



PowerCo

Building a Global Battery Champion

2025



Disclaimer



The following presentations as well as remarks/comments and explanations in this context contain forward-looking statements on the business development of the Volkswagen Group.

These statements are based on assumptions relating to the development of the economic, political and legal environment in individual countries, economic regions and markets, and in particular for the automotive industry, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. The estimates given entail a degree of risk, and actual developments may differ from those forecast.

All figures are rounded, so minor discrepancies may arise from addition of these amounts. Any changes in significant parameters relating to our key sales markets, or any significant shifts in exchange rates, energy and other commodities or the supply with parts relevant to the Volkswagen Group will have a corresponding effect on the development of our business.

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PowerCo: How we win.



- 1 De-risked entry into double-digit growth market**
Favorable demand dynamics in EU & NA | Up to ~4.5 TWh global market in 2030 | A leading player from day one
- 2 Unified Cell Design is our technology bedrock**
UFC format across leading chemistries | Competitive cell performance & cost | Strong innovation pipeline
- 3 Global factory scale-up backed by integrated supply chain**
Launch in 2025 | Standardized gigafactories in EU and NA | Vertical integration
- 4 Sustainability at our core**
Carbon-neutral production | Responsible mining and materials | Focused on closed-loop
- 5 PowerCo and VW Group – partners with complementing strengths**
Significant demand | Aligned interest in successful scale-up | Industrialization track-record

Our vision:

Become a global battery champion.

Setting
standards

Competitive cell
performance & cost

Leader in
sustainability

Execution
in our DNA

1st address for
global talent



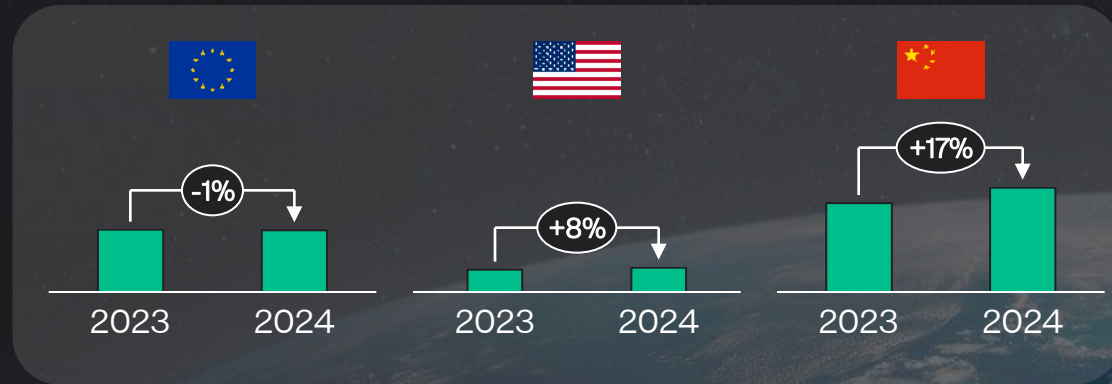
1| Market:

Short-term slow down. Robust long-term growth.

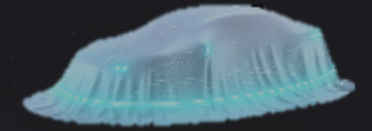


Short-term slow down...

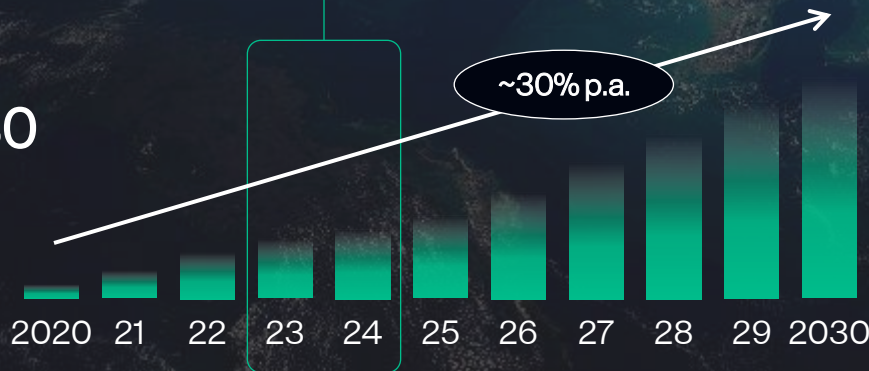
... but long-term fundamentals intact



New launches with fast tech progression



Global BEV sales 2020-2030



Build up of charging infrastructure

~5x

EV charging points 2023 vs. 2030

Regulations to promote net zero mobility



1| Market:

