Invitation to the 130th Annual General Meeting of AUDI AG
at 10.00 a.m. on May 23, 2019, at the Audi Forum Neckarsulm
## Audi Group Key Figures

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017 1)</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Production</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automotive segment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cars</td>
<td>1,871,386</td>
<td>1,879,840</td>
<td>-0.4</td>
</tr>
<tr>
<td>Engines</td>
<td>1,955,532</td>
<td>1,966,434</td>
<td>-0.6</td>
</tr>
<tr>
<td>Motorcycles segment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motorcycles</td>
<td>53,320</td>
<td>56,743</td>
<td>-6.0</td>
</tr>
<tr>
<td><strong>Deliveries to customers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automotive segment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cars</td>
<td>2,081,418</td>
<td>2,105,084</td>
<td>-1.1</td>
</tr>
<tr>
<td>Audi brand 3)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cars</td>
<td>1,812,485</td>
<td>1,878,105</td>
<td>-3.5</td>
</tr>
<tr>
<td>Lamborghini brand</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cars</td>
<td>5,750</td>
<td>3,815</td>
<td>50.7</td>
</tr>
<tr>
<td>Other Volkswagen Group brands</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cars</td>
<td>263,183</td>
<td>223,164</td>
<td>17.9</td>
</tr>
<tr>
<td>Motorcycles segment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motorcycles</td>
<td>53,004</td>
<td>55,871</td>
<td>-5.1</td>
</tr>
<tr>
<td>Ducati brand</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motorcycles</td>
<td>53,004</td>
<td>55,871</td>
<td>-5.1</td>
</tr>
<tr>
<td><strong>Workforce</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average</td>
<td>91,477</td>
<td>90,402</td>
<td>1.2</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EUR million</td>
<td>59,248</td>
<td>59,789</td>
<td>-0.9</td>
</tr>
<tr>
<td>Operating profit before special items</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EUR million</td>
<td>4,705</td>
<td>5,058</td>
<td>-7.0</td>
</tr>
<tr>
<td>Operating profit</td>
<td>EUR million</td>
<td>3,529</td>
<td>4,671</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>EUR million</td>
<td>4,361</td>
<td>4,717</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>EUR million</td>
<td>3,463</td>
<td>3,432</td>
</tr>
<tr>
<td><strong>Operating return on sales before special items</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent</td>
<td>7.9</td>
<td>8.5</td>
<td></td>
</tr>
<tr>
<td>Operating return on sales</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent</td>
<td>6.0</td>
<td>7.8</td>
<td></td>
</tr>
<tr>
<td>Return on sales before tax</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent</td>
<td>7.4</td>
<td>7.9</td>
<td></td>
</tr>
<tr>
<td>Return on investment (ROI)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent</td>
<td>10.0</td>
<td>14.4</td>
<td></td>
</tr>
<tr>
<td><strong>Ratio of capex 4)</strong></td>
<td>Percent</td>
<td>5.9</td>
<td>6.5</td>
</tr>
<tr>
<td>Research and development ratio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent</td>
<td>7.1</td>
<td>6.4</td>
<td></td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td>EUR million</td>
<td>7,013</td>
<td>6,173</td>
</tr>
<tr>
<td>Net cash flow 5)</td>
<td>EUR million</td>
<td>2,141</td>
<td>4,312</td>
</tr>
<tr>
<td><strong>Balance sheet total (Dec. 31)</strong></td>
<td>EUR million</td>
<td>65,598</td>
<td>63,680</td>
</tr>
<tr>
<td><strong>Equity ratio (Dec. 31)</strong></td>
<td>Percent</td>
<td>45.3</td>
<td>44.2</td>
</tr>
</tbody>
</table>

1) Some of the prior-year financial key figures have been adjusted to reflect the first-time adoption of IFRS 9 and IFRS 15.
2) Including vehicles built locally by the associated company FAW-Volkswagen Automotive Company, Ltd., Changchun (China)
3) Including delivered vehicles built locally by the associated company FAW-Volkswagen Automotive Company, Ltd., Changchun (China)
4) Investments in property, plant and equipment, investment property and other intangible assets (without capitalized development costs) according to the Cash Flow Statement in relation to revenue
5) Taking into account the transfer of the minority interest in Volkswagen International Belgium S.A., Brussels (Belgium), to Volkswagen AG, Wolfsburg, in 2017
AGENDA


The documents cited above can be viewed at audi.com/annual_general_meeting. In addition, the documents will be accessible during the Annual General Meeting and will be further explained.

In accordance with legal requirements (Sections 172 and 173 of the German Stock Corporation Act), no resolution is to be adopted with regard to agenda item 1 as the Supervisory Board has approved the Annual Financial Statements prepared by the Board of Management and the Consolidated Financial Statements. The Annual Financial Statements are thus established.

2 / RESOLUTION ON DISCHARGE OF THE MEMBERS OF THE BOARD OF MANAGEMENT

The Supervisory Board and Board of Management propose to defer discharge for fiscal year 2018 of the Board of Management member Mr. Rupert Stadler who held in office in the 2018 fiscal year in view of the ongoing investigations into the diesel issue, and to grant discharge for the 2018 fiscal year for all other members of the Board of Management who held office in the 2018 fiscal year.

3 / RESOLUTION ON DISCHARGE OF THE MEMBERS OF THE SUPERVISORY BOARD

The Supervisory Board and the Board of Management propose that discharge be granted for fiscal year 2018 for the members of the Supervisory Board who held office in the 2018 fiscal year.

4 / RESOLUTION ON THE APPROVAL OF THE SYSTEM OF REMUNERATION FOR BOARD OF MANAGEMENT MEMBERS

The Supervisory Board of AUDI AG has resolved to modify the Board of Management remuneration system. For its modification, the Supervisory Board drew on the support of noted, independent external remuneration and legal consultants.

The new system of remuneration for Board of Management members is presented after the agenda under “Further details and information”.

The Supervisory Board and Board of Management propose that the new system of remuneration for Board of Management members be approved.

Based on the recommendation of the Audit Committee, the Supervisory Board proposes that PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Munich, be appointed as auditor of the accounts and consolidated accounts for the 2019 fiscal year and as auditor for the review of the condensed Consolidated Financial Statements and Interim Management Report for the first half of 2019.

TOTAL NUMBER OF SHARES AND VOTING RIGHTS AT THE TIME OF CONVENING OF THE ANNUAL GENERAL MEETING

At the time of convening of the Annual General Meeting, the total number of shares in the Company is 43,000,000. The total number of voting rights is likewise 43,000,000.

CONDITIONS FOR PARTICIPATING IN THE ANNUAL GENERAL MEETING AND EXERCISING VOTING RIGHTS

Only those shareholders who have registered by no later than the end of May 16, 2019 shall be entitled to participate in the Annual General Meeting and exercise voting rights.

Shareholders must moreover provide evidence of their eligibility to participate in the Annual General Meeting and exercise voting rights by no later than the end of May 16, 2019.

Registration must be received in text form (Section 126b of the German Civil Code) in the German or English language, at the following address, together with confirmation of the stockholding at the record date by the institute administering the securities. The confirmation shall refer to the start of the 21st day prior to the Annual General Meeting (deadline for providing evidence of eligibility), which is May 2, 2019.

Registration office:

By post: AUDI AG
c/o Computershare Operations Center
80249 Munich
By fax: +49 89 30903-74675
By e-mail: anmeldestelle@computershare.de

/ Significance of the deadline for providing evidence of eligibility

The deadline for providing evidence of eligibility is the decisive date for determining the scope and eligibility to participate in and exercise voting rights at the Annual General Meeting. In respect of the Company, only those persons who have presented confirmation of stockholdings by the deadline for providing evidence of eligibility shall be considered shareholders who are eligible to participate in and exercise voting rights at the Annual General Meeting. Shareholders who have acquired their shares only after the deadline for providing evidence of eligibility therefore may not participate in the Annual General Meeting. Shareholders who have duly registered and presented evidence of their eligibility to participate are thus entitled to participate in the Annual General Meeting and to exercise their voting rights even if they have sold their shares following the deadline for providing evidence of eligibility.
PROCEDURE FOR VOTING BY PROXY

Voting rights at the Annual General Meeting may be exercised by a proxy, for example by a credit institution or by an association of shareholders.

