

# Remuneration Report

The Remuneration Report details the individualized remuneration of the Board of Management and the Supervisory Board of Volkswagen AG, broken down into components, as well as individualized pension provision disclosures for the members of the Board of Management. In addition, we explain in this chapter the main elements of the remuneration system for the Board of Management.

## PRINCIPLES OF BOARD OF MANAGEMENT REMUNERATION

Matters involving the remuneration system and the total remuneration of each individual member of the Volkswagen AG Board of Management are decided on by the Supervisory Board on the basis of the Executive Committee's recommendations. The remuneration system implements the requirements of the Aktiengesetz (AktG – German Stock Corporation Act) and the recommendations of the German Corporate Governance Code (the Code). In particular, the remuneration structure is focused on ensuring sustainable business development in accordance with the Gesetz zur Angemessenheit der Vorstandsvergütung (VorstAG – German Act on the Appropriateness of Executive Board Remuneration) and section 87(1) of the AktG.

At the beginning of 2017, the Supervisory Board of Volkswagen AG resolved to adjust the remuneration system of the Board of Management with effect from January 1, 2017. The system for remuneration of the Board of Management was approved by the Annual General Meeting on May 10, 2017 with 80.96% of the votes cast. The adjustment, in which the Supervisory Board was assisted by renowned, independent external remuneration and legal consultants, resulted in an alignment with the Group strategy TOGETHER – Strategy 2025.

The level of the Board of Management remuneration should be appropriate and attractive in the context of the Company's national and international peer group. Criteria include the tasks of the individual Board of Management member, their personal performance, the economic situation, and the performance of and outlook for the Company, as well as how customary the remuneration is when measured against the peer group and the remuneration structure that applies to other areas of Volkswagen. In this context, comparative studies on remuneration are conducted on a regular basis.

## COMPONENTS OF BOARD OF MANAGEMENT REMUNERATION

In this section, we provide an overview of the Board of Management's remuneration system before going into the components of the remuneration for the reporting period.

### Overview of the remuneration system

The remuneration system of the Board of Management comprises non-performance-related and performance-related components. The performance-related remuneration consists of an annual bonus with a one-year assessment period and a long-term incentive (LTI) in the form of a performance share plan with a forward-looking three-year term. The performance share plan is linked to business development in the next three years and is thus based on a multiyear, forward-looking assessment that reflects both positive and negative developments. The non-performance-related component creates an incentive for individual members of the Board of Management to perform their duties in the best interests of the Company and to fulfill their obligation to act with proper business prudence without needing to focus on merely short-term performance targets. The performance-related components, dependent among other criteria on the financial performance of the Company, serve to ensure the long-term impact of behavioral incentives.

If 100% of the respectively agreed targets are achieved, the annual target remuneration for each member of the Board of Management will amount to a total of €4,500,000 (corresponding to a fixed remuneration of €1,350,000, a target amount from the annual bonus of €1,350,000 and a target amount from the performance share plan of €1,800,000). The annual target remuneration for the Chairman of the Board of

Management amounts to a total of €9,000,000 (fixed remuneration of €2,125,000, a target amount from the annual bonus of €3,045,000, and a target amount from the performance share plan of €3,830,000).

Annual minimum remuneration of €3.5 million (sum of fixed remuneration, annual bonus, LTI and any special payments) was contractually agreed with Mr. Sommer. Annual minimum remuneration of €3.5 million (sum of fixed and variable remuneration) was contractually agreed with Mr. Blessing.

#### Non-performance-related remuneration

The non-performance-related remuneration comprises fixed remuneration and fringe benefits. Since 2018, separate remuneration is no longer provided for appointments assumed at Group companies, but is covered by the fixed remuneration. The fringe benefits result from noncash benefits and include in particular the use of operating assets such as company cars and the payment of insurance premiums. Taxes due on these noncash benefits are mainly borne by Volkswagen AG.

The fixed level of remuneration is reviewed regularly and adjusted if necessary.

#### Performance-related remuneration

The performance-related/variable remuneration consists of an annual performance-related bonus with a one-year assessment period and a long-term incentive (LTI) in the form of a performance share plan with a forward-looking three-

year term (long-term incentive components) and phantom preferred shares. The components of performance-related/variable remuneration reflect both positive and negative developments.

The Supervisory Board may cap the performance-related/variable remuneration components in the event of extraordinary developments.

#### Annual bonus

The annual bonus is based upon the result for the respective fiscal year. Operating profit achieved by the Volkswagen Group plus the proportionate operating profit of the Chinese joint ventures form half of the basis for the annual bonus, with operating return on sales achieved by the Volkswagen Group making up the second half. Each of the two components of the annual bonus will only be payable if certain thresholds are exceeded or reached.

The calculated payment amount may be individually reduced (multiplier of 0.8) or increased (multiplier of 1.2) by up to 20% by the Supervisory Board, taking into account the degree of achievement of individual targets agreed between the Supervisory Board and the respective member of the Board of Management, as well as the success of the full Board of Management in transforming the Volkswagen Group by transferring employees to new areas of activity.

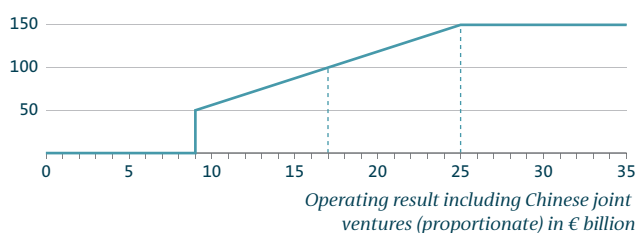
The payment amount for the annual bonus is capped at 180% of the target amount for the annual bonus. The cap arises from 150% of the maximum financial target achievement and a performance factor of a maximum of 1.2.

## CALCULATION OF THE PAYMENT AMOUNT FOR THE ANNUAL BONUS

| TARGET | × | TARGET ACHIEVEMENT   | = | ANNUAL BONUS                                    |
|--------|---|--|---|---|
|        |   | Company bonus<br>Operational KPIs<br>(0 – 150% target achievement) | × | Performance factor<br>Multiplier<br>(0.8 – 1.2) |
|        |   |  |   | Payment amount                                  |

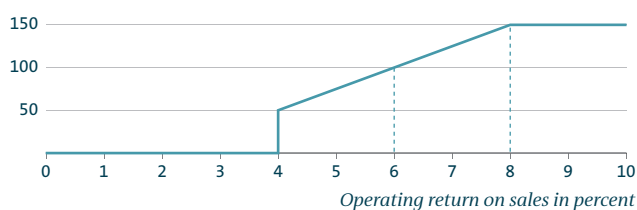
## 50 PERCENT COMPONENT 1

Target achievement in percent



## 50 PERCENT COMPONENT 2

Target achievement in percent



## COMPONENT 1: OPERATING RESULT INCLUDING CHINESE JOINT VENTURES (PROPORTIONATE)

| € billion                 | 2017 | 2018 |
|---------------------------|------|------|
| Maximum threshold         | 25.0 | 25.0 |
| 100% level of target      | 17.0 | 17.0 |
| Minimum threshold         | 9.0  | 9.0  |
| Actual                    | 18.6 | 18.5 |
| Target achievement (in %) | 110  | 110  |

## COMPONENT 2: OPERATING RETURN ON SALES

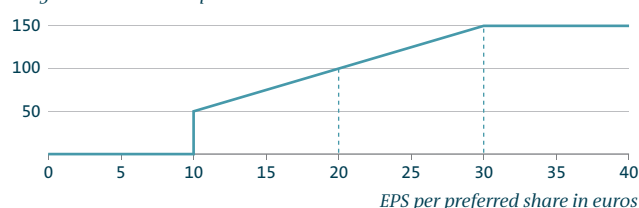
| %                         | 2017 | 2018 |
|---------------------------|------|------|
| Maximum threshold         | 8.0  | 8.0  |
| 100% level of target      | 6.0  | 6.0  |
| Minimum threshold         | 4.0  | 4.0  |
| Actual                    | 6.0  | 5.9  |
| Target achievement (in %) | 100  | 98   |

#### Performance share plan – long-term incentive (LTI)

The LTI is granted to the Board of Management annually in the form of a performance share plan. Each performance period of the performance share plan has a term of three years. At the time the LTI is granted, the annual target amount under the LTI is converted on the basis of the initial reference price of Volkswagen's preferred shares into performance shares of Volkswagen AG, which are allocated to the respective member of the Board of Management purely for calculation purposes. The conversion is performed based on the unweighted average of the closing prices of Volkswagen's preferred shares for the last 30 trading days preceding January 1 of a given fiscal year. At the end of each year, the number of performance shares is determined definitively for one-third of the three-year performance period based on the degree of target achievement for the annual earnings per Volkswagen preferred share (EPS – earnings per share per preferred share in €). A prerequisite for this is that a threshold is reached.

