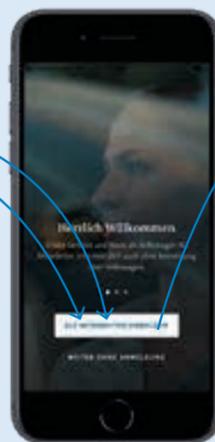
Our colleagues in Saxony and Osnabrück will have to be patient a little longer: they can download the app, but their employee access won't be activated until a later date.



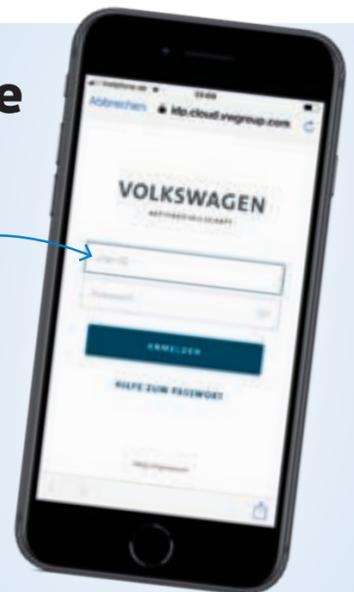
**Private Android phone:** Open the Google Play Store and search for the app. Then tap the "Install" button.



**Work iPhone:** Open the Volkswagen App Store (not the Apple App Store) and search for the app. Then tap the "Install" button.



Start the Volkswagen App by tapping the app symbol. Tap the "Log in as employee" button.



Now log in with your Volkswagen user ID and your social media password, with which you can also log in to [Wir-bei-Volkswagen.de](http://Wir-bei-Volkswagen.de), the Mood Barometer or [wa@vw.com](mailto:wa@vw.com), for example. This password cannot be the same as the password you use to log in to Windows on your desktop computer or notebook. If you've forgotten your social media password, you can request new login info at <http://pwss.vw.vwg>. Please note: PWSS is only available in the Volkswagen network. You will need your PKI card to log in.

### Legal Notice 360°

**Publisher**  
Internal Communications  
Volkswagen Group and Brand

**Address**  
Post Box 1977, KS-I  
38440 Wolfsburg, Germany

**Telephone** +49 (0)5361 9-89634  
**Email** 360Grad@Volkswagen.de

**Legally responsible for content**  
Jörg Lünsmann/Fred Bärbock  
Directors of Internal  
Communications

**Editor-in-Chief**  
Dirk Borth

**Editorial team**  
Marc Rotermond, Tobias Schwerdtfeger,  
Alexander Ott, Oliver Keppler,  
Jesko Giessen

**Layout/Production**  
Dominic Stripling, Volkswagen;  
TERRITORY CTR GmbH

**Photos/Illustrations**  
Volkswagen AG, Getty Images, Adobe Stock, iStock,  
dpa Picture-Alliance, Nina Stiller, TERRITORY CTR GmbH

# Larry D. Thompson: "I'm Impressed With the Work Ethic of the Employees"

Interview with the monitor about the collaboration with Volkswagen – and feedback he has had from the employees

Larry D. Thompson has been at the company as an independent Compliance Monitor within the framework of a monitorship since 2017. His task: assess and monitor the company so that the details of the settlement reached with the US Department of Justice following the diesel scandal are fulfilled. Volkswagen has taken numerous measures since 2015 that have strengthened the company's compliance, reporting and control systems. Thompson and his team are currently testing to see whether these will also be effective in the long term. 360° spoke with him during one of his visits to the Group central headquarters in Wolfsburg.

## What is your opinion: Did Volkswagen learn something from the diesel scandal?

Yes, Volkswagen has learned the importance of a healthy, accountable and transparent corporate culture. The company is holding both executives responsible for their conduct in the involvement of the Diesel scandal and is communicating this to its employees.

## Is Volkswagen a better company now – after the scandal?

No question about it. Volkswagen is a better company after the scandal. But Volkswagen is a large and complex company. It still has a way to go in its journey to have a high quality integrity and compliance program in place and operating effectively. I think the board of management understands this and that is why it is devoting resources and effort to the T4I program.

## How has your work at Volkswagen been perceived and how is the collaboration with the company?

The team has received excellent co-operation from Volkswagen

employees and the works council. We've also received very good logistical support and co-operation from the Project Management Office.

## Are you getting the support you need to complete your task?

This is an area that needs improvement. We are now in the testing phase of my work. I am required by the court to certify that Volkswagen's integrity and compliance programs operate effectively. The exact wording of my mandate from the court is that I have to certify that the programs are 'reasonably designed to detect and prevent violations of the anti-fraud and environmental laws.' We all have a lot of hard work to do to make certain that the company understands my expectations regarding certification and help me to certify the company.

## What feedback do you get from employees?

This is amazing – Volkswagen employees are proud of the company and want the company to succeed and improve. They tell me and my team that they are pleased with the improvement they have seen today. And this gives me a great deal of satisfaction to have been even a small part of these improvements and changes.

Some employees recently however have expressed some anxiousness and have even said that they felt some pressure in going through the certification process. All employees need to be reassured that we are going to do this right. We're going to participate in the certification process in the right way and employees should not feel any pressure as we go through this process. Let me explain my response further: we have a year and a half to go and we have a lot to do, and some people feel pressured to get this done on time.



In conversation: Larry D. Thompson interviewed at one of his visits to Wolfsburg by 360° team members Jörg Lünsmann (left) and Kai Grüber.

## Volkswagen is a global company. How about integrity and compliance: May there be differences due to cultural distinctions?

You always need to understand and respect cultural differences. But Volkswagen as a global corporation should have one set of core values that it stands for and supports – no matter where it does business. An environmentally sustainable automobile is just as important in China or Spain as it is in Germany. Acting honestly and with integrity is just as important in Brazil as it is in the United States.

The Group Board Members regularly point out that – for the credibility of Volkswagen – it is important that each of us should not only follow the law but also act with integrity. Does this message get through to the employees?

Volkswagen employees are absolutely receptive to this message. All the Volkswagen employees I interacted with during the course of my monitorship are proud of the company and want the company to move past the Diesel scandal as quickly as it can.

## Misbehavior has always been punished at Volkswagen – in the worst cases with dismissal. Recently the company has been increasing its reporting of misconduct and sanctions. Are you already seeing any difference?

I've seen the new communications in this area and they are very well done. I do not have, at this time, any assessment of

their effectiveness, but I'm certain that over a period of time, as these communications continue, the employees will appreciate them. The employees will understand that Volkswagen is committed to holding its executives accountable and is being transparent in the process.



Feedback: Larry Thompson commented on new videos about the Group Essentials.

## How long will Volkswagen have to deal with the Diesel scandal?

Volkswagen should never ever forget the Diesel scandal and the incredible monetary and reputationally damage it did to the company.

Technically, the term of my monitorship ends in June 2020. My mission however will remain fulfilled hopefully forever. And so long as a scandal of the magnitude of the Diesel scandal never reoccurs at the company.

You visited Wolfsburg many times. Can you tell us about your most impressive experiences here? I like cars and the Autostadt is a fantastic experience. I'm also very impressed with the outreach that the partnerships – for example with the city Uitenhage in South Africa – have. They help people there.

Everyone in Wolfsburg from the mayor on has been very welcoming to me.

## When you are in the USA, what are you saying about Volkswagen?

I talk about Volkswagen's size and complexity. I also talk to people in the United States about the changes Volkswagen

and the rest of the automobile industry face with electric mobility, ride sharing and autonomous driving. The industry as a whole is undergoing a state of rapid and intense transformation. And Volkswagen, as the largest automobile

manufacturer, has a leadership role in this. I also tell people in the United States how impressed I am with the work ethic of Volkswagen employees. They work hard, they work very hard and hold themselves to very high standards.



## LARRY DEAN THOMPSON (born 1945)

A renowned US lawyer. Between 2001 and 2003, he was deputy attorney general in Washington – the second-highest position at the US Department of Justice. As US attorney for the Northern District of Georgia (Atlanta), he also dealt with complex cases such as the Enron scandal. He teaches corporate and business law at the University of Georgia School of Law.

"Volkswagen is a better company after the scandal."

Larry D. Thompson

# The New Software Department

Christian Senger's division bundles the digital activities around the car in the Volkswagen brand – six departments

**H**igh-performance computers on wheels: The digital revolution has reached the automobile. This is the reason why Volkswagen is pooling its digital strength. Christian Senger and his



Board Member for Software Christian Senger

team continue to drive mobile digitalization within the Group and across the brand. The aim is to bundle software activities and to make cross-brand cooperation on software

and intelligent mobility concepts

effective and future-proof. Christian Senger: "Volkswagen has already taken an important step. We were the first automotive manufacturer to separate the development of hardware and software organizationally within the company. This is important because software follows much faster development cycles."

Senger, who is responsible for the Digital Car and Services brand division presented here, as well as the Group function of the same name, is joining a team from the brands Audi, Porsche, and Volkswagen to form an agile, cross-brand "Car. Software" unit, in which more than 5,000 experts and top talent are to be brought together by 2025.

## DX department

DX is the central office within the D department for all overarching topics.



D department  
Board Member Christian Senger



Angelika Braun



Rolf Zöller



Christoph Hartung



Christian Birke



Qing Chang



Matthias Erb

DX is setting up the D department and is also responsible for setting up the new Group-wide software unit. The main areas of work are: coordinating holistic work streams, employee communication, establishing an agile and efficient committee structure, establishing change management, defining and implementing new work topics – such as new technologies for cooperation, new room concepts for agile teams, and flexible working hours models.

## EE department

The EE brings electronic innovations into series production. The focus is on the Connected Car, infotainment and user experience. Once the architecture has been defined and the concept drawn up, the requirements are defined in the specifications, and the developers act in close coordination with the numerous suppliers as those responsible for components, functions and systems. This is where defined processes, methods and tools play a crucial role. The interaction of

the large number of components in an extremely complex environment means that E/E integration plays a key role. With a systematic analysis and processing of E/E errors, it ensures the launch quality of the vehicles. In the future, Car.SW.Org deliveries, e.g. the digital assistant, will be applied to EE on a brand-specific basis and integrated into all Volkswagen projects.

## G4S/VX department

VX and G4S are all about digital

business models. From innovative We-services like We Deliver, WeShare or We Park to business solutions like the CDIS-Box to customer websites, apps and e-commerce solutions: G4S/VX thinks from the customer's point of view and creates digital mobility offers.

## FIX department

FIX works together with VX and G4S on the We services and the service platform. FIX assumes overall responsibility for all IT supply and development services.

## GT department

GT manages the implementation of the new VW.os. The VW.os is the technological future: With the development of our E<sup>3</sup> electronics architecture, as the basis for the Volkswagen new ecosystem, we will enable our vehicles to stay online, connected and up to date in the future. Just like a smartphone, our customers should be able to load the latest functions into their vehicles at the touch of a button. We are implementing a uniform digital vehicle architecture throughout the Group, creating synergies across all brands and regions.

## GX department

GX is all about Holistic User Experience (HUX). That goes far beyond the use of a vehicle. HUX includes all contact points that our customers have with the Volkswagen brand – including websites, apps and all mobility offers. Today's customer expects a uniform, appealing design, as well as easy and intuitive operability at each of these contact points.

## Senger: "Our Software Logo Will Be A Mark of Distinction"

That's what Christian Senger wants to achieve with the new Software unit – more than 5,000 experts and top talent on board by 2025

**Mr. Senger, you're a board member in a department that didn't previously exist at Volkswagen: Digital Car and Services. What was your first official act?**

It's very important to me to first tell everyone what we want to do and how we're going to do it. Volkswagen develops, produces and sells outstanding cars all over the world. But when it comes to software, we're not one of the big players yet. Of course, there are many questions. Where are we going with this? How can it work? And sometimes even: Can we do this? I'm convinced the answer is yes! Together with my team, I want to prove that Volkswagen can also deliver top performance in this field.

**Why does the topic of digitalization affect an automotive company so much?**

A Volkswagen becomes part of the digital world of our customers: fully networked and always online. That's what our customers expect from us; we see ourselves as having a clear duty. We're not going to convince customers with retro charm. Our software in the vehicle has to be powerful, stable, secure and updatable in fast cycles via a cloud connection.

**So you want to develop more software yourself, but reduce the outlay?**

The main burden today is the networking of hardware and software in the car. Just one example: currently,

up to 70 control units have to be networked in Volkswagen-brand vehicles, which run with software from 200 different suppliers. We're spending a large part of our energy on technical integration and working very hard on third-party developments. That's not a good model for the future.

We need to be the ones who develop the software, set the standards, and make them available to all brands and suppliers.

**How high is the share of self-developed software today?**

We have a share of less than 10 percent. That's far too little. In the Volkswagen Group, we want to achieve an in-house share of more than 60 percent in software development by 2025.

**How do you intend to achieve this?**

Volkswagen has already taken an important step. We were the first automotive manufacturer to separate the development of hardware and software organizationally within the company. This is important because software follows much faster development cycles. We're going to keep going that way. We want to form an agile "Car.Software" unit and bring together more than 5,000 experts and top talent by 2025. The experts will concentrate fully on vehicle digitalization and the development of vehicle-related services.



An interview with Board Member Christian Senger: "We're not going to convince customers with retro charm."

**What's the goal behind that?**

We're now transferring the platform expertise Volkswagen has in hardware to software.

We're developing a software platform that will be used by all Group brands and in all regions. Specifically, it's about a uniform vehicle operating system and the associated cloud platform, the Volkswagen Automotive Cloud.

**What are you writing down as a future priority for software development?**

The answer is clear: to ensure the start of production, i.e. the on-schedule start of production of our cars. In general, we will be measured by

whether we always deliver reliably.

**Will the major brands in the Volkswagen Group still retain their own competencies in the field of software?**

Yes. This makes sense because software and all digital functions that our customers might experience will make an even greater contribution to brand positioning in the future. The division of labor is simple: We're going to be responsible for defining the software platform with basic functions for everyone, and in this way will fill a virtual shelf from which the brands will serve themselves. The brands then have the opportunity to customize certain basic scopes.

And, completely unaffected by this, the technical development departments of the brands will retain their responsibility for hardware-related development.

**So what do customers gain from this reorganization of software development at Volkswagen?**

Our customers benefit considerably from this. They will experience Volkswagen cars in an even more dynamic, exciting and individual way in the future. The key to this is the uniform software platform and its standards. This is how we can rethink software development and shift the focus to creation. We're going to offer vehicle updates, useful services and new, exciting features quickly and reliably.

**Mr. Senger, just one final question: What is your vision for the software "made by Volkswagen" in 2025?**

Many developments from the Volkswagen Group are now regarded as seals of quality for technical progress in the automotive industry. One example: for many millions of people, the famous "quattro" label from Audi stands for the measure of all things in all-wheel drive. That's exactly where we want to get. When people look at our cars in a few years in a car dealership or virtual showroom, they should see our software logo on the vehicle. That's going to be a mark of distinction.

# New Structure and New Processes: Changes in the Human Resources Division

*Gunnar Kilian: "The Volkswagen brand can only be transformed if the HR department is optimally positioned"*

This summer, the Volkswagen brand's Human Resources department will be filling human resources management positions at several locations and at new companies. In addition, a new function will coordinate the human resources work of the brand's production sites.

Chief Human Resources Officer

**Gunnar Kilian:** "The Volkswagen brand can only be transformed if the HR department is optimally positioned. That's why we're revising

our processes, digitizing them, restructuring them and relying on the highest expertise of our management teams. The personnel changes deepen the expertise of each individual, broaden the horizon of experience and promote cooperation between locations and companies." The changes will take place by September 1 at the latest. The individual personal particulars:



**Andrea Morgan-Schönwetter** is assuming overall responsibility for Recruiting & Talent

Marketing for Volkswagen AG and will report directly to the Chief Human Resources Officer Gunnar Kilian (see interview p. 7). She studied business administration and worked for Telekom before joining Volkswagen at the beginning of this year. There, among other things, she was responsible for human resources marketing

and recruiting, and established and expanded the Recruiting Center.



**Nicole Kösling**, Human Resources Manager at the Chattanooga plant (USA), will become the Head of Human Resources at the Wolfsburg plant. Kösling is

succeeding Jörg Maszutt. She is a businesswoman with an MBA who started her career in human resources at Faurecia, and joined the Volkswagen Group at the Auto 5000 in 2003. Following responsible functions, including HR manager at the seat manufacturer SITECH, she took over human resources management at the Chattanooga plant in 2017.



**Jörg Maszutt**, Head of Human Resources at the Wolfsburg plant, will now be responsible for Human Resources at Volkswagen's global automotive plants. He reports directly to the General Manager and Human Resources

Manager of the Volkswagen brand, Martin Rosik. Maszutt has worked for the Group for 41 years. From 1994, he held positions of responsibility in Human Resources, including for the Human Resources Service Centers in Wolfsburg and for Production, Procurement, Quality Assurance and Finance. He's been Head of Human Resources at the Wolfsburg plant since 2011.



**Burkhard Ulrich**, Managing Director of Human Resources and Organization at Volkswagen Osnabrück, will become Human Resources

Manager in Chattanooga. He's succeeding Nicole Kösling. Ulrich has worked for the

Group for 27 years, and has held various responsible functions in Human Resources, including management consulting, since 2002. In 2016, he became Managing Director in Osnabrück.



**Katrin Börsting**, Human Resources Manager at the Salzgitter plant, will become Managing Director of Human

Resources and Organization at Volkswagen Osnabrück. She is succeeding Burkhard Ulrich. Börsting is a political scientist, and joined Volkswagen in 1992. Among other things, she was Human Resources Manager at the SITECH in Poland. Börsting first became Managing Director of Human Resources and Organization at Volkswagen Osnabrück in 2010, and then became Human Resources Manager in Salzgitter in 2016.



**Lutz Becker**, Head of Labor Relations and Employee Involvement, will become Human Resources

Manager in the Salzgitter plant. He is succeeding Katrin Börsting. Becker is an educator and has worked for the Group for 23 years. After positions in coaching and Human Resources management, among other things, he was responsible for industrial relations, as well as labor relations and the Mood Barometer.



**Susanne Scholtyssek**, Head of Human Resources for the Technical divisions of the Volkswagen brand, will become

head of the main department for Human Resources Management and Production at Porsche AG in Zuffenhausen. Dietmar Albrecht,

Head of Volkswagen Group China Academy, will take over Scholtyssek's previous role. She is a political scientist and has worked in the Human Resources division since 2010. After holding positions in Kassel, as a Management Board Officer and in the management of AutoVision temporary staffing, she took over the Human Resources management of the technical divisions in 2016.



