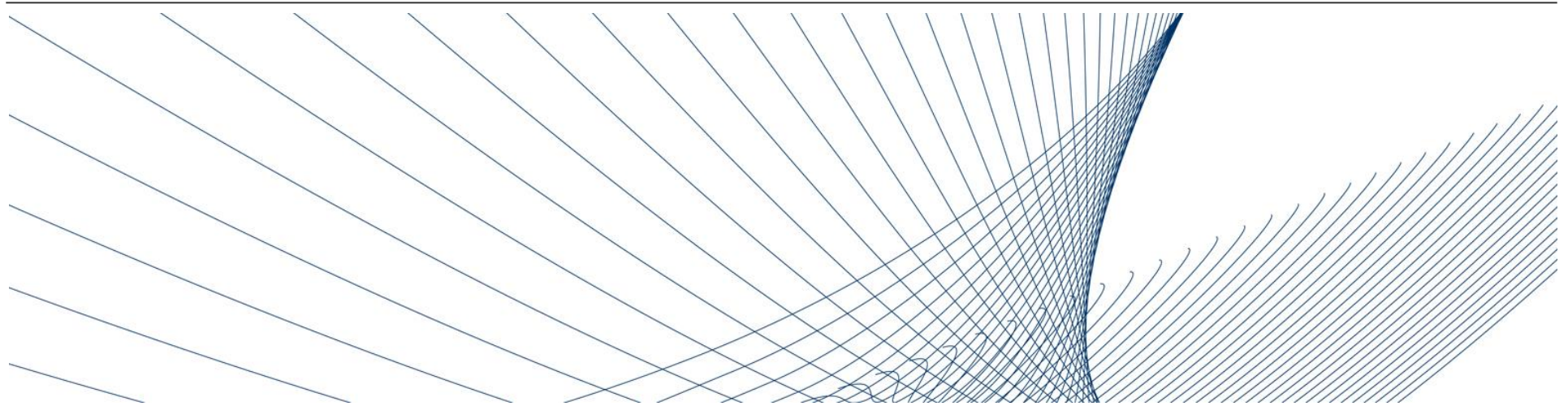


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LowCVP Annual Conference 2018

Paul Buckett – Head of Corporate Affairs

Thursday 12 July 2018

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Volkswagen Group Figures (2017)

Volkswagen Group World Production

- 10 million vehicles

Volkswagen Group UK – Vehicles Registrations

- 0.519m passenger cars out of 2.54m total market
- 20 per cent of UK passenger car market

Volkswagen Group Objectives under “Roadmap E” Strategy (announced Sep 2017)

Battery Electric and Hybrid Models

- 20 billion Euros assigned for e-mobility
- 10 billion Euro battery tender put out

By 2025

- 80 new EV models
- 25 per cent of production to be EVs

By 2030

- EV versions of all 300 models in Group
- 50 per cent of production to be EVs



Who holds the better cards - producers or consumers - in terms of driving ULEV uptake?

The Producer

- More in next 5 years than in last 50 years
- Stricter emissions legislation
- We and our industry are already investing heavily in future EV products

The Consumer

- makes the decision on what to buy
- is motivated by cost, convenience and product features
- will soon be presented with new mobility solutions
- ULEVs will be part of these new mobility solutions

The role of other actors (government, other) in incentivising consumers

Consumer Incentives

Electric Vehicle Grants

- Stimulate sales
- We ask for stability in the availability of such grants
- A sudden withdrawal will damage rate of uptake (e.g. Netherlands)

Electric Vehicle Policy

- We would like to see uniformity across national and regional policy

Milton Keynes local initiative

Car Sharing Clubs and EVs?

