Audi e-tron  Power consumption combined*: 24.6-23.7 kWh/100km (NEFZ); CO₂ emissions combined*: 0 g/km.
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AGENDA FOR TODAY

LATEST FINANCIALS & STRATEGIC OVERVIEW
ANTON POLL  Head of investor relations

AUDI E-TRON & PPE DRIVETRAIN STRATEGY
DR.-ING. JOACHIM DOERR  Head of electric motor design & electric axle drive design

SUSTAINABILITY IN AUDI’S SUPPLY CHAIN
MARCO PHILIPPI  Head of strategy procurement

DRIVING EXPERIENCE
AUDI SQ8 TDI  AUDI Q5 TFSI e  AUDI e-tron
LATEST FINANCIALS & STRATEGIC OVERVIEW

Anton Poll, Head of Investor Relations

November 19th, 2019

Audi Q8 Fuel consumption combined*: 9.1-8.8 l/100km CO₂ emissions combined*: 208-202 g/km
SOLID DELIVERIES IN DIFFICULT MARKET ENVIRONMENT

**DELIVERIES**
Audi brand, worldwide, in units

<table>
<thead>
<tr>
<th>Region</th>
<th>Q1-Q3/2018</th>
<th>Q1-Q3/2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUROPE</td>
<td>1,407,672</td>
<td>1,357,102</td>
<td>-3.6%</td>
</tr>
<tr>
<td>CHINA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USA</td>
<td></td>
<td></td>
<td>-5.3%</td>
</tr>
</tbody>
</table>

**Q1-Q3/2018**

**Q1-Q3/2019**

**Audi Q3**
Fuel consumption combined*: 7.6-4.7 l/100km
CO₂-emissions combined*: 174-123 g/km
ROBUST FINANCIAL PERFORMANCE IN TURBULENT TIMES

REVENUE

<table>
<thead>
<tr>
<th>Period</th>
<th>Revenue (m euros)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1-Q3/2018</td>
<td>44,257</td>
<td>-6.6%</td>
</tr>
<tr>
<td>Q1-Q3/2019</td>
<td>41,332</td>
<td>+3.3% w/o one-time effect</td>
</tr>
</tbody>
</table>

OPERATING PROFIT

<table>
<thead>
<tr>
<th>Period</th>
<th>Operating Profit (m euros)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1-Q3/2018</td>
<td>2,871</td>
<td>-11.8%</td>
</tr>
<tr>
<td>Q1-Q3/2019</td>
<td>3,239</td>
<td>+12.8% w/o one-time effect</td>
</tr>
</tbody>
</table>

1) deconsolidation of multibrand national sales companies
2) 0.8 bn euros fine issued by German prosecutors' investigation in Q3 2018 over "deviations from regulatory requirements" in diesel engines
STRONG CASH CONVERSION

NET CASH FLOW

3.3 bn euros
(Q1-Q3/2018: 3.1 bn euros)

small impact from one time effect

NET LIQUIDITY

22.1 bn euros
(30.09. 2018: 21.4 bn euros)

1) deconsolidation of multibrand-national sales companies; 2) prior year figure with positive impact from inflows from changes in participations

Audi A8  Fuel consumption combined*: 8.3-5.7 l/100km CO₂ emissions combined*: 190-151 g/km
SMALL ADJUSTMENT TO THE FULL YEAR GUIDANCE

**Revenue**

2018: 53,617

1) slight increase

**Operating Return on Sales**

2018: 6.6%

1) before: moderate increase

**Deliveries**

2018: 1,812,485

1) slight increase

**Net Cash Flow**

2018: 2,080

1) before: moderate increase

2.5 to 3.0 bn euros

---

1) adjusted for deconsolidation of multibrand national sales companies

Audi e-tron Power consumption combined*: 24.6-24.7 kWh/100km (NEFZ); CO₂ emissions combined*: 0 g/km
OCTOBER DELIVERIES UP 27%