**Dietmar Albrecht** will become Human Resources Manager of the Technical divisions of the Volkswagen

brand. He studied mathematics and computer science. He joined Volkswagen in 2002, where his responsibilities included learning design, competence management and human resources development strategy. In 2015, he took over leadership of the Volkswagen Group China Academy in Beijing.



**Sebastian Krapoth**, Management Spokesperson for Volkswagen Group Services, will become Chief Human

Resources Officer at Volkswagen Slovakia. Krapoth is being succeeded by Hartmut Rickel. At the same time, Thorsten Falk, Managing Director of Volkswagen Group Retail Germany, is being appointed to the Management Board of Group Services. Krapoth is a psychologist and has been with the Group since 1998. After holding positions of responsibility at Volkswagen Commercial Vehicles in Hanover, he took over the Human Resources management of Autovision in 2014. He has been Management Spokesperson for Volkswagen Group Services since 2016.



**Hartmut Rickel** will become Management Spokesperson for Volkswagen Group Services. He is an industrial engineer and has been with the

Group for 28 years. After holding positions in Controlling at Volkswagen in Wolfsburg and with Škoda, he has headed Brand Sales Management since 2009. Rickel was appointed to the Management Board of Volkswagen Group Services in 2017.



**Thorsten Falk** is being appointed to the Management Board of Volkswagen Group Services. He is an engineer and

has been with the Group for 27 years. From 2008, he held positions of responsibility in Central Human Resources, including Head of Human Resources for the Chairman of the Management Board and Group Procurement. He was most recently Managing Director of Human Resources and Organization at Volkswagen Group Retail Germany (VGRD).



**Stefan Baier**, Project Manager HR Leadership at Audi, is becoming Executive Vice President

Human Resources at the Volkswagen Group of America and Chief Human Resources Officer of the North American region. He is a businessman. After working for Infineon and Siemens, he moved to Audi in 2000. There, Baier worked as Human Resources Manager, among other things, at Audi of America. Later he was Head of Group Management Development Sales, Head of HR Operations at MAN, and most recently, Project Manager HR Leadership at Audi.



## Climate-Neutral Data Center in Norway

*It's operated exclusively by hydroelectric power – meaning high CO<sub>2</sub> savings*

The Volkswagen Group has moved into a new, climate-neutral data center in Rjukan (Norway). The site was set up in six months, together with partner Green Mountain. The data center is operated exclusively with hydroelectric power. This saves more than 5,800 tons of CO<sub>2</sub>

per year compared to a conventionally operated data center. Volkswagen and Audi will use the maximum output of 2,750 kilowatts for high-performance

servers used to process computationally intensive projects in their vehicle development. This includes the simulation of crash tests and virtual wind tunnel tests. Outsourcing them to external data



**Mario Müller**, Head of IT Integration



View of and into the data center: it's about two hours by car from Oslo.

centers relieves the burden on the IT infrastructure at the home locations. "With new technologies and digital forms of collaboration, the demand for computing power in the company is growing. That's why we're constantly expanding our capacities," says Mario Müller, Head of IT Integration and Services in the Volkswagen Group.

He emphasizes, "Business aspects and sustainability are important to us. The new data center in Norway is

strong in both respects. Operation is cost-effective and completely climate-neutral."

Locations for data centers in the Nordic countries of Europe qualify thanks to excellent availability of low-cost, environmentally-friendly energy and weather conditions that can be used for efficient cooling of the systems. Volkswagen already operates a climate-neutral data center in Iceland. This location

is roughly the same size as the one in Norway and saves around 6,200 tons of CO<sub>2</sub> annually.

In addition, Volkswagen operates data centers "within the factory fences" at many national and international locations. Their output is primarily used for applications that are directly relevant to business, such as applications for production, logistics or sales.



### Data Center in Norway

The new data center in Norway is located about 180 kilometers west of Oslo, in the town of Rjukan. It was built by our partner Green Mountain, which specializes in providing data center capacities to international companies.



Herbert Diess: Volkswagen wants to take the lead on electric mobility.

## China: How the Group Is Planning Its e-Campaign

Volkswagen wants to take the lead on electric mobility in China. That was the message that was powerfully conveyed by CEO of the Volkswagen Group, Herbert Diess, at the first World New Energy Vehicle Congress in the South Chinese city of Bo'ao. Volkswagen has declared its intention to increase the share of electric cars to 50 percent of cars produced annually on the Chinese market by 2035. This corresponds with the share of electric cars on the world market forecast for 2035 in the closing report of the congress. As a result, China will play a significant role in the decarbonization strategy of the Volkswagen Group. This year, Volkswagen wants to offer Chinese customers 14 electrified models. By 2028, more than half of the Group's planned 22 million e-cars are expected to be made in China. At the same time, Volkswagen will strengthen its development work. More than 4,500 engineers are working on future technologies in China. In the course of its e-mobility initiative, the Volkswagen Group is planning to produce around 11.6 million electric cars in China by 2028 – more than half of the Group's total target of 22 million.

# Herbert Diess Addresses Top Managers

The Group CEO presented further developments in the Group strategy – Together 2025+

Volkswagen CEO Herbert Diess presented the next step in the development of the Group strategy, Together 2025+, to around 450 top managers from around the world. The occasion was the Volkswagen Group's global top management conference. It took place at the new "Hafen 1" event hall at the Wolfsburg plant for the first time.

"Shaping mobility for generations to come." This is the new vision of the refined strategy. With it, Volkswagen is responding to future challenges to make mobility sustainable. Diess: "With our action plan for further developments to our strategy, Together 2025+, we are increasing the tempo once again and narrowing our focus on the transformation of our company."

The strategy contains an action plan with five strategic modules. They are: **Best Governance, Best Performance, Best Brand Equity, Software-Enabled Car Company, and Excellent Leadership.**

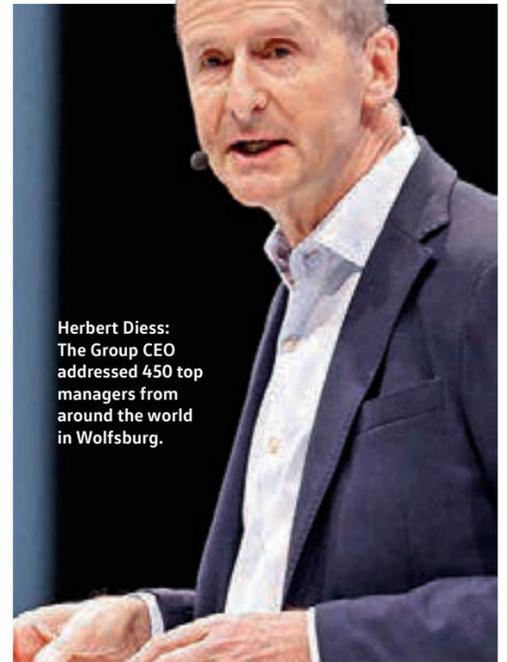
• **Best Governance:** We are creating a focused, streamlined Group holding company that will optimally manage the brands and accelerate decision processes. We are intensifying consultation with stakeholders and systematically examining whether we are the best owner for the various business divisions. Using a decarbonization index, we are making our CO<sub>2</sub> goals measurable and our progress towards CO<sub>2</sub> neutrality in 2050 transparent.

• **Best Performance:** We are working on increasing the long-term value of the company by aligning our activities more intensively with capital profitability and consistently harnessing synergies. By 2025, we want to achieve a return on investment of more than 15 percent for the Volkswagen Group. In future, Volkswagen will also be guided by return on investment in the management of vehicle projects.

• **Best Brand Equity:** The Volkswagen Group's brand portfolio will be reorganized and streamlined. For every brand, the profile, brand mission and key competitors will be selectively defined. In doing so, we want to considerably increase the value of our Group brands by 2025.

• **Software-Enabled Car Company:** Volkswagen wants to make software a new core competence by 2025, and therefore plans to bundle more than 5,000 software experts in one organizational unit. By 2025, all new vehicle models throughout the Group will run on our in-house, cross-brand software platform – and bring the customer's personal world into the vehicle with our digital ecosystem.

• **Excellent Leadership:** We need to make swifter progress in our transformation towards an open, collaborative, and honest management culture. To achieve this, Volkswagen is fundamentally restructuring its management development and qualification system, and aims to increase diversity in management: For example, it wants to increase the percentage of female employees in management to more than 20 percent by 2025.



Herbert Diess: The Group CEO addressed 450 top managers from around the world in Wolfsburg.



In conversation: Axel Heinrich (right) with Board members Stefan Sommer and Frank Welsch (from left).

## 1,850 Guests at Group Innovation

The "Future Mobility Days" event took place once again at the test site in Ehra near Wolfsburg. Among the 1,850 guests were the Chairman of the Volkswagen Supervisory Board Hans Dieter Pötsch, several members of the Executive Board and representatives of the Sustainability Advisory Board. The event was hosted by Group Innovation, formerly Group Research, which presented a variety of projects across four days. Topics included autonomous driving, safety assistants, mobility services and sustainable materials in vehicle construction.

"Our colleagues from the Innovation Centers in Asia, California, and Europe, as well as from the Innovation Hubs in Tel Aviv, Tokyo, and Barcelona, incorporated interdisciplinary, international collaboration into their topics," says Axel Heinrich, Head of Group Innovation. "It was a very successful few days for the Group Innovation team, with excellent feedback from all the brands."

# "Software Experts Are Hotly Sought After These Days"

360° Interview: Andrea Morgan-Schönwetter on the reorganization of recruiting at Volkswagen

In the next few years, Volkswagen will create at least 2,000 new jobs in relation to digitalization. The recruitment of suitable specialists will be one of Andrea Morgan-Schönwetter's main tasks. She has been managing the newly created Recruiting & Talent Marketing department in Wolfsburg since January.

**Ms. Morgan-Schönwetter, what's new about the department you're building?** Until now, the recruitment of new employees was just one of many tasks for the Human Resources staff. That will change. Currently, we have 25 employees who are dedicated to this one task. By the end of the year, it will be 80.

**Why is that necessary?** For many decades, Volkswagen was considered a top employer for engineers and other classic professions in the automotive sector. An advertisement via our careers page was sufficient to generate enough applications.

**And that's changed?** Absolutely. We're looking for different profiles today than we were only a few years ago, particularly software developers and IT specialists. However, these experts are hotly sought after, not only by companies like Google and Facebook, but by competitors like Deutsche Bahn, Bayer, and Adidas. If we are not automatically considered a potential employer for this new target group, then we need to actively approach them.

**What exactly will that look like?** The idea that Volkswagen is moving towards becoming a software developer has not yet hit home with many people. When I started half a year ago, I also didn't realize how much potential there is here. We need to make the most of this momentum and explain to people that they have a chance to help shape the transformation of this gigantic



**Making the case for Volkswagen:** Modern personnel campaigns (see motifs to the left) are designed to generate interest among software specialists in particular.



"The current campaign already shows it: We will address people in a more personal and informal style."

corporation. To communicate that, we need to reach the right people in the first place. That's why, in addition to cross-media campaigns, we are also attending developer events. For example, a few weeks ago, we visited the large software conference "We are Developers" in Berlin.

**You are also responsible for human resources marketing. What's changing there?** The current campaign is a perfect example we will address people in a more personal and informal style. A poster will plant the thought in their mind: does Volkswagen employ people who want to abolish the car? Something like that would probably

have been impossible two or three years ago. It's provocative, but has a refreshing character and attracts attention.

**You are also responsible for the internal jobs market within the Group. How is that going?**

The page on Group Connect has been live for several weeks and is being well-received. This is only a pilot project, so not all brands are on board yet. However, it is a first step towards more transparency. The goal is to integrate all the brands and companies, and thereby offer all employees transparency about vacancies and any development opportunities within the Group.



## Andrea Morgan-Schönwetter

Worked for Deutsche Telekom for 18 years in various positions in human resources marketing and recruiting. She has been working for Volkswagen since January. She is responsible for the Group and brand, and reports directly to Chief Human Resources Officer, Gunnar Kilian.

## Supervisory Board: Schönhardt Succeeds Dietze

There's been a change in staff on the Supervisory Board of Volkswagen AG:



**New to the Supervisory Board: Conny Schönhardt**

Conny Schönhardt (41), who has been a board member of IG Metall in the Strategic and Political Planning division since January, has taken over the Supervisory Board seat from Birgit Dietze (46).

The two trade unionists have already worked together in the Volkswagen employee representative committees during the past few months. For Schönhardt, the new appointment in the Group is a return to a familiar place: In the mid-1990s, she completed a business qualification at Volkswagen Commercial Vehicles in Hanover, and worked there as an assembly worker.

## International Mood Barometer Conference in Wolfsburg

**More than 100** Mood Barometer coordinators and advisers from 73 companies in the Volkswagen Group have taken part in the International Mood Barometer Conference 2019. They traveled from 19 countries to the three-day event at the Volkswagen Arena in Wolfsburg. The central topic was the question: How can we strengthen the Mood Barometer together? The focus of this question is the phase following the employee survey.

In his speech, Arne Meiswinkel, Head of Group HR Policy and Standards, emphasized: "We need to consistently strengthen the follow-up process of the mood barometer. Talking through the results and deriving and implementing measures are particularly important to driving forward the necessary changes at Volkswagen." He also highlighted that all the Mood Barometer coordinators make an important contribution to the company strategy and cultural change with their responsibilities at Volkswagen.

TRANSPARENT!  
& informed

## Zero Tolerance for Regulatory Violations

Statistics: Volkswagen Group opens up about the handling of misconduct

Since 2018, Volkswagen has published statistics on misconduct and the resulting sanctions at the Volkswagen Group in its internal media on a half-yearly basis. The aim is to show that the success of the company can only be based on fair, customer-oriented and compliant behavior.

The following case from the Volkswagen Group makes clear that the company punishes misconduct: the company dismissed a manager for a long line of proven incidents of misconduct. For instance, he had submitted false invoices and had documents signed by colleagues who never should have been asked to do so. In addition, he went on business trips on several occasions without approval. This manager had also repeatedly borrowed a departmental



**Hiltrud D. Werner, Group Board Member for Integrity and Legal Affairs**

vehicle for private use and re-fueled the vehicle at the company's expense. Hiltrud Dorothea Werner, member of the Group Board of Management for Integrity and Legal Affairs commented on the case: "The Code of Conduct serves as an orientation

for every employee and forms the fundamental basis for our actions in the company. If they adhere to the Code of Conduct, employees can be confident that they are doing the right thing and acting in the interests of the company. Using company assets for private purposes is a clear violation of the Group-wide binding Code of Conduct, and we will not tolerate it."

### Current statistics – Dismissals and warnings

In the 51 companies of the Volkswagen Group with more than 1,000 employees each, there were 903 last warnings issued and 204 employees were dismissed for non-compliant behavior in the first quarter of 2019. At these companies there are about

427,000 employees. There were various reasons for the sanctions:

- Working time (e.g. unauthorized absence): 106 terminations
- Property delicts/fraudulent activity, including instigation: 24 terminations
- Discrimination/mobbing/stalking: 1 termination
- Non-observance of owed job performance: 21 terminations
- Disturbance of labor peace (e.g. assault, threats or insults): 8 terminations
- Violation of alcohol and drugs prohibition: 30 terminations

- Accepting of undue advantage, corruption, conflict of interests: 1 termination
- Fraud against third parties incl. instigation (e.g. agencies, customers): 1 termination
- Violation of privacy policy and secrecy provisions: 1 termination
- Violation of work safety regulations: 1 termination
- Other violations of labor law regulations (this category includes violations of the Code of Conduct, traffic rules on company premises or unauthorized secondary employment): 10 terminations

# Becoming a CO<sub>2</sub>-Neutral Company with "goTOzero"

Volkswagen Group adopts new environmental mission statement and environmental policy

"goTOzero" is the Volkswagen Group's new environmental mission statement. And the name says it all: "goTOzero" means that Volkswagen will not only reduce its environmental impact to a minimum, but above all, become CO<sub>2</sub>-neutral by 2050. As part of the company strategy's TOGETHER - Strategy 2025+, the model is the next logical step towards making the company completely sustainable. In concrete terms, this means minimizing the environmental impact of all products and mobility solutions throughout their entire life cycle - from raw materials extraction to recycling - in order to keep the ecosystem intact and to make a positive contribution to society. "goTOzero" is predominantly focused on the following four areas of action: climate change, resources, air quality, and environmental compliance. In regard to climate change, Volkswagen has committed to upholding the Paris Climate Agreement of 2015 (see info box). The goal is to become a CO<sub>2</sub>-neutral company by 2050. By 2025, the greenhouse gas emissions of cars

and light commercial vehicles throughout their life cycle will already be reduced by 30 percent compared with 2015. Resource efficiency will be further improved, and measures further promoted to increase re-

use and recycling of materials, energy and water. The goal is to reduce the environmental impact of production in terms of CO<sub>2</sub> emissions, energy, water, waste, and volatile organic compounds by 45 percent per vehicle by 2025 - in comparison to 2010.

By 2025, Volkswagen also wants to increase the share of battery-powered electric vehicles (BEVs) in its model portfolio from 20 to 25 percent. By 2023, the Group wants to invest around 30 billion euros in electric mobility, and by 2028, launch over

70 new e-models on the market. By 2030, the share of BEVs among new vehicles in Europe and China will increase to at least 40 percent. What's more, the Group is also involved in building charging infrastructure, and is already providing

sustainable energy (Volkswagen Naturstrom) through its subsidiary, Elli. By early 2020, Elli will gradually compile a range of smart charging solutions, ranging from hardware, invoicing and digital added-value services to complete consulting

packages. This also includes wall-boxes, charging stations and IT-based energy management systems, and customer cards for charging on the go.

And those aren't the only ambitious goals: In terms of integrity, Volkswagen wants to become an example of a modern, transparent, and successful company. To achieve this, it is installing and monitoring effective management systems to minimize the environmental impact of all its mobility solutions throughout every stage in the product life cycle.

For environmental decision-making processes and the management of projects and environmental protections, Volkswagen defined the new basic principles of its environmental policy in May 2019. The following five areas are at its center: management conduct, compliance, environmental protection, cooperation with stakeholders, and continuous improvement of our environmental performance.