#### EPS PERFORMANCE MEASUREMENT

Target achievement in percent



#### PERFORMANCE PERIOD 2017–2019

| €                         | 2017  | 2018  |
|---------------------------|-------|-------|
| Maximum threshold         | 30.00 | 30.0  |
| 100% level of target      | 20.00 | 20.0  |
| Minimum threshold         | 10.00 | 10.0  |
| Actual                    | 22.69 | 23.82 |
| Target achievement (in %) | 113   | 119   |

#### PERFORMANCE PERIOD 2018–2020

| €                         | 2018  |
|---------------------------|-------|
| Maximum threshold         | 30.0  |
| 100% level of target      | 20.0  |
| Minimum threshold         | 10.0  |
| Actual                    | 23.82 |
| Target achievement (in %) | 119   |

A cash settlement is made at the end of the three-year term of the performance share plan. The payment amount corresponds to the final number of determined performance shares, multiplied by the closing reference price at the end of the three-year period plus a dividend equivalent for the relevant term. The closing reference price is the unweighted average of the closing prices for Volkswagen's preferred shares for the 30 trading days preceding the last day of the three-year performance period.

| €                       | 2017           | 2018           |
|-------------------------|----------------|----------------|
| Initial reference price | 127.84         | 169.42         |
| Closing reference price | – <sup>1</sup> | – <sup>1</sup> |
| Dividend equivalent     | 2.06           | 3.96           |

1. Determined at the end of the performance period.

The payment amount under the performance share plan is limited to 200% of the target amount. An advance of 20% on the payment amount is paid if the average ratio of capex to sales revenue in the Automotive Division or the R&D ratio of the last three years is smaller than 5%.

If the employment contract of a member of the Board of Management concludes prior to the end of the performance period due to extraordinary termination based on good cause, or if the member of the Board of Management starts working for a competitor, (also referred to as “bad-leaver cases”), the unpaid performance shares will expire. For members of the Board of Management who held their seat as of December 31, 2016, this rule only applies in the event of a reappointment or new appointment.

In connection with the appointment of the Chairman of the Board of Management, the employment contract of Mr. Diess was terminated by mutual agreement in 2018 and a new employment contract was entered into, although the expiry rule described above applies from the 2018–2020 performance period onwards.

Ms. Werner was appointed as a member of the Board of Management in 2017. Mr. Blume, Mr. Kilian and Mr. Sommer were newly appointed to the Board of Management in 2018.

In the introductory phase of the performance share plan (2017–2018), the members of the Board of Management who were Board members as of December 31, 2016 will generally receive advances of 80% of their target amount. Mr. Stadler did not receive an advance payment for the performance period 2018–2020. Mr. Blume will receive corresponding advances for the performance periods 2018–2020 (proportionate) and 2019–2021. The two advances will each be paid after the first year of the performance period. A settlement is made based on actual achievement of targets at the end of the relevant three-year performance period.

## CALCULATION OF THE PAYMENT AMOUNT FROM THE PERFORMANCE SHARE PLAN

| TARGET                       | PERFORMANCE MEASUREMENT                 |   |               | PRICE PERFORMANCE AND DIVIDENDS   | LTI            |
|------------------------------|---|---|---------------|---|----------------|
| ÷<br>Initial reference price | Provisional performance shares (number) | Final number determined for 1/3 of provisional performance shares multiplied by annual target achievement EPS per preferred share |               |   |                |
|                              |   | 1/3<br>×  | 1/3<br>×      | 1/3<br>×  |                |
|                              |   | Target achievement EPS per preferred share  |               |   |                |
|                              |   | Fiscal year 1   | Fiscal year 2 | Fiscal year 3   |                |
|                              |   |   |               | Final performance shares (number) × Closing reference price plus dividend over term = | Payment amount |

## INFORMATION ON THE PERFORMANCE SHARES

| €   | PERFORMANCE PERIOD 2017–2019                             |                              | PERFORMANCE PERIOD 2018–2020                             |                              |
|---|--|------------------------------|--|------------------------------|
|   | Number of performance shares allocated at the grant date | Fair value at the grant date | Number of performance shares allocated at the grant date | Fair value at the grant date |
| Herbert Diess                                       | 14,080   | 2,048,640                    | 19,212   | 2,840,468                    |
| Karlheinz Blessing (until April 12, 2018)           | 14,080   | 2,025,408                    | 10,624   | 1,799,918                    |
| Oliver Blume (since April 13, 2018)                 | –  | –                            | 7,614  | 1,349,810                    |
| Francisco Javier García Sanz (until April 12, 2018) | 14,080   | 1,890,944                    | 10,624   | 1,799,918                    |
| Jochem Heizmann                                     | 14,080   | 2,031,040                    | 10,624   | 1,799,918                    |
| Gunnar Kilian (since April 13, 2018)                | –  | –                            | 7,614  | 1,349,810                    |
| Matthias Müller (until April 12, 2018)              | 29,959   | 4,309,602                    | 22,607   | 3,829,909                    |
| Andreas Renschler                                   | 14,080   | 1,891,648                    | 10,624   | 1,799,918                    |
| Stefan Sommer (since September 1, 2018)             | –  | –                            | 3,541  | 488,446                      |
| Rupert Stadler (until October 2, 2018)              | 14,080   | 2,025,408                    | 10,624 <sup>1</sup>                                      | 1,799,918 <sup>1</sup>       |
| Hiltrud Dorothea Werner (since February 1, 2017)    | 12,907   | 1,856,672                    | 10,624   | 1,799,918                    |
| Frank Witter  | 14,080   | 2,025,408                    | 10,624   | 1,799,918                    |
| <b>Total</b>  | <b>141,426</b>   | <b>20,104,770</b>            | <b>134,956</b>   | <b>22,457,869</b>            |

1 In connection with Mr. Stadler's departure, the number of performance shares allocated to him was reduced to 4,890 (fair value: €828,464).

| €   | Provision as of Dec. 31, 2018 | Intrinsic value as of Dec. 31, 2018 | Comprehensive income 2018 arising from performance shares | Provision as of Dec. 31, 2017 | Intrinsic value as of Dec. 31, 2017 | Comprehensive income 2017 arising from performance shares |
|---|-------------------------------|-------------------------------------|---|-------------------------------|-------------------------------------|---|
| Herbert Diess                                       | 2,617,527                     | 3,056,319                           | 1,547,771   | 3,673,623                     | 2,222,245                           | 3,673,623   |
| Karlheinz Blessing (until April 12, 2018)           | 6,573,347                     | 3,802,998                           | 796,447   | 5,202,356                     | 2,222,245                           | 5,202,356   |
| Oliver Blume (since April 13, 2018)                 | 401,323                       | –                                   | 401,323   | –                             | –                                   | –   |
| Francisco Javier García Sanz (until April 12, 2018) | 4,141,211                     | 3,802,898                           | 49,867  | 5,405,211                     | 2,222,245                           | 5,405,211   |
| Jochem Heizmann                                     | 3,422,628                     | 3,802,898                           | 759,638   | 4,102,990                     | 2,222,245                           | 4,102,990   |
| Gunnar Kilian (since April 13, 2018)                | 401,323                       | –                                   | 401,323   | –                             | –                                   | –   |
| Matthias Müller (until April 12, 2018)              | 10,770,485                    | 8,091,750                           | 1,246,413   | 10,201,381                    | 4,728,427                           | 10,201,381  |
| Andreas Renschler                                   | 5,298,813                     | 3,802,898                           | 1,991,565   | 4,747,249                     | 2,222,245                           | 4,747,249   |
| Stefan Sommer (since September 1, 2018)             | 97,766                        | –                                   | 97,766  | –                             | –                                   | –   |
| Rupert Stadler (until October 2, 2018)              | 2,658,630                     | 3,531,782                           | –938,995  | 4,698,709                     | 2,222,245                           | 4,698,709   |
| Hiltrud Dorothea Werner (since February 1, 2017)    | 2,166,448                     | –                                   | 1,542,922   | 623,526                       | –                                   | 623,526   |
| Frank Witter  | 6,366,831                     | 3,802,898                           | 2,678,125   | 5,128,707                     | 2,222,245                           | 5,128,707   |
| <b>Total</b>  | <b>44,916,334</b>             | <b>33,694,440</b>                   | <b>10,574,164</b>   | <b>43,783,751</b>             | <b>20,284,141</b>                   | <b>43,783,751</b>   |

The number of performance shares includes the provisional performance shares allocated at the grant date of the performance share plan. The fair value as at the grant date was determined using a recognized valuation technique.

