

Statutes of the Volