

**VOLKSWAGEN GROUP**

AMC 2026

Speech Oliver Blume

Speech at the 2026 Annual Media Conference by Oliver Blume, CEO of Volkswagen Group, published on March 10, 2026.

I would also like to welcome you to the Volkswagen Group's Annual Media Conference in Wolfsburg. I am delighted you could join us here today – either on the call or direct here in the Autostadt. No other venue could be a better symbol of what our company stands for: strong brands, iconic products and a clear vision for the mobility of tomorrow.

2025 was a year of progress for the Volkswagen Group. We brought inspiring and exciting products to the public. Translated technology into tangible customer benefits. Streamlined structures, reduced costs and continued to improve our steering.

Strong brands, iconic products – this is not only a persuasive argument for our customers. It also convinces the experts in our industry. We are again winning prestigious awards – and are even achieving historic success, for example just recently in readers votes for the Golden Steering Wheel, or the Best Cars reader poll conducted by the auto, motor & sport trade magazine. And we were voted the world's most innovative automotive group in 2025. In short: we have put the new power of the Volkswagen Group on the road. And we have done so in a rapidly changing environment – an environment that presents our entire industry with unprecedented challenges marked by increasing geopolitical tensions, new trade barriers and intense price pressure in key markets.

We have worked on that with ambition to make ourselves fit for the future and to further strengthen our competitiveness. With consistency, discipline and pragmatism. We delivered nearly nine million vehicles in 2025, broadly in line with the previous year. Europe remains our strong base. Our position in our home market is stronger than ever. Even though we are operating in an extremely dynamic environment. With a 4 percent increase in deliveries and a market share of over 25 percent. We have further expanded our leading position. Both for combustion engines and electric vehicles.

Particularly pleasing is the fact that BEV deliveries in Europe rose by 66 percent. With a 27 percent market share, we are the clear market leader. Five of the ten best-selling all-electric models in Europe come from our Group. As expected, deliveries in the present particularly demanding markets of North America (-10 percent) and China (-8 percent) have declined. In contrast, we saw very positive development in South America where sales grew by 12 percent. There was a 9 percent increase in Asia (excluding China) and a 10 percent rise the Middle East/Africa.

Today, our flexibility across drivetrain types is a clear global strength: efficient ICEs, progressive hybrids, sustainable all-electric vehicles.

Volkswagen Group sales revenue was €322 billion – close to the prior year level. Operating profit was €8.9 billion. That is significantly less than in 2024. The decrease is, however, largely due to special factors and tariff effects. At the same

time, we see that our comprehensive, standardized performance programs are making headway. For our brands, our companies, our regions. With them, we have substantially reinforced and effectively strengthened our company's cost structure. We were only in a position to offset a significant share of the global headwinds thanks to the major progress we made in cutting costs.

The direct and indirect effects of US tariffs alone amounted to some €5 billion. And there were also significant non-recurrent brand-related restructuring expenses and special items that we recognized as one-time effects in 2025. At 5.5%, our operating performance before special items and tariffs came in at the lower end of our original guidance range at the beginning of the year. This was achieved in spite of further unadjusted effects, such as the changed market situation in China, lost vehicle sales in the USA as a result of tariffs levied on Mexico, or further considerable expenses in connection with the technological transformation of our company. All this not only underscores the effectiveness of our programs, but also highlights their necessity.

Net cash flow in the Automotive Division amounted to €6.4 billion: thanks to the team's excellent work, that is €1.3 billion higher than the previous year. As a result, we were able to maintain net liquidity at a very solid level of some €34.5 billion.

The Board of Management and the Supervisory Board will be proposing a dividend of €5.26 per preferred share for fiscal year 2025 at the Annual General Meeting in June. Our share price confirms the fact that the capital market looks favorably on the path we have taken: The price of Volkswagen preferred shares grew by around 16 percent in 2025. For comparison: the Stoxx Europe Automobile & Parts sector index fell by 4% on the stock market over the same period. Factoring in the dividend, this in fact gives our shareholders a 24% increase in market value. A positive trend for the Volkswagen Group in conditions that were undoubtedly anything but easy for our industry – and all of this took place at a time of far-reaching restructuring, realignment and transformation for our company.

Arno Antlitz will fill you in on the financial details shortly.

We achieved a great deal in 2025. Thanks to our strategy, the consistent execution of our programs and a team that works single-mindedly with ambition and passion – day in, day out. But it is also clear that was not nearly enough. A great deal of work still lies ahead. The global framework is undergoing a fundamental rearrangement. Familiar certainties are disintegrating. Our business model of past decades no longer works. Given this situation, expanding our regional activities further while simultaneously benefiting even more from global synergies is crucial for success.

Take our ongoing "In China, für China" strategy, for example. With this strategy we are expanding our global footprint. We are becoming more independent. We are tapping into local opportunities and strengthening our resilience.

Ladies and Gentlemen,

We see we are moving in the right direction, our activities are having an impact. The strong fourth quarter already showed a clear improvement in performance. The first effects of restructuring are also emerging. Through wage agreements and personnel measures alone, we realized cost effects at Volkswagen, Audi, Porsche and CARIAD of some €1 billion in 2025. Our goal remains unchanged: With our future-focused strategies and programs alone, we plan annual cost savings of over €6 billion by 2030.

