
Media information

NO. 88/2022

Customer-focused, independent, fast: Volkswagen Group realigns structure in China

- **China Board to become the Group's central cross-brand body in the region as of August 1: New structure enables swifter decision-making, optimal collaboration between Group brands and close, partnership-based involvement of the joint venture companies**
- **Group strengthens its development capabilities "in China, for China" to further accelerate the pace of innovation, technical localization and customer focus**
- **Stefan Mecha named new CEO of the Volkswagen Passenger Cars brand in China as well as Head of Group Sales at Volkswagen Group China; Marcus Hafkemeyer appointed CTO of Volkswagen Group China**
- **Ralf Brandstätter, designated Group Board Member for China: "We are realigning ourselves on our most important market worldwide in order to tailor our products and services even faster and more consistently to the needs of our Chinese customers."**

Wolfsburg/Beijing, June 17, 2022 – The Volkswagen Group is fundamentally realigning the management model for its organization in China. This will give the region greater autonomy to further strengthen its leading position in the dynamic automotive market. The central element of the realignment is a regional China Board led by Ralf Brandstätter that will take all major decisions in the region on a cross-brand basis and in close collaboration with the joint venture companies. In addition, the Group will pool the technical resources and capabilities of its brands more closely to significantly accelerate the development pace of innovative technologies and digital services "in China, for China".

In this context, the company has appointed Marcus Hafkemeyer, currently Executive Strategy Advisor at Huawei Automotive in Shanghai, as Chief Technology Officer of Volkswagen Group China, effective August 1. The company is also making a new appointment to a further key function in the region: Stefan Mecha, currently CEO of Volkswagen Group Rus, has been named new CEO of the Volkswagen Passenger Cars brand and Head of Group Sales in China, as of August 1.

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“With this new structure in China, we are laying the foundation for the strong, integrated management of our Group activities in close collaboration with our joint venture companies. The China region is being given significantly greater decision-making powers and autonomy. We are therefore tailoring our services, technologies and products even faster and more consistently to the specific needs of our local customers,” said Ralf Brandstätter, who assumes responsibility for the Chinese market on the Group Board of Management and will lead Volkswagen Group China from August 1.

China Board: Swift cross-brand decision-making

The China Board will be the driving force for swifter and more flexible decision-making processes. Going forward, this is where fundamental cross-brand strategic and operational decisions will be taken and their implementation efficiently managed. Ralf Brandstätter, who will chair the China Board, will be joined by the regional CEOs from Audi, CARIAD and Volkswagen Passenger Cars as well as by representatives from major functional areas.

Stefan Mecha, currently CEO of the Volkswagen Group’s Russia business, will become the new CEO of the core brand as well as Head of Group Sales of Volkswagen Group China effective August 1. Mecha will report to Ralf Brandstätter. “Stefan Mecha is one of our most experienced and internationally distinguished managers. He has an outstanding international record of success in Brazil, South Africa and, most recently, Russia. Stefan has impressively demonstrated his ability to expand business sustainably and successfully, even under the most challenging conditions”, Brandstätter said.

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Faster pace of innovation and more regional responsibility for development

The Group is also fundamentally realigning its technical development in the region: Strong cross-brand coordination is to drive forward the pace of development, accelerate digitalization and tailor products and services even more closely to the needs of Chinese customers. In this process, the company will build on the foundation laid by the “One R&D” program that pools all development activities in the region. To that end, personnel capacities in China will be further expanded and development initiatives intensified with a view to harnessing synergies more effectively.

In this newly-created function of Chief Technology Officer for the Group Marcus Hafkemeyer will report to Ralf Brandstätter and will become a member of the China Board effective August 1. Hafkemeyer will advance and accelerate the pace of autonomous development activities in the region, and will also leverage Group-wide synergies in close collaboration with the relevant brand and entity CTOs.

“China plays a pivotal role in the success of our NEW AUTO strategy and the global transformation of Volkswagen. Systematically aligning our organization to the specifics of the Chinese automotive market is a key success factor. The focus of our strategy is to strengthen our local research and development. Here, too, we will be taking up the motto of ‘in China, for China’, which already applies for our factories. Priority areas are the further electrification of the portfolio as well as digital technologies and mobility services”, Brandstätter said. “We are delighted to welcome Marcus Hafkemeyer, an outstanding automotive and digitalization expert currently based in Shanghai. Marcus has been working with Chinese automotive companies for many years and therefore has extensive experience with the specific local development opportunities and the needs of Chinese customers.”

Stefan Mecha has been with the Volkswagen Group for more than 15 years. He holds a degree in Economics in Germany and a Global Executive MBA from Insead Business School. Prior to joining Volkswagen AG, he held various positions at Sixt AG and Daimler AG. In 2005, Stefan Mecha became Regional Sales Director of Volkswagen Commercial Vehicles in Western Europe. He then held various positions in Sales within the Volkswagen Group in Europe and in the Middle East. In 2016, he became Member of the Volkswagen Board in South Africa and Managing Director of the Sales company. From 2018 to 2020, he was Vice President of Sales and Marketing in the South America Region at Volkswagen Brazil. In 2020, he was appointed as new General Director of Volkswagen Group Rus.

Marcus Hafkemeyer studied mechanical engineering at the Technical College of Cologne. The chartered engineer began his professional career in 1997 as a development engineer at AUDI AG in Ingolstadt. From 2001 to 2003, he served as a section manager in Electrical Systems Series Development at AUDI AG. In 2003, he joined BMW Group in Munich and held several management positions in the fields of battery electric vehicles (BEV), hybrid systems and CO₂ reduction systems. In 2017, Marcus Hafkemeyer took over as Deputy General Manager and Vice President Electric Powertrain Development at BAIC Beijing Electric Vehicles (BJEV) in China. One year later, he was appointed as Member of the Board of Beijing Siemens Automotive E-Drive Systems, Changzhou, China. In 2020, he was named Executive Strategy Advisor to the President and COO Automotive of HUAWEI Automotive in Shanghai, China.

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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. Ten brands from seven European countries belong to the Group: 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. Every weekday, 672,800 employees around the globe are involved in vehicle-related services or work in other areas of business. The Volkswagen Group sells its vehicles in 153 countries.

In 2021, the total number of vehicles delivered to customers by the Group globally was 8.9 million (2020: 9.3 million). Group sales revenue in 2021 totaled EUR 250.2 billion (2020: EUR 222.9 billion). Earnings after tax in 2021 amounted to EUR 15.4 billion (2020: EUR 8.8 billion).