The provision recognized as of December 31, 2018 reflects the obligation to the members of the Board of Management. To determine its amount, the performance shares expected for future performance periods were taken into account in addition to the provisional performance shares determined or allocated for the performance periods 2017–2019 and 2018–2020. The amount therefore depends on the individual contract term and the relevant vesting arrangements for the performance shares. The intrinsic value was calculated in accordance with IFRS 2 and corresponds to the amount that the members of the Board of Management would have received if they had stepped down on December 31, 2018. Only the nonforfeitable (vested) performance shares at the reporting date are included in the calculation. The intrinsic value was calculated based on the unweighted average share price for the 30 trading days (Xetra closing prices of Volkswagen's preferred shares) preceding December 31, 2018, taking the dividends paid per preferred share during the performance period into account. The net value of all amounts recognized in income for the performance shares in fiscal year 2018 is recorded in comprehensive income 2018 arising from performance shares according to the IFRSs.

#### Phantom preferred shares

The phantom preferred shares for the remuneration withheld for 2015 will form part of the Board of Management remuneration until they are paid out in 2019.

#### Total remuneration cap

In addition to the cap on the individual variable components of the remuneration for the members of the Board of Management, the annual benefits received according to the Code, consisting of fixed remuneration and the variable remuneration components (i.e. annual bonus and performance share plan) for one fiscal year may not exceed an amount of €10,000,000 for the Chairman of the Board of Management and €5,500,000 for each member of the Board of Management. If the total remuneration cap is exceeded, the variable components will be reduced proportionately.

#### Regular review and adjustment

The Supervisory Board regularly reviews and, if necessary, adjusts the level of the total remuneration cap and the individual targets.

#### Other agreements

Members of the Board of Management with contracts entered into on or after January 1, 2010 are entitled to payment of their normal remuneration for six to twelve months in the event of illness. Contracts entered into before that date grant remuneration for six months. In the event of disability, they are entitled to the retirement pension.

Surviving dependents receive a widow's pension of 66 ⅔% and orphans' benefits of 20% of the former member of the Board of Management's pension. Contracts with members of the Board of Management whose first term of office began after April 1, 2015, provide for an entitlement – in line with the principles of the works agreement that also applies to employees of Volkswagen AG covered by collective agreements – to a widow's pension of 60%, an orphan's benefit of 10% for half-orphans and an orphan's benefit of 20% for full orphans, based in each case on the former member of the Board of Management's pension.

#### BENEFITS BASED ON PHANTOM PREFERRED SHARES FROM THE REMUNERATION WITHHELD FOR FISCAL YEAR 2015

At its meeting on April 22, 2016, Volkswagen AG's Supervisory Board accepted the offer made by the members of the Board of Management to withhold 30% of the variable remuneration for fiscal year 2015 for the Board of Management members active on the date of the resolution and to make its disposal subject to future share price performance.

This is being effected by first converting the amount withheld based on the average share price for the 30 trading days preceding April 22, 2016 (initial reference price) into phantom preferred shares of Volkswagen AG with a three-year holding period and, at the same time, defining a target reference price corresponding to 125% of the initial reference price. During the holding period, the phantom preferred shares are entitled to dividend equivalents in the amount of the dividends paid on real preferred shares.

The shares will generally be reconverted and paid out when the three-year holding period has expired or – in the event that members retire from office early – at the time they do so.

To determine the payment amount, the average share price for the 30 trading days preceding the last day of the holding period, i.e. April 22, 2019, or the date upon which members leave the company, will be calculated (closing reference price). The difference between the target reference price and the initial reference price will be deducted from the closing reference price, and the dividends distributed on one real Volkswagen preferred share during the holding period (dividend equivalent) will be added to the closing reference price. The figure thus calculated will be multiplied by the number of phantom preferred shares so as to calculate the

amount to be paid to each Board of Management member. This will ensure that – excluding any dividend equivalents accrued – the amount withheld is only paid out in full if the initial reference price of the preferred share has increased by at least 25%. Otherwise, the amount will be reduced accordingly to a minimum of €0. The amount disbursed may not be more than twice the amount originally withheld.

In fiscal year 2018, Mr. Garcia Sanz and Mr. Müller – Board members participating in the amount withheld – retired from the Board of Management of Volkswagen AG, while their contract of service remained in place. Therefore, they did not receive any early disbursement. Moreover, the three-year holding period still applies. Due to early termination of the contract of service in 2018, Mr. Stadler received a payment from the amount withheld.

The number of phantom preferred shares granted on April 22, 2016 to the members of the Board of Management who were in office at that time did not change in fiscal year 2018. The fair value as of December 31, 2018 was determined using a recognized valuation technique. The intrinsic value was calculated in accordance with IFRS 2 and corresponds to the amount that the members of the Board of Management would have received if they had stepped down on December 31, 2018. The intrinsic value was calculated based on the unweighted average share price for the 30 trading days (Xetra closing prices of Volkswagen's preferred shares) preceding December 31, 2018, taking the initial reference price and the dividends for the relevant fiscal years into account. The net value of all amounts recognized in income for the phantom shares in fiscal year 2018 is recorded in comprehensive income 2018 arising from phantom preferred shares according to the IFRSs.

#### INFORMATION ON THE PHANTOM PREFERRED SHARES HELD IN 2018

| €   | Number of phantom shares | Provision Dec. 31, 2018 | Provision Dec. 31, 2017 | Intrinsic value Dec. 31, 2018 | Intrinsic value Dec. 31, 2017 | Comprehensive income 2018 arising from phantom preferred shares | Comprehensive income 2017 arising from phantom preferred shares |
|---|--------------------------|-------------------------|-------------------------|-------------------------------|-------------------------------|---|---|
| Herbert Diess                                       | 4,317                    | 512,740                 | 596,428                 | 540,704                       | 620,051                       | –83,688   | 169,732   |
| Francisco Javier Garcia Sanz (until April 12, 2018) | 8,633                    | 1,025,361               | 1,192,718               | 1,081,283                     | 1,239,958                     | –47,418   | 339,425   |
| Jochem Heizmann                                     | 8,633                    | 1,025,361               | 1,192,718               | 1,081,283                     | 1,239,958                     | –167,356  | 339,425   |
| Matthias Müller (until April 12, 2018)              | 10,583                   | 1,256,967               | 1,462,126               | 1,325,521                     | 1,520,036                     | –58,128   | 416,094   |
| Andreas Renschler                                   | 7,914                    | 939,964                 | 1,093,382               | 991,229                       | 1,136,688                     | –153,418  | 311,156   |
| Rupert Stadler (until October 2, 2018)              | 8,633                    | –                       | 1,192,718               | –                             | 1,239,958                     | –68,178   | 339,425   |
| Frank Witter  | 1,990                    | 236,357                 | 274,934                 | 249,248                       | 285,824                       | –38,577   | 78,241  |
| <b>Total</b>  | <b>50,703</b>            | <b>4,996,750</b>        | <b>7,005,022</b>        | <b>5,269,268</b>              | <b>7,282,472</b>              | <b>–616,764</b>   | <b>1,993,496</b>  |

