



#### **Global influencing factors**



Covid-19



**Semiconductor** 



Ukraine / Russia



Taiwan / China



VW Tiguan

**Transport situation** 



Lost of production



Lost of production



**Increased** costs



Uncertainty / increased cost



Lack of capacity / increased cost



Some 10,000 between 2020 and 2022



More than 20 % vs. plan 2021 - 2022



200 % **Airfreights** 



**Transport** cost



60 % average

# **VW Taos**

#### **Continental influencing factors**









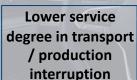






Increased

costs





**Delays** in transportation / production interruption



**Decreasing** service level / increased costs



Changing

Changing future master future master plan of plan of Logistics Logistics



8.2 % annual inflation rate 2022 (so far)

\*U.S. Inflation Calculator 27.10.22



"...trucking companies in the United States suffered a record deficit of 80,000 drivers..."

\*The New York Times 09.02.2022



"Trucks are facing lengthy delays along the Texas-Mexico border..."

\*U.S. Customs and Border Protection Newsroom 12.04.2022



Only 2 technically approved offers in the last tender



"Electrify America Registers 1.45 million Customer **Electric Vehicle Charging** Sessions in 2021 Compared to 268.000 Sessions in 2020"

\*Electrify America 02.05.2022



Compliance with CO2 requirements

#### **Mexican influencing factors**



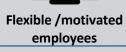




















Veracruz



Production interruption / Service limitation

Production interruption / too many surprises

Higher cost and mayor capacity restrictions

Very stable 24/7
operation /
highly
appreciated

Very flexible and fast problem solving











Increasing number of kidnapped trucks lately

Approx. 20% of our suppliers in our Warning list

Very low competition between road and rail transport

State of the art operation!

Unique!



#### What you might know about the North American Region of the Volkswagen Group



6 different segments on 3 vehicle production sites -VW Chattanooga (2), VWM Puebla (3), Audi MX (1)



**VWM Silao engine plant** 



Other VW AG brand plants in the region – Navistar, VW Caminhões e Ônibus



What you might know about Volkswagen de México







Big development opportunities



Second biggest Volkswagen factory



Top paying OEM in Mexico for workers



Very loyal workforce – average of 20 (technicians) & 15 (employees) years of service



### Synergy and growth potential in the North American Region

















Technology from Europe and China from the VW Group

Processes and know-how from the VW group

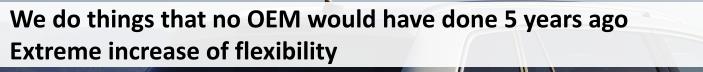
Extremely high experience from global productions

Transformation of VW into the electric vehicle era











Manufacture of vehicles based on shortage availability



**Buildability / parts availability** changes programs and production



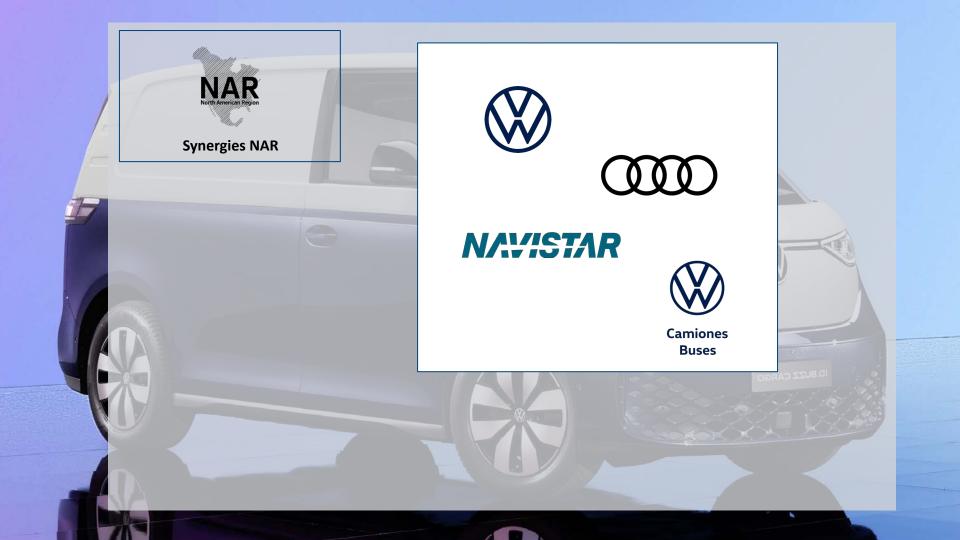
Supply chains were emptied and REACTION has mainly influenced alternative supplies set up without security

