
Media information

NO. 79/2023

Structural and personnel realignment at CARIAD

- **Following the technical optimization measures of recent months, the Volkswagen Group is now moving forward with structural and personnel development at CARIAD – this includes the restructuring of the CARIAD organization, accelerating the implementation of the E³ platforms (end-to-end electronic architecture), structural orientation to the development of software-defined vehicles (SDV), intensified technology partnerships, and a new leadership and team model.**
- **Peter Bosch has been appointed CEO of CARIAD effective June 1, 2023, and will simultaneously also assume responsibility for Finance, Purchasing and IT. Bosch previously successfully realigned Bentley during his time as a member of the company's Board.**
- **Ties between CARIAD and the Volkswagen Group brands will become closer and the company will continue its build-up as an internal supplier for future technologies.**

Wolfsburg, May 8, 2023 – The Supervisory Board of CARIAD has approved a comprehensive realignment of the Volkswagen Group's software subsidiary. Peter Bosch, previously responsible for manufacturing at Bentley and the Volkswagen AG representative on the Board of Scout Motors, has been appointed CEO. Supported by acknowledged software experts and a transformation team of experienced managers from the Volkswagen Group, CARIAD senior management and technology specialists will comprehensively advance the development of CARIAD.



Peter Bosch, CEO of CARIAD as of June 1

Oliver Blume, CEO of the Volkswagen Group and Chairman of the Supervisory Board of CARIAD, commented: "Last year, we drew up a ten-point plan for operational and strategic areas of action within the Volkswagen Group. One key element is the realignment of CARIAD, and we have already made good progress. We are now setting the next milestones for advancing strategic, structural and personnel development. CARIAD focuses on the development of digital future technologies for the Group

VOLKSWAGEN

AKTIENGESELLSCHAFT

brands. We are stepping up the pace and broadening our approach to partnerships. This is designed to combine our competences with the best solutions on the market for the benefit of our customers. The outcome is even closer software-vehicle development interaction.”

In the past few years, experts from all over the world have been recruited and inspired with the ambition to develop a uniform operating system for all Group brands.

“When I took office in September 2022, I underscored that CARIAD is a key success factor for the Volkswagen Group. As one of the core elements in our 10-point plan, we have addressed key issues:

- Sharpening CARIAD’S core competences
- Revising the interfaces with the brands
- Realistic sequences for the software architectures
- Boosting effectiveness
- Expanding strategic partnerships

We have taken important decisions on these issues in the past few months and have set our guardrails – for example, we have organized the software architectures and their timelines for our vehicle projects. We have drawn further specific conclusions on the basis of our thorough analyses, and are now advancing the in-depth development of CARIAD. We would like to thank Dirk Hilgenberg and his team for their passionate commitment and the progress they have achieved. We are already in talks with them about possible new roles within the Volkswagen Group,” Oliver Blume said.

Peter Bosch named new CEO

Peter Bosch assumes responsibility as CEO of CARIAD effective June 1, 2023. As the Member of the Board for Manufacturing at Bentley Motors since 2017, he shared responsibility for the successful restructuring and reorganization of the company. Peter Bosch is an experienced Volkswagen manager, having held several other posts within the Group, including roles within the Volkswagen brand. As a Member of the Board of Scout Motors, he was recently closely involved in establishing the manufacturer of full-electric R-SUVs and Pickups in North America. Within CARIAD, Bosch will also assume responsibility for Finance, Purchasing and IT.

VOLKSWAGEN

AKTIENGESELLSCHAFT

“Peter Bosch is the right CEO at the right time,” Oliver Blume said. “He is a strategist, an enabler and a team player. He successfully proved that at Bentley. He knows the Volkswagen Group well and also has extensive experience in the fields of change and consulting.”

Going forward, the new CEO will be joined on the Board of Management by two acknowledged software experts. CARIAD will announce these appointments in the near future. The final Board Member is Rainer Zugehör, who retains his role as Chief People Officer (CPO).

In addition, an experienced Transformation Board is already in place to provide CARIAD with further support. This board brings together selected CARIAD managers to create a highly-competent team to shape the realignment. “The focus is on steering the transformation process and advancing cooperation between CARIAD and the Volkswagen Group brands – with a team spirit, fairness and passion,” Michael Steiner, Member of the Supervisory Board of CARIAD and responsible for development in the Volkswagen Group, said. According to Steiner, the Supervisory Board specifically focused on a team of experienced managers from all Volkswagen Group brands, CARIAD experts and new external managers.

The comprehensive realignment of CARIAD is based on five points:

1. Restructuring of the CARIAD organization
2. Accelerated execution of the E³ platforms
3. Structural orientation to the development of software-defined vehicles (SDV)
4. Intensified technology partnerships with strong tech players
5. A new leadership and team model

Software based: the software-defined vehicle architecture

CARIAD will play an even greater role in developing the vehicles of the future, from software to hardware. For example, there are plans for an integrated project house with the Volkswagen and Audi brands to develop the next generation of software-defined vehicles.

VOLKSWAGEN

AKTIENGESELLSCHAFT

About the Volkswagen Group:

The Volkswagen Group, with its headquarters in Wolfsburg, is one of the world's leading automobile manufacturers and the largest carmaker in Europe. The Group comprises ten core brands from seven European countries: Volkswagen Passenger Cars, Audi, SEAT, CUPRA, ŠKODA, Bentley, Lamborghini, Porsche, Ducati and Volkswagen Commercial Vehicles. The passenger car portfolio ranges from small cars all the way to luxury-class vehicles. Ducati offers motorcycles. In the light and heavy commercial vehicles sector, the products range from pick-ups to buses and heavy trucks. Around 675,800 employees around the globe are involved in vehicle-related services or work in other areas of business. With its brands, the Volkswagen Group is present in all relevant markets around the world.

In 2022, the total number of vehicles delivered to customers by the Group globally was 8.3 million (2021: 8.9 million). Group sales revenue in 2022 totaled EUR 279.2 billion (2021: EUR 250.2 billion). The operating result before special items in 2022 amounted to EUR 22.5 billion (2021: EUR 20.0 billion).