The role of other actors (government, other) in incentivising consumers

Milton Keynes - part of OLEV city project to speed the move to electric cars

- Local MPs and MK Council were pro-active on this more than four years ago
- MK is our hometown and we'd just entered the EV market
- Local planning for 20,000 city centre EV parking bays
- EV spaces in premium parking rate bays but free to use by EVs
- Establishment of Milton Keynes Electric Vehicle Experience Centre

The role of other actors (government, other) in incentivising consumers



Electric Vehicle Experience Centre – Milton Keynes

- Part of a Go Ultra Low Initiative
- Developed by OLEV
- Operated by Chargemaster and 5 car companies

The role of other actors (government, other) in incentivising consumers



Support EV operation by car clubs

- 300+ battery electric e-Golfs about to go on to London Zipcar fleet
- Incentivising drivers to use them could accelerate EV acceptance

Are dealerships focused on petrol/diesel and, if so, what are VW and others doing to change this?

Not all our dealers are focussed on EVs

What are we doing to change this?

- we have enabled all Volkswagen and all Audi retailers to sell EVs
- launched EV education programmes for our retailer networks
- Introduced EV standards into retailer networks (includes charge point standards)
- EV model roll-out for SEAT and Skoda networks begins in 2019

Is there significant 'frustrated demand' for EVs/ULEVs, as CCC has recently suggested in its 2018 Progress Report. If so, why?

Yes

- High demand for Volkswagen plug-in hybrid models across Europe
- Always challenging to change rate of car production at short notice

Answer

- Production volumes of plug-in hybrid models to increase for next model year
- 25 per cent of Volkswagen Group UK sales EVs by 2025
- 50 per cent of Volkswagen Group UK sales EVs by 2030

Today : 4 PHEVs and 2 BEVs across Volkswagen Group

PHEVs:

Volkswagen Golf GTE and Passat GTE
Audi A3 e-tron and Q7 e-tron

BEVs:

Volkswagen e-up! and e-Golf



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2019: 7 new BEVs and 2 new PHEVs across all brands



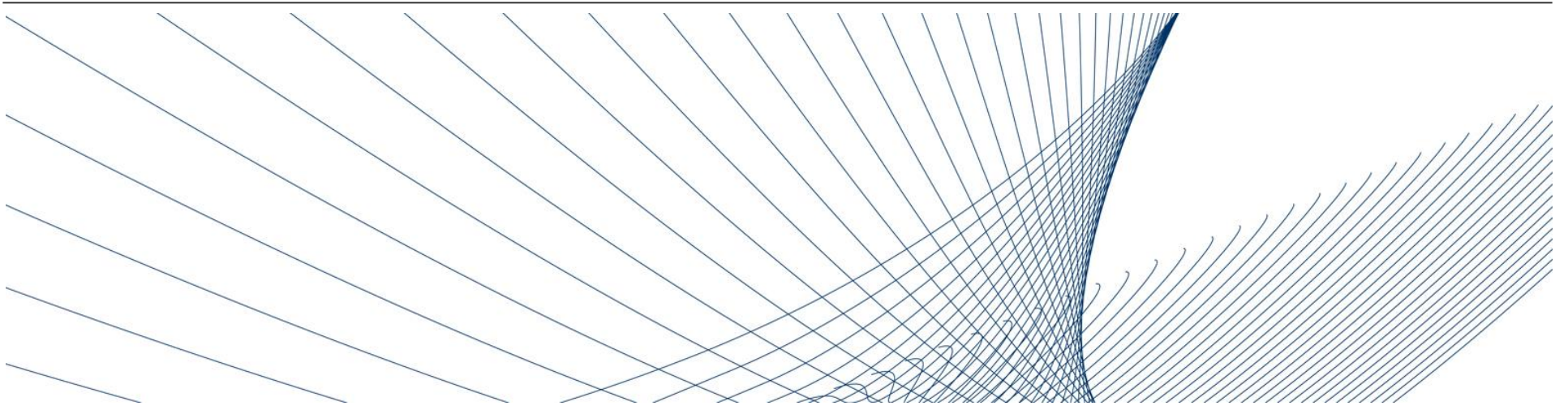
Final Message

25 per cent of Volkswagen Group UK Sales EVs by 2025

50 per cent of Volkswagen Group UK sales EVs by 2030

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Thank you