The granting of powers of proxy, their revocation and evidence of powers of proxy must be presented to the Company in text form (Section 126b of the German Civil Code).

The granting of powers of proxy, their revocation and evidence of powers of proxy presented to the Company may be submitted by post, fax or electronically to the address indicated below.

Exceptions may exist for credit institutions, associations of shareholders or persons or institutions enjoying equivalent status, cf. Sections 125 and 135 of the German Stock Corporation Act. We therefore request any shareholders who wish to authorize banks, associations of shareholders or persons or institutions enjoying equivalent status to agree with the latter on the form that powers of proxy are to take.

We offer our shareholders the opportunity to be represented at the Annual General Meeting by a proxy appointed by the Company. The proxies shall be obliged to vote as instructed. It is to be noted in this respect that the proxies shall exercise the voting right only in accordance with the instructions given to them by the respective shareholder; if they have not received instructions for specific agenda items, they shall not vote on those items. The proxies appointed by the Company shall merely represent shareholders at votes; for that reason they shall for example accept no mandates to take the floor, to raise objections to resolutions by the Annual General Meeting or to second motions (for example, for a quorum).

Shareholders wishing to make use of the option of representation by the proxies appointed by the Company may use the form printed on the entrance ticket for that purpose. Please complete and return this form granting proxy rights and instructions for the proxy appointed by the Company to the following address:

By post: AUDI AG
c/o Computershare Operations Center
80249 Munich
By fax: +49 89 30903-74675
By e-mail: vollmacht.hv2019@audi.de

The authorization with instructions for the proxy appointed by the Company must be received at this address no later than the end of May 21, 2019.

The Company also offers an Internet-based system for issuing powers of proxy and instructions, revoking them or changing instructions, at audi.com/annual_general_meeting. To use this system, shareholders will need the data that they receive together with their entrance ticket following registration. Unlike the other channels of communication, this Internet-based system makes it possible to issue powers of proxy and instructions, revoke them or change instructions up until the end of the general debate. Powers of proxy issued using a channel of communication other than the Internet-based system may not be changed or revoked using the Internet-based system. Shareholders will find further explanatory information on the website referred to above.

Please note that proper registration and verification of stockholdings are also required where proxy rights are granted.

In cases where a shareholder has granted proxy rights to more than one person, the Company reserves the right to reject one or more of these persons (Section 134, Para. 3 of the German Stock Corporation Act).

Attendance in person by the shareholder or by a proxy at the Annual General Meeting shall automatically constitute revocation of the powers of proxy and instructions issued to the proxy appointed by the Company.
BROADCASTING OF THE ANNUAL GENERAL MEETING ON THE INTERNET

All AUDI AG shareholders and members of the general public may, at the request of the meeting’s chair, follow the opening of the Annual General Meeting and the Board of Management speeches on the Internet at audi.com/annual_general_meeting.

Shareholders who have registered by the deadline may follow the entire Annual General Meeting using the Internet-based system. To use this, shareholders will need the data that they receive together with their entrance ticket following registration.

SHAREHOLDERS’ RIGHTS

In advance of and during the Annual General Meeting, shareholders are entitled to the following rights, among others. Further details can be found at audi.com/annual_general_meeting.

/ Amendments to the agenda in accordance with Section 122, Para. 2 of the German Stock Corporation Act

Shareholders whose total shares amount to one-twentieth of the Company’s total share capital or the proportionate amount of EUR 500,000.00 may demand that items be placed on the agenda and published.

Demands for additional items must be submitted to the Company in writing at least 30 days prior to the Meeting, i.e. no later than the end of April 22, 2019. Please submit them to the following address:

By post: AUDI AG
Auto-Union-Straße 1
I/FU-23
Financial Communication/Financial Analysis
“Annual General Meeting 2019”
85045 Ingolstadt

The applicants must prove that they have held the shares for at least 90 days prior to the date of receipt of the request and that they will continue to hold the shares until a decision on the application has been taken by the Board of Management. Reference is made to Section 70 of the German Stock Corporation Act with regard to calculation of the period of possession of the share of stock. Amendments to the agenda subject to disclosure are announced without delay in the Federal Gazette and disseminated throughout Europe. The amendments to the agenda are in addition published on the website of the Company at audi.com/annual_general_meeting.

