

**VOLKSWAGEN GROUP**

AMC25

# Speech Oliver Blume

Speech at the 2025 Annual Media Conference by Oliver Blume, CEO of Volkswagen Group,  
published on March 11, 2025.

Ladies and Gentlemen: a warm welcome to the Volkswagen Group's Annual Media Conference.

Here in our Autostadt, that celebrates its 25th birthday this year.

There could hardly be a better symbol of what the Volkswagen Group stands for:

- Products that thrill people all over the world
- Strong brands – each with its own identity
- The highest commitment to quality and a clear focus on the future of mobility
- The unique heritage of our company
- The unparalleled diversity of this global group
- And – most importantly – all of this is for our customers.

Their enthusiasm is the yardstick of our success.

Our vision is geared to this: our ambition is to be the “Global Automotive Tech Driver” by 2035.

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2024 was a year of crucial decisions for the Volkswagen Group – a year for strategically reinforcing our position of strength.

For us, 2025 is a year for stepping up the pace. A year when the new strength of the Volkswagen Group comes into its own.

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The strength of the Volkswagen Group lies in the strength of our brands. We inspire with a fascinating product range in all segments.

We delivered in 2024 – as promised: Over 30 new models made their debut. The most comprehensive product offensive in our company's history. Authentic highlights such as the new VW Tiguan, the Skoda Superb and the Cupra Terramar, to name just a few outstanding examples.

We sent a clear message on e-mobility: In our home market of Europe, we are by far the market leader in the all-electric segment.

The Audi Q6 e-tron and the Porsche Macan have made a successful debut on the new Premium Platform Electric (PPE).

We have taken a qualitative leap forward in our software: we made substantial progress with restructuring CARIAD, we focused on the products, and integrated our new high-quality software in our cars.

With success: we are winning comparison tests. That hasn't always been the case for software.

We have dramatically sharpened our design, highlighting our brand identities.

We have made measurable improvements in the quality of our products and services through systematic and disciplined work.

The reward: great feedback. From our customers – and from the trade press.

One example: VW's top electric model, the ID.7, was a top scorer in the prestigious ADAC vehicle test, with an overall rating of "very good".

The first vehicle ever to achieve this rating.

And: we're staying on the ball and getting better and better.

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2024 was a demanding year with many kinds of challenges. Once again, the Volkswagen Group proved: Our substance is strong.

At the same time, we are systematically working on optimizing our cost structure, and further strengthening our financial robustness.

We delivered some 9 million vehicles, almost matching the level of the previous year.

There was noticeable growth in North America and South America. This contrasts with declines in a fiercely competitive market in China.

We are out in front in our home market of Europe. In terms of both combustion engines and all-electric vehicles.

And the large number of models gives us a good springboard for the coming years.

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Sales revenue ran at €324.7 billion. Operating profit came in at some €19 billion. Net cash flow in the Automotive division was €5 billion. And net liquidity was some €36 billion.

These are solid results in a challenging global environment. And in a phase of restructuring. That shows our resilience.

With our net liquidity we are well prepared for the new year.

This financial stability gives us the necessary leeway to continuing investing in the future and to pursue our strategic goals and to propose a dividend of €6.36 per preference share to the Annual General Meeting in May.

This corresponds to a payout of 30 % of our net profit.

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Around us we see:

- challenging industrial framework conditions in our domestic market
- weak market demand in Europe
- a highly dynamic, massively competitive market in China
- ever-higher trade barriers and ever-increasing regulation
- fierce price competition in all regions of the world.

- At the same time, it is absolutely vital that we invest wisely and extensively in promising, future-oriented innovations.

The Volkswagen Group has not allowed all this to slow it down. On the contrary.

We have driven change forward sustainably. With innovative, emotional products. With clear decisions.

In our global software strategy we have reached milestones, concluded strategic partnerships, and put our own house in order.

We have made ourselves fit in China with our new strategy.

In North America we have driven our growth strategy forward.

And on our domestic market, the "Zukunft Volkswagen" agreement lays the foundation for the competitiveness of Volkswagen AG in Germany.

In brief: Unique momentum for our company. As we move towards fulfilling our vision.

Our Top 10 programs remain the key management tool for our operational and strategic activities.

With quantifiable milestones, ambitious goals, clear responsibilities and a systematic roadmap. For all brands, for all companies.