## REMUNERATION OF THE MEMBERS OF THE BOARD OF MANAGEMENT IN ACCORDANCE WITH THE GERMAN COMMERCIAL CODE

| €  | 2018                              |                               |                               | 2017               |                    |
|--|-----------------------------------|-------------------------------|-------------------------------|--------------------|--------------------|
|  | Non-performance-related component | Performance-related component | Long-term incentive component | Total remuneration | Total remuneration |
| Herbert Diess  | 1,982,182                         | 3,055,182                     | 2,840,468                     | 7,877,832          | 5,034,323          |
| Karlheinz Blessing (until April 12, 2018)                        | 483,329                           | 435,831                       | 1,799,918                     | 2,719,078          | 5,193,502          |
| Oliver Blume (since April 13, 2018)                              | 1,013,499                         | 1,152,506                     | 1,349,810                     | 3,515,815          | –                  |
| Francisco Javier Garcia Sanz (until April 12, 2018)              | 469,821                           | 435,831                       | 1,799,918                     | 2,705,570          | 5,009,209          |
| Jochem Heizmann  | 1,605,076                         | 1,608,147                     | 1,799,918                     | 5,013,141          | 5,139,764          |
| Gunnar Kilian (since April 13, 2018)                             | 1,027,207                         | 1,152,506                     | 1,349,810                     | 3,529,523          | –                  |
| Matthias Müller (until April 12, 2018)                           | 672,083                           | 983,042                       | 3,829,909                     | 5,485,033          | 10,140,544         |
| Andreas Renschler  | 1,596,305                         | 1,608,147                     | 1,799,918                     | 5,004,370          | 5,025,264          |
| Stefan Sommer (since September 1, 2018)                          | 579,020                           | 536,049                       | 488,446                       | 1,603,515          | –                  |
| Rupert Stadler (until October 2, 2018)                           | 687,284                           | 643,642                       | 1,799,918 <sup>1</sup>        | 3,130,844          | 5,002,721          |
| Hiltrud Dorothea Werner (since February 1, 2017)                 | 1,522,095                         | 1,608,147                     | 1,799,918                     | 4,930,160          | 4,626,272          |
| Frank Witter   | 1,413,363                         | 1,608,147                     | 1,799,918                     | 4,821,428          | 5,004,967          |
| Members of the Board of Management who left in the previous year | –                                 | –                             | –                             | –                  | 109,361            |
| <b>Total</b>   | <b>13,051,264</b>                 | <b>14,827,178</b>             | <b>22,457,869</b>             | <b>50,336,310</b>  | <b>50,285,927</b>  |

1. In connection with Mr. Stadler's departure, the number of performance shares allocated to him was reduced to 4,890 (fair value: €828,464).

## REMUNERATION OF THE MEMBERS OF THE BOARD OF MANAGEMENT IN ACCORDANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE

The amounts shown as benefits received in the Board of Management remuneration tables in accordance with the Code correspond, in principle, to the amounts paid out for the fiscal year in question.

In the introductory phase of the performance share plan (2017 to 2018), the members of the Board of Management who were Board members as of December 31, 2016 generally received advances on the target amount, which in accordance with the Code are reported in the tables as benefits received for the fiscal year in which the performance shares under the plan were allocated; Mr. Stadler did not receive an advance for the 2018–2020 performance period. Mr. Blume will receive corresponding advances for the performance period 2018–2020 (proportionate) and 2019–2021.

The amounts shown as benefits granted in the Board of Management remuneration tables in accordance with the Code are based on 100% of the targets for the annual bonus and on the fair value at the grant date for the performance share plan. Since the new members of the Board of Management were appointed on different dates throughout 2018, there is an individual grant date for these Board members and, consequently, a different fair value.

In the Board of Management remuneration tables in accordance with the Code showing benefits received, entries for the phantom preferred shares from the amount withheld for fiscal year 2015 are only included for Mr. Stadler. No other payments for the phantom preferred shares were made in financial year 2018.



**REMUNERATION OF THE MEMBERS OF THE BOARD OF MANAGEMENT (BENEFITS RECEIVED AND BENEFITS GRANTED) IN ACCORDANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE**

| HERBERT DIESS  |                   |                  |                  |                  |                  |                   |
|--|-------------------|------------------|------------------|------------------|------------------|-------------------|
| Chairman of the Board of Management of Volkswagen AG,<br>Chairman of the Brand Board of Management of Volkswagen Passenger Cars,<br>Volume brand group |                   |                  |                  |                  |                  |                   |
| €  | Benefits received |                  | Benefits granted |                  |                  |                   |
|  | 2018              | 2017             | 2017             | 2018             | 2018 (minimum)   | 2018 (maximum)    |
| Fixed remuneration   | 1,905,414         | 1,350,000        | 1,350,000        | 1,905,414        | 1,905,414        | 1,905,414         |
| Fringe benefits  | 76,768            | 78,104           | 78,104           | 76,768           | 76,768           | 76,768            |
| <b>Total</b>   | <b>1,982,182</b>  | <b>1,428,104</b> | <b>1,428,104</b> | <b>1,982,182</b> | <b>1,982,182</b> | <b>1,982,182</b>  |
| One-year performance-related remuneration  | 3,055,182         | 1,557,579        | 1,350,000        | 2,564,750        | 0                | 4,616,550         |
| Multiyear performance-related remuneration   | 2,603,867         | 1,440,000        | 2,048,640        | 2,840,468        | 0                | 6,509,667         |
| LTI (performance share plan 2017–2019)   | –                 | 1,440,000        | 2,048,640        | –                | –                | –                 |
| LTI (performance share plan 2018–2020)   | 2,603,867         | –                | –                | 2,840,468        | 0                | 6,509,667         |
| <b>Total<sup>1</sup></b>   | <b>7,641,230</b>  | <b>4,425,683</b> | <b>4,826,744</b> | <b>7,387,400</b> | <b>1,982,182</b> | <b>13,108,398</b> |
| Pension expense  | 850,620           | 814,654          | 814,654          | 850,620          | 850,620          | 850,620           |
| <b>Total remuneration</b>  | <b>8,491,850</b>  | <b>5,240,337</b> | <b>5,641,398</b> | <b>8,238,020</b> | <b>2,832,802</b> | <b>13,959,018</b> |

1 The fixed remuneration agreed with Mr. Diess for fiscal year 2018 is €1,905,414, while the target amount for the annual bonus is €2,564,750, the target amount for the performance share plan is €3,254,833 and the total remuneration cap is €8,725,000. The values were calculated pro rata for the term of office as a full member of the Board of Management up until April 12, 2018 and for the term of office as Chairman of the Board of Management starting April 13, 2018.

| KARLHEINZ BLESSING                         |                   |                  |                  |                  |                  |                  |
|--|-------------------|------------------|------------------|------------------|------------------|------------------|
| Human Resources and Organization           |                   |                  |                  |                  |                  |                  |
| Left: April 12, 2018                       |                   |                  |                  |                  |                  |                  |
| €  | Benefits received |                  | Benefits granted |                  |                  |                  |
|  | 2018              | 2017             | 2017             | 2018             | 2018 (minimum)   | 2018 (maximum)   |
| Fixed remuneration                         | 382,500           | 1,350,000        | 1,350,000        | 382,500          | 382,500          | 382,500          |
| Fringe benefits                            | 100,829           | 260,515          | 260,515          | 100,829          | 100,829          | 100,829          |
| <b>Total</b>                               | <b>483,329</b>    | <b>1,610,515</b> | <b>1,610,515</b> | <b>483,329</b>   | <b>483,329</b>   | <b>483,329</b>   |
| One-year performance-related remuneration  | 435,831           | 1,557,579        | 1,350,000        | 382,500          | 0                | 688,500          |
| Multiyear performance-related remuneration | 408,000           | 1,440,000        | 2,025,408        | 1,799,918        | 0                | 3,600,000        |
| LTI (performance share plan 2017–2019)     | –                 | 1,440,000        | 2,025,408        | –                | –                | –                |
| LTI (performance share plan 2018–2020)     | 408,000           | –                | –                | 1,799,918        | 0                | 3,600,000        |
| <b>Total<sup>1</sup></b>                   | <b>1,327,160</b>  | <b>4,608,094</b> | <b>4,985,923</b> | <b>2,665,747</b> | <b>1,092,496</b> | <b>4,771,829</b> |
| Pension expense                            | 236,664           | 686,413          | 686,413          | 236,664          | 236,664          | 236,664          |
| <b>Total remuneration</b>                  | <b>1,563,824</b>  | <b>5,294,507</b> | <b>5,672,336</b> | <b>2,902,411</b> | <b>1,329,159</b> | <b>5,008,493</b> |