/ Motions and election proposals by shareholders in accordance with Sections 126, Para. 1 and 127 of the German Stock Corporation Act

Every shareholder is entitled to submit countermotions to proposals of the Supervisory Board and/or the Board of Management for specific agenda items, as well as proposals for election.

Subject to Section 126, Paras. 2 and 3 of the German Stock Corporation Act, the Company shall publish countermotions submitted by shareholders, including the name of the shareholder, the substantiation and any comments from the administration, on the Internet at audi.com/annual_general_meeting. Shareholders must submit to the Company their permissible countermotions to proposals from the Supervisory Board and/or Board of Management for specific agenda items, including substantiation, to the following address no later than 14 days prior to the Annual General Meeting, i.e. by the end of May 8, 2019.

Pursuant to Section 127 of the German Stock Corporation Act, these provisions apply correspondingly to any proposals for elections from shareholders, along with the restrictions contained in Section 127 of the German Stock Corporation Act.
Countermotions and election proposals shall be tabled in German. If they are also to be published in English, a translation shall be enclosed.

/ Right to information pursuant to Section 131, Para. 1 of the German Stock Corporation Act

Upon request, every shareholder shall be provided with information by the Board of Management at the Annual General Meeting regarding issues relating to the Company, insofar as the information serves to clarify an item on the agenda. This information includes the legal and business relations with affiliated companies and the state of the Group as well as the companies included in the Consolidated Financial Statements.

To better enable a proper response, shareholders and shareholders’ representatives who want to ask questions at the Annual General Meeting are kindly requested to submit these questions as early as possible to the address shown below. This submission is not a formal prerequisite for receiving an answer. The right to information remains unaffected by this.

/ Address for motions, election proposals and questions submitted in advance under the right to information

We request that countermotions pursuant to Section 126, Para. 1 of the German Stock Corporation Act and election proposals pursuant to Section 127 of the German Stock Corporation Act as well as questions submitted in advance under the right to information pursuant to Section 131, Para. 1 of the German Stock Corporation Act be sent to the following address:

By post: AUDI AG
Auto-Union-Straße 1
I/FU-23
Financial Communication/Financial Analysis
“Annual General Meeting 2019”
85045 Ingolstadt
By fax: +49 841 89-30900
By e-mail: ir@audi.de

INFORMATION ON THE COMPANY’S WEBSITE

In accordance with Section 124a of the German Stock Corporation Act, once the meeting has been convened the following information may be accessed through the Company’s website at audi.com/annual_general_meeting:

- The content of this convocation
- An explanation if no resolution is to be adopted on an agenda item
- Documents to be made available at the Annual General Meeting
- Total number of shares and voting rights at the time of convening of the Annual General Meeting
- In addition, further notes on the rights of shareholders: amendments to the agenda, motions or election proposals, and right to information
FURTHER DETAILS AND INFORMATION

/ Details of agenda item 4: Resolution on the approval of the system of remuneration for Board of Management members

The Supervisory Board of AUDI AG has resolved to modify the system of remuneration for Board of Management members. For its modification, the Supervisory Board drew on the support of noted, independent external remuneration and legal consultants. The new system of remuneration for Board of Management members fully implements the requirements of the German Stock Corporation Act. On February 21, 2019 the Board of Management and Supervisory Board submitted an addendum to the Declaration of Compliance dated November 29, 2018 regarding the recommendations of the German Corporate Governance Code (GCGC).

The Supervisory Board and Board of Management propose to the Annual General Meeting that the new system of remuneration for Board of Management members be approved.