WE ARE ON TRACK TO FULFILL THE GUIDANCE

DELRIVERS
Audi brand, worldwide, in units

<table>
<thead>
<tr>
<th></th>
<th>1-10/2018</th>
<th>1-10/2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR</td>
<td>1,525,278</td>
<td>1,506,250</td>
</tr>
<tr>
<td>CHN</td>
<td>1,525,278</td>
<td>1,506,250</td>
</tr>
<tr>
<td>USA</td>
<td>1,525,278</td>
<td>1,506,250</td>
</tr>
</tbody>
</table>

-1.2%  -3.2%  +2.1%  +0.2%

1,525,278  1,506,250

WE ARE ON TRACK TO FULFILL THE GUIDANCE

Audi e-tron Power consumption combined*: 24.6-23.7 kWh/100km (NETZ); CO₂-emissions combined*: 0 g/km
OUR VISION

Unleash the beauty of sustainable mobility
BRAND POSITIONING
MOST PROGRESSIVE PREMIUM BRAND

best customer experience
exciting customer-relevant innovations
breathtaking design
OUR VISION

- CO₂-neutral mobility with strongest range of electric models amongst the premium competitors
- increasing expectations for plug-in hybrids and electric cars to 40% of unit sales
- reducing CO₂ footprint of Audi fleet over its entire lifecycle by 2025
- in the long-term perspective, to manage without CO₂ emissions throughout the company
Consistently Audi

What:

- Customer
- Electric
- Connected
- Sustainable
ELECTRIFICATION IS IN THE CORE OF THE AUDI STRATEGY

2018
presentation of Audi e-tron

2020
12 electrified models (5 BEV)

beginning of 2020ies
start of PPE and MEB models

2025
30 electrified models
20 thereof BEVs

by 2025
40% of deliveries electrified

2018
presentation of Audi e-tron

2020
12 electrified models (5 BEV)

beginning of 2020ies
start of PPE and MEB models

2025
30 electrified models
20 thereof BEVs

by 2025
40% of deliveries electrified
Consistently Audi

How:

- Consistently team
- Consistently focused
- Consistently synergetic
- Consistently profitable
AUDI E-TRON ELECTRIC DRIVETRAIN & PPE DRIVETRAIN STRATEGY

Dr.-Ing. Joachim Doerr, Head of electric motor design & electric axle drive design

November 19th, 2019
The new full-electric drivetrain of the Audi e-tron
The new full electric drivetrain of the Audi e-tron

- Electric axle - front
- Electric axle - rear
- Charging port
- Battery 95 kWh capacity
- 1st on-board charger
- 2nd on-board charger (optional)
Two E-axles have a combined power of 265 kW (300 kW in boost mode)

**Front electric motor**
Axial parallel, approx. 250 Nm (APA250)

**Power:** 125 kW [+10 kW boost mode]

**Rear electric motor**
Coaxial, approx. 320 Nm (AKA320)

**Power:** 140 kW [+25 kW boost mode]
Front and rear E-axles largely use the same components...

APA250
Cooling Concept

- Bearing plate cooling
- Stator cooling
- Rotor internal cooling
- Slide ring seal with silicon carbide sealing rings
Cooling Concept

Audi e-tron cooling concept (animation) in the Audi MediaCenter
Cooling & Heat discharge

- Bearing plate cooling
- Rotor shaft
- Heat introduced from the gearbox (symbolic)
- Stator
- Rotor internal cooling
- Rotor
- Stator cooling
Driving Performance

Boost Mode

- Power output: 300 kW
- Torque: 664 Nm
- 0-100 km/h: 5.7 s
- 0-60 mph: 5.5 s

- Power output: 265 kW
- Torque: 561 Nm
- 0-100 km/h: 6.6 s
- 0-60 mph: 6.4 s
- $V_{\text{max}}$: 200 kph

Audi e-tron Power consumption combined*: 24.6–23.7 kWh/100km (NEFZ); CO₂-emissions combined*: 0 g/km
OUTLOOK:

PPE DRIVETRAIN STRATEGY
Upcoming Audi models are based on VW Group platforms

- **MEB** (Modular Electrification Toolkit)
  - Audi Q4 e-tron concept
  - 2021

- **PPE** (Premium Platform Electric)
  - Audi e-tron GT concept
  - 2022

- **J1** (Performance Platform)
  - Audi e-tron
  - 2020

- **MLB evo**
  - 2018

2020 Audi models include Audi Q4 e-tron concept, Audi e-tron GT concept, Audi e-tron.
Audi and Porsche develop Premium Platform electric (PPE)
Audi BEV Platforms (animation) in Audi MediaCenter
To sum it up...