1 Minimum amount for 2018 includes a prorated top-up amount on minimum remuneration of €3.5 million.

**REMUNERATION OF THE MEMBERS OF THE BOARD OF MANAGEMENT (BENEFITS RECEIVED AND BENEFITS GRANTED) IN ACCORDANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE**

| OLIVER BLUME  |                   |          |                  |                  |                  |                  |
|---|-------------------|----------|------------------|------------------|------------------|------------------|
| Chairman of the Board of Management of Dr. Ing. h.c. F. Porsche AG,<br>Sport & Luxury brand group |                   |          |                  |                  |                  |                  |
| Joined: April 13, 2018  |                   |          |                  |                  |                  |                  |
| €   | Benefits received |          | Benefits granted |                  |                  |                  |
|   | 2018              | 2017     | 2017             | 2018             | 2018 (minimum)   | 2018 (maximum)   |
| Fixed remuneration  | 967,500           | –        | –                | 967,500          | 967,500          | 967,500          |
| Fringe benefits   | 45,999            | –        | –                | 45,999           | 45,999           | 45,999           |
| <b>Total</b>  | <b>1,013,499</b>  | <b>–</b> | <b>–</b>         | <b>1,013,499</b> | <b>1,013,499</b> | <b>1,013,499</b> |
| One-year performance-related remuneration   | 1,152,506         | –        | –                | 967,500          | 0                | 1,741,500        |
| Multiyear performance-related remuneration  | 1,032,000         | –        | –                | 1,349,810        | 0                | 2,580,000        |
| LTI (performance share plan 2018–2020)  | 1,032,000         | –        | –                | 1,349,810        | 0                | 2,580,000        |
| <b>Total</b>  | <b>3,198,005</b>  | <b>–</b> | <b>–</b>         | <b>3,330,809</b> | <b>1,013,499</b> | <b>5,334,999</b> |
| Pension expense   | 588,354           | –        | –                | 588,354          | 588,354          | 588,354          |
| <b>Total remuneration</b>   | <b>3,786,359</b>  | <b>–</b> | <b>–</b>         | <b>3,919,163</b> | <b>1,601,853</b> | <b>5,923,353</b> |

| FRANCISCO JAVIER GARCIA SANZ               |                   |                  |                  |                  |                |                  |
|--|-------------------|------------------|------------------|------------------|----------------|------------------|
| Procurement                                |                   |                  |                  |                  |                |                  |
| Left: April 12, 2018                       |                   |                  |                  |                  |                |                  |
| €  | Benefits received |                  | Benefits granted |                  |                |                  |
|  | 2018              | 2017             | 2017             | 2018             | 2018 (minimum) | 2018 (maximum)   |
| Fixed remuneration                         | 382,500           | 1,350,000        | 1,350,000        | 382,500          | 382,500        | 382,500          |
| Fringe benefits                            | 87,321            | 210,686          | 210,686          | 87,321           | 87,321         | 87,321           |
| <b>Total</b>                               | <b>469,821</b>    | <b>1,560,686</b> | <b>1,560,686</b> | <b>469,821</b>   | <b>469,821</b> | <b>469,821</b>   |
| One-year performance-related remuneration  | 435,831           | 1,557,579        | 1,350,000        | 382,500          | 0              | 688,500          |
| Multiyear performance-related remuneration | 408,000           | 1,440,000        | 1,890,944        | 1,799,918        | 0              | 3,600,000        |
| LTI (performance share plan 2017–2019)     | –                 | 1,440,000        | 1,890,944        | –                | –              | –                |
| LTI (performance share plan 2018–2020)     | 408,000           | –                | –                | 1,799,918        | 0              | 3,600,000        |
| <b>Total</b>                               | <b>1,313,652</b>  | <b>4,558,265</b> | <b>4,801,631</b> | <b>2,652,239</b> | <b>469,821</b> | <b>4,758,321</b> |
| Pension expense                            | 250,087           | 889,410          | 889,410          | 250,087          | 250,087        | 250,087          |
| <b>Total remuneration</b>                  | <b>1,563,740</b>  | <b>5,447,675</b> | <b>5,691,041</b> | <b>2,902,326</b> | <b>719,908</b> | <b>5,008,408</b> |

REMUNERATION OF THE MEMBERS OF THE BOARD OF MANAGEMENT (BENEFITS RECEIVED AND BENEFITS GRANTED) IN ACCORDANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE

| JOCHEM HEIZMANN                            |                   |                  |                  |                  |                  |                  |
|--|-------------------|------------------|------------------|------------------|------------------|------------------|
| China                                      |                   |                  |                  |                  |                  |                  |
| €  | Benefits received |                  | Benefits granted |                  |                  |                  |
|  | 2018              | 2017             | 2017             | 2018             | 2018 (minimum)   | 2018 (maximum)   |
| Fixed remuneration                         | 1,350,000         | 1,351,278        | 1,351,278        | 1,350,000        | 1,350,000        | 1,350,000        |
| Fringe benefits                            | 255,076           | 199,867          | 199,867          | 255,076          | 255,076          | 255,076          |
| <b>Total</b>                               | <b>1,605,076</b>  | <b>1,551,145</b> | <b>1,551,145</b> | <b>1,605,076</b> | <b>1,605,076</b> | <b>1,605,076</b> |
| One-year performance-related remuneration  | 1,608,147         | 1,557,579        | 1,350,000        | 1,350,000        | 0                | 2,430,000        |
| Multiyear performance-related remuneration | 1,440,000         | 1,440,000        | 2,031,040        | 1,799,918        | 0                | 3,600,000        |
| LTI (performance share plan 2017–2019)     | –                 | 1,440,000        | 2,031,040        | –                | –                | –                |
| LTI (performance share plan 2018–2020)     | 1,440,000         | –                | –                | 1,799,918        | 0                | 3,600,000        |
| <b>Total</b>                               | <b>4,653,223</b>  | <b>4,548,724</b> | <b>4,932,185</b> | <b>4,754,994</b> | <b>1,605,076</b> | <b>7,635,076</b> |
| Pension expense                            | –                 | –                | –                | –                | –                | –                |
| <b>Total remuneration</b>                  | <b>4,653,223</b>  | <b>4,548,724</b> | <b>4,932,185</b> | <b>4,754,994</b> | <b>1,605,076</b> | <b>7,635,076</b> |

| GUNNAR KILIAN                              |                   |          |                  |                  |                  |                  |
|--|-------------------|----------|------------------|------------------|------------------|------------------|
| Human Resources                            |                   |          |                  |                  |                  |                  |
| Joined: April 13, 2018                     |                   |          |                  |                  |                  |                  |
| €  | Benefits received |          | Benefits granted |                  |                  |                  |
|  | 2018              | 2017     | 2017             | 2018             | 2018 (minimum)   | 2018 (maximum)   |
| Fixed remuneration                         | 967,500           | –        | –                | 967,500          | 967,500          | 967,500          |
| Fringe benefits                            | 59,707            | –        | –                | 59,707           | 59,707           | 59,707           |
| <b>Total</b>                               | <b>1,027,207</b>  | <b>–</b> | <b>–</b>         | <b>1,027,207</b> | <b>1,027,207</b> | <b>1,027,207</b> |
| One-year performance-related remuneration  | 1,152,506         | –        | –                | 967,500          | 0                | 1,741,500        |
| Multiyear performance-related remuneration | –                 | –        | –                | 1,349,810        | 0                | 2,580,000        |
| LTI (performance share plan 2018–2020)     | –                 | –        | –                | 1,349,810        | 0                | 2,580,000        |
| <b>Total</b>                               | <b>2,179,713</b>  | <b>–</b> | <b>–</b>         | <b>3,344,517</b> | <b>1,027,207</b> | <b>5,348,707</b> |
| Pension expense                            | 703,228           | –        | –                | 703,228          | 703,228          | 703,228          |
| <b>Total remuneration</b>                  | <b>2,882,941</b>  | <b>–</b> | <b>–</b>         | <b>4,047,745</b> | <b>1,730,435</b> | <b>6,051,935</b> |

**REMUNERATION OF THE MEMBERS OF THE BOARD OF MANAGEMENT (BENEFITS RECEIVED AND BENEFITS GRANTED) IN ACCORDANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE**

| MATTHIAS MÜLLER                                     |                   |                   |                   |                  |                |                   |
|---|-------------------|-------------------|-------------------|------------------|----------------|-------------------|
| Chairman of the Board of Management                 |                   |                   |                   |                  |                |                   |
| Left: April 12, 2018                                |                   |                   |                   |                  |                |                   |
| €   | Benefits received |                   | Benefits granted  |                  |                |                   |
|   | 2018              | 2017              | 2017              | 2018             | 2018 (minimum) | 2018 (maximum)    |
| Fixed remuneration                                  | 602,083           | 2,125,000         | 2,125,000         | 602,083          | 602,083        | 602,083           |
| Fringe benefits                                     | 70,000            | 192,735           | 192,735           | 70,000           | 70,000         | 70,000            |
| <b>Total</b>  | <b>672,083</b>    | <b>2,317,735</b>  | <b>2,317,735</b>  | <b>672,083</b>   | <b>672,083</b> | <b>672,083</b>    |
| One-year performance-related remuneration           | 983,042           | 3,513,207         | 3,045,000         | 862,750          | 0              | 1,552,950         |
| Multiyear performance-related remuneration          | 1,085,167         | 3,830,000         | 4,309,602         | 3,829,909        | 0              | 7,660,000         |
| LTI (performance share plan 2017–2019) <sup>1</sup> | –                 | 3,830,000         | 4,309,602         | –                | –              | –                 |
| LTI (performance share plan 2018–2020) <sup>1</sup> | 1,085,167         | –                 | –                 | 3,829,909        | 0              | 7,660,000         |
| <b>Total</b>  | <b>2,740,292</b>  | <b>9,660,942</b>  | <b>9,672,337</b>  | <b>5,364,742</b> | <b>672,083</b> | <b>9,885,033</b>  |
| Pension expense                                     | 187,207           | 612,807           | 612,807           | 187,207          | 187,207        | 187,207           |
| <b>Total remuneration</b>                           | <b>2,927,498</b>  | <b>10,273,749</b> | <b>10,285,144</b> | <b>5,551,949</b> | <b>859,290</b> | <b>10,072,240</b> |