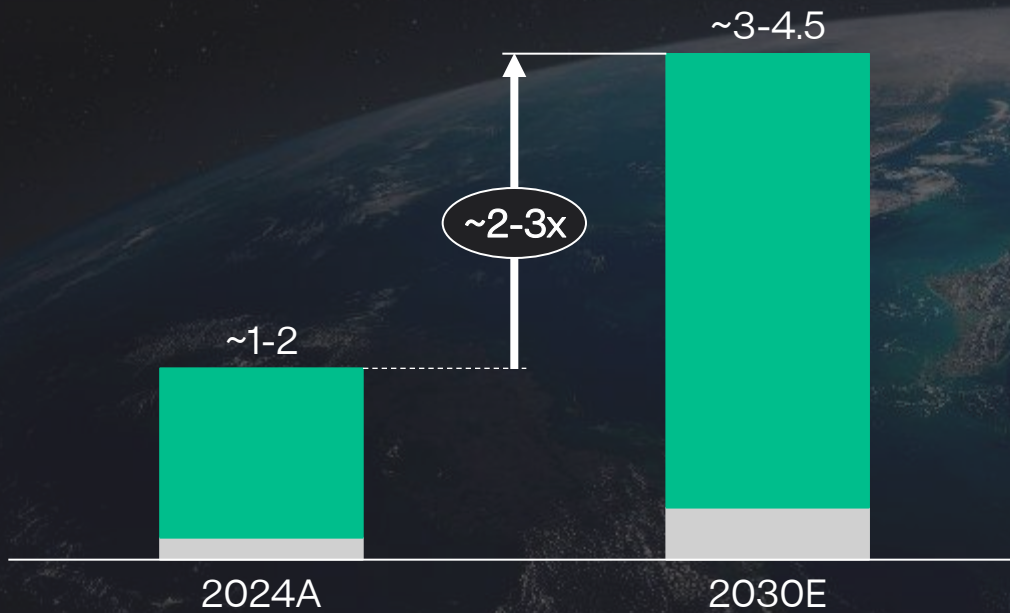
De-risked entry into double-digit growth market.



Global battery demand...

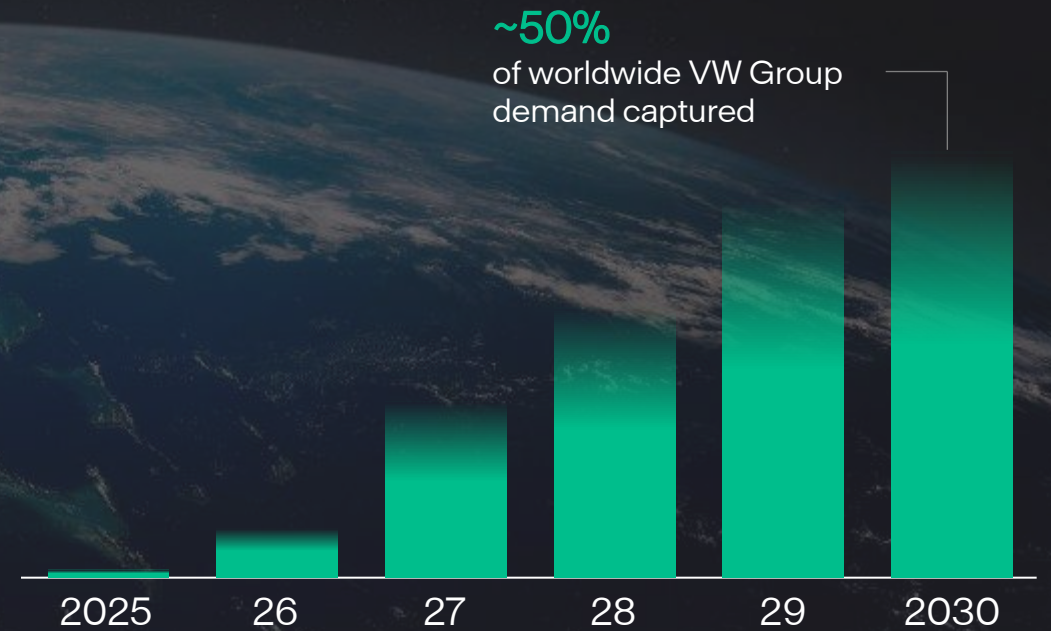
[TWh¹]

- Mobility
- Energy Storage Systems



VW Group demand...