But what exactly does decarbonization mean? In simple terms, decarbonization means reducing carbon. In this context, it means switching to a way of doing business that sustainably reduces the emission of carbon dioxide (CO<sub>2</sub>) and other greenhouse gases. The decarbonization program is based on the following principle:

## Climate Change: Decarbonization Is the Way to Our Goal

Becoming CO<sub>2</sub>-neutral by 2050 is a binding company goal

All the hopes of climate protectors, from leading scientists to the "Fridays for Future" movement, ride on the Paris Climate Agreement. In 2015, 197 countries agreed to limit the heating of the atmosphere to a maximum of two degrees Celsius by 2050 (see info box to the right). To achieve this, however, CO<sub>2</sub> emissions need to be drastically reduced. As approximately 14 percent of global greenhouse gas emissions are emitted by the transport industry (and rising), car manufacturers have a particular responsibility to take action.

Society and, above all, customers expect Volkswagen to play its part. The Volkswagen Group is responsible for one percent of global CO<sub>2</sub> emissions. That's why Volkswagen has set itself the target of becoming CO<sub>2</sub>-neutral throughout the entire value chain of its products and services (supply chain, production, usage phase, and recycling) by 2050. To achieve this, it is developing a "decarbonization" program, a Group-wide sustainability strategy to help make the company fit for the future. "In order to achieve complete decarbonization by 2050, the Volkswagen Group has defined milestones in every area of the business, which it aims to achieve in the coming years," says CEO Herbert Diess.

First, to sustainably reduce CO<sub>2</sub> emissions and switch to renewable energy sources throughout all stages of the product life cycle. In the final stage, all unavoidable emissions will be compensated for through climate protection projects. These projects include investment in initiatives such as forest conservation and renewable energy sources.

**What concrete milestones has the company set for the near future?** For the passenger car and light commercial vehicle segment, the Volkswagen Group aims to reduce greenhouse gas emissions across the life cycle of a vehicle by 30 percent compared with 2015. This goal is so ambitious that it would fulfill the Group's commitment to the Paris Agreement. This will be achieved in part by the ID. model family, which will be launched in 2020 with the release of the ID.3<sup>1</sup>, as well as charging infrastructure with renewably sourced energy. An important component is the CO<sub>2</sub>-neutral handover of the vehicle to the customer. This will be achieved through the use of renewable energy by the battery supplier, as well as in-house vehicle production. Any unavoidable CO<sub>2</sub> emissions will then be compensated by suitable climate protection projects. In addition, the energy supply of the plants will be switched, for example, from coal to gas.

**And where is Volkswagen at with its efforts right now?** Concrete measures have been defined for around half of the savings we need to make by 2025 - for example, the ID.3<sup>1</sup> or the conversion of the power plant in Wolfsburg. The remaining challenge will be to offset the other half with further measures in the coming months. Of course, we also expect all our employees to do their part; for example, by contributing their ideas in the workplace, by talking to their supervisors about the issue, or by joining discussions about CO<sub>2</sub> savings and electric mobility on the 360° portal.

### Paris Climate Agreement

The agreement reached in Paris in 2015 is an agreement between 197 signatories of the UN Framework Convention on Climate Change with the aim of "holding the increase in the global average temperature to well below 2°C above pre-industrial levels" and "to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels." The agreement was ratified by 186 nations. Consequently, the total quantity of CO<sub>2</sub> that can permissibly be released into the atmosphere between 2011 and 2050 is limited to 1,240 gigatonnes (1,240,000,000,000 t). In 2014, humans emitted around 49 gigatonnes of CO<sub>2</sub>.

## Focus on four priority fields of action:

### Climate change

We are committed to the 2°C target of the Paris Climate Agreement. We intend to become a CO<sub>2</sub>-neutral company by 2050.

By 2025, we plan to reduce the greenhouse gas emissions of our cars and light commercial vehicles by 30 percent throughout their life cycle compared with 2015. We are actively in the process of making the switch to renewable energy throughout the product life cycle.



### Resources

We intend to maximize our resource efficiency and promote circular economic approaches towards materials, energy, and water.

We plan to reduce the production-related environmental externalities (CO<sub>2</sub> emissions, energy, water, waste, and volatile organic compounds) by 45 percent per vehicle by 2025 in comparison to 2010.



### Air quality



We are promoting electric mobility to improve local air quality.

By 2025, the share of battery-powered electric vehicles in the model portfolio will be between 20% and 25%. By 2030, the share of electric cars among new vehicles in Europe and China will increase to 40%.

### Environmental compliance

In terms of integrity, we want to be an example of a modern, transparent and successful company by installing and monitoring effective management systems that offset the environmental impact of our mobility solutions throughout every stage in the product life cycle.



## Our environmental mission statement: "goTOzero"

We aim to minimize the environmental impact of all our products and mobility solutions throughout their entire life cycle - from raw materials extraction to disposal - in order to keep the ecosystem intact and to have a positive impact on society. Compliance with environmental regulations, standards, and voluntary commitments are a basic prerequisite of our business model.

## "We Want to Set an Example for the Car Industry in Protecting the Environment"

Interview: Board Member Oliver Blume on the goals of the Volkswagen Group to reduce its environmental impact

Where is the Volkswagen Group currently in terms of protecting the environment?

Protecting the environment is of great importance to us in the Volkswagen Group. Take production as an example: in 2011, we already defined ambitious and measurable goals to reduce our environmental impact as part of our company strategy. Since then, we have achieved a lot. For example, the CO<sub>2</sub> emissions of our factories have been reduced by 34 percent per vehicle. The share of renewable energies in the energy consumption of the Group are already at 37 percent globally. What's more, 26 of our locations are powered by electricity from 100 percent renewable energy sources. On the production side, our highly efficient diesel, gasoline and natural



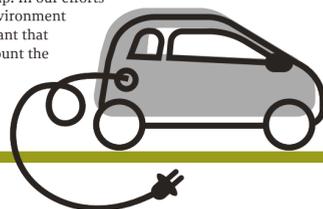
gas cars, as well as electric cars, are making an important contribution to saving resources. Thanks to our staunch commitment to e-mobility, the Paris Agreement and the zero-emissions target by 2050, we are forerunners in the industry.

The Volkswagen Group has come up with the environmental mission statement "goTOzero." Why now?

Conserving the environment is the most important challenge in the history of mankind. Climate change in particular is a pressing issue that is changing our society. Although environmental protection has been part of the Volkswagen Group's company culture for decades, it's true that we are impacting the climate through the CO<sub>2</sub> emissions of our corporate activities. We are taking action to help limit global warming. We want to set an example for the car industry in protecting the environment. goTOzero sends a strong message and provides guidance to the entire team here in the Volkswagen Group. In our efforts to protect the environment more, it's important that we take into account the entire product life cycle, from

"Conserving the environment is the most important challenge in the history of mankind."

development and manufacturing, to operation and eventual recycling. We are also getting our suppliers involved. Only together can we achieve our targets.



How will you ensure that the environmental mission statement is applied consistently throughout the Group?

The Executive Board recently decided to revise the company guidelines on environmental management. This defines the necessary requirements, tasks, and responsibilities. In addition, we have expanded our existing environmental management system with compliance aspects. We will focus strongly on this area and pay particular attention to enforcing the rules. We have also revised and further systematized our environmental reporting system. The new company guidelines will provide the organizational basis for environmental protection. Now we simply have to apply goTOzero in our daily work lives.

## Long-Term Goal: Zero Environmental Impact from Vehicle Production

The company's "goTOzero - Zero Impact Factory" project is launched

A factory without negative effects on the environment? A factory that doesn't harm the environment with waste, hazardous substances, and other negative effects on people, the climate, and ecosystems? Sounds too good to be true.

Not for Roman Meininghaus, the responsible project manager at Volkswagen. Together with his team, Meininghaus is working on the Zero Impact Factory. "Our goal is car production that doesn't harm ecosystems." And it's no utopian science fiction. The initiative "goTOzero - Zero Impact Factory" from the Group Production Strategy describes how the vision can be made reality. More than 130 criteria are assessed via an evaluation system, to determine how far a factory is from having zero negative impact on the environment

and the local neighborhood. The criteria evaluated include climate protection and energy, emissions, water, and waste, as well as factory appearance, promotion of biodiversity and conservation of the soil.

The evaluation system has already been tested at eight company sites. Porsche in Zuffenhausen and Leipzig, Skoda in Mladá Boleslav, Volkswagen in Emden and Bratislava,

Seat in Martorell, Audi in Brussels, and Volkswagen Commercial Vehicles in Wrzesnia. Before the end of this year, the Audi sites in Ingolstadt and Neckarsulm, as well as other sites under the Volkswagen brand and component sites in China will follow.

The results of the evaluation will serve as the basis for a concept catalog, containing the technical

measures and plans to improve environmental performance. It covers topics such as efficient use of water through a circulatory system and rainwater collection, as well as energy efficiency in paint shops and ventilation systems. Consequently, suggestions for a green roof and walls have been implemented in Emden and measures have been introduced to improve biodiversity on the grounds of the plant.

Certain topics require particular engagement, such as the reduction of plastic waste. The Production division and the brands have therefore started the initiative "Zero Plastic Waste Factory" under the umbrella of "goTOzero - Zero Impact Factory." Initial analyses of incoming and outgoing packaging streams at the Hanover and Pamplona sites showed considerable potential to reduce

the amount of plastic packaging. One positive effect of reducing the amount of packaging would not only be the prevention of waste, but also reduced cost and workload. Currently, a joint approach is being developed together with the Group brands to systematically establish the topic of plastic reduction throughout the Group in the long term.



Working on the Zero Impact Factory (from left): Meike Baudis, Liendel Chang, Roman Meininghaus, and Malte Gebler.

The environmental mission statement is published online at: [https://www.Volkswagenag.com/presence/nachhaltigkeit/documents/policy-intern/Mission\\_Statement\\_Environment\\_en.pdf](https://www.Volkswagenag.com/presence/nachhaltigkeit/documents/policy-intern/Mission_Statement_Environment_en.pdf)

The environmental policy of the Volkswagen Group is published online at: [https://www.Volkswagenag.com/presence/nachhaltigkeit/documents/policy-intern/KRL17\\_Anhang\\_1\\_de\\_V2.0.pdf](https://www.Volkswagenag.com/presence/nachhaltigkeit/documents/policy-intern/KRL17_Anhang_1_de_V2.0.pdf)

# New Chat Program Fosters Collaboration

*Improved global networking with moderated group discussions*

Chatting at work? Why not?! Getting everyone a seat at the table to find out what makes employees tick is no mean feat at a global company with a workforce of around 640,000 after all. It's impossible to come to grips with complex issues using standardized questionnaires. Extensive discussion is what's needed. Engaging in discussion with colleagues, networking, and collaborative knowledge transfer are becoming increasingly important when it comes to finding solutions.

But where do these new values fit into workaday life? The Human Resources department's HR Strategy & Innovation team has started a pilot project to find out just that. The idea is to actively involve as many colleagues as possible across all hierarchical levels in restructuring HR at Volkswagen. The project's success has hinged on Synthetron, a moderated online chat system. 400 of the 1,800 HR professionals who work for Volkswagen have been testing this new collaborative option and have participated in the online survey.



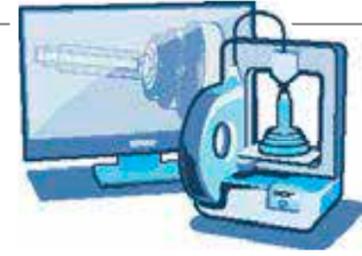
Heading up the project: Janin Ebers.

The best thing about it is that all the participants were able to bring everything that already moves them to the table, just like in a workshop. There were no set responses, so each and every employee was able to take part anonymously, right from their work station. Colleagues who participated in the discussion evaluated the statements made by their fellow participants. This allowed the team to quickly identify burning issues among their colleagues – known as Synthetrons. “This new form of exchange has really helped us to hear about people's fears and worries as well as their hopes and expectations during this process of restructuring and reorganizing the responsibilities being covered by the HR department. The enormous potential new digital tools offer for cultural change is crystal clear,” says Project Manager Janin Ebers, summarizing the experience. Following the



Virtual dialog: Employees worldwide engage in discussion about complex issues.

success of the pilot projects, the online chat service has already been used for other projects: In preparation for the Volkswagen Management Conference, managers from the Volkswagen brand have engaged in intense discussion about the electric offensive, collaboration across the Group, and the steps planned between now and 2025. The international HR managers then debated how to improve collaboration. Janin Ebers says, “We are surprised at just how positive the feedback is. Collaboration is extremely efficient and our colleagues really seem to value the chat program, making it a great tool for successful transformation.”



## Flagship Project: 3D-Printed Spare Parts

*Group After Sales and Components: New procedure*

Group After Sales plans to implement an additional manufacturing process for plastic parts using the 3D printing procedure. Two flagship projects have arisen following the successful completion of the 2018 pilot project.

In cooperation with Hall 2 at the Kassel Components plant, the next steps are now being introduced to ensure the supply of 3D-printed spare parts for a select portfolio of products in future.

The process means spare parts can be produced without the need for any tools while customizing parts in line with customers' needs. This will result in significant savings on tool costs for custom parts. It could also mean a reduction in storage costs and permanent stocking needs.

Project Manager Ulrich Evers says, “This will help us avoid scrap disposal costs because, at the moment, we have to dispose of permanent stockpiles anywhere up to 15 years after the end of production.”

Imelda Labbé, Head of Group After Sales, says, “This will allow us to increase cost effectiveness and reduce our storage needs and our carbon footprint.” The new procedure has only recently been presented to the Board at the symposium in Kassel.



Symposium at the Kassel plant: Project Manager Ulrich Evers (right) presents the 3D printing process to the Group Board.

# Now Hiring for Internships in Europe

Trainees can now participate in the EU's Erasmus program with help from Volkswagen

Career training at Volkswagen just became even more international: Starting immediately, young professionals at the company can now participate in the Erasmus+ program. The European Union scheme encourages young people to participate in a four-week internship at a company in Europe – all while continuing to receive their trainee paychecks from Volkswagen, plus a grant from the EU.

14 men and women from the Wolfsburg plant will embark on



Claudia Cauers, Commercial Vocational Training

their Erasmus adventure in September. The 18- to 22-year-olds will make their way to Ireland, Spain, France, and Malta. “We’re looking forward to hearing what they have to report,” says Claudia Cauers. According to her own statement, in cooperation with all those involved training, the Wolfsburg-based Commercial Vocational Training employee has put in place the structures and processes at the Wolfsburg plant for trainees to par-

ticipate in the EU program. The aim is for young people to gain independence and maturity by participating in an internship abroad they organize themselves. “They also increase their language skills. And they’re bolstering their intercultural skills by getting to know other cultures in everyday professional life, not just on vacation,” says Cauers, stressing, “We are a global company and we want to make sure our trainees start their professional lives as cosmopolitan individuals.”

## Trainees can pick any industry

These young professionals have the opportunity to decide which country in Europe they will visit. They are also free to choose the industry they’d like to get a taste of. For example, the commercial trainees will spend their time working in travel agencies or marketing firms. Cauers says, “This allows them to gain broader perspective as well as insight, potentially into completely different working environments in medium-sized enterprises or even small businesses.” Back at Volkswagen in Wolfsburg, the up-and-comers are training to become industrial management assistants, forwarding and logistics agents and office managers.



Countries participating in the Erasmus+ program: the EU Member States plus Macedonia, Iceland, Norway, Liechtenstein, Turkey, and Serbia.

Cauers herself would have liked the opportunity to participate in a program like this 20 years ago. At the time, however, she ended up taking a leave of absence to gain international experience in Spain. She had to borrow the money from her parents. Even so, she says, “It was the best time of my life. And my time abroad ended up being a good addition to my résumé and has really helped me.” The fact that today’s trainees can take part in Erasmus+ with Volkswagen’s support makes her all the happier.

## ERASMUS+ AT VOLKSWAGEN

Second and third-year trainees (aged 18+) from every specialization can participate in the European Union’s Erasmus+ program with Volkswagen’s support and complete a four-week internship at a company in Europe. Trainees just need to get approval from their supervising instructor and Human Resources. Questions? Interested? Write to [vwag.r:wob,fachteam\\_erasmus](mailto:vwag.r:wob,fachteam_erasmus).



Looking forward to cooperation: Chief Procurement Officer Stefan Sommer.

## Batteries: Volkswagen Joins Forces with Northvolt

Volkswagen AG is investing some 900 million euros in joint battery projects with Northvolt. Part of this sum is earmarked for a planned joint venture with the Swedish battery manufacturer, another chunk goes directly to Northvolt. In return, Volkswagen will receive around 20 percent of the shares and a seat on the supervisory board – pending the outcome of antitrust assessments.

A 50/50 joint venture will be launched during the course of the year. The aim is to set up a 16-gigawatt-hour battery cell production facility in Europe. The plan is to build the plant in Salzgitter starting in 2020 at the earliest. The start of battery cell production for Volkswagen is then planned for late 2023/early 2024.

Chief Procurement Officer Stefan Sommer said, “Volkswagen is laying the foundations for successfully implementing its electrification strategy across all levels. And now, in Northvolt, we have found a European partner as well. We want to harness the company’s expertise and sustainable, CO<sub>2</sub>-optimized battery cell production processes to advance cell manufacturing in Germany as well. This requires the right economic conditions to be in place.”



## Northvolt

Northvolt is a European manufacturer of sustainable, high-quality battery cells and battery systems. The company, founded in 2016, is currently building a pilot production facility for battery cells in Sweden and a battery cell factory with an initial projected volume of 16 gigawatt hours. Its partners and customers include Scania, BMW, Siemens, and Vattenfall.

## Investigations, Forensics, Analytics: Group Security Gets a New Unit

Its job is to investigate violations of in-house rules and regulations and statutory provisions – complete with a whistleblower system

Group Security has bundled its investigative units to form its newest subdivision: “Crime – Investigations, Forensics and Analytics.”



Erik Liegle, Head of Group Forensics

The division’s employees investigate violations of in-house rules and regulations and statutory provisions. “The new unit makes Volkswagen an even more forceful opponent in the fight against threats within and without,” says Erik Liegle, Head of Group Forensics. “In addition, we can now follow up on any specific information

the company receives through the whistleblower system.”

## The focal points of the new unit’s work

**Investigations:** Employees in the new subdivision are tasked with investigating criminal or irregular activities against the Group or a Volkswagen location – both nationally and internationally, in accordance with Group-wide standards. “Standards that apply globally help with this sensitive task, ensuring the high quality of our investigations and documenting our findings in a way that would hold up in court,” explains Liegle. This was especially true of the high demands placed on the work

involved with the whistleblower system, which Volkswagen reorganized late last year. Whistleblowers can now report misconduct online, by telephone, letter, fax, or in person (more information available on the portal and the Group website).