// Overview

The new system of remuneration for Board of Management members is essentially derived from the remuneration system for the Board of Management of Volkswagen AG. It reinforces the Group mentality by placing a stronger focus on consolidated profit and gives priority to the joint performance of the Board of Management members. The new system contains share-based remuneration elements and follows the recommendations of GCGC on forward-looking characteristics for variable remuneration. Through penalty and clawback arrangements, the new system also reflects the integrity and compliance of Board of Management members.

In the future, the system of remuneration for Board of Management members will comprise one fixed and two variable remuneration components, comprising an annual bonus with one-year assessment period as well as a long-term bonus (“LTB”) in the form of a future-related performance share plan with a three-year time span. The annual bonus represents 40 percent and the LTB 60 percent of the variable remuneration.

// Annual bonus

The annual bonus is determined by the Group and brand performance for a given fiscal year, based on the operating return on sales (ROS) and the return on investment (ROI). Each of these components contributes 50 percent to the calculations of the bonus amount. In the year of introduction 2019, the annual bonus focuses 100 percent on the Audi brand. From 2020, the annual bonus will comprise 50 percent for Group target attainment and 50 percent for Audi brand target attainment. The annual bonus shall only be payable if certain threshold values are exceeded. The level of the amount paid is influenced by the “culture and integrity” component.
// Performance share plan

In the future, the LTB will be granted to Board of Management members in the form of a performance share plan. Each performance period of the performance share plan has a three-year time span. At the time the LTB is granted, the annual target amount based on the initial trading price of a Volkswagen preference share is converted into virtual preference shares of Volkswagen AG and awarded to the Board of Management member purely as an operand.

After the end of the performance share plan’s three-year time span, a cash settlement takes place. The final number of performance shares is determined from the number of conditionally awarded performance shares at the start of the performance period, multiplied by the arithmetic average of the annual EPS target attainment figures over the performance period. The final total number of performance shares, multiplied by the sum of the trading price at the end of the performance period and the dividend paid per preference share during the performance period, produces the amount paid, taking into account the “culture and integrity” component.

The amount paid under the performance share plan is capped at 200 percent of the target amount.

All performance shares lapse without substitution or compensation in certain bad leaver cases, for example in the event of extraordinary termination for good cause before the end of the performance period.

// Graded long term security

The change from the retrospective long term incentive (“LTI”) to the future-related LTB results in a payments gap. The direct remuneration paid out individually for fiscal year 2018, comprising the annual total of monthly salary payments, the personal performance bonus (“PPB”), the corporate bonus (“CB”) and the LTI, will enjoy graded protection over three years. This graded long term security for the 2019 fiscal year is 100 percent of the direct remuneration that was paid out individually for fiscal year 2018, 90 percent for 2020 and 80 percent for 2021. At the end of the performance share plans for the 2019, 2020 and 2021 fiscal years, in each case it will be examined whether the actual amount arising under the performance share plan is above the amount that the Board of Management members received in advance by way of graded long term security; if that is the case, the Board of Management members will be paid the difference.

// “Culture and integrity” component (penalty and clawback)

A “culture and integrity” component is being introduced with the system of remuneration for Board of Management members. There is the option to reduce variable remuneration in the event of individual misconduct, depending on the severity of the misconduct (penalties) or through clawbacks.

// Notes on General Data Protection Regulation (GDPR)

If you register for the Annual General Meeting or grant powers of proxy for your voting rights, we will collect personal data about you and/or about your proxy. This is done to organize and hold the Annual General Meeting and to enable shareholders to exercise their rights through the Annual General Meeting.

AUDI AG processes your data as the controller in accordance with the provisions of the EU General Data Protection Regulation (EU-GDPR) as well as all further applicable laws. Details of how your personal data is used and of your rights under GDPR can be found on the Internet on the Annual General Meeting website: audi.com/annual_general_meeting.
How to find your way there

ARRIVAL BY CAR
Take the A6 motorway, leaving at the Heilbronn/Untereisenheim exit (No. 36) in the direction of Bad Wimpfen. Then keep following the Audi signs for the Audi Forum. The destination address for your navigation system is:
NSU-Straße 1, 74172 Neckarsulm

ARRIVAL BY TRAIN
The Audi Forum can be reached easily on foot from Neckarsulm train station in just a few minutes. There will be shuttle vehicles available if required.