[GWh]



... outgrowing supply especially in EU and NA²

... de-risks PowerCo baseline

Source: Bloomberg NEF, Wood Mackenzie; McKinsey Battery Insights. 1) Li-ion and Na-ion battery demand for mobility and ESS. 2) Takes capacity discounts into account due to expected ramp-up delays/feasibility.

2| Product:

Unified cell. Low complexity, high standardization.



NMC



Si-anode



SSB



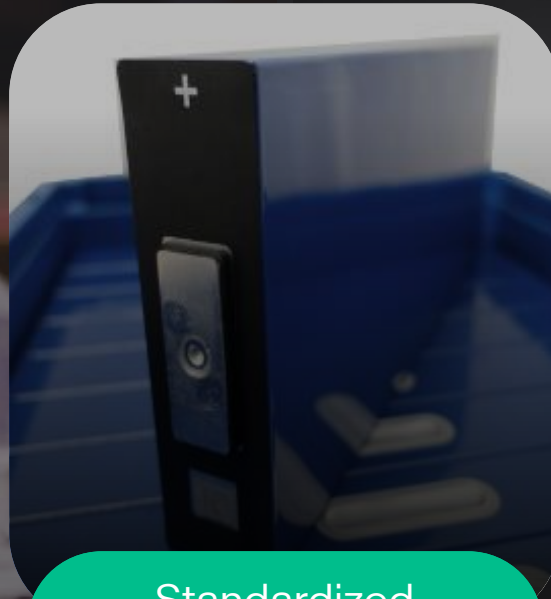
LFP



NMC-blends



Na-ion



Standardized
prismatic cell format



Trucks



Passenger cars



Energy storage
systems



Busses

Adaptable to all leading chemistries, **tailored** to automotive segments

Economies of scale
unlocking
cost advantages

Unique customer focus –
Adaptable to all market
segments

2| Product:

UFC is our bedrock. Ready for what is next.



Best in Class

Performance optimum | High-end chemistry | Si-Anode – ASSB

Volume

Cost and performance | Mainstream chemistry | LFP and NMC

Entry

Cost optimum | Low-cost chemistry | LFP – Na-ion

World-class
R&D partnerships

Strong
innovation pipeline

Highest standardization
in the market

2| Product:

... execution in full swing.