**Forensics:** Investigating criminal activities with the help of scientific findings and state-of-the-art technology – this is what forensics means. The new unit harnesses these methods, which any fan of crime drama, especially American shows like CSI Miami, will be familiar with – at least on a surface level. And as if that weren’t enough, the team also investigates questions about the characteristics and motivation of

perpetrators, working like profilers. Forensics also includes investigations into what has generally been seen as a sharp rise in cybercrime, i.e. illegal activities in the IT sector.

**Analytics:** The new unit analyzes trends in criminality and the possible impacts on Volkswagen on a national and international level. Their investigations lead them to draw up preventive measures and share best practices with Volkswagen locations all over the world. The service works on behalf of every department: The team at Group Security generates a risk profile and offers training to prevent gaps in security. For more information, please e-mail Jan-Frederic Wollschläger at: [jan-frederic.wollschlaeger@volkswagen.de](mailto:jan-frederic.wollschlaeger@volkswagen.de).

## Custom Camouflage with the Click of a Mouse

Virtual camouflage: New software ensures greater efficiency when creating camouflage concepts for prototypes

Vehicle camouflage is all about concealing a prototype’s key design features while at the same time not interfering with driving safety. The vehicle’s defining contours and features need to remain hidden while its windshield, headlights, and sensors remain unobstructed. This challenge in particular makes camouflage design a time-consuming process, complete with extensive coordination efforts and follow-up design changes. The new virtual camouflage software solution promises to make this process a significantly more efficient one.

The idea of virtually camouflaging digital models originally came from the Prototype Protection team at Group Security. And the found a skilled partner in Group IT’s Virtual Engineering Lab.

Together the teams developed an initial prototype for virtual camouflage and presented it to their Technical Development colleagues.

The demand for such a product became clear when Christian Lehner, a camouflage expert in Technical Development, had to travel to the United States on short notice to create an on-site camouflage concept there. “It was on that business trip that it became clear to me the potential for efficiency a piece of software that could take care of camouflage designs, regardless of location, could have,” says Lehner. From that point on, he used his expertise to drive this project forward. The Virtual Engineering Lab has been working intensively on developing the solution since early 2019. Virtual cam-

ouflage was ready and operational just a few months later. “Camouflage experts can use the software to design and analyze camouflage concepts based on construction data without the need for a physical prototype,” explains Software Developer Florian Uhde. Changes can be discussed and implemented rapidly with just the click of a mouse. Camouflage concepts can even be approved on a virtual basis, significantly reducing the time and effort colleagues need to spend coordinating with each other. The software can also be used in virtual reality environments.

Applying camouflage wrapping, defining cut edges, exposing headlights, blending design features – all of this can be done quickly on a computer with little effort and expense. The software

allows for features relevant to safety to undergo virtual review and for camouflage designs to be tested in different environments. The real camouflage is then later produced by hand once the physical prototype is available.

Steffen Springer and Uwe Nast from Prototype Protection presented the innovative product with their colleagues from IT at the International Security Management Conference to make virtual camouflage available to other brands as well.



Camouflage design with the click of a mouse (from left): Christian Lehner, Florian Uhde, Andre Breitenfeld, and Sebastian Schulz.

Adel Tawil



Andreas Bourani



# Summer Festival with Revolverheld and Adel Tawil

July 19 to September 1: Concerts at Wolfsburg's Autostadt

The Autostadt is getting ready to host a festival: From July 19 to September 1, numerous music stars will take the stage at Volkswagen's premier visitor attraction – including Revolverheld, Namika, Adel Tawil, Andreas Bourani, and Glasperlenspiel. Trendsetting vehicles like the Volkswagen ID.3<sup>1</sup>, the Volkswagen ID. Buzz<sup>2</sup>, and the SEDRIC Nightlife<sup>3</sup> will

also be on display. Even the smallest of festival attendees will be able to let off steam with attractions that include huge bouncy castles.

"The Autostadt's electrifying formula here is entertainment program plus mobility. The Summer Festival will see us bring more than 50 acts to the stage, showcase trendsetting, future-focused vehicles from the

Volkswagen Group and offer numerous opportunities to take them for a spin," explains Roland Clement, CEO of the Autostadt, adding, "After all, the future of mobility is only fun when we experience it for ourselves."

Glasperlenspiel



Revolverheld

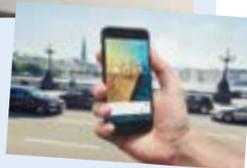


Namika



## Cool vehicles and new mobility

Cool vehicles meet futuristic trends developed by the Volkswagen Group at ZeitHaus. Six Seat eXS KickScooters and an Audi UMO e-bike will be available for free test drives. Also featured: the MOIA Shuttle.



## Relax on a floating island

Cool Summer Island is a quiet place, inviting patrons to relax with lounge music, a sandy beach, and delicious cocktails. Swan-shaped paddleboats, electric waterbuggies, and lounge boats are available to take for a spin – free of charge. Kids and young people can work on their balance on slacklines set up at the park or simply let off steam on huge inflatable activity landscapes.



## Ticket prices and opening times

Day tickets for the Summer Festival offer entry starting at 9:00 am: €20 for adults, €16 for reduced-rate tickets, €8 for children, young people (ages 6 to 17), and students, and €47 for families. Adults pay €10 for entry from 4:00 pm onwards, and entry is free of charge from 8:30 pm onwards. No additional tickets are needed to attend individual acts. No additional charge for annual season-ticket holders. All the details and opening times are available at: [www.autostadt.de/events/summer](http://www.autostadt.de/events/summer)

## Music and shows

More than 50 acts will take the stage at the Summer Festival. A complete overview is available at [www.autostadt.de/events/summer](http://www.autostadt.de/events/summer).

If you simply can't wait to join in at the festival, check out the official Summer Festival playlist on Spotify:



## 200 Loaves a Day: A Day in the Life of the Autostadt's Organic Bakery

Nine-person team uses some five metric tons of flour a week – bestsellers include crusty bread and "Dinkelseele"

How does a baker conduct a proper taste test for their bread? "I always smell the bread first," says master baker Matthias Schaefer. "It has to have a crisp crust. The crust needs to be crunchy yet tender." His favorite bread at the Autostadt's own bakery – cleverly called "Das Brot" – is appropriately titled "Krustenbrot," which means "crusty bread." For a year now, he has worked there as one of three master bakers, and visitors can peer over their shoulders as they go about their daily work. This is because the bakery kitchen itself is not isolated far away from the sales counter, as is often the case. Customers can even enjoy watching the bakers toil at their craft from outside through a large glass window.

"Every day that I get to see how customers react to our baked goods is a special day for me. It's great when someone bites into a freshly baked roll and sends a hearty thumbs up my way through the window," explains Schaefer proudly. His work starts at 2:30 am and the bakery produces up to 200 freshly-baked loaves of bread every

day across two shifts until it closes at 6 pm.

The nine-person team transforms four-and-a-half to five metric tons of flour a week into six different types of bread plus a gluten-free version, rolls, baguettes, croissants, and traybakes – all organic. "One of the most important factors in baking is the time we allow the sourdough to ferment and mature," says Schaefer.

### Sit back, relax, and enjoy: comfort by design

Service Manager Christina Brösicke knows what her customers like. "Our Krustenbrot and Dinkelseele – an elongated spelt roll with a mellow crumb – are our bestsellers, but our new sweet buns, called Hefeschnecke, are catching up," she says, adding, "We are constantly adjusting our menu. We want our customers to feel at home here." Even a short visit to the bakery makes it clear that this concept is working. Baked goods are continuously served over the counter, which customers take home with them, eat on the terrace along the Mittelland Canal during their lunch break, or enjoy at the long, cozy wooden table.



In the kitchen: Master baker Matthias Schaefer sprinkles salt and caraway over his Dinkelseele dough.



Yum: Christina Brösicke serves up crispy Krustenbrot with spread.



## Das Brot.

### Opening times:

Daily from 7:30 am to 6 pm (except December 24/31)

**Pre-orders:** By phone at +49 (0)800 6116 600 or online at [restaurants@autostadt.de](mailto:restaurants@autostadt.de)

**Lunch:** Daily soup specials and freshly baked baguettes served from 11:30 am daily

**Summer ice cream:** A fine selection of flavors from the Autostadt's own ice creamery is available from Das Brot. directly

**Half price and environmentally friendly:** Rolls and sandwiches are available for half price between 5:30 and 6 pm

**Discount:** 3% off all baked goods and at Autostadt restaurants when you present your Autostadt Premium Annual Membership Card

**Parking:** Available at the Autostadt's short-term parking lot. The first 30 minutes are free. Four parking spots are also reserved for customers right near the entry to Das Brot.

**Award-winning:** Das Brot. has been certified organic by Bioland and has won multiple awards.



Marketing gets a more human face: Volkswagen's newly designed branding will focus more on customer perspectives in future.

# "Breathing New Life into the Brand"

Interview: Head of Marketing Jochen Sengpiehl and Head of Design Klaus Bischoff on Volkswagen's new brand design

Jochen Sengpiehl and Klaus Bischoff and their teams have succeeded in completely re-designing Volkswagen's branding in record time – just nine months. The aim of the latest brand design is to shift the focus from the safe world of advertising to real-life stories from a customer perspective.

**Mr. Sengpiehl, Mr. Bischoff, the Volkswagen brand is known the world over. It is a symbol of quality and innovation. Why do we even need to redesign its branding?**

**Bischoff:** We are standing on the precipice of the greatest transformation in the history of our company. We are going electric. The new design will see us return to our roots with a closed radiator grille. The transformation at the product level will only work in combination with branding and communication.  
**Sengpiehl:** Added to that is the fact that many of our competitors have copied us in the last few years. At first glance, it's difficult to say whether the marketing we're seeing is coming from Volkswagen or another automotive manufacturer. So it's also about taking the next step to help us stand out from the crowd once more.

**How would you describe this new branding?**

**Sengpiehl:** The imagery we're using is more human, more alive. In future, we want to focus more on capturing the customer's perspective and telling authentic stories. It's less about showcasing "perfect" advertising. This, too, has to do with our new attitude, and we want the brand design to visualize and reflect that.  
**Bischoff:** Yes, Jochen is right. We want to see people living their lives with our products. Many of our cus-

tomers develop a deep relationship with Volkswagen. They even name their cars. It's this natural process, this tangible thing that we want to convey.

**Were there lots of long discussions internally about this new direction?**

**Sengpiehl:** We managed to develop this new brand design in record time – just nine months. This shows that we had clear ideas about the options available to us. We prepared two variants for the Board. The first was a continuation of our existing brand design. The second was much bolder. We call it Vibrant Power. Just a few minutes into the presentation, it became clear we wanted to take

the bold path. The feedback from the Board was extremely positive.

**Bischoff:** Boldness is only possible when we work together. What Volkswagen is doing now – depicting a clear direction toward a sustainable future – is now being expressed through our brand design as well. You could just feel the atmosphere from the start – and now you can see it, too.

**You've redesigned the heart of the brand, the Volkswagen logo. Why is that?**

**Bischoff:** The logo is the most important link between product and brand. It has gained significant clarity. The new brand design shows off

the essence of Volkswagen: We want to move people.

**Sengpiehl:** That's right. We are now also spend nearly 50 percent of our global marketing budget on digital media. And, with all of its delicate nuances, the existing 3D logo is not ideal in a digital environment. The new 2D visuals guarantee that the logo is ideally showcased, no matter the medium – from huge billboards to an Apple Watch.

**The new logo already appears on the DFB soccer jerseys as well, doesn't it?**

**Sengpiehl:** It's getting there, but for now it's just a short-term solution for the transition period. Thousands of jerseys and other clothing items had to be printed for our cooperation with the DFB. It just wouldn't have been sustainable to use the old logo and then have everything made up all over again just a few months later. Our new logo will make its debut at the IAA in September. Get ready for a surprise.



Redesigning the Volkswagen brand: Klaus Bischoff (left), Head of Design, and Head of Marketing Jochen Sengpiehl.



## Working in the power house

Work on the new branding concept was the first time Volkswagen's Marketing and Design teams had the chance to work together. The teams met with agencies and other Volkswagen departments at the Powerhouse in central Berlin to engage in interdepartmental discussion and make decisions. The final result came in record time after just nine months.

# 360°

## Ten Editions – All Online!

All the important news from the Group, brand, locations, and departments rolled into one magazine – that's the concept behind the new 360°. Ten different editions are available: Wolfsburg, Emden and Osnabrück, Braunschweig, Salzgitter and Kassel, Zwickau, Chemnitz, Dresden, and Hanover. If you want to find out more about what's been going on outside of your own plant, you can do so online: each edition of 360° is available as a PDF on the Volkswagen Portal (intranet) and in the Volkswagen Newsroom ([www.Volkswagen-newsroom.de](http://www.Volkswagen-newsroom.de)) under "Press Service" → "Media Documents."



Wolfsburg edition



Osnabrück edition



Emden edition



Hannover edition



Wolfsburg Components edition



Kassel edition



Braunschweig edition



Chemnitz edition



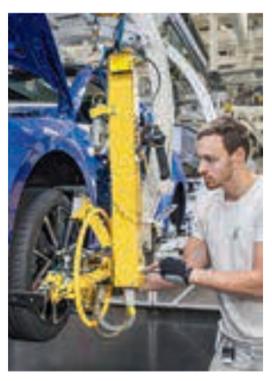
Sachsen edition



Salzgitter edition

<sup>1</sup> Concept car.





## Skoda: Good Ideas from the Workforce

More than  
30,000 suggestions

Skoda is encouraging its employees to actively contribute ideas for improvements throughout the company: Skoda employees submitted more suggestions in 2018 than ever before. The automotive manufacturer managed to successfully implement more than 60 percent of the nearly 30,000 total ideas submitted. These individual resources work to save on resources and costs, increase plant safety, and improve workplace ergonomics. The company is now rewarding the best ideas as part of its Zebra idea management program, offering employees monetary bonuses, and raffling off cars among participants four times a year.



## On Course for Success with Urus<sup>1</sup>

Record sales at Lamborghini



**On course** for success: Lamborghini set a new record for sales in the first half of 2019. The high-end Italian sports car manufacturer sold a total of 4,553 vehicles to customers around the world. Compared with the same period last year, this represents an increase of 96 percent. As planned, one significant contributor to this growth in sales was the super SUV Urus, with 2,693 of these models selling in the first six months of this year. The largest individual market for Lamborghini was once again the US, followed by Greater China and the UK, Japan, and Germany. The region to see the greatest growth was America, with a sales growth of 128 percent to 1,543 vehicles, followed by Asia Pacific, which was able to more than double its sales to 1,184 units, and Europe, with an increase of more than 67 percent to 1,826 vehicles delivered to customers.



## New Design: Changes Coming to the Q7

SUV to hit the market in mid-September

The Audi Q7 is getting an extensive update, both visually and technically. The large SUV features in the new design of the Q family and, in addition to its spacious interior, offers greater dynamism and major comfort. Its mild hybrid technology, digital user concept and optional HD Matrix LED headlights – including laser light – are just a few of the highlights. The new

Audi Q7 will hit the European market in mid-September. The new design gives the large SUV an extra 11 length to 5,063 millimeters. The latest edition is 1,970 millimeters wide and 1,741 millimeters tall, including the roof antenna. Lots of storage space, a new compartment in the instrument panel and huge cargo capacity make the Q7 a highly functional sport utility vehicle that lives up to its name. No matter how the rear seat backrests are positioned, the trunk in the five-seater version offers between 865 and 2,050 (with all the seats folded down) liters of storage volume.



## Barcelona Plant: Seat Investing in New Sheet Metal Press

Production output significantly increased – new hot forming equipment also installed

Seat is investing in the highest level of production quality and has installed a new sheet metal press and two new hot forming lines at its Barcelona plant. The launch of the roughly 57-million-euro

investment was celebrated as part of the plant's Barcelona Days event, with more than 3,500 people in attendance. The company needed to invest 31 million euros for the installation of its new Pressline XL

(PXL) system. Increased automation, faster production speed and the highly modern robotics system in place at the plant will significantly increase the sheet metal press's production capacity.

The two new hot forming systems, which will lend greater efficiency, speed and, above all, precision to the production process, cost another 25 million euros.



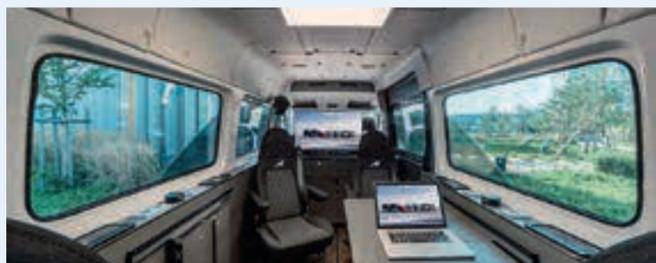
## MAN as a Mobile Office

TGE model outfitted to be conference ready

MAN took the TGE model to make a mobile office and conference vehicle that is perfect for working on the move.

At the center of this window-tinted vehicle are four swivel chairs with integrated seatbelts and two foldaway desks which, depending on position, can even be kept folded down while the vehicle is in motion. A lowboard featuring a refrigerator and small kitchen located directly behind the driver and passenger compartment, as well as a full-length cabinet for clothing and luggage in the rear surround the conference room to the front and back. The side panels to the left and right of the seats provide 230-volt outlets, USB ports, and wireless chargers as well as the on-board router to ensure passengers can keep up with their networks no matter where they are. A 43-inch monitor has been integrated into the lowboard and can be deployed electronically with the touch of a button. Passengers can use HDMI to give presentations on the monitor by connecting it to their laptops or video cameras.

Cup holders, dark flooring, and indirect interior lighting with LED panels ensure on-board ambience. And retractable electric step treads make it easier to get into and out of the vehicle to the rear.



## ID. Buggy<sup>3</sup>: Prize Winner at Design Competition

Public acclaim for the concept car in France

The ID. Buggy enjoyed its first major public appearance at Chantilly Arts & Elegance Richard Mille after its world premiere at the Geneva Motor Show. Featured with a haute couture creation by Belgian fashion designer Ann Demeulemeester, the ID. Buggy took to the catwalk and received the Prix du public (People's Choice Award) at the Concours d'Elegance. Volkswagen's Head of Design Klaus Bischoff got the chance to sit behind the wheel at the parade and said, "International automotive enthusiasts opting to name the ID. Buggy a crowd favorite at such a high-caliber event is a sensational commenda-



tion for our design team. Our vision of electric mobility has resonated emotionally with people." Alongside the design competitions held at Italy's Villa d'Este and California's Pebble Beach,

the Chantilly Arts & Elegance Richard Mille is considered one of the most important events for the automotive industry.