- Electric drivetrain is a strategically important component to maintain technological leadership in the electric age.
- Audi leads the way in E-axle development for the Premium Platform Electric (PPE) and is Center of Competence for E-axle in the Volkswagen Group.
- In-house development allows Audi to build up know-how to achieve superior efficiency and performance and minimize procurement risks.
- Design-to-cost and design-to-manufacture enable Audi to benefit from economies of scale and reduced complexity in development, procurement and production.
Implementing the four rings of sustainability in Audi’s supply chain
Global call for sustainability
We are using the resources of 1.7 earths

There is no Planet B
Country Overshoot Days 2019

Source: Global Footprint Network National Footprint Accounts 2019
The four rings of sustainability

- Reduce
- Re-use
- Recycle
- Rethink
The four rings of sustainability

Reduce
Re-use
Recycle
Rethink
Commitment to the Paris Climate Agreement

COP21 • CMP11
PARIS 2015
UN CLIMATE CHANGE CONFERENCE
Decarbonization of the value chain

On the way to CO₂-neutral mobility
Carbon neutrality

By 2050 we aim to achieve corporate-wide carbon neutrality on balance.
CO₂ emissions

By 2025 we aim to reduce CO₂ emissions by ~30%
Decarbonization of the supply chain

- Workshops with suppliers
- Closing of resource cycles
- Use of renewable energies
- Increased proportion of recycled materials

30 CO$_2$ workshops
50 measures to reduce CO$_2$
-1.2 t per vehicle
Aluminum closed loop

Bauxite mining → Manufacture of alumina → Manufacture of primary aluminum → Suppliers → ALUCOIL → Audi Press Shop → Scrap → -0.2 t per vehicle on average portfolio
Renewable energy in cell production

-0.5 t per vehicle on average portfolio*

* -2t per Audi etron
The four rings of sustainability

Reduce
Re-use
Recycle
Rethink
Sustainability – a mandatory nomination criterion
Current status S-Rating

More than...

- **12,000** SAQ’s completed
- **2,000** on-site checks done
- **670** suppliers locally trained
Our responsibility goes much further than tier 1
TOP 16 critical raw materials are identified

- tin
- tantalum
- tungsten
- gold
- cobalt
- graphite
- lithium
- rare earths
- leather
- aluminum
- copper
- rubber
- nickel
- steel
- platinum
- mica

- Conflict minerals
- E-raw materials
- Other materials

Material analysis component
Supply chain mapping
Audit hotspots
Certification
On-site projects
Commitment to initiatives
New Technological approaches regarding transparency

**Reliability of supply**
- Continual comparison of demand & capacity in entire SC network
- Transparency of the entire down to tier-N sub-suppliers

**Process efficiency**
- Intelligent contracts and autonomous payment flows
- Paperless processes

**Sustainability**
- Complete documentation of the Supply Chain
- Detect and avoid high-risk material / sources
The four rings of sustainability...

Reduce
Re-use
Recycle
Rethink
...within just one topic
To sum it up...

We have set the foundation for Audi’s vision for 2050: **to be entirely CO₂-neutral**

**We take our responsibility seriously – beyond the Tier 1 level:**
Focus on critical parts & materials, e.g. HV-Battery

**We have implemented control mechanisms** that ensure us to manage our supply chains – even though they are global, diverse & volatile

**Supply chain transparency** and traceability is essential for a resilient supply chain and our reputation

**We partner with suppliers and service providers** to identify supply chain actors and **pilot new technologies** for more transparency