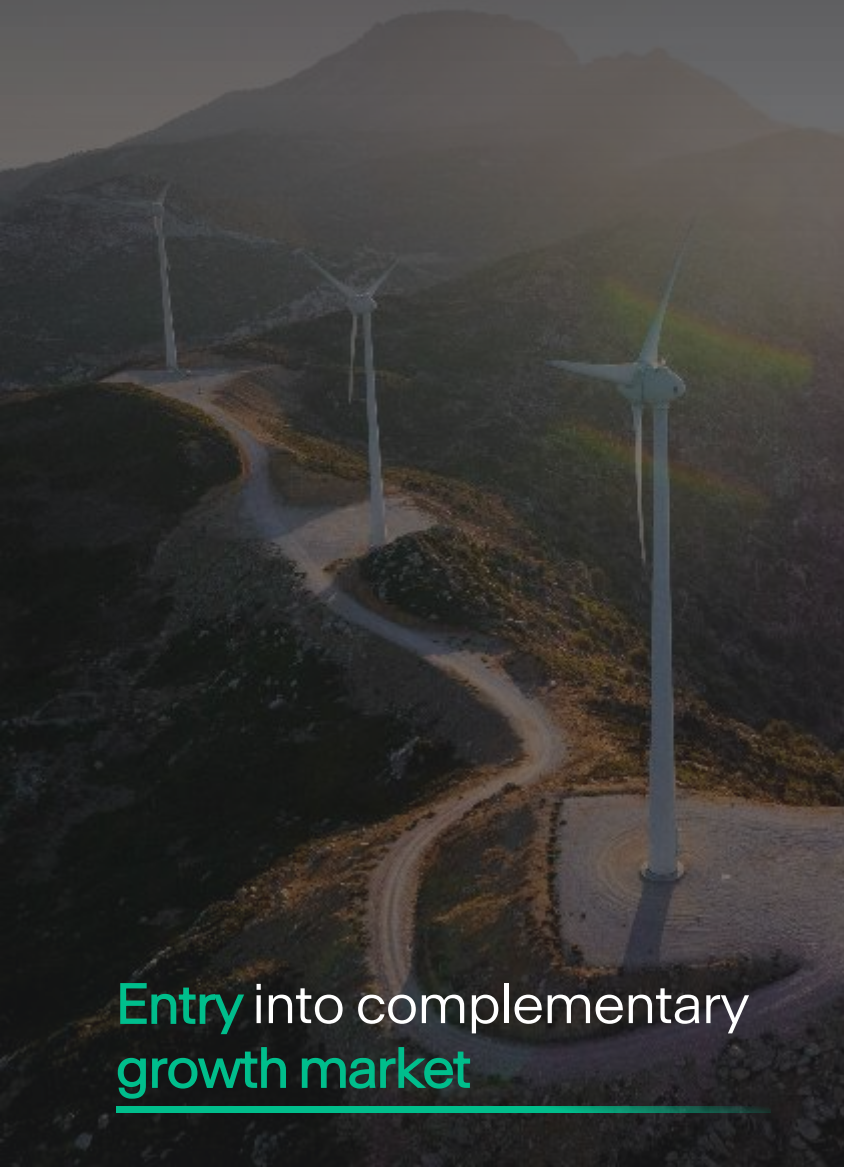
>100k
cells already
produced and tested

- ✓ Excellent **fast charge**
- ✓ Highest **energy density**
- ✓ High **efficiency**
- ✓ Superior **safety**



2| Product:

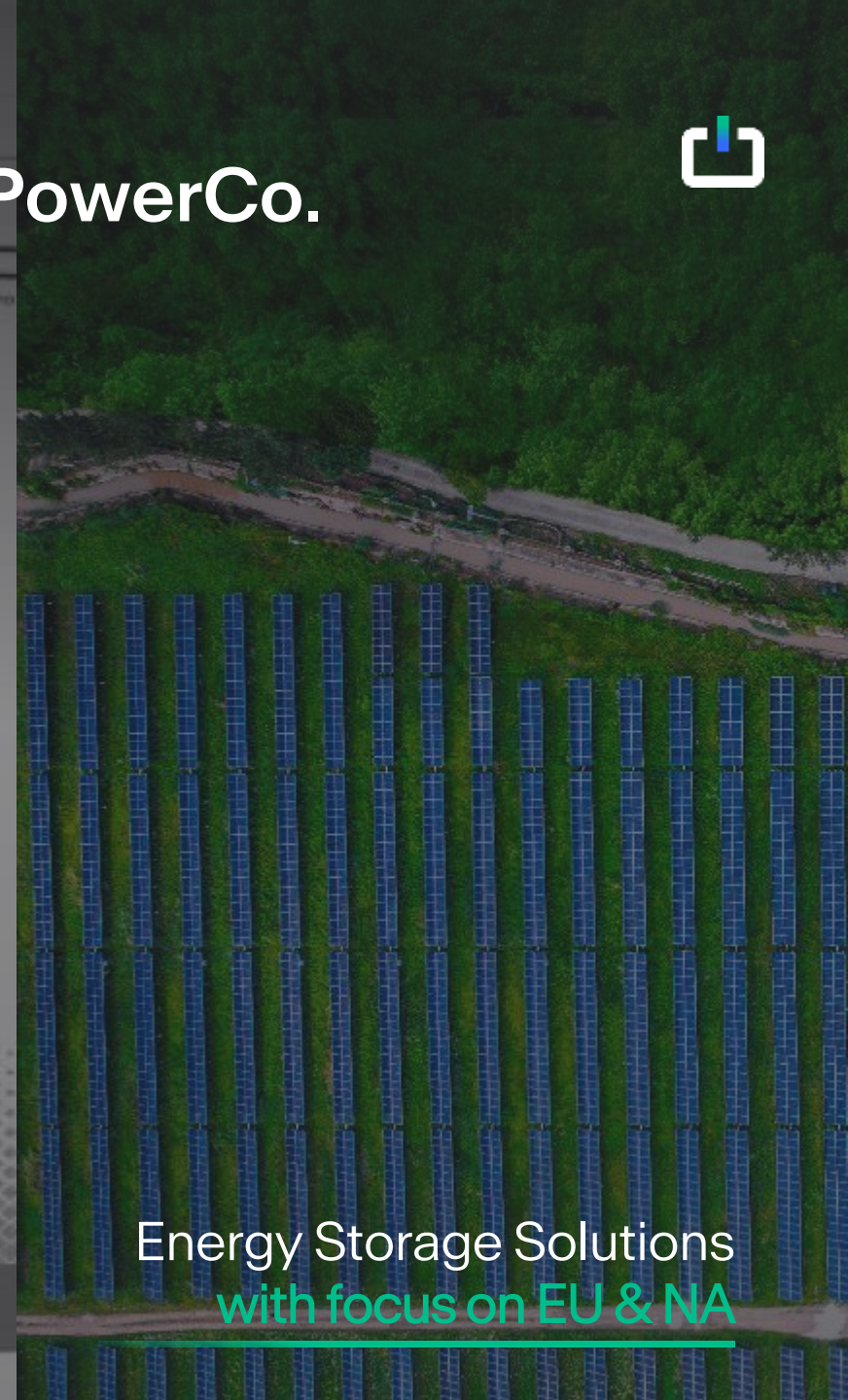
Energy Storage Systems (ESS) diversifying PowerCo.