<sup>1</sup> Urus: fuel consumption in L/100km: urban 16.8/highway 10.2/combined 12.6; CO<sub>2</sub> emissions combined g/km: 292; efficiency class: G.

<sup>2</sup> Audi Q7: Near-production-ready concept car.

<sup>3</sup> ID. Buggy: Concept car.



Driving event: Oliver Schroeter, Head of the Passat model series, with the new Passat.

## Volkswagen up! Is the 2019 "Best Value" Winner

The Volkswagen up! TSI<sup>2</sup> won the 2019 Best Value prize. Automobile magazine Auto Bild awards this prize every year to the vehicle from each segment with the most stable value.

The rankings are based on the change in vehicles' proportional residual value after four years of use. An annual distance of 11,000 kilometers is assumed for the subcompact class. The up! TSI from the high up! line beat out the competition with a residual value of 57.07 percent of the original price. This corresponds to a value of 8,700 euros with an original price of 15,245 euros.

The residual value is an interesting point not only for customers, but also for automotive manufacturers and banks, since they can use that information for their leasing and credit rates.

In addition to purely automotive parameters, external factors are also included in the methodology for determining the best value car, such as general economic developments and market and customer trends.



"2019 Best Value:" The up! was named the most stable subcompact car in terms of value.

## Brand Premiere: The Highly Digital New Passat

Model Series Manager Oliver Schroeter explains the highlights of the upgrade

Just how good is this new, more advanced Passat? That's precisely what journalists were there to evaluate at a driving event held by Volkswagen in Rheingau, near Wiesbaden. The focus here was on next-generation driver assistance and infotainment systems, in addition to more efficient drives. 360° was there.

Oliver Schroeter is Head of the Passat model series. He was one of the Volkswagen experts on hand to answer journalists' questions: "The Passat is an icon. Making such a successful car even better was not easy. The upgrades we have made have resulted in specific improvements to the Passat that are taking us forward into the digital future."

control with Lane Assist. According to Schroeter, "the system allows the Passat to independently accelerate and brake depending on current traffic conditions and the permitted speed, all while keeping within your lane." The car can also be driven on a partially automated basis (level 2) up to speeds of 210 km/h. The capacitive steering wheel, which is also debuting with the new Passat, detects touch by the driver. LED headlights ensure greater safety and comfort in the Passat, and are also available in an LED matrix version with plenty of additional functions.

"When updating our products, we rely on feedback from our customers in addition to our expertise. With the Passat, for example, we've acted on customer requests for more intuitive controls for the chassis settings," says Schroeter. This makes the damping control even more variable. "This is particularly noticeable on winding, hilly, and somewhat uneven stretches of road, as can be found here in Rheingau."

Another new feature comes in the form of more efficient power units. Schroeter says, "the GTE's<sup>1</sup> increased battery capacity is a real highlight." Its

energy capacity has increased by more than 30 percent, which means the plug-in hybrid can travel up to 55 kilometers on purely electric power according to the WLTP cycle. This corresponds to around 70 kilometers under the previous New European Driving Cycle (NEDC) standard.

According to Schroeter, "the biggest challenge with this upgrade was to introduce new, future-focused technology to our vehicles, sometimes for the very first time. We've succeeded in doing so thanks to the exceptional efforts of our team."

### By popular demand, the Passat is now permanently online

The new Passat is the brand's first model to feature the third-generation modular infotainment system (MIB3). Schroeter says, "part of this is that the car is now permanently online by popular demand. This enables better navigation with real-time information. Customers can also take advantage of Volkswagen We online services, including internet radio, media streaming and We Park."

The new Passat is the first car at Volkswagen to use Travel Assist, the latest highlight of the IQ.DRIVE umbrella brand. It combines automatic distance



Capacitive steering wheel detects the driver's touch.



Optional: LED matrix headlights in the new Passat.



MIB3 now permanently online by popular demand.



Greater range: Oliver Schroeter with the Passat GTE.



Nürburgring: Race car driver Romain Dumas with the Volkswagen ID. R.

## ID. R at the 24 Hours of Nürburgring Race

Before taking to the starting line at the 24 Hours race at the Nürburgring, the Volkswagen ID. R electric race car completed a demo lap around the Nordschleife ("North Loop"). The event marked the return of the ID. R and its driver, Romain Dumas, to the scene of their record victory just three weeks after their impressive success there. In early June, Dumas set a new lap record for electric vehicles on the Nordschleife circuit at the wheel of the 500-kW all-electric sports car. The blue electric race car took just 6:05.336 minutes.

155 vehicles in 24 classes competed in the 24-hour-long race. An all-women team also took up the long-distance challenge on the 25.4-kilometer course in the Eifel region with a Golf GTI TCR.

The touring cars of the World Cup WTCR also took part in the endurance race: Golf GTI TCR drivers were at the top of the podium at the end of two races.

<sup>1</sup> Near-production-ready concept car.

<sup>2</sup> up! 1.0 TSI – fuel consumption in L/100 km: urban 5.5/highway 3.8/combined 4.4; CO<sub>2</sub> emissions combined in g/km: 101; efficiency class: B.

**Names and News**



**Achim Schaible (50)**, Head of Sales International since 2017, is taking over the position of Head of After Sales & Dealerships for the Volkswagen Passenger Cars brand starting on September 1. Schaible, who holds a degree in business administration, has worked for the Volkswagen Group since November 2014. He became Head of International Sales in 2017 after previously serving as Managing Director at Volkswagen Group Polska. Prior to that, he held numerous sales positions at Renault. Among others, he served as Managing Director of the Hamburg Branch, Director of Sales, Chief Sales Officer at Renault Deutschland and, after holding a position as Director of Sales, Mid-Europe at General Motors, he served as Chair of the Board of Renault Deutschland from 2009 to 2014. Schaible is succeeding Peter Maiwald.



**Thomas Zahn (52)**, currently President & CEO of Volkswagen Argentina, is taking on Schaible's current role as Head of International Sales. The forwarding agent and industrial engineer began his career in 1997 at Volkswagen. He was in charge of central sales functions at Volkswagen in Wolfsburg and was Head of Sales at both FAW-Volkswagen in Changchun and SAIC-Volkswagen in Shanghai. Zahn then served as the Volkswagen brand's Head of Sales and Marketing for Germany until 2018, where he was responsible for business in Germany.



**Thomas Owsianski (52)**, who has been serving as President of Audi China in Beijing since 2018, will succeed Thomas Zahn as President & CEO of Volkswagen Argentina. The economist began his career in 1992 as a sales and marketing trainee at the Ford plants in Cologne. After holding various managerial sales roles at Ford and General Motors both in Germany and abroad, he moved to Skoda in 2012 to take up the post of Head of Marketing. He became Executive Director Skoda for Sales and Marketing in Shanghai in 2014 and Vice President of Sales and Marketing at Volkswagen do Brasil in 2016. Owsianski has also taken up the role of First Executive Vice President for South America there, which he has held since 2017.



**Peter Maiwald (58)** served as Head of After Sales & Dealerships for the Volkswagen Passenger Cars brand since 2015 before retiring on June 1. The economist began his career in 1987 as a trainee in central education at Volkswagen. Following various senior management posts at Seat Deutschland and Volkswagen, Maiwald was appointed Managing Director of the Retail Deutschland GmbH sales company in 2006.

# "We're Looking at Every Last Detail"

*Mission X: Interview with Matthias Rabe and Dirk Große-Loheide about the cost reduction program at Volkswagen*

**S**ustainable components strategies, optimized processes: the program the Volkswagen brand has designed to save on costs over the next five years is called Mission X. In an interview, Matthias Rabe, Head of Technical Development Operations, and Dirk Große-Loheide, Head of Procurement Operations, report on its progress.

**Mr. Rabe, Mr. Große-Loheide, why is this project so important to Volkswagen?**

**Rabe:** It's important because Mission X is the first project to test all components across all vehicle classes. We're looking at every last detail – at costs, technology, variants and commercial potential. We're only doing this once, but we're doing it right.

**Große-Loheide:** That's right. Mission X represents our components strategy for years to come. And it's all about sustainability. We're working in a cross-functional way, after all, with lots of different divisions coming together for this project – Development, Procurement, Sales, to name just a few.

**What is the goal?**

**Rabe:** We want to develop competitive concepts at optimal prices. And we want to do it without compromising on product quality, safety, or customer value.

**Große-Loheide:** We're going through everything, component by component, sorting through everything first. And the goal here is not simply to reduce the number of variants. We are optimizing our use of materials, standardizing product concepts, generating competition, and optimizing our processes.

**And how are things going at the moment?**

**Rabe:** The team has accomplished a



Responsible for the project and reporting to the Board: Dirk Große-Loheide (left), Head of Procurement Operations, and Matthias Rabe, Head of TE Operations.



Employees from every division are working to develop the optimized Mission X drive shaft (from left): Tobias Liersch, Olaf Biskupek, Fabian Weissleder, Jens Ullrich, Heiko Papke, and Mathias Möller.

lot in these first nine months alone. In addition to communication, focus, and clearly defining our methodology, we have already been able to implement both process optimizations and realize potential with our components. But the goal remains clear: we want to save a total of ten billion euros by 2023.

**Große-Loheide:** We already have good ideas for two thirds of the overall goal. The steering committee, comprised of members from all specialist areas, makes quick decisions and supports the specialist teams. At the most recent board meeting a few weeks ago, for example, we adopted the Components strategy for all spoilers under the Volkswagen brand. We worked with Development and Design to lay out a kind of guardrail that will allow us to work efficiently in future.

**Can you share a few more examples?**

**Rabe:** Of course. We think about things such as whether it is neces-

sary to develop more than 50 different USB hubs for our vehicles.

**Große-Loheide:** In this specific case, we are considering defining just a few variants that will satisfy all of our customers' needs. This makes things easier and the benefits from the economies of scale are enormous.

**How are employees involved in the project working together?**

**Rabe:** All told, more than 500 colleagues are involved. They engage in regular discussion between themselves and are always presenting ideas about how to reduce variation, use materials optimally, and simplify product concepts.

**Große-Loheide:** Our work is transparent and we discuss things openly, even when it comes to difficult topics. It's fantastic for the two of us to see the kind of energy behind our team.



## Lowering costs with the drive shaft

After intensive competitive comparisons, several supplier workshops, and detailed cost analyses, a team comprising Procurement, Development, Competitive Analysis, and Value Engineering staff succeeded in drafting a concept for a cost-optimized drive shaft. The new component will reduce vehicle weight by up to four kilograms and will reduce materials costs by at least 25 percent. Wall thickness is being reduced thanks to optimized requirements. The design of various components is being simplified to streamline the manufacturing process.

## T-Cross Roadshow: On Tour at our Production Plant

*Current SOP models are presented live to the Production team*



**W**hen we talk about production at Volkswagen, we are talking about some 120,000 people. We're talking about the latest technology, complex relationships, challenging processes, and cars that make the entire Production team proud of their work.

This is precisely the focus of an initiative introduced by Production and launched on May 7 at the Osnabrück plant. A current SOP model from the Volkswagen family will be visiting Volkswagen's European plants to be presented live to the Production teams there. First up for this year's SOP line is the T-Cross. The vehicle, which is produced at the Navarra plant in Spain, was the first model from this year's

SOP range to go on tour. It will visit the plants in Wolfsburg, Osnabrück, Emden, Zwickau, Bratislava, Palmela, and Pamplona.

"Volkswagen – you know what it is you're getting. The T-Cross is a very good example of this. Take a look at its design: it's sporty yet feminine. I really like that."

Patrícia Ramos, Final Inspection, Quality, Palmela.



In Osnabrück: Head of Production Andreas Tostmann brought the T-Cross along for the team to admire.

In Palmela: the new T-Cross puts the team in a good mood.



In Bratislava: The T-Cross pays a visit to Slovakia.

"The design of the T-Cross really does draw the eye. It's a super sporty little car that can't be missed when it's out on the road. I was happy to take advantage of the opportunity to see the T-Cross at the plant. I'm curious about the models we'll be seeing as part of the roadshow."

Ján Braniš, Production Employee, Body Shop, Bratislava.

# WeShare: Car Sharing Launched

Volkswagen hits the road with 1,500 e-Golf models<sup>1</sup> in Berlin



WeShare in Berlin: Vanessa Petre Linbenciuc tested the car sharing program.



Berlin: The new We Campus is bringing some 900 experts together.

## We Campus Opens in Berlin

Volkswagen has opened the We Campus in Berlin. Ramona Pop, Berlin's Mayor and Senator for the Economy, Energy and Enterprises, and Christian Senger, Volkswagen Brand CEO for Digital Car & Services, sounded the digital starting shot for the new location. The new We Campus is bringing some 900 experts together from Volkswagen and its technology partners. They had previously been working across multiple different locations. Volkswagen is also planning to create more new future-focused jobs there as well.

Going forward, the Group will use the location to develop new digital value-added services and mobility services. Volkswagen is continuously expanding its We ecosystem and is keen to create more new jobs at the campus for this purpose, too.

Volkswagen is basing the location's activities on the requirements of modern, digital development work. Agile working models play an important role and are given special consideration when designing the office layout. This will allow teams of experts to work together directly at one location across all functions at the We Campus in future. This includes product developers, software engineers, and UX designers. Technology partners involved can also be included directly. This simplifies workflows and accelerates testing on newly developed apps.

**W**eShare, the purely electric car-sharing program from Volkswagen, has launched. Vanessa Petre Linbenciuc has already tested the sustainable car-sharing service in Berlin. Reporting on her experience, she makes a small swiping gesture on her phone to unlock the silver e-Golf. "This is one of the 1,500 cars I have in Berlin," says the 24-year-old with a smile. "That's what so practical about car-sharing: my cars are parked all over the city." She is one of 2,500 users to have tested WeShare before its official launch. The test phase lasted nearly two months before everything kicked off in late June.

WeShare is an attempt by Volkswagen to get involved in what is known as free-floating car-sharing. The idea is to have so many cars available that customers will always be able to find one in their area. There are no set pick-up spots where cars need to be rented from and returned to.

Linbenciuc says, "registering was super quick because you can do the whole thing online. I downloaded the app, then uploaded photos of my driver's license. Just a short time later, I received a brief telephone call and not three minutes later I was approved."

Environmental friendliness plays a key role for her. "When I came to Berlin five years ago, sustainability was not part of the conversation

when it came to car-sharing. But that's something that WeShare has engaged in now." And finding parking in downtown Berlin is another reason Linbenciuc doesn't use her own car to get around the city.

"I can park a car-sharing car anywhere in Berlin. There are even special parking spots reserved only for car-sharing or electric cars on some streets. That's a huge advantage."

After launching in Berlin, WeShare is planned to be rolled out to other major cities in Germany and Europe. Users can rent

e-Golf models during the test phase. The e-up!<sup>2</sup> and the first ID.<sup>3</sup> will be added to the fleet in 2020.



A practical way to get around: car-sharing with the WeShare app.

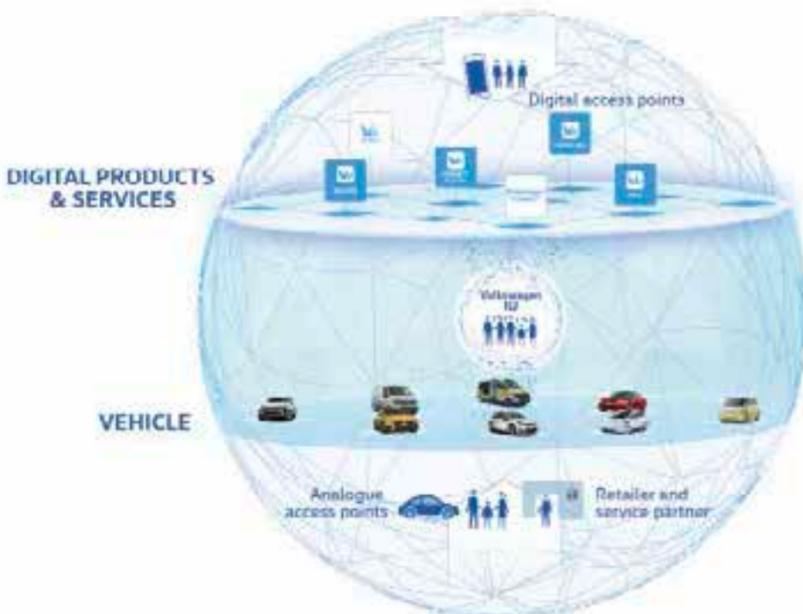
## What is ... Volkswagen We?

The ecosystem and its services

**V**olkswagen We offers a growing range of digital mobility services with two goals: making everyday mobility easier and making cars a normal part of our digital lives, as has already happened with smartphones. At the heart of everything, though, is the user and their Volkswagen ID. Some services can only be used with a Volkswagen, but others can be used with vehicles made by other manufacturers. Customers don't even need their own car to use WeShare. More than 1.5 million customers are already registered for Volkswagen We and that number is growing. Here are the services currently on offer:

### Volkswagen Connect®

**Volkswagen Connect® delivers all your vehicle's information to your smartphone. App features:** displays various vehicle data, warning symbols and fluid levels as well as upcoming service reminders. The app also offers challenges, allows users to monitor their fuel tank, and provides an electronic driver's log, in addition to the option to integrate digital tools like We Park and We Experience.



### We share.

The central component of **WeShare** is free-floating car-sharing, with a fleet made up entirely of electric vehicles. The program is initially starting with a fleet of 1,500 e-Golf models in Berlin.

### We Park

With **We Park**, your smartphone becomes a parking meter. The app uses GPS to pinpoint your location and automatically displays the price for parking in the available zones. You are only charged for the time you actually spend parked there. Simply drive to a parking zone and use the app to start and end your parking time – no cash needed. It's all billed through the app.

### We Deliver

**We Deliver** turns your vehicle into a mailbox for your deliveries and services. For example, your laundromat can deliver your freshly ironed shirts to your car, and you can even arrange to have your car cleaned, inside and out. Certified service partners receive temporary access to the trunk and the GPS data needed to find the vehicle to make the delivery. The service will launch with the new Passat.

### We Experience

**We Experience** is a service within the Volkswagen Connect environment that provides practical tips for everyday things. We Experience can even deliver users customized recommendations near them using vehicle and location data. For example, after a bout of bad weather, users might be shown where they can get a discount on a car wash. The service will also be available as a web app in the new Passat.

### We Connect

**We Connect** is the latest generation of online mobile services, starting with the new Passat. We Connect is replacing the existing Car-Net service step by step. Starting in late July, the new We Connect app will offer existing services as well as new ones: from online traffic information to mobile keys and online voice control.

<sup>1</sup> e-Golf: power consumption, kWh/100 km: combined 14.1 with 17-inch wheels – 13.2 16-inch; CO<sub>2</sub> emissions combined, g/km: 0; efficiency class: A+.

<sup>2</sup> e-up: power consumption, kWh/100 km: 11.7 (combined); CO<sub>2</sub> emissions combined, g/km: 0; efficiency class: A+.

<sup>3</sup> This vehicle is not yet sold in Europe.

# This E-Bike Is a Convertible

Three-wheel micro-mobile: developed with support from the Innovation Fund II – and a team of four

Four Volkswagen employees from Production, Development, and Distribution have come together to develop an e-bike convertible for the bikeway. The project was supported by the Innovation Fund II. The three-wheel Weelie is a micro-mobile for sustainable and individual mobility. It's meant to relieve road traffic and so contribute to better quality of life in cities.

"Our Weelie features tilt technology, making it almost as versatile as a bicycle. Its three wheels mean it won't skid and it has a 20-percent shorter braking distance than a two-wheeled bicycle."

Michele Spinello (Development)

"The market for electric bicycles is growing: Sales in Europe increased by 22 percent to more than two million in 2018. This is what our business model aims to tap into with marketing and sales campaigns. We're working toward a market launch in 2021."

Katharina Meyer (Sales)

"As a team, the project was intensive, exciting, and a real learning experience. We were entrepreneurs within the company, worked with agility, and developed a start-up mentality. We also received great support from the Innovation Fund II, our bosses, and many different departments."

Markus Lalla (Group Production)



"The Innovation Fund II funds strategically relevant ideas like Weelie to get new and future-focused business models started. This is our way of contributing to safeguarding jobs and sustainably creating jobs for the future."

Daniela Cavallo (Deputy Works Council Chair)



Initial concept vehicle: Weelie still features a closed top.



Weelie project team (from left to right): Markus Lalla, Markus Lalla, Jörn Blecken, Katharina Meyer, and Michele Spinello.

"Weelie is the prototype for a new e-bike specially designed for urban commuters. It can reach speeds of up to 25 kilometers per hour and its retractable windscreen and convertible-style roof provide protection against wind and rain."

Project Manager Jörn Blecken (Group Production)



## The Innovation Fund II

The Innovation Fund II funds business models that go beyond the current core business at Volkswagen to expand the Group's portfolio of products and services. A business idea becomes a business plan. Then a prototype is developed. Ideally, the outcome is series production. More information: <http://innovationsfonds2.wob.vw.vwg/intrapreneurship.html>



## Developing Ideas Together: MEB Product Day in Zwickau

Employees discuss suggestions for improvement after a visit from the ID.3<sup>1</sup> pilot production

New ideas for future MEB products: This is the outcome of a meeting between representatives from Product Technology and Technical Development at a tour of the ID.3's<sup>1</sup> production facilities at the Zwickau plant. The focus of the meeting was to get together to review the efficacy of technical concepts.

"It's important to us that our colleagues from Technical Development learn about the issues facing us in Production directly from us here as we contend with the industrialization of products. In addition to the great design solutions that have brought us forward on the road to production-ready vehicles, we are, of course, also focusing on the issues that we still need to work on optimizing together in particular,"

explained Henning Jacob, Head of Product Technology.

The participants toured the pilot production facilities for the ID.3 to kick things off. Representatives from the plant led their colleagues from Wolfsburg through the production facility.

Volker Jakob, Head of Concept Design, was pleased about the opportunity to tour the production facility, saying, "at Concept Development we worked with Product Technology to develop revolutionary new concepts for the MEB together. One of our aims was to be able to pull in as many chassis and high-voltage components as possible when things are going at full tilt in order to reduce production and lead times. We're happy that our colleagues have largely been able to successfully implement these concepts at the plant, but we now also know what we can

still optimize in future." Following the tour, the participants got together with representatives from the pilot hall in Zwickau to discuss suggestions for improvements to the chassis and a finished vehicle. Ludger Lührmann, Head of Chassis Development, said, "Although we're well acquainted with the issues involving the factory thanks to our regular meetings with Product Technology, it's something else entirely to see the situation on the ground for yourself.

Developing new ideas together: The participants at the MEB Product Day at the Zwickau plant.

The entire MEB chassis production facility was set up in an incredibly short space of time. We want to help meet this great challenge with designs that are well-suited to production." The

next day, the participants put the knowledge they'd gained to the test in a workshop, working together to generate new ideas for future MEB products.



## Goodbye, Post-Processing: Team Puts New Processes in Place

Employees from Production and central departments worldwide get to work on new methods



Products without post-processing: The team is working on with its innovative new methods.

A project team comprised of colleagues from Production and central departments is taking a systematic approach to redesigning global production processes to make them sustainable and eliminate the need for post-processing. In doing so, the team is trialing the use of agile methods for greater efficiency and productivity.

The cross-brand project kicked off with a sprint through the central pilot production hall. Representatives from Production, Quality Assurance, and central departments have since been working as a team to find the potential hidden in individual production processes.

Whether in Wolfsburg, Emden, Kaluga, Pamplona or Palmela, the method is the same: the project aims to sustainably reduce the amount of post-processing, which primarily means redesigning existing production processes to focus on production, all the while keeping customer focus in mind.

The work methods chosen have made the project truly innovative, but meant the core team was a little apprehensive, if only at the beginning. But receiving advance training and achieving 100-percent participation in the workshops quickly had the team fighting fit for "agile work."

What does this methodology involve? Being flexible enough to respond to changing conditions and requirements, fostering transparency within processes, incorporating regular feedback loops, and delegating responsibility for the path chosen to the team – this roughly describes the advantages of agile working. The short work cycles also ensure greater focus on results. The cross-divisional teams, which hold decision-making authority, are the key factor for the success of this method. And that's something everyone involved can agree on.

# "We Want to See a Swift Breakthrough for E-Mobility"

Interview with Thomas Ulbrich: The Head of E-Mobility talks about developing the charging infrastructure

The success of electric mobility is highly dependent on the extent and capacity of the charging infrastructure. In this interview, Thomas Ulbrich, Member of the Board of Management of the Volkswagen Brand responsible for e-mobility, explains how Volkswagen is driving forward the development of charging infrastructure across Europe, discusses what the German government can do to help and reveals which German city has the best charging network.

## Thomas Ulbrich, tell us about Germany's charging infrastructure as things stand.

Germany currently has fewer than 20,000 public charging points. That's okay for now, but the big e-mobility push is still to come. The federal government has set a target of 100,000 charging points by 2020, so there is clearly a lot to do over the coming months. I'm convinced that we need that if we are to really establish e-mobility quickly in this country. A large number of potential buyers of electric cars are still worried about range. They are asking themselves whether they'll be able to charge their cars when they need to. We have to put their minds at ease by moving quickly and visibly now to set up new charging stations. We need to build people's trust in e-mobility.

## Hamburg is leading the way when it comes to charging infrastructure. Why is that?



In charge of e-mobility: Management Board Member Thomas Ulbrich.

In Germany, the city and municipal authorities are responsible for developing the charging infrastructure in their respective areas. Hamburg has been doing great work in this regard for a number of years. The Hamburg Senate made a bold and clear commitment to developing its charging infrastructure in 2014, and that was very important as a signal. They have clearly defined spheres of responsibility, the absorption of costs is regulated, and the charging points are highly visible and uniformly signposted.



The ID.3<sup>1</sup> at an IONITY quick-charge station: 400 of these are to be set up on freeways.

In addition, the Hamburg police are taking action against parking offenders who block the charging points. As a result, Hamburg now has the best coverage of charging stations across the whole of Germany, and they also have a clear plan for how to continue that expansion to meet demand.

## How is Volkswagen contributing to the development of charging infrastructure?

We want to see a swift breakthrough for e-mobility so we are getting involved wherever there is a need for electric cars to be charged in future: in the home, at the office, in public spaces and on freeways. In future, private customers will get a comprehensive package for their home garage through our subsidiary, Elli: a low-cost wall box, installation, and green energy. By 2025, we will have installed around 4,000 charging points for our employees at Volkswagen's German sites alone. A number of those can also be used by the general public. As a Group, we will be setting up a total of 36,000 charging points across Europe by 2025 if you count those being put in place at dealerships (see box on the right).

And through IONITY we are also involved in setting up 400 quick-charge stations on the freeways. We want to set a good example.

## How might it be possible to further accelerate the development of charging infrastructure?

The automotive industry can't achieve that by itself so you'd also need the government to get more involved. What we need now more than anything is swift decision-making, for example when it comes to boosting the funding offered to parking lot operators. It is also vital to introduce a kind of "right to wall boxes" for renters and homeowners, and this means changes in tenancy and building laws are necessary. Germany needs an e-mobility master plan that focuses primarily on charging infrastructure. If the government and industry join forces, we can quickly solve the challenges of charging infrastructure.

## Have you ever suffered range anxiety yourself?

Actually, I did once arrive home in my e-Golf<sup>2</sup> with just a few kilometers left on the clock. Things definitely got a bit tense! It reminded me a little

of around 25 years ago when gas and diesel vehicles only had a range of 350 to 400 kilometers, and the gas station network was nowhere near as extensive as it is today. But I think most people overestimate how often you need to recharge. In future, with the ID.3<sup>1</sup>, which has a range of 420 kilometers, one charge a week will be enough in most cases.



## 36,000 Electric Charging Points

Volkswagen is striving to achieve a swift breakthrough for e-mobility and is stepping up its efforts to develop charging infrastructure to achieve that. Across Europe, the Group is installing a total of 36,000 charging points by 2025, of which 11,000 are to be set up by the Volkswagen brand. These will be installed at Volkswagen locations – and at the 3,000 Volkswagen dealers in all major cities. The Group is investing a total of around 250 million euros in developing charging infrastructure at its European locations.



Recharging your batteries: once a week is enough in many cases.

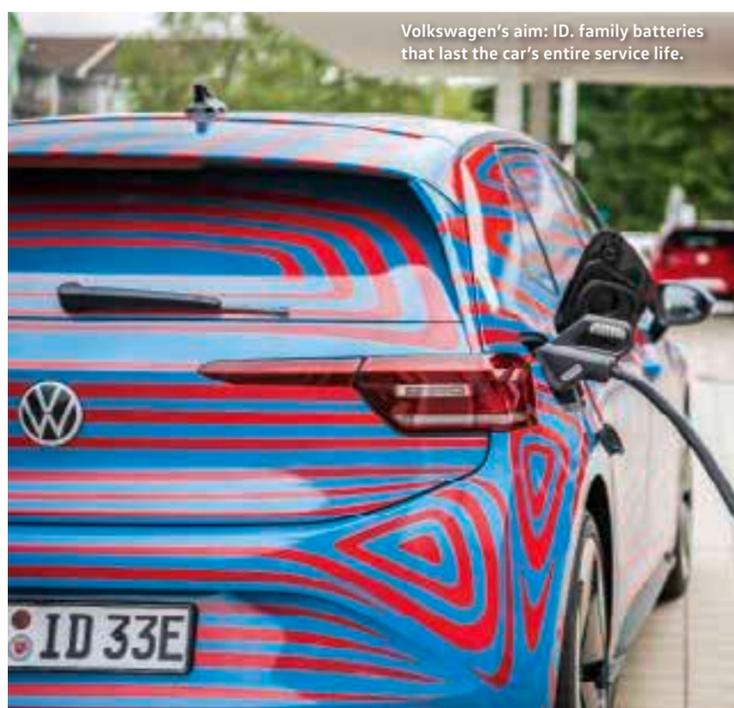
## The New ID.3: Eight-Year Warranty on Batteries

But the battery should still have at least 70 percent of its usable capacity at that point



Future owners of ID. models needn't worry about the service life of their lithium-ion batteries. That's because Volkswagen will guarantee that its batteries still have at least 70 percent of their usable capacity even after eight years or 160,000 kilometers.

Volkswagen has been bundling the development of batteries at a single Center of Excellence since 2017. The Center makes sure that all the batteries for the ID. family retain their maximum capacity over a very long period of time, thereby guaranteeing long ranges. Frank Blome, Head of the Center of Excellence in Salzgitter, says, "Our goal is to make sure the ID. batteries last the whole life of the car."



Volkswagen's aim: ID. family batteries that last the car's entire service life.

Volkswagen will offer the batteries in a range of sizes. If the owner of an ID. is happy with a shorter range, a battery with a smaller capacity will be enough, making the car cheaper. Those who regularly travel longer distances will be able to choose a bigger battery. Depending on the battery and vehicle type, maximum ranges of around 330 to 550 kilometers (based on WLTP) are achievable. Volkswagen has also been able to design batteries with a charging capacity of up to 125 kilowatts, cutting charging times significantly. Volkswagen predicts that around 50 percent of all charging processes will take place at home and 20 percent at work. A new program of wall boxes was tailored with that in mind. These can be installed at home or on company premises and they work with charging capacities of up to 11 kilowatts (AC).

## Enough charging capacity to fully charge the battery overnight

The big advantage is that charging times are significantly shorter than with the standard 230-volt power supply – the wall box's charging capacity is sufficient to fully charge the battery overnight or during the workday. 25 percent of charging processes are expected to take place at public quick-charge stations, and five percent along freeways.

Depending on driving style, two charges will be enough to get an ID.3<sup>1</sup> with the biggest battery version from Hamburg to Munich, or from Turin to Paris (a journey of 800 kilometers in both cases). When charging at a high-capacity quick-charge station, it would be possible to recharge 260 kilometers (WLTP) in 30 minutes.

<sup>1</sup> This vehicle is not yet on sale in Europe.

<sup>2</sup> e-Golf: power consumption, kWh/100 km: combined 14.1 with 17-inch wheels – 13.2 16-inch; CO<sub>2</sub> emissions combined, g/km: 0; efficiency class: A+.

## 3 Questions



Justin Pausch (19), trainee, on the eGon vehicle project.

## "We Built Everything Ourselves!"

**1** At IdeenExpo, a technology trade fair for young people in Hanover, you and seven other Volkswagen trainees presented the eGon, which you built yourselves. How did it go?

It was amazing! We had to answer a mind-boggling number of questions. But visitors to the trade fair got to see the vehicle's technology up close and personal. Everything was on display – from the window regulators to the wiring, of which we laid an unbelievable 1.6 kilometers in the car.

**2** How difficult was the car to build?

Six months passed from when the first sketch was drawn to when the last screw went in. There was a lot of pressure by the end. The eGon was planned merely as a display model, but we trainees were determined to make it mobile. So we developed our own 48-volt drive system. The top speed is seven km/h. That so many visitors showed interest in our project in the end is, of course, a nice validation of our work. After all, we did everything ourselves.

**3** Isn't the model based on the e-Golf?

You could be forgiven for thinking that it is a Golf model. The dimensions are right, too, but we didn't use any original parts. We built everything ourselves – the bodywork was all formed, welded and braced by hand. The main team was made up of eight trainees, but we also worked closely with paint engineers, vehicle interior designers and automation technology electricians. So it wasn't just about the specialist expertise, it was also about working together across departments and as a team. It was a great experience!



The eGon project: the trainees even developed a drive system for the car.

# The First Volkswagen Class of Firefighters Complete Their Training

After passing the exam, it's now time to report for duty at their home bases

**Y**ou are going down in Volkswagen's history books!" With these words, Wolfgang Pick, Service Factory CEO, congratulated the first class of firefighters trained by Volkswagen. After completing their training in Wolfsburg, the seven new recruits are now heading back to their home plants.

Over the last three years, six men and one woman have been undergoing extensive training in fire safety and learning everything a paramedic needs to know and studying for an HGV license. Wood, metal, electrical, gas and sanitary engineering were all also on the syllabus. "This qualified occupation requires you to pass the most extensive examination of all," emphasized Employee Representative Frank Paetzold. Works Council representatives played a key role in getting the new trainee program, which Volkswagen began offering in 2016 as the first company to do so in Lower Saxony, off the ground. Two other companies in Lower Saxony could now also benefit from the initiative: in addition to the Volkswagen trainees, five external trainee firefighters also completed the new training course.



The first-ever Volkswagen-trained firefighters. Front row, from left to right: Tobias Hänel, Jakob Gebert, Fabian Tschersich, Steve-Alan Marx. Back row, from left to right: Mareike Pieper, Bastian Baarsch, Niklas Gehle.

Now armed with their new qualification, the former trainees are now heading back to their home bases. "It's going to be strange without the others.

In the beginning we were a motley crew, but over time we grew into a

real unit," says Fabian Tschersich, who will be joining the Wolfsburg team. For him, this represents a long-held dream: he has wanted to be a firefighter ever since he was a little boy.

His colleague Mareike Pieper from Emden, by contrast, became a firefighter more by chance. The young woman has been actively involved in fire safety since she was ten years old, but she didn't really consider firefighting as a career until more recently. "To be one of the first Volkswagen-trained firefighters is an amazing feeling," she says.

The relationship of trust within the group during the training period was not limited to the trainees and their instructor, Frank Pfeufer. "The cooperation with the other locations was also very good," says Niko Meinke-Marquardt, Head of the Fire Service at the Wolfsburg plant.

For him, the first Volkswagen firefighters are something really quite special. He says, "Now it's up to your successors to top what you've achieved!"



Returning to Emden: Mareike Pieper.



Staying in Wolfsburg: Fabian Tschersich.



## Fire Service Training Center

The Plant Fire Service in Wolfsburg, which has around 100 firefighters (located on Street 37, where CKD used to be) is an accredited training center in accordance with the German Fire Service Regulation. This means that a number of training courses for the volunteer firefighters in the surrounding area can be held at the plant. In addition, plant firefighters working for other companies are being trained in Wolfsburg.



Panel discussion at the museum: Klaus Bischoff (second from left) spoke about design at Volkswagen.

## Farewell to an Icon

New York: An event at the Museum of Modern Art pays homage to the Beetle

**P**roduction of the Beetle is coming to an end in July. Volkswagen said farewell to a design icon at a big "Bye Bye, Beetle" event in New York. The event was held at the Museum of Modern Art, which was one of the first museums in the world to include

cars in its collection as a design object.

A Volkswagen Beetle (built in 1959) has been on display at the museum since 2002, and the car is one of the most-photographed exhibits in the collection.

Volkswagen's Head of Design, Klaus Bischoff, travelled to New York. As part of a panel discussion he talked about how Volkswagen has set new milestones in design, the influence design continues to have to this day, and how Volkswagen intends to

continue this success story in the age of electric mobility. The Beetle has a long tradition in North America. To mark the end of this era, Volkswagen developed one last, special limited edition for the US market this year, which is available as a coupe and convertible.



The Beetle as art: one has been on display at the museum since 2002. Klaus Bischoff (second from right) with the panel discussion participants.

# The Pink Paddlers: Dragon Boat Team for Women with Breast Cancer

The Pink Dragon Wolves from Wolfsburg are looking for new team members

A dragonboat team for women with breast cancer was established in Wolfsburg at the beginning of this year. The team is called the Pink Dragon Wolves. The women train on Lake Allersee once a week and plan to take part in competitions and trips with paddlers from other cities and countries. The focus is on having fun and boosting their health through sport. Those interested in getting involved will be pleased to know that the team is still looking for more members.

Sandra Janzen works for Volkswagen R GmbH and is the team captain of Wolfsburg's Pink Paddlers. She says, "I've been paddling with the Wolfsburg Canoe Club for six years now. During competitions I noticed a few all women's teams wearing pink



Team captain of Wolfsburg's Pink Paddlers: Sandra Janzen works for Volkswagen R GmbH.



Pink Dragon Wolves: Training on Lake Allersee.

jerseys. I asked them about it and that's how I learned about the 'Paddling Against Breast Cancer' project." It wasn't long before the Wolfsburg branch was set up.

## Training every Thursday – children welcome

The women train on Lake Allersee at 5:00 pm every Thursday. If they're

over the age of five, team members' children are also welcome to come and get a taste of paddling at the same time. Janzen says, "Before trying their hand at paddling, a number of those affected by the illness were doing other kinds of sports, like jogging. But that's more painful than paddling. Another disadvantage of running is that you're alone with your thoughts and fears. That's not the case in a team

sport like dragon boat paddling." While paddling does involve a healthy element of sporting ambition, the club motto is, "You can do everything, but you don't have to do anything." Janzen says, "First and foremost it's about achieving something together and getting involved in life, despite the health challenges we may face. In addition, taking part in sports is healthy, and paddling is particularly helpful for breast cancer patients."

The Pink Paddler team is currently made up of seven women ranging in age from their mid-20s to the early 70s. But a dragon boat team should include at least ten paddlers.

If you want to get involved:

Contact Sandra Janzen:  
Mobile: +49 (0)170 8366123  
Email: pinkpaddler@wkc52.de

## Occupational Safety Trophy: The Bratislava Plant Wins for the Sixth Time

Volkswagen recognizes work safety achievements at its European plants



At Volkswagen, work safety is the highest priority. Volkswagen has been awarding prizes to its European plants with the lowest number of workplace accidents every year for more than

30 years. "Occupational safety is taken very seriously at Volkswagen," said Andreas Tostmann, Head of Production and Logistics for the Volkswagen brand, at the Occupational Safety Trophy award ceremony at the Brand Tower in Wolfsburg. "The countless examples from all our locations impressively demonstrate just how committed our employees are to the topic of occupational safety at all our plants. I would like to thank



"We take occupational safety seriously": Head of Production Andreas Tostmann.

everyone involved for their hard work. Please keep doing what you're doing."

The top prize was awarded to the Bratislava plant for the sixth time. In second and third place, respectively, were the Pamplona plant in Spain and the Kaluga site in Russia. "An amazing team achievement. It would be nice if we won first prize again next year. But the most important thing is that our colleagues are healthy when they come to work and are healthy when they go home. That's what drives us," said Dagmar Wittgruberova, Head of Health and Safety at Volkswagen Slovakia, after the award ceremony.



Winners: The competition was open to all production sites of the Volkswagen Passenger Cars, Components, and Volkswagen Commercial Vehicles brands in Europe.

"Best Accident Development" is awarded in recognition of the sustainability with which the plants attend to issues of occupational safety. The jury compares the accident statistics of all the participating European plants over a period of four years. This prize was awarded to the Kaluga plant.

The competition was open to all the production sites of the Volkswagen Passenger Cars, Components, and Volkswagen Commercial Vehicles brands in Europe.



Handover: WFA CEO Andrew Muir (second from left) with project participants.

## Volkswagen T6 Donated to a Good Cause

Volkswagen Group South Africa (VWSA) has donated a T6 to the Wilderness Foundation Africa (WFA) as a way of supporting the charitable organization's work. The WFA focuses on supporting and training young people. Between October 2018 and April of this year alone, the organization reached 121 young people with its wilderness trails. The aim is to help participants to advance personally and to increase their environmental awareness. 20 schoolchildren also completed an environmental protection program, and 18 other young people underwent a training course as cooking assistants. Ten of them are now receiving further training. VWSA has been supporting the WFA since 2015.

## Family Day in Chattanooga

More than 5,000 employees and their families attended the Family Day organized by the Volkswagen Group of America at the Chattanooga plant. The family-friendly event included plenty to get involved in and lots of entertainment.

A number of Volkswagen models were on display for attendees to admire. The real highlight, though, was the plant itself: employees were very excited about the chance to show their families where they work. Videos displayed on screens along the assembly lines explained the day-to-day production processes there. And two stuntmen impressed visitors with spectacular tricks the whole day.



Dresden: The Transparent Factory.

## Industrial Cloud: 80 New IT Jobs in Dresden

Volkswagen has opened a new IT development center at the Transparent Factory in Dresden. The plan is for up to 80 newly appointed IT specialists to work on the Volkswagen Industrial Cloud at the Software Development Center Production (SDC). Using the cloud, all the data from the 122 Group-wide manufacturing plants will be brought together in future, allowing production and logistics to be fully digitalized.

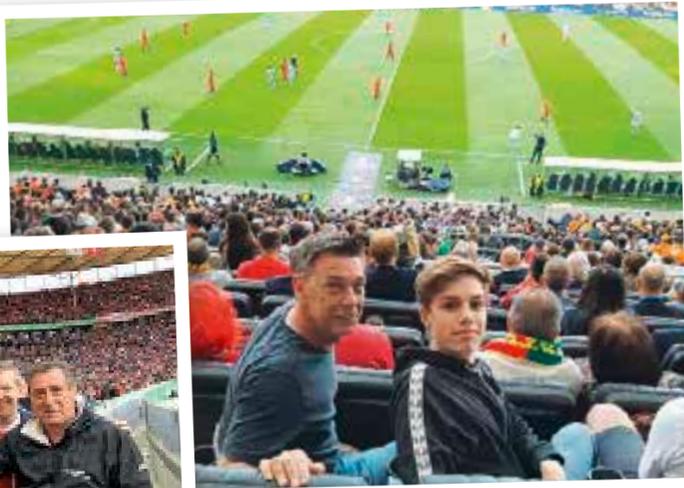
The opening of the SDC will result in the far-reaching development of the Transparent Factory into a high-tech location and a center of future mobility. By the time it launched, the first app was ready to be seen and will be used for optical quality control in assembly. One focus area is the use of artificial intelligence in a way that competently emulates human sight. The SDC developed the software for the optical quality control of automated primer application on door triangle panes – the robotic app was provided by Dresden-based start-up company Wandelbots.

# Soccer Highlights: 700 Employees Attended

Volkswagen raffled off tickets for international matches and cup finals: 18,000 employees took part in the giveaways

This year Volkswagen employees regularly cheered on teams from the stands at major soccer matches, whether at international games in Wolfsburg and Mainz, at the DFB cup final in Berlin, or at the Nations League final in Porto. They won the tickets in giveaways from Sports Communications and Internal Communications. More than 18,000 employees have taken part in the 15 giveaways to date, and there have been almost 700 lucky winners. "We have always emphasized that employees should benefit from our extensive involvement in soccer," says Gerd Voss, Head of Sports Communication.

Volkswagen is a partner of the German Soccer Association (DFB) and the European Football Association UEFA.



Porto: Michael Müller from Technical Development travelled to the final of the Nations League with his son Morten.

Berlin: Employees from Volkswagen Saxony were there in person for FC Bayern Munich's cup final victory.



Berlin: Michael Hass (left) and Michael Leischner from the Salzgitter factory won tickets to the DFB cup final.

## Fliegauf: The New Grizzlys Are Looking Strong

Ice hockey: 360° interviews the manager of the Wolfsburg DEL club – they're feeling confident before the season gets going in September

For the Grizzlys Wolfsburg, the new season of the Deutsche Eishockey Liga (DEL, the German professional ice hockey league) starts on September 13. 360° spoke to Manager Charly Fliegauf (59) about the team's preparations under the new coach Pat Cortina, the club's goals and collaboration with their main sponsor, Volkswagen.

**Mr. Fliegauf, how are the plans for the next season coming along?**

We've been making plans for months and we are at an advanced stage. The squad is complete except for two players. We started summer training back in May, and we're going to all start on-ice training together on August 1. We have seven warm-up games planned, including one here in the region – on Friday, August 30 against the Kölner Haie (Cologne Sharks) in Braunlage.

**Which new squad member can the fans get most excited about?**

I think our fans can look forward to seeing every new addition, as they will all take on an important role in the team structure. But Mathis Olimb is definitely an eye-catching player for the fans because of his technique.

**What gives you hope that the coming season will be more successful than last year? That's when your club missed the play-offs for the first time in ten years.**

We've analyzed last season intensively and firmly committed to perform better in the coming season. We hope that our whole squad will be match-ready at the start of the DEL



For the love of the game: Charly Fliegauf has been the Grizzlys' manager for 13 years.



Goal!: Captain Sebastian Furchner (right) wants a better season from the Grizzlys than last year.

season and that we'll be free of the protracted injuries that we dealt with last season. I think that we've found a very good mix of players, and I'm counting on the team spirit that has kept us going for many years. Our squad is balanced and everyone gets on well. It's important to get off to a good start, so the preparation will be very intensive. But the season is more of a marathon than a sprint. To be successful in the end, we need to deliver consistently good performances over 52 games.

**Volkswagen is the Grizzlys' main sponsor. What is the collaboration like?**

Working with Volkswagen is very professional and constructive on every level. Our Supervisory Board with Mayor Klaus Mohrs, as well as Hiltrud Werner, Bernd Rumpel,

Berend Holst, Gunnar Kilian, and Thomas Steg provide a high level of expertise and an excellent network. We are very proud to have Volkswagen firmly at our side as a main sponsor who supports us in nearly every way. Our players are also aware of this privilege and identify strongly with the city of Wolfsburg and the Volkswagen Group.

**You've been the manager of the Grizzlys for 13 years. Why have you stayed in Wolfsburg for so long?**

For one, it is a huge privilege to be able to take on this position at a club. In addition, I enjoy working with each and every person in our organization. I'm a down-to-earth guy and I just like working and living here in Wolfsburg.

**What would you still like to achieve with your club?**

We need to establish ourselves all over again every year. This is a huge challenge which I always enjoy tackling and which is also great fun. For many years we've been working hard

to hold our ground against the big DEL clubs. We want to continue to offer sustainable, attractive, successful, and fast ice hockey and embody the values and mentality of the city and the people who live here. After every game we want our fans to go home feeling good after seeing that the team has given it their all. It goes without saying that our biggest goal is to win the very last game of the season one day.



### Game Plan

The Grizzlys start their season on Friday, September 13, against the Eisbären Berlin (Berlin Polar Bears). Their first home game will take place on Sunday, September 15, at 2 pm against the Schwenninger Wild Wings, the team previously coached by the Grizzly's new trainer Pat Cortina. Season tickets can be found at: [www.grizzlys.de](http://www.grizzlys.de)



Speedy: A mini ID.3 brought the ball onto the pitch.

### A Mini ID.3 Brought the Ball

**A head-turner:** A mini ID.3 with a camouflage design brought the ball to the referee shortly before the starting whistle at the Nations League tournament final in Portugal. The electric model car was part of Volkswagen's activities to get people interested in electric mobility as a partner of the European Football Association. By the way, Portugal, captained by superstar Cristiano Ronaldo, won the Nations League for the first time by beating the Netherlands 1-0.

### VfL Wolfsburg: Test Match in Eindhoven

**A test match** against the Dutch top club PSV Eindhoven on Wednesday, July 17, at 7 pm will be the first highlight of VfL Wolfsburg's preparations for the season. After a five-week summer break, the Bundesliga soccer team resumed training at the end of June under their new coach Oliver Glasner (previously of Linzer ASK).

Captained by Josuha Guilavogui, the team will set off for an eight-day training camp in Schladming, Austria on July 19 before returning for the second pre-season highlight, the big VfL Familienfest (family festival) on Saturday, August 3, at the Volkswagen Arena in Wolfsburg. The first Bundesliga match will take place on August 17 or 18 against 1.FC Cologne.

Season ticket sales are booming. Fans can purchase tickets for the entire season at [www.vfl-wolfsburg.de](http://www.vfl-wolfsburg.de).

Dear Colleagues,



The launch of the ID.3 will see the first fully electric Volkswagen based on the MEB toolkit hit the market within the next year. In addition to e-engines with

**ID.3** rotors and stators, battery systems, and even front axles to name just a few examples, our international Components team also manufactures a whole host of other parts for the ID.3. This is an incredible performance from our team, and I couldn't be more proud of their efforts. If you're interested in learning more about the components we are supplying specifically for the ID.3, take a look at the graphic in the Group section of this issue on page 14. We also have a lot in the pipeline going forward, so rest assured that we will press on with the same high standards of quality and efficiency. In other news, we are moving forward with the development of our charging infrastructure involving our flexible quick-charging stations. This is a crucial step when it comes to ensuring electric mobility is an appealing option for our customers.

Head over to page 4 for an overview of our new committee structure at Group Components. I am delighted to report that we have been able to achieve a lean structure with just 14 top-level committees. After all, clearly structured reporting channels and escalation pathways are key to maximizing the efficiency of decision-making processes.

Have you downloaded the new 360° app onto your business or personal cell yet? I would like to invite you to subscribe to our Group Components channel, where we share brief summaries of all the latest news and updates from Group Components. As part of the "in demand" dialog format, which took place when Group Board Member Dr. Sommer and I paid a visit to the Kassel plant, I was so fascinated by the conversations I had with the employees there that I decided to publish a mini blog post about the experience on the app (p. 4).

Happy reading!

Yours sincerely,  
Thomas Schmall

CEO  
Volkswagen Group Components

## Wolfsburg Becomes Pilot for Urban Charging

Thomas Schmall and Mayor Klaus Mohrs showcase two concepts for the electric vehicle charging infrastructure of the future in Wolfsburg

**W**hen the time came to introduce the results of the joint venture between the city of Wolfsburg and Volkswagen, which involved implementing high-performance electric vehicle charging infrastructure, the occasion certainly piqued a great deal of interest. The first presentation took place back on June 21, 2019 as part of a press conference. This was followed a week later by the launch of the flexible charging station that forms part of the concept on the occasion of the 81st anniversary of the city of Wolfsburg in front of the local theater.

As the first four high-performance charging stations were put into operation at the e-mobility station in Wolfsburg, Germany's first inner-city quick-charging facility complete with high-power charging capabilities was also launched. This allows several vehicles to be charged in practically no time at all, with the overall experience being

"With this pilot project, the city of Wolfsburg and Volkswagen are demonstrating what a viable electric vehicle charging infrastructure could look like in an urban environment going forward."

Thomas Schmall



Recognition at the ceremony to celebrate the 81st anniversary of Wolfsburg held at the theater: Chief Human Resources Officer Gunnar Kilian, Sales Director Jürgen Stackmann, Deputy Group CEO and Works Council Chair Daniela Cavallo, Mayor of Wolfsburg Klaus Mohrs, former Volkswagen CEO Carl Hahn, and the State Representative for Regional Development in Braunschweig, Matthias Wunderling-Weilbier (left to right).



Pilot project for urban charging: At the press conference for the e-mobility station in Wolfsburg, Thomas Schmall and Mayor Klaus Mohrs joined Group CEO and Works Council Chair Bernd Osterloh along with Martin Roemheld as Head of E-Mobility Services to showcase the entire concept in a panel discussion moderated by Ariane Kilian, Head of Communications for Group Components.



The ID.3<sup>1</sup> in front of the flexible charging station at the e-mobility station.

Where are the flexible quick-charging stations set up?



The process starts with the city suggesting installation sites. Then, together with staff from the Components Development division, we establish whether or not it is possible to install a charging station in these locations. There are four different types of installation sites: residential areas, retail, public spaces, and event locations.

- These vary in terms of:
- the operating mode (autonomous or with connection to the power grid); and
  - the installation time (from a matter of hours through to several months).

The installation sites are then advertised across various public channels ahead of them opening. Other technical announcement options are currently being considered to advertise the different locations via online platforms.

similar to visiting an average gas station. The compact space even offers charging facilities for users who do not have charging capabilities of their own. A further four charging stations are set to be developed across the city in future. The findings obtained from these in terms of how they are used can then be rolled out to other cities going forward.

The flexible charging stations can be set up virtually anywhere, independently of the power grid, so they can pop up wherever they are needed, whether that's in the city or at events. The concept is an innovation one from Volkswagen Group Components and will be manufactured at the Hanover site as of next year. The city of Wolfsburg will be provided with a total of 12 flexible charging stations for a period of 80 weeks, and these will be set up at specific locations throughout the city region. This will allow the usage behavior to be analyzed at future charging sites without involving the full expenditure of a fixed installation. The findings from both concepts in a common environment are to be used to develop a needs-based charging infrastructure.

## 14 Million Transmissions from Córdoba

South-American Components colleagues celebrate production milestone



Proud production milestone: Colleagues celebrated with a number of representatives from Volkswagen, politicians and the community, trade unions, and suppliers.

**E**mployees in Córdoba are delighted to announce that their 14-millionth transmission recently rolled off the production line. Transmissions have been manufactured at this location since 1995 and the next milestone is just around the corner: starting in 2020, employees here will be manufacturing the new MQ281 for the European market. Daniel Haro is a proud member of the production team for the MQ250, saying, "We are delighted to be part of the history of the plant and to celebrate this milestone." The nearly 1,500 employees at the site manufacture transmissions for models including the Polo, Golf, Vento, T-Roc, Ibiza and Leon, Fabia and Octavia, and the A1 and Q2.

## Cooperation on MEB Batteries

Colleagues from Braunschweig and Ingolstadt work together



Support on the shop floor: employees from the Braunschweig Components plant and from Audi.