We achieved the goals we set ourselves for 2024. With great discipline and high speed, we met some of our goals faster than planned. That is what the new Volkswagen Group is all about.

The ambitious performance programs help us to reinforce our company's financial robustness even further. With strategic return targets for each brand and quantifiable measures.

The "Zukunft Volkswagen" agreement was an important step in this context. It is the foundation for an economically successful future for Volkswagen and our German operations.

A milestone in reconciling competitiveness and job security in a sustainable way.

The three main pillars of the agreement are:

- a future-proof collective bargaining agreement
- competitive structures for the workforce and the plants, and
- works agreements to accelerate implementation

With these measures, the strategic goal for profitability of the VW brand is realistic in the medium term – a significant earnings boost with major impact for the Group.

Quality made in Germany at competitive costs – that is possible.

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Best products and technologies. That is our ambition.

What is needed are reliable cars with highly automated driving systems, first-class infotainment, greater comfort thanks to connectivity and individualization plus continuous over the air updates.

That is why we have realigned our software activities and strengthened the team with new partners: Xpeng for China and our US partner Rivian for the other world regions.

Going forward, our in-house software company CARIAD will concentrate on key cross-sectional technologies: Autonomous driving, infotainment, cloud services, data processing or back-end solutions.

We are also putting the control over existing software where it belongs: With our brands – and thus closer to customers.

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The Chinese market has an unparalleled dynamic.

The Volkswagen Group is keeping up with "China speed".

In 2024 we made decisive progress with our "in China, for China" approach:

- with strong regional tech partners
- systematic cost efforts
- a revised product strategy – fully tailored to Chinese customers
- and the start of our innovation hub in Hefei with a workforce currently totaling 3,000 Chinese colleagues

SAIC Volkswagen has designed a new progressive electric brand together with AUDI. With our partners we are speeding up the electrification offensive.

At the same time, we continue to earn money in China thanks to our strong position in the combustion engine business. This allows us to make further extensive investments in new models and technologies.

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North America remains key to the Volkswagen Group's growth strategy. And for well-balanced regional business on markets worldwide.

With our investments in our plants in Tennessee and South Carolina as well as strategic partnerships we are sending a clear signal for further growth.

An increase of over 6 percent in deliveries in North America in 2024 shows we are right.

We are opening another door to growth in the USA. We are going straight to the heart of the American soul.

The revival of heritage brand Scout allows us to enter the attractive pick-up and rugged SUV business.

We presented two models in 2024. Meanwhile, we have received some 80,000 orders with prepayment.

Without infrastructure, e-mobility cannot succeed: Our Elli network already provides access to over 850,000 charging points in Europe.

All it takes to use the network is an app and a map. Nothing else.

In 2024, we increased the number of charging points by over 30 percent. And we're staying on the ball.

We are driving expansion of the charging networks in the core markets of the USA and China with our Group subsidiaries Electrify America and CAMS.

The battery is at the heart of tomorrow's mobility.

With the unified cell, we have created a global, cross-brand technology platform. It reduces complexity and enables scalability.

On the one hand, we are turning to external suppliers. And on the other, we are also holding the reins for this key technology ourselves with our PowerCo subsidiary. In development as well as manufacture.

The entire value chain is of relevance for us. We acquired a stake in a mining company in North America in 2024.

This investment is a further step towards securing the supply of raw materials. The key to less costly batteries – and therefore to less expensive products for our customers.

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Demand for smart and sustainable mobility solutions is getting stronger and stronger.

Apart from leasing, the focus is on more flexible forms of mobility such as car subscriptions or rental models.



Volkswagen Financial Services is teaming up with our brands to drive the development of a comprehensive and profitable mobility platform.

Sustainability is the foundation for our activities.

We reduced emissions from production by 50.4% from 2018 to 2024. A milestone we had originally targeted for 2030.

Compared with 2010, each car we produce today uses

- 21 % less energy
- 27 % less water
- and generates 79 % less waste

In 2024, we launched regenerate+, a sustainability strategy that gives our Group a binding framework for action.

The revised format for our Sustainability Council provides us with agile and practical impulses – from independent experts.

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We accomplished a great deal last year – we can be proud of our achievements.

That was only possible with an outstanding team such as ours.

Day after day, some 680,000 people at over 100 locations all over the world worked with passion and dedication to take our Group forward.

2024 was a challenging year. But the great Volkswagen family showed yet again just what it is capable of.

I would like to say a big thank-you to everyone on behalf of the entire Board of Management team: That was a great team performance!

Solid results in a challenging market environment. They give us a boost along our way.

2025 will be another challenging year.

Success needs focus. It's like sport: Winning means making sure your training has put you in top form. That takes hard and systematic preparation – based on a structured plan.

And you have to be hungry for success. Ladies and gentlemen, I can assure you we are hungry.

We have worked hard, systematically and methodically – and will continue to do just that. This effort is worthwhile.

It lays the groundwork for the Volkswagen Group to hit the ground running in every respect from 2026.

2025 will be the year when the new strength of the Volkswagen Group comes into its own.

- Our product offensive continues: around 30 more new models across all brands.
- In China, Audi launches a model offensive with our partner SAIC.
- We showcase pioneering world premieres at the Shanghai Auto Show.
- We present our all-electric small car at the IAA.
- We go into production – with battery cells in Salzgitter and we start operating the autonomously driving ID.Buzz shuttle in Hamburg.
- Thanks to intensive work on costs and to investment discipline we can concentrate on what is really important.

The Volkswagen Group is driving innovation and staying profitable.

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Our company does not just want to be part of the accelerated technological change throughout the world. We want to shape it.

What gives us the strength to achieve this?

- Our unique combination of global presence and local competence
  - Our focus on our own qualities
  - And the interaction with strong partners – the best of their kind
  - Our flexibility – and our will to change
  - And: our strategy for leveraging scalability efficiently and powerfully
  - With software, batteries and platforms.
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We have set ourselves another ambitious TOP 10 program this year.

With binding targets, clear responsibilities. Concrete, measurable and transparent. We are staying true to our tried and tested system.

We are going on the offensive in 2025: around 30 more new models will make their debut on markets worldwide. Across all brands. In all segments.

Fascinating vehicles, that will position us at the forefront of competition. Models such as the new Volkswagen T-Roc, the new Audi Q3, the Lamborghini Temerario, highly emotionalizing 911 derivatives from Porsche, and many more.

And the story continues: we are already looking forward to one of the highlights of the annual automotive calendar: the IAA.

In Munich we will be debuting our brands' electric small cars For around €25,000 E-mobility for everyone – a promise that the Volkswagen Group will deliver on.

That is why we are going one step further – the electric entry-level model for €20,000.

Last week we celebrated the world premiere of the ID. EVERY1 show car. Charismatic design, striking appearance, great feedback. Our junior has great plans.

The future of mobility is electric. In terms of characteristics, e-mobility has the advantage over combustion technology. That is our firm conviction.

Nevertheless, we recognize that global automotive markets are adapting at different speeds.

The criticism that was leveled only recently at the Volkswagen Group is today our competitive advantage: our broad, flexible product portfolio across all powertrain types.

All-electric vehicles, efficient combustion engines or modern hybrid concepts.

We combine plug-in hybrids with our combustion powertrains, our all-electric products can be coupled with range extenders.

Range extenders are becoming more attractive. We can see this trend in China in particular.

A small combustion engine that charges the battery while the vehicle is travelling, and can extend the range of an electric vehicle to over 1,000 kilometers.

We will be entering this market in China from 2026. With range extender models from Volkswagen.

Many people in the USA are also interested in this drivetrain for Scout vehicles.

This is how we can meet demand in line with the market and tailored to requirements. Hardly any other competitor can do the same.

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We continue to operate in a demanding global market environment in 2025.

We expect: competition on international markets to become even more intense, regional developments to be mixed, a slight increase in new vehicle sales volumes worldwide.

Europa is our home. It is where we are the market leader. And we intend to strengthen this position further.

We see positive signals: 2025 got off to a stronger start than expected. The numerous new products in particular are being well received.

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The Volkswagen Group also expects 2025 to be a demanding year in the Chinese market. In this competitive market, we expect price discounts to increase further.

But we are prepared:

- In 2025 we will launch the first models from the cooperation between the AUDI brand and SAIC
- and a second Audi model based on the PPE.
- The Volkswagen brand's model offensive starts in 2026.

From 2026, we expect our measures to take hold on a larger scale.

By 2030, the Volkswagen Group will be delivering 30 new electric models tailored to local requirements. And will be playing a leading role in the era of intelligent networked vehicles.

Our maxim: We concentrate on our own strengths. Volkswagen stands for automotive know-how, design and quality.

But: where meaningful, we cooperate with leading partners from industry and technology.