Our VW brand has seen positive development and the overall result has stabilized. With inspiring products such as the new T-Roc, that has got off to an excellent start in the market. We continue to pick up speed: the electric urban car family is ready to go. It is the latest addition to our electric portfolio that now spans the entry-level segment with the ID.Polo through to the ID.7.

Audi is underpinning its "Vorsprung durch Technik" claim with a complete realignment in all areas of the company. The Concept C showcar with its iconic design, cutting-edge technologies and innovative manufacturing approaches shows where the brand is headed. At the same time, Audi is currently running the largest model offensive in its history across all powertrains.

Porsche finds itself in a particularly challenging situation with its 100% export business in the largest single markets of China and the USA and the enormous changes in market conditions. That is why the company was realigned in 2025. Despite the new framework, after financial adjustment Porsche is still one of the automotive industry's strongest companies.

Our ambition for the entire Volkswagen Group is an 8% to 10% operating return on sales. Compared with our old target, this ambition represents a higher quality level than our previous long-term targets because of enormous changes in the economic environment. We have laid a robust foundation for our Group with the extensive restructuring program and the realignment of the last three years. We have delivered on our promises and achieved some of our goals ahead of schedule. Everything is geared to our TOP 10 programs for the Group and the brands. For products, technologies, software, regions, mobility offerings, sustainability and financial performance. At the same time, our world has changed dramatically over the past 3 years: market structures, trade policy obstacles and massive regulatory requirements in the various regions of the world. And for our company itself, a cost base that is too high – above all in Europe. That is why we are currently working on a transformation plan for the next phase in our company: the vision for the Volkswagen Group in 2030.

We are concentrating on reworking our business model in light of the new conditions. On further developing our product portfolio – tailored specifically to the

world regions and their own profit pools. Refining our technology, battery and software roadmap. And, at the same time, further improving our financial substance and the efficiency of the Volkswagen Group's structure.

We will keep you informed about the next steps over the course of the year. A year in which we will continue to embed our innovative strength in our products and technologies. With a model offensive comprising more than 20 new products. One genuine highlight will be the electric urban car family referred to a little earlier. It is so much more than just a model range. It is an expression of the know-how and resources of the Volkswagen Group: four models, three brands, one platform.

We showcased the complete family for the first time at the IAA last September. And now we are putting it on the road. E-mobility at an entry-level price with top technologies adopted from higher vehicle classes. Volkswagen, CUPRA and Škoda are tapping into a growth segment with great potential. The Cupra Raval will be celebrating its world premiere in a few weeks. I imagine we are all looking forward to that. Just as we are looking forward to many more all-electric vehicles such as the Audi E3 CUV or the Porsche Cayenne Electric. A real BEV push for Europe – across all segments.

At the same time, we are stepping up the pace again in China. After less than three years of transformation, we are now in full delivery mode. By 2027 we will be launching some 30 electric models on the Chinese market. Working together with our partners, our development cycles there are up to 30 percent faster and with our local Compact Main Platform we have reduced our material costs by more than 40%. This is experience we are carrying over to other regions. Technology-wise, we are taking the next crucial steps.

In our joint venture between CARIAD and Horizon Robotics (Carizon), we are developing our first proprietary AI chip – for the next generation of smart, connected vehicles and for high-performance, energy efficient and AI-assisted automated driving. The battery is and remains the key technology for e-mobility – and we are increasingly taking the reins when it comes to this technology. The start of production at our cell factory in Salzgitter last December stands for technological know-how, industrial expertise and control along the entire value creation chain.

Furthermore, with the launch of LFP cell technology we are expanding our technological spectrum and strengthening our competitiveness in the volume segment. We are also stepping up the pace when it comes to software. We have taken the zonal China Electronic Architecture to series production in just 18 months. In parallel, our cooperation in the Rivian Volkswagen Tech joint venture is progressing very well and is right on track. Together, we are developing the next SDV architecture for the western hemisphere. It will be used for the first time in the ID. Every1 from 2027. CARIAD, our software subsidiary, has been technically

refurbished, restructured and made significantly leaner. It now focuses on cross-section functions, thereby becoming much more effective.

Our high ambition remains unchanged: We aim to become the global automotive tech driver. And we are resolutely continuing on this path. We know our destination. We know what we have to do. And we are backed by the strength of a powerful team. Day by day all over the world, colleagues work to make progress possible. With great technical knowledge, plenty of passion and a genuine team spirit.

In my own name and on behalf of the entire Board of Management, I would like to say a special thank you to our teams for what they made possible last year.

Our focus for 2026 is clear: strong products, convincing technologies, delighted customers, strict cost discipline. This approach is not an end in itself. Rather, it is a prerequisite for investments, growth and a successful future for our Volkswagen Group. We have made significant progress. The underlying conditions have become even more challenging – and we are making ready. We act proactively. We stay focused. And we make the most of our opportunities. There will be plenty more of them in 2026!

Thank you. Over to you, Arno.