**H**uman resources and tight deadlines are always a huge challenge on any project. With this in mind, it was an obvious decision for KC Technik in Braunschweig to take advantage of the expertise of Audi employees when it came to battery production for the Audi e-tron. Support

is mainly being provided for project management, engineering, and construction site management for the system design of the MEB battery in Hall 32a. Audi staff are also on hand with advice and practical help with the development and series testing technology of the battery systems – particularly with regard to the development of testing software to create a common Group standard. The collaboration is expected to run beyond the SOP phase, likely until the middle or end of 2020.

<sup>1</sup>ID.3: This vehicle is not yet on sale.

## Wanted: Component Trainees

From electronic engineers for automation technology to industrial mechanics and cutting machine operators – Group Components offers exciting apprenticeship positions for those interested in coming on board. The application period for the 2020 training year ends on October 31, 2019. Group Components is currently training over 1,200 apprentices and dual study students. In line with the transformation, the Braunschweig, Salzgitter, and Kassel plants and the Wolfsburg headquarters are increasingly



looking for talented IT professionals, e.g., IT systems technicians.

More information available at [www.volkswagen-karriere.de](http://www.volkswagen-karriere.de)

## 15 Years of SITECH in China

On June 20, the German-Chinese joint venture SITECH Dongchang Automotive Seating Technology Ltd. celebrated its 15<sup>th</sup> anniversary. In Shanghai, the joint venture produces and develops seat



structures and whole seats for SAIC Volkswagen in Anting. Guests from the worlds of business and politics attended the ceremony. Ingo Fleischer and Tomasz Lewandowski, two of SITECH's managing directors, also attended the event. Special highlights of the event were the traditional Chinese performances such as screen drums, "erhu" (a Chinese form of the violin), and Jiangnan dance, which were all presented by SITECH Dongchang employees.

## NEV Components from China

Volkswagen Group China is strengthening its e-mobility strategy with local production of two components for New Energy Vehicles (NEVs). The APP290 electric drive and the DQ400e hybrid transmission are produced at the Tianjin Volkswagen Automatic Transmission (Tianjin) Co. Ltd. components plant. In the future, the plant will also produce the electric drive for the MEB. Production of dual-clutch transmissions, which have already been installed in several million Volkswagen Group China vehicles, will also be continued. Tianjin is part of the Volkswagen Group China components plant network together with its sister plant in Dalian.



From Kassel and Tianjin: Representatives from the Transmission and E-Drive business units celebrated together with the team.

# Promoting Flexibility and Diversity

Project groups present their interim results to Thomas Schmall in Kassel

As part of Diversity Day on 28 May in Kassel, five project groups presented their results on "Flexibility and Diversity in the Direct Sector" to Thomas Schmall. The pilot project initiated by Thomas Schmall started in the summer of 2018. With EAF Berlin working as the project executing agency, Group Components is pursuing the goal of promoting flexibility and diversity in the direct sector, and meeting the challenges of change and transformation in Kassel through mutual understanding. The presentation was part of the "Book Your Boss" initiative.

Plant manager Olaf Korzinovski, Head of Human Resources Stefan Kreher, Deputy Works Council Chairman Ulrike Jakob, and other invited guests from the healthcare, HR, and works council sectors were also present when the results were announced. Michaela Schneider, Diversity Officer at the Kassel site, manages and supervises the project along with Werner Seitz, Head of Alternative Propulsion Systems. The five project groups are:

### 1. Onboarding into the transformation process:

The aim here is to take the employees with us and define measures that will help organize a change of job in the best possible way and to manage integration as best as possible.

### 2. Mobile work:

This project group identifies tasks in the direct sector that are suitable for (hourly) mobile work and tests their implementation. Success factors are defined that contribute to striking a better balance between professional and private life.



Exchange: The colleagues discussed with Thomas Schmall and Olaf Korzinovski, among others.



Delighted: The participants together with Thomas Schmall.

"It was a relaxed and authentic event. Mr. Schmall encouraged us to continue working on the projects and to support us if necessary."



Silke Sprengel from synchronous parts and sliding sleeves production in the MQ250 sector.

**3. Qualitative integration of part-time work:** This seeks to develop the way people take on responsibility when working part-time, thereby taking pressure off the team. The instrument of traffic light systematics shows that part-time workers are more flexible than expected.

**4. Flexible shift planning:** This project group is developing

solutions in which the employees themselves can work as a team to participate in designing shift plans – taking into account private needs.

"With his open demeanor, Thomas Schmall encouraged us all to actively engage in dialog. This helped us convey the spirit of our project to him. The idea that it's primarily about people has finally reached maturity, and it's about preserving that."



Michael Leib is in charge of MQ250 wheel production and MQ250-T6 assembly in Hall 1.

**5. Level of knowledge:** Structural knowledge tandems ensure that knowledge from employees who go to ATZ remains in the company, and that junior staff's specialist knowledge is transferred to the company.

All groups are currently working out the defined stages of work and already implementing the initial steps, for example workshops on flexible shift plans are taking place, and there are initial steps towards setting up a part-time pool in the pilot area. The results were then discussed together. "If we get five results from the project

groups which are ultimately defined as the standard, I will be more than satisfied," concludes Thomas Schmall.



Also on the subject of diversity, the "Boss Matters" conference was held on May 21 in Berlin – this year's focus was on Dual Careers. Over 300 company representatives, including the Kassel plant manager Olaf Korzinovski and the PSC manager from Braunschweig, Constanze Winkler, discussed how companies can support working couples so that both partners can combine work and family more effectively. The "Boss Matters" initiative is a network of business, science, media, and the public and social sectors.



## We Are Family!

Premiere of Component DNA film at management conference

Digitalization, standardization, and collaboration were the key factors for successful transformation at the Management Conference on June 18 in Port 1. Together with his management team, Thomas Schmall informed around 550 international colleagues about the current and future status of Components. But, the focus at the conference was also on the youngest members of the Components family. The Components DNA film was shown for the first time. In the film, children of Components employees explain what their parents actually do as members of the Components division. As a special highlight for the children in the film: at the end of the event they were allowed to watch ID.3<sup>1</sup> together with their parents up close on stage.



And action: Behind the scenes of the DNA film.

Numerous "Components children" came on stage with their parents.

You can find the film on YouTube at: <https://youtu.be/Yy9CYc35cY> as well as internally on the portal <https://bit.ly/2XGSQql>

# 14 Top Committees of Group Components

Focus during reorganization on lean decision-making processes and clearly structured reporting and escalation channels

With a lean committee structure comprising only 14 top committees, Group Components contributes to the efficient design of the committee landscape in the Group: along with the divisions, strategy managers Ludwig Fazel and Patrick Gutsch from the Group Organizational Development department have standardized the 14 top committees of

Group Components, described them in a legally compliant manner, and – after approval by the Management Board – published them transparently on Group Connect. Ludwig Fazel explains, “The focus when designing the committees was on exploiting synergies, creating lean and powerful decision-making processes within Components, and establishing clearly structured reporting

and escalation paths in the top committees at the Group level.”

In 2017, the 41 top committees of the Group units were already identified and described, and in 2018, the 39 top committees of the Volkswagen Passenger Cars brand were identified and described in a bid to reduce the Board of Management’s workload and make decision-making processes simpler and more transparent. The Competence Center Panel Management at K-GO is responsible for the central management of the top committees, in close coordination with the responsible departments of Group Components and Group Legal departments. Project manager Gutsch adds, “With all the business units involved, cooperation in preparing and coordination the rules of procedure and warrants of apprehension went excellently – many thanks to all involved!” The Strategy Division (CU) is responsible for central consolidation in Group Components.

At Group Connect (<https://soco.volkswagen.com/sbc/community/top-gremien-group-components>), employees can find the entire portfolio as a PDF file, the rules of procedure and profiles of all top committees in German and English, as well as contact persons for each committee.



Group Components: Ludwig Fazel and Patrick Gutsch present the new committee landscape.

## 14 committees\*

### Senior committee:

- Brand Management: Group Components (MV C)

### Board committees:

- Products: Group Components (C-VAP)
- Program: Group Components (C-VA Programm)
- HR: Group Components (C-VA Personal)
- Technology: Group Components (C-VAT)
- Digitalization: Group Components (C-VAD)

### Other senior committees for the business divisions:

- Business unit management meetings of Motor and Foundry, Transmission and E-Drive, Chassis and E-Mobility business units
- Group Components pilot hall
- Damage Table and FPQ Group Components
- Q-Tag Powertrain Group Components
- Investment Committee Group Components

## Component App Channel



News, pictures of events, strategy information, and personal stories – all in one app: From now on you will find all the news about Volkswagen Group Components in the new 360° Volkswagen Employee app. Simply subscribe to the “Group Components” channel on the app. Here’s how to get started: After logging in, click on “Channels” in the upper left corner. Here you can select your Component channels. Additional information and reports from your location can be found in the Kassel, Salzgitter, and Braunschweig channels.



# Workshop on the New “Lead Time” Category

SPEED+ team supports Salzgitter colleagues at workshop



“Lead time” and “C-HPU” are the two new categories in the SPEED+ Award 2019. The team that wants to assert itself in the lead time needs a high degree of process orientation above all else. It is important to think across departments along the value stream – from goods receipt to goods issue. For this reason, the experts from the Components central industrial engineering and production system held a workshop on site in order to train their colleagues and multipliers with their expertise in value streams. The workshop made use of what is known as the “top level shikumi method”: the aim is to ensure that all information and material flows are “just in time.” The interaction of customers, suppliers, planning, materials, production, and all other areas is shown and linked with the PDCA cycle (plan, do, check, act) and problem solving. The colleagues in Salzgitter were thus able to identify a total of 54 process potentials for the “lead time” category.



## Clear and Concise: The “Lead Time” Category

### What is being measured?

The metrics being measured are the relative reduction of the main component throughput time (master part), the relative reduction of throughput time scatter in the selected process chain, and the absolute scatter of the inventories in the last measurements.

**Who is starting in the category?** Kassel, Salzgitter, Braunschweig, Chemnitz, WOB Chassis, Hanover Casting, SITECH WOB, SITECH Polkowice, Motor Polska, Poznań Casting, Martin, São Carlos, Córdoba, Tianjin, and Puebla.

### More Information

More information is available on the location pages.

## The “In Demand” Dialog Format

Stefan Sommer and Thomas Schmall at the Kassel plant

From drive strategy to IT programs, and personnel requirements to demographic change: at the Kassel plant, 100 employees held a discussion on “in demand” in a dialog format with Group Board Member Stefan Sommer and CEO Thomas Schmall. Product awards and sustainable supply chains were

also covered. For example, one employee wanted to know more about the production of lithium and cobalt for batteries. Sommer and Schmall emphasized that Volkswagen is mining the two key elements exclusively in regions where socially acceptable and eco-friendly mining can be guaranteed.



Change of perspective: Thomas Schmall then posted an app contribution via the Group Components channel – “Thanks to the teams for their involvement in some great discussions!”

## Corporate Design: What Happens Next?

At a glance: The most important roll-out steps



With its roots as an independent entrepreneurial unit, Components also has its own corporate design including a logo – its own fingerprint. International brand plants such as Puebla and Silao, as well as the logo and the most important working materials such as

PowerPoint templates for the fully consolidated group, and companies such as SITECH, were introduced via a soft launch. The roll-out to the Components locations of the other Group brands has not yet taken place. For events, such as the press conference in Salzgitter or the management

event in Wolfsburg, there will be location branding with flags, partition walls, ballpoint pens, and note blocks from Volkswagen Group Components.

### Forecast

From the fourth quarter of 2019, the New Brand Design (NBD) of Volkswagen Passenger Cars will be rolled out. The successive roll-out of the Components logo is therefore being unified and integrated so that all elements such as drive-way flags, only have to be changed once. Importantly, nothing will be changed in listed units. Which elements are adapted, which form these will take, and in which plant, will all be part of the consultations and coordination with plants and locations, which are due to start shortly.

\*ID.3: The vehicle is not yet on sale.



Volkswagen

**A Look Into the Volkswagen Passenger Cars Brand**

**The New Passat and "WeShare"**

The new Passat – an icon enhanced. Model Series Manager Oliver Schroeter explains the highlights of the upgrade made to the Volkswagen classic. You can find the complete article on p. 17 of the 360° edition from the Volkswagen Passenger Cars brand. +++



**WeShare:** Car sharing launched. Volkswagen hits the road with 1,500 e-Golfs<sup>2</sup> in Berlin. Read more on p. 19 of the 360° edition from the Volkswagen Passenger Cars brand. +++



**New ID.3<sup>3</sup>:** Eight-year battery warranty. The battery performance should then still have at least 70 percent of the usable capacity. The article is on p. 21 of the 360° edition from the Volkswagen Passenger Cars brand. +++



Fascinating insight: Factory Manager Andreas Salewsky leads a tour through production.



In conversation: Stephan Weil (left) and Thomas Schmall in front of media representatives.

**Stephan Weil in Salzgitter**

The transformation of the Component was the focus of the Minister President's visit in mid-June

Components is undergoing an extensive transformation process. The Salzgitter location is particularly affected as it converts from a combustion plant to an e-mobility location. On June 12, Minister President Stephan Weil saw this for himself on site. Thomas Schmall, Factory Manager Andreas Salewsky, Chairman of the Salzgitter Works Council Dirk Windmüller, Head of

Volkswagen's Center of Excellence for Battery Cells Frank Blome, as well as Mark Möller, Business Manager of Development and Business Field Manager for E-Mobility, told him about the development of battery cell capabilities, the transformation of motor production, the new e-motor rotor/stator parts, as well as the planned pilot battery recycling plant. Stefan Sommer, Group Board

Member for Components and Procurement, then provided information about Volkswagen AG's investments of around 900 million euros in joint battery projects with Northvolt AB. Part of this sum is earmarked for a planned joint venture with the Swedish battery manufacturer, another chunk going directly to Northvolt AB. In return, Volkswagen will receive around 20 percent of the

shares in Northvolt AB. A 50/50 joint venture will be launched during the course of the year. The aim is to set up a 16-gigawatt-hour battery cell production facility in Europe. The plan is to build the plant in Salzgitter from 2020 at the earliest, provided that the necessary framework conditions are met. The start of battery cell production for Volkswagen is planned for late 2023/early 2024.

**Factories Track OEE Index**

The ONE MISSION 2025 Component strategy focuses on overall equipment effectiveness.

Under the heading "Excellence," the ONE MISSION 2025 Components strategy tackles process improvements. "Increase OEE" is the unassuming name given to one of the most important initiatives in this area, as the overall equipment effectiveness, OEE for short, is one of the key performance indicators for the factory. It indicates whether systems are smoothly producing parts of the highest quality, or whether they are generating component bottlenecks due to frequent downtimes or poorly synchronized process steps, all of which can have an impact on production.

This is why OEE is also an important statistic for the "SPEED+ Award," in which 23 factories from Braunschweig to Kaluga, and Mlada

Boleslav to Győr will take part for the third year running. Last year the OEE of the participating lines in the "Factory Efficiency" category was increased by 8.9 percent on average – let's see what happens with Group-wide participants in 2019!

The "Increase OEE" strategy initiative lays out important steps for Components at all levels:

1. "OEE connection and performance" will be the set measurement for the factories in the Group Components target system.
2. Continuous tracking of the OEE of the various facilities in the factory and in the business segment is under development and will create

transparency in the monthly report in the future.

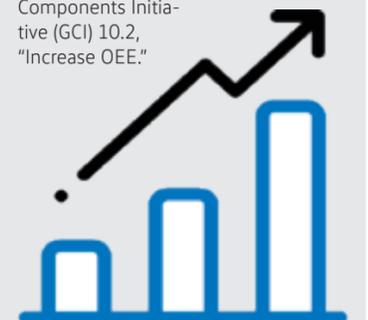
3. During pilot projects, countermeasures are quickly introduced if, for example, a facility causes part bottlenecks. A joint team from HQ and the factory reviews set-up times, processes, and standards, and looks for the causes of the malfunctions.

"For example, in the Steering Productivity Increase project in Braunschweig, cycle times could be optimized, parameters standardized, and the collaboration between people and machines improved – the OEE increased by an impressive 20 percent," says Stefan Kiendl.



The OEE is a production indicator that describes the overall effectiveness of a factory. The more effectively and smoothly our production facilities run, the higher the productivity and investment utilization.

Jörg Emmert, Head of Production Planning and Management, and project manager Stefan Kiendl, Head of IE & Production Systems, are responsible for the Group Components Initiative (GCI) 10.2, "Increase OEE."



**Determination Plus Pragmatism Equals Success**

Nadine Muuß from the Salzgitter plant encourages breaking down mental barriers

First an appointment with suppliers, then a consultation with the team, and another meeting in the factory – Nadine Muuß is always on the go. The 37-year-old is responsible for process planning in Tool Management at the Salzgitter component production site as part of the Production Maintenance and Toolmaking department. She is in charge of a budget in the tens of millions.

Her path to becoming part of the management team is intriguing. Muuß completed a sales apprenticeship at Volkswagen in Wolfs-

burg and then worked in Assembly. After a short time in Finance and Controlling, she completed her degree in industrial and mechanical engineering. Muuß has been at the Salzgitter location since 2010, and describes it as her "second career." She was appointed to the management team at the beginning of July 2019.

Along the way, the mother of a three-year-old daughter learned how to overcome challenges early on. "I'm a career changer. In my experience, there are different views on how in-depth your involvement in technical aspects should be as a manager. My job as a manager is made up much more of keeping an eye on the goals and driving the team forward in order to complete the tasks at the highest level."

She always sees successes as a team effort that have a motivating



Nadine Muuß: "Successes are a team effort."

effect. Determination, optimism, and perseverance are crucial for the young manager in her professional career, but also when it comes to balancing family and work life. She explains pragmatically that her motto is "If you fall down, you have to get back up again." Her tip for people at the start of their careers is, "to push aside the barriers in your head and go for it. Just do it, and if it doesn't work out, keep going."

"Optimizing and designing processes and bringing people along with me is what drives me."



**A Look at Chemnitz: Internal Training Center**

The employees at the engine plant in Chemnitz are preparing themselves for increasing demands through internal training courses. For its training courses, the Training Center concentrates on three main aspects: site-specific training in line with production requirements, individual and very practical process training, and professional training with one-on-one instruction. In addition, a modern virtual reality training module is currently under development.

More Information

All articles about the Chemnitz, Zwickau, and Dresden locations in Saxony are bundled in the Saxony Book. You can find this edition in the portal at <https://bit.ly/322Udil>

<sup>2</sup> e-Golf: power consumption, kWh/100 km: combined 14.1 with 17-inch wheels – 13.2 16-inch; CO<sub>2</sub> emissions combined, g/km: 0; efficiency class: A+. <sup>3</sup> ID.3: The vehicle is not yet on sale.