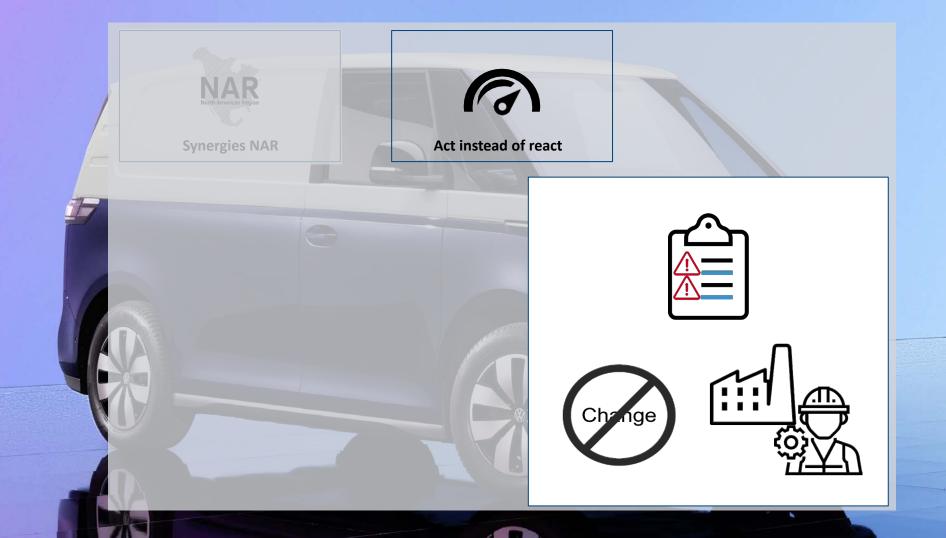


operation but remained production















Act instead of react



Localization









**Act instead of react** 



Localization



**Breaking down hierarchies** 



Flexibility and commitment of the employees







Localization

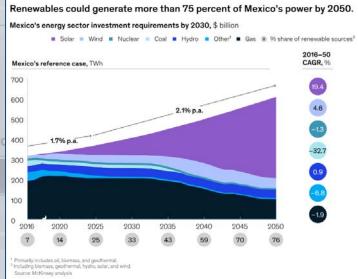




McKinsey

abundance | McKinsey

Flexibility and commitm



Source: McKinsey & Company: Mexico energy perspective: How the country can harness its energy







**Act instead of react** 



Localization



Breaking down hierard



Flexibility and commitm the employees

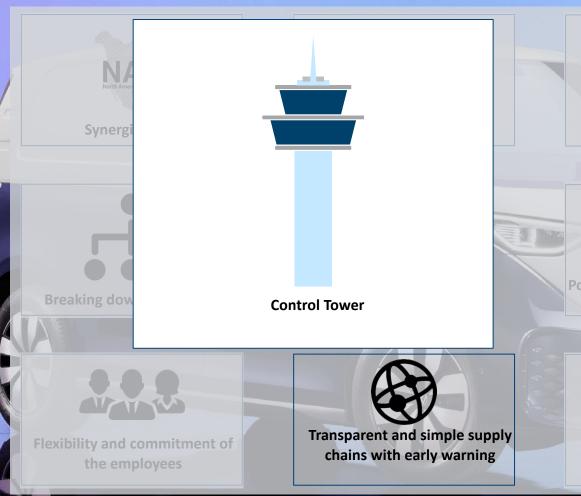






Possible clean energy benefits of Mexico





Localization



Possible clean energy benefits of Mexico







Act instead of react



Localization



**Breaking down hierarchies** 



Integrate technologies from Europe quickly if the concepts match



Possible clean energy benefits of Mexico



Flexibility and commitment of the employees



Transparent and simple supply chains with early warning







Integrate technologies from Europe quickly if the concepts match

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**Breaking down hierarchies** 



Flexibility and commitment of the employees



Transparent and simple supply chains with early warning

Short-term use of alternative transport concept

y benefits of





Act instead of react



Localization



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Possible clean energy benefits of Mexico



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Transparent and simple supply chains with early warning



## Thank you!



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