Entry into complementary growth market



Proprietary Cell, Pack and Cube technologies



Energy Storage Solutions with focus on EU & NA

3| Standard factory:

Global factory scale-up. Standard, but flexible.



Salzgitter progress

PowerCo
foundation



07/22

Purchase
order of
building



Start of
construction



Start
Equipment
installation



First cells
produced



H2/25

3 factories

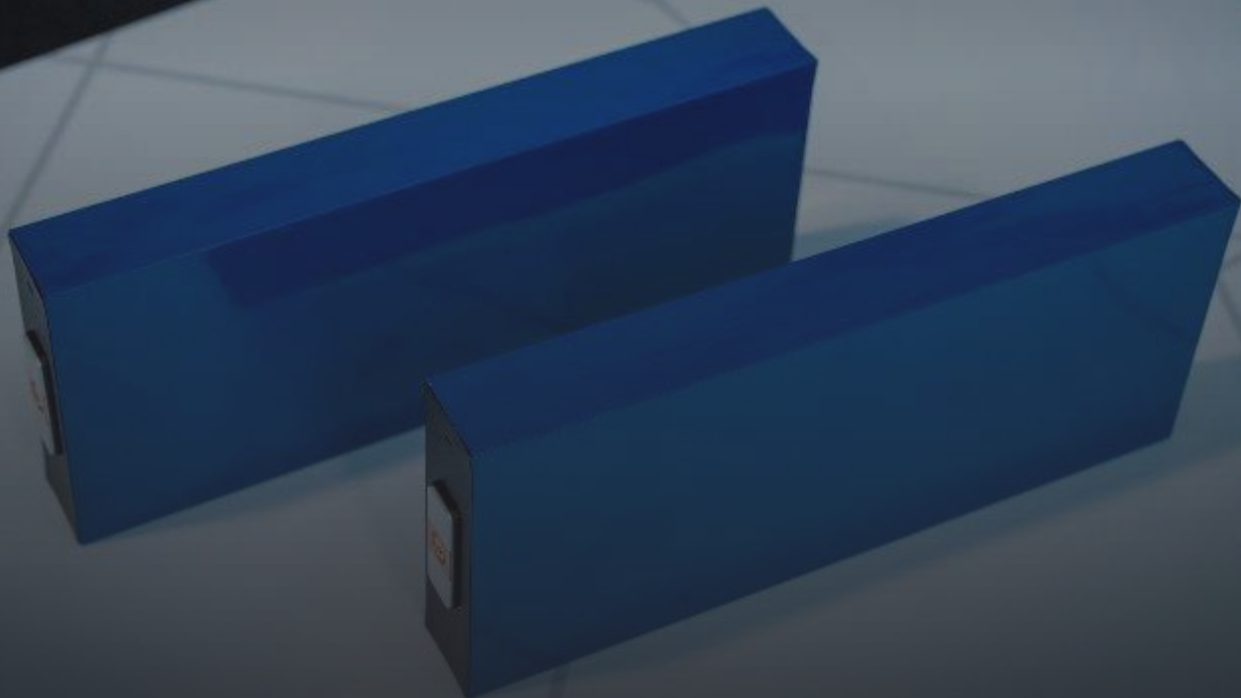
in Germany, Spain and
Canada

First cells produced in H2/25
ensured by **PowerCo & VW**
Group industrialization expertise

-30% Capex per GWh,
-50% launch time
and **process innovations¹**

¹) E.g., Dry Coating.

**3| Standard factory:
Process validation. End-to-end.**



1
Calendering



2
Stacking



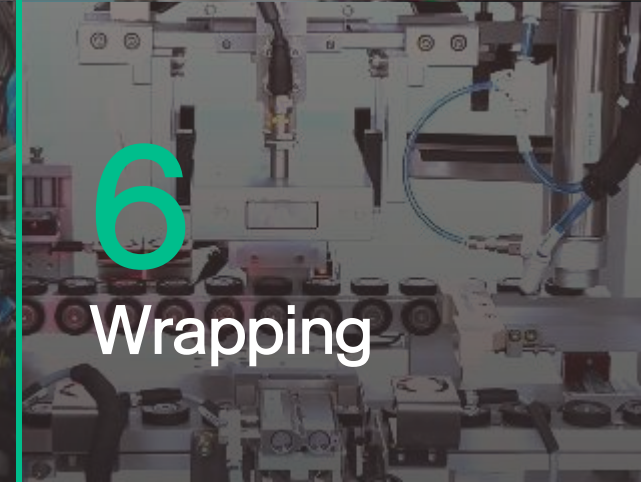
3
Assembly



4
Can closure



5
Plasma cleaning



6
Wrapping

3| Standard factory:



... execution in full swing.



Salzgitter



Valencia



St. Thomas

3| Vertical Integration: Strategy in place. Progress made.



Strategy

Setting standards
in **sustainable
sourcing**

**Smart capital
allocation** via LTAs¹/
direct investments

Industrialization of
supply chain for **price
and volume security**

NMC supply chain

European supply chain for
NMC production **in place**

JV for cathode material
production, closed March
2023

Selected example

PowerCo

ionway



umicore



LFP supply chain

Establishment of **LFP
supply chain in progress**

¹) Long-term agreement.

4| Sustainability:

At our core. For generations to come.



Mining
and refining

Battery
components

Cell
production

Use
phase

Recycling

Sustainability strategy
across supply chain

Carbon-neutral production in
standard factories

Closed loop
approach

5| VW Group:

A partnership with complementary benefits.



Powerco
BATTERIES. FOR GENERATIONS TO COME.

VOLKSWAGEN
AKTIENGESELLSCHAFT

De-risked volume ramp-up with local footprint in EU and NA

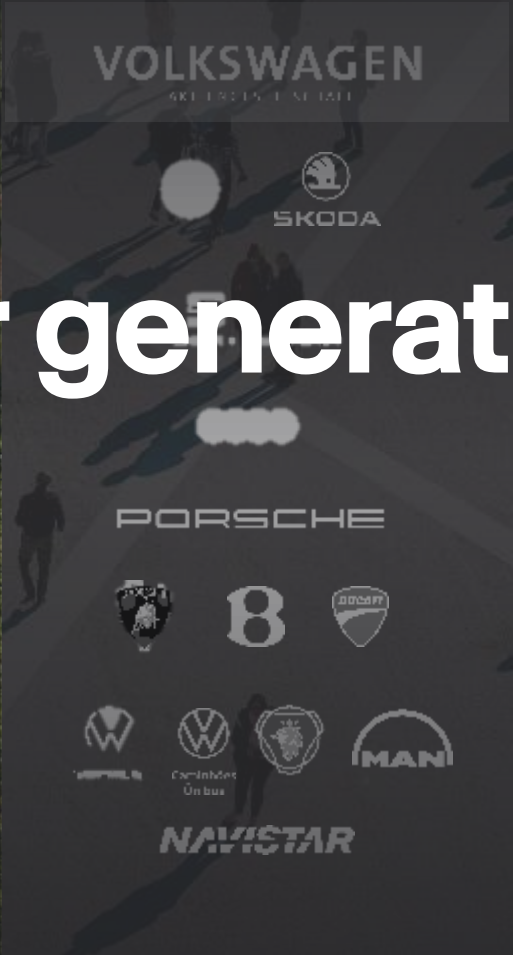
Direct access to VW Group platform customers

Unique industrialization track record

In a nutshell:



Batteries. For generations to come.



Battery tech
champion

Sustainability
at our core

Strong backbone
with VW Group

Execution
in our DNA

De-risked
approach

Glossary



ASSB	All-solid-state battery	TWh	Terawatt hour
BEV	Battery electric vehicle	UFC	Unified Cell
Capex	Capital expenditure	VW	Volkswagen
DNA	Deoxyribonucleic acid		
EBIT	Earnings before interest and taxes		
ESS	Energy storage system		
EU	Europe		
GWh	Gigawatt hour		
JV	Joint Venture		
LFP	Lithium iron phosphate		
LTA	Long-term agreement		
NA	North America		
Na	Sodium		
NMC	Lithium manganese cobalt oxide		
p.a.	per annum		
R&D	Research and development		
SSB	Solid-state battery		