1 Advance of 100% in the introductory phase of the performance share plan, pro rata for 2018.

| ANDREAS RENSCHLER  |                   |                  |                   |                  |                  |                   |
|--|-------------------|------------------|-------------------|------------------|------------------|-------------------|
| Chairman of the Board of Management of TRATON SE,<br>Truck & Bus brand group |                   |                  |                   |                  |                  |                   |
| €  | Benefits received |                  | Benefits granted  |                  |                  |                   |
|  | 2018              | 2017             | 2017              | 2018             | 2018 (minimum)   | 2018 (maximum)    |
| Fixed remuneration   | 1,350,000         | 1,350,000        | 1,350,000         | 1,350,000        | 1,350,000        | 1,350,000         |
| Fringe benefits  | 246,305           | 226,037          | 226,037           | 246,305          | 246,305          | 246,305           |
| <b>Total</b>   | <b>1,596,305</b>  | <b>1,576,037</b> | <b>1,576,037</b>  | <b>1,596,305</b> | <b>1,596,305</b> | <b>1,596,305</b>  |
| One-year performance-related remuneration                                    | 1,608,147         | 1,557,579        | 1,350,000         | 1,350,000        | 0                | 2,430,000         |
| Multiyear performance-related remuneration                                   | 1,440,000         | 1,440,000        | 1,891,648         | 1,799,918        | 0                | 3,600,000         |
| LTI (performance share plan 2017–2019)                                       | –                 | 1,440,000        | 1,891,648         | –                | –                | –                 |
| LTI (performance share plan 2018–2020)                                       | 1,440,000         | –                | –                 | 1,799,918        | 0                | 3,600,000         |
| <b>Total</b>   | <b>4,644,452</b>  | <b>4,573,616</b> | <b>4,817,685</b>  | <b>4,746,223</b> | <b>1,596,305</b> | <b>7,626,305</b>  |
| Pension expense  | 5,249,526         | 5,361,551        | 5,361,551         | 5,249,526        | 5,249,526        | 5,249,526         |
| <b>Total remuneration</b>  | <b>9,893,978</b>  | <b>9,935,167</b> | <b>10,179,236</b> | <b>9,995,749</b> | <b>6,845,831</b> | <b>12,875,831</b> |

**REMUNERATION OF THE MEMBERS OF THE BOARD OF MANAGEMENT (BENEFITS RECEIVED AND BENEFITS GRANTED) IN ACCORDANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE**

| STEFAN SOMMER                              |                   |          |                  |                  |                  |                  |
|--|-------------------|----------|------------------|------------------|------------------|------------------|
| Components & Procurement                   |                   |          |                  |                  |                  |                  |
| Joined: September 1, 2018                  |                   |          |                  |                  |                  |                  |
| €  | Benefits received |          | Benefits granted |                  |                  |                  |
|  | 2018              | 2017     | 2017             | 2018             | 2018 (minimum)   | 2018 (maximum)   |
| Fixed remuneration                         | 450,000           | –        | –                | 450,000          | 450,000          | 450,000          |
| Fringe benefits                            | 129,020           | –        | –                | 129,020          | 129,020          | 129,020          |
| <b>Total</b>                               | <b>579,020</b>    | <b>–</b> | <b>–</b>         | <b>579,020</b>   | <b>579,020</b>   | <b>579,020</b>   |
| One-year performance-related remuneration  | 536,049           | –        | –                | 450,000          | 0                | 810,000          |
| Multiyear performance-related remuneration | –                 | –        | –                | 488,446          | 0                | 1,200,000        |
| LTI (performance share plan 2018–2020)     | –                 | –        | –                | 488,446          | 0                | 1,200,000        |
| <b>Total<sup>1</sup></b>                   | <b>1,295,687</b>  | <b>–</b> | <b>–</b>         | <b>1,517,466</b> | <b>1,295,687</b> | <b>2,589,020</b> |
| Pension expense                            | 270,997           | –        | –                | 270,997          | 270,997          | 270,997          |
| <b>Total remuneration</b>                  | <b>1,566,684</b>  | <b>–</b> | <b>–</b>         | <b>1,788,463</b> | <b>1,566,684</b> | <b>2,860,017</b> |

1 Benefits received and the minimum amount for 2018 include a prorated top-up amount on minimum remuneration of €3.5 million.

| RUPERT STADLER   |                   |                  |                  |                        |                  |                  |
|--|-------------------|------------------|------------------|------------------------|------------------|------------------|
| Chairman of the Board of Management of AUDI AG,<br>Premium brand group |                   |                  |                  |                        |                  |                  |
| Left: October 2, 2018  |                   |                  |                  |                        |                  |                  |
| €  | Benefits received |                  | Benefits granted |                        |                  |                  |
|  | 2018              | 2017             | 2017             | 2018                   | 2018 (minimum)   | 2018 (maximum)   |
| Fixed remuneration   | 621,370           | 1,350,000        | 1,350,000        | 621,370                | 621,370          | 621,370          |
| Fringe benefits  | 65,914            | 69,734           | 69,734           | 65,914                 | 65,914           | 65,914           |
| <b>Total</b>   | <b>687,284</b>    | <b>1,419,734</b> | <b>1,419,734</b> | <b>687,284</b>         | <b>687,284</b>   | <b>687,284</b>   |
| One-year performance-related remuneration                              | 643,642           | 1,557,579        | 1,350,000        | 621,370                | 0                | 1,118,466        |
| Multiyear performance-related remuneration                             | 1,044,593         | 1,440,000        | 2,025,408        | 1,799,918              | 0                | 3,600,000        |
| LTI (performance share plan 2017–2019)                                 | –                 | 1,440,000        | 2,025,408        | –                      | –                | –                |
| LTI (performance share plan 2018–2020)                                 | –                 | –                | –                | 1,799,918 <sup>1</sup> | 0                | 3,600,000        |
| Phantom shares   | 1,044,593         | –                | –                | –                      | –                | –                |
| <b>Total</b>   | <b>2,375,519</b>  | <b>4,417,313</b> | <b>4,795,142</b> | <b>3,108,572</b>       | <b>687,284</b>   | <b>5,405,750</b> |
| Pension expense  | 379,726           | 829,730          | 829,730          | 379,726                | 379,726          | 379,726          |
| <b>Total remuneration</b>  | <b>2,755,245</b>  | <b>5,247,043</b> | <b>5,624,872</b> | <b>3,488,298</b>       | <b>1,067,010</b> | <b>5,785,476</b> |

1 In connection with Mr. Stadler's departure, the number of performance shares allocated to him was reduced to 4,890 (fair value: €828,464).