In April, we will once again be a central part of the Shanghai Auto Show.

At the Group Media Night our brands will present their strong, local product innovations for the world's largest automotive market.

I'm afraid I can't reveal any details at the moment. But I can say that the show will be worth it!

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We see significant growth potential in North America – despite the ongoing list of risks.

As we did for China, we will develop a vision for 2023 for this region. With a clear plan of measures and responsibilities. And a product portfolio geared ever closer to the expectations of American customers.

And we will be harnessing local synergies of our strong brands in the region.

In South America we grew faster than the overall market last year. Competition in the region will become more intense.

But we have significant opportunities with our strong, local product portfolio. It is up to us to continue our success story.

The Indian market stands for growth and intense competition. And both are increasing.

We want to harness our opportunities in this region, too. With strong partners and a high level of localization.

With Skoda as the Group's lead brand, our ambitions in India are in the best hands.

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Alongside software, battery development is an integral part of our technology strategy.

The first generation of our unified cell marks a big step forward: in performance, flexibility and cost efficiency.

And we are already working on the next battery generation: the solid-state cell.

These cells do not need any liquid material. And they offer greater range and higher charging speeds.

Batteries are a success factor and we take a holistic approach in this field. Development, securing raw materials, and our own battery production.

With our PowerCo subsidiary, we are building three factories worldwide.

We start production in Salzgitter this year. In Valencia, Spain, and St. Thomas, Canada, construction work on the production plants is on schedule.

As far as charging is concerned, we are in a better position in Europe than any other manufacturer. With a unique eco-system for charging and energy management at home.

And we are already thinking further ahead: bidirectional charging, cars as mobile powerbanks, managing a battery network.

With Elli we are also planning to build and operate large-scale energy storage systems.

A growth market with enormous potential. And an important Group contribution to the energy transformation.

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Our concept for developing cars is to design them around the software.

Our Software Defined Vehicles – or SDV – will become a yardstick. With our joint venture partner Rivian, we are designing this advanced and high-performance SDV architecture.

We will integrate it in the Volkswagen Group's product portfolio from 2027. Scalable for all segments – we are making the most of our great competitive advantage.

In the Eastern world, we have a strong partner in Xpeng. We will already be commercializing our zonal architecture there this year.

The Automated Driving Alliance between CARIAD and Bosch sends a clear message: We see automated driving as a vital part of our offering. For all vehicle classes.

We are testing on the road. In Europe, the USA and Japan. We are seeing top performance in highways. That is major progress towards series development.

In 2025, we are also focusing on the greater use of artificial intelligence.

Innovative mobility services play an important role in autonomous driving. We are opening the door to the future with the start of the series version of the autonomous ID.Buzz Shuttle.

We are a pioneer. As the first carmaker to develop an autonomous Level 4 vehicle for series production.

Our development partner Mobileye is supplying the digital driver. Our Group's own mobility service provider MOIA handles fleets, booking apps and passenger management.

And in the vehicle itself, a control software performs all processes and safety tasks.

This creates a turnkey fully automated mobility solution. A milestone in the mobility transformation.

Our goal: to offer passengers in Europe and the USA affordable and sustainable mobility accessible to everyone



The Volkswagen Group bears responsibility for shaping sustainable mobility for generations.

We are working on developing a strategy for the circular economy. Across the complete automotive value chain. One example is the battery recycling plant in Salzgitter.

We are also investing in decarbonization and the circular economy inside and outside the Group through the "Leitmotif" venture capital fund.

Volkswagen culture is team culture. The strength of our teams is the strength of the Volkswagen Group.

That is why we foster our teams at all levels. Tailored to the challenges of the transformation.

As an employer with a workforce of some 680,000 people all over the world, social action is a fundamental part of our responsibility.

This commitment finds expression in many diverse projects: community, social and cultural.

And it is our ambition to extend our engagement further. We have, for example, set up a new Sustainability Impact Fund for sustainability projects. With an annual allocation of up to €20 million until 2029.

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Ladies and Gentlemen, as you can see: We move the world. Yesterday. Today, And, above all, tomorrow.

The Volkswagen Group has taken it upon itself to shape a successful future for this unique company. With determination. With a clear plan.

For 2025, we must – and will – unleash the power. This Group has great potential. We will deliver.

All is set. Our team is ready. Our tactics are strong. We enjoy playing the game.  
Now we're scoring goals.

Thank you for your attention.