REMUNERATION OF THE MEMBERS OF THE BOARD OF MANAGEMENT (BENEFITS RECEIVED AND BENEFITS GRANTED) IN ACCORDANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE

| HILTRUD DOROTHEA WERNER                    |                   |                  |                  |                  |                  |                  |
|--|-------------------|------------------|------------------|------------------|------------------|------------------|
| Integrity and Legal Affairs                |                   |                  |                  |                  |                  |                  |
| Joined: February 1, 2017                   |                   |                  |                  |                  |                  |                  |
| €  | Benefits received |                  | Benefits granted |                  |                  |                  |
|  | 2018              | 2017             | 2017             | 2018             | 2018 (Minimum)   | 2018 (Maximum)   |
| Fixed remuneration                         | 1,350,000         | 1,237,500        | 1,237,500        | 1,350,000        | 1,350,000        | 1,350,000        |
| Fringe benefits                            | 172,095           | 104,319          | 104,319          | 172,095          | 172,095          | 172,095          |
| <b>Total</b>                               | <b>1,522,095</b>  | <b>1,341,819</b> | <b>1,341,819</b> | <b>1,522,095</b> | <b>1,522,095</b> | <b>1,522,095</b> |
| One-year performance-related remuneration  | 1,608,147         | 1,427,781        | 1,237,500        | 1,350,000        | 0                | 2,430,000        |
| Multiyear performance-related remuneration | –                 | –                | 1,856,672        | 1,799,918        | 0                | 3,600,000        |
| LTI (performance share plan 2017–2019)     | –                 | –                | 1,856,672        | –                | –                | –                |
| LTI (performance share plan 2018–2020)     | –                 | –                | –                | 1,799,918        | 0                | 3,600,000        |
| <b>Total</b>                               | <b>3,130,242</b>  | <b>2,769,600</b> | <b>4,435,991</b> | <b>4,672,013</b> | <b>1,522,095</b> | <b>7,552,095</b> |
| Pension expense                            | 953,404           | 930,689          | 930,689          | 953,404          | 953,404          | 953,404          |
| <b>Total remuneration</b>                  | <b>4,083,646</b>  | <b>3,700,289</b> | <b>5,366,680</b> | <b>5,625,417</b> | <b>2,475,499</b> | <b>8,505,499</b> |

| FRANK WITTER                               |                   |                  |                  |                  |                  |                  |
|--|-------------------|------------------|------------------|------------------|------------------|------------------|
| Finance & IT                               |                   |                  |                  |                  |                  |                  |
| €  | Benefits received |                  | Benefits granted |                  |                  |                  |
|  | 2018              | 2017             | 2017             | 2018             | 2018 (Minimum)   | 2018 (Maximum)   |
| Fixed remuneration                         | 1,350,000         | 1,350,000        | 1,350,000        | 1,350,000        | 1,350,000        | 1,350,000        |
| Fringe benefits                            | 63,363            | 71,980           | 71,980           | 63,363           | 63,363           | 63,363           |
| <b>Total</b>                               | <b>1,413,363</b>  | <b>1,421,980</b> | <b>1,421,980</b> | <b>1,413,363</b> | <b>1,413,363</b> | <b>1,413,363</b> |
| One-year performance-related remuneration  | 1,608,147         | 1,557,579        | 1,350,000        | 1,350,000        | 0                | 2,430,000        |
| Multiyear performance-related remuneration | 1,440,000         | 1,440,000        | 2,025,408        | 1,799,918        | 0                | 3,600,000        |
| LTI (performance share plan 2017–2019)     | –                 | 1,440,000        | 2,025,408        | –                | –                | –                |
| LTI (performance share plan 2018–2020)     | 1,440,000         | –                | –                | 1,799,918        | 0                | 3,600,000        |
| <b>Total</b>                               | <b>4,461,510</b>  | <b>4,419,559</b> | <b>4,797,388</b> | <b>4,563,281</b> | <b>1,413,363</b> | <b>7,443,363</b> |
| Pension expense                            | 849,556           | 692,743          | 692,743          | 849,556          | 849,556          | 849,556          |
| <b>Total remuneration</b>                  | <b>5,311,066</b>  | <b>5,112,302</b> | <b>5,490,131</b> | <b>5,412,837</b> | <b>2,262,919</b> | <b>8,292,919</b> |

#### POST-EMPLOYMENT BENEFITS

In the event of regular termination of their service on the Board of Management, the members of the Board of Management are entitled to a pension, including a surviving dependents' pension, as well as the use of company cars for the period in which they receive their pension. The agreed benefits are paid or made available when the Board of Management member reaches the age of 63. As a departure from this principle, Mr. Renschler is able to start drawing his pension when he reaches the age of 62.

The retirement provision for members of the Board of Management with an existing occupational pension based on final remuneration is calculated as a percentage of the fixed remuneration, starting from 50%. For Mr. Garcia Sanz, Mr. Heizmann, Mr. Renschler and Mr. Stadler, the individual percentages rise by two percentage points for every year of service. For Mr. Müller, the percentage increases by 4.5% as of March 1, 2017 and 2018. In specific cases, credit is given for previous employment periods and retirement pensions earned. In a departure from this rule, a retirement pension entitlement of 62% of the fixed level of remuneration was set for Mr. Renschler on his appointment. The Supervisory Board has capped the percentage at 70%. These benefits are not broken down any further into performance-related components and long-term incentive components. Mr. Heizmann reached a retirement pension entitlement of 70% of his fixed level of remuneration at the end of 2018; the entitlement for Mr. Renschler is 68%. The increase in the fixed remuneration as a consequence of the remuneration system in place from fiscal year 2017 is therefore not taken into account for the incumbent members of the Board of Management of Volkswagen AG with an existing occupational pension based on final remuneration. Current pensions are index-linked in accordance with the index-linking of the highest collectively agreed salary insofar as the application of section 16 of the Gesetz zur Verbesserung der betrieblichen Altersversorgung (BetrAVG – German Company Pension Act) does not lead to a larger increase.

For the members of the Board of Management of Volkswagen AG appointed before February 24, 2017 with a defined contribution pension scheme, a contribution rate of 50% of the fixed remuneration applies. For the members of the Board of Management of Volkswagen AG appointed after February 24, 2017 with a defined contribution pension scheme, a contribution rate of 40% of the fixed remuneration applies. The resulting amount will be credited to the pension account.

Ms. Werner, Mr. Blessing, Mr. Blume, Mr. Diess, Mr. Kilian, Mr. Sommer and Mr. Witter received a defined contribution plan, which is based in principle on a works agreement that also applies to the employees of Volkswagen AG covered by collective agreements and includes retirement, invalidity and

surviving dependents' benefits. A pension contribution in the amount of 50% of the fixed level of remuneration for Ms. Werner, Mr. Blessing, Mr. Diess and Mr. Witter and in the amount of 40% of the fixed level of remuneration for Mr. Blume, Mr. Kilian and Mr. Sommer is paid to Volkswagen Pension Trust e.V. at the end of the calendar year for each year they are appointed to the Board of Management. The annual pension contributions result in modules of what is, in principle, a lifelong pension in line with the arrangements that also apply to employees covered by collective agreements. The individual pension modules vest immediately upon payment to Volkswagen Pension Trust e.V. Instead of a lifelong pension, benefits can optionally be paid out as a lump sum or in installments when the beneficiary reaches retirement age – currently 63 at the earliest. Volkswagen AG has assumed responsibility for pension entitlements due to Mr. Witter from the time before his service with the Company, although these cannot be claimed before he reaches the age of 60.

On December 31, 2018, the pension obligations for members of the Board of Management in accordance with IAS 19 amounted to €55.8 (125.4) million. €11.9 (12.9) million was added to the provision in the reporting period in accordance with IAS 19. Other benefits such as surviving dependents' pensions and the use of company cars are also factored into the measurement of pension provisions. The pension obligations measured in accordance with German GAAP amounted to €45.9 (92.4) million. Measured in accordance with German GAAP, €9.5 (15.8) million was added to the provision in the reporting period.

Retired members of the Board of Management and their surviving dependents received €44.0 (19.9) million, or €44.0 (19.9) million measured in accordance with German GAAP, in the past year. Obligations for pensions for this group of persons measured in accordance with IAS 19 amounted to €324.0 (269.0) million, or €276.2 (214.9) million measured in accordance with German GAAP.

The following rule applies to Board of Management contracts entered into for the first term of office before August 5, 2009: the retirement pension to be granted after a member of the Board of Management leaves the Company is payable immediately if the member's contract is not renewed by the Company, or when the member reaches the age of 63. Any remuneration received from other sources until the age of 63 is deductible from the benefit entitlement up to a certain fixed amount.

The following general rule applies to contracts for the first term of office of members of the Board of Management entered into after August 5, 2009: the retirement pension to be granted after a member of the Board of Management leaves the Company is payable when the member reaches the age of 63.

**EARLY TERMINATION BENEFITS**

If the appointment to the Board of Management is terminated for cause through no fault of the Board of Management member, the claims under Board of Management contracts entered into since November 20, 2009 are limited to a maximum of two years' remuneration, in accordance with the recommendation in section 4.2.3(4) of the Code (severance payment cap). For Board of Management members who are commencing their third or later term of office, existing rights under contracts entered into before November 20, 2009 are grandfathered.

No severance payment is made if the appointment to the Board of Management is terminated for good reason for

which the Board of Management member is responsible. The members of the Board of Management are also entitled to a pension and to a surviving dependents' pension as well as the use of company cars for the period in which they receive their pension in the event of early termination of their service on the Board of Management.

Please refer to notes 43 and 46 to the consolidated financial statements and the notes to the annual financial statements of Volkswagen AG for more detailed individual disclosures relating to members of the Board of Management who left the Company in fiscal year 2018.

**PENSIONS OF THE MEMBERS OF THE BOARD OF MANAGEMENT IN 2018 (PRIOR-YEAR FIGURES IN BRACKETS)**

| €  | Pension expense     | Present values as of December 31 <sup>1</sup> |
|--|---------------------|---|
| Herbert Diess  | 850,620             | 3,410,933                                     |
|  | (814,654)           | (2,169,255)                                   |
| Karlheinz Blessing (until April 12, 2018)                        | 236,664             | –   |
|  | (686,413)           | (1,623,275)                                   |
| Oliver Blume (since April 13, 2018)                              | 588,354             | 588,354                                       |
|  | –                   | –   |
| Francisco Javier Garcia Sanz (until April 12, 2018)              | 250,087             | –   |
|  | (889,410)           | (22,544,823)                                  |
| Jochem Heizmann  | –                   | 18,098,438                                    |
|  | –                   | (19,254,055)                                  |
| Gunnar Kilian (since April 13, 2018)                             | 703,228             | 703,228                                       |
|  | –                   | –   |
| Matthias Müller (until April 12, 2018)                           | 187,207             | –   |
|  | (612,807)           | (30,065,068)                                  |
| Andreas Renschler  | 5,249,526           | 20,109,236                                    |
|  | (5,361,551)         | (16,278,653)                                  |
| Stefan Sommer (since September 1, 2018)                          | 270,997             | 270,997                                       |
|  | –                   | –   |
| Rupert Stadler (until October 2, 2018)                           | 379,726             | –   |
|  | (829,730)           | (22,262,176)                                  |
| Hiltrud Dorothea Werner (since February 1, 2017)                 | 953,404             | 1,872,035                                     |
|  | (930,689)           | (975,823)                                     |
| Frank Witter   | 849,556             | 10,765,942                                    |
|  | (692,743)           | (10,214,190)                                  |
| Members of the Board of Management who left in the previous year | (54,091)            | –   |
| <b>Total</b>   | <b>10,519,369</b>   | <b>55,819,163</b>                             |
|  | <b>(10,872,088)</b> | <b>(125,387,318)</b>                          |

1 The amount is reported in the total amount for defined benefit plans reported in the balance sheet (see note 29 to the consolidated financial statements).



#### SUPERVISORY BOARD REMUNERATION

Following its regular review of Supervisory Board remuneration, the Supervisory Board proposed a reorganization of the system of Supervisory Board remuneration to the 2017 Annual General Meeting, which was approved on May 10, 2017 with 99.98% of the votes cast. The remuneration of the members of the Supervisory Board of Volkswagen AG is comprised entirely of non-performance-related remuneration components. Remuneration for supervisory board work at subsidiaries continues in part to comprise a mix of non-performance-related and performance-related components.

The following applies to members of the Supervisory Board of Volkswagen AG with effect from January 1, 2017:

- › Members of the Supervisory Board receive fixed remuneration of €100,000 per fiscal year.
- › The Chairman of the Supervisory Board receives fixed remuneration of €300,000, while the Deputy Chairman receives remuneration of €200,000.
- › For their work in the Supervisory Board committees, the members of the Supervisory Board also receive additional fixed remuneration of €50,000 per committee per fiscal year provided the committee met at least once per year for the performance of its duties. Memberships of the Nomination and Mediation Committees established in accordance with section 27(3) of the Mitbestimmungsgesetz (MitbestG – German Codetermination Act) are not taken into account.
- › Committee chairpersons receive double this amount, while deputy chairpersons receive one-and-a-half times the committee remuneration listed above.
- › Membership of no more than two committees is taken into account, whereby the two functions with the highest remuneration are counted if this maximum number is exceeded.
- › Supervisory Board members who belonged to the Supervisory Board or one of its committees for only part of the fiscal year receive proportionate remuneration.
- › Supervisory Board members receive an attendance fee of €1,000 for attending a meeting of the Supervisory Board or one of its committees; if several meetings are held on one day, the attendance fee is paid only once.
- › The remuneration and attendance fees are each payable after the end of the fiscal year.

In fiscal year 2018, the members of the Supervisory Board received €4,538,986 (3,786,839). Of this figure, €2,297,500 related to the work of the Supervisory Board and €936,389 related to the work in the committees.

## REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD

| €  | FIXED<br>REMUNERA-<br>TION | WORK IN THE<br>COMMITTEES | OTHER <sup>1</sup> | TOTAL            | TOTAL            |
|--|----------------------------|---------------------------|--------------------|------------------|------------------|
|  |                            |                           |                    | 2018             | 2017             |
| Hans Dieter Pötsch   | 300,000                    | 100,000                   | 184,500            | 584,500          | — <sup>2</sup>   |
| Jörg Hofmann <sup>3</sup>                                      | 200,000                    | 75,000                    | 19,000             | 294,000          | 295,000          |
| Hussain Ali Al-Abdulla   | 100,000                    | —                         | 8,000              | 108,000          | 107,000          |
| Hessa Sultan Al-Jaber  | 100,000                    | —                         | 11,000             | 111,000          | 111,000          |
| Bernd Althusmann <sup>4</sup> (since December 14, 2017)        | 100,000                    | 43,194                    | 12,000             | 155,194          | 4,583            |
| Birgit Dietze <sup>3</sup>                                     | 100,000                    | 50,000                    | 17,000             | 167,000          | 163,000          |
| Annika Falkengren (until February 5, 2018)                     | 9,444                      | —                         | —                  | 9,444            | 150,750          |
| Hans-Peter Fischer <sup>3</sup>                                | 100,000                    | —                         | 14,000             | 114,000          | 109,000          |
| Marianne Heiß (since February 14, 2018)                        | 88,056                     | 43,194                    | 67,050             | 198,300          | —                |
| Uwe Hück <sup>3</sup>  | 100,000                    | —                         | 84,500             | 184,500          | 180,500          |
| Johan Järvklo <sup>3</sup>                                     | 100,000                    | —                         | 14,000             | 114,000          | 110,000          |
| Ulrike Jakob <sup>3</sup> (since May 10, 2017)                 | 100,000                    | —                         | 12,000             | 112,000          | 68,028           |
| Louise Kiesling  | 100,000                    | —                         | 11,000             | 111,000          | 111,000          |
| Peter Mosch <sup>3</sup>                                       | 100,000                    | 100,000                   | 146,589            | 346,589          | 293,107          |
| Bertina Murkovic <sup>3</sup> (since May 10, 2017)             | 100,000                    | 50,000                    | 14,000             | 164,000          | 102,042          |
| Bernd Osterloh <sup>3</sup>                                    | 100,000                    | 125,000                   | 39,233             | 264,233          | 226,021          |
| Hans Michel Piëch  | 100,000                    | —                         | 172,000            | 272,000          | 250,600          |
| Ferdinand Oliver Porsche                                       | 100,000                    | 150,000                   | 162,500            | 412,500          | 397,100          |
| Wolfgang Porsche   | 100,000                    | 150,000                   | 172,500            | 422,500          | 411,400          |
| Athanasios Stimoniaris <sup>3</sup> (since May 10, 2017)       | 100,000                    | —                         | 130,225            | 230,225          | 170,778          |
| Stephan Weil <sup>4</sup>                                      | 100,000                    | 50,000                    | 14,000             | 164,000          | 174,000          |
| Members of the Supervisory Board who left in the previous year | —                          | —                         | —                  | —                | 351,931          |
| <b>Total</b>   | <b>2,297,500</b>           | <b>936,389</b>            | <b>1,305,097</b>   | <b>4,538,986</b> | <b>3,786,839</b> |

1 Attendance fees, membership of other Group bodies (non-performance-related: €355,483; performance-related: €534,614).

2 Mr. Pötsch waived his remuneration for fiscal year 2017 in full.

3 These employee representatives have stated that they will transfer their Supervisory Board remuneration to the Hans Böckler Foundation in accordance with the guidelines issued by the German Confederation of Trade Unions (DGB).

4 Under section 5(3) of the Niedersächsisches Ministergesetz (German Act Governing Ministers of the State of Lower Saxony), these members of the Supervisory Board are obliged to transfer their Supervisory Board remuneration to the State of Lower Saxony as soon as and to the extent that it exceeds €6,200 per annum. Remuneration is defined for this purpose as Supervisory Board remuneration and attendance fees exceeding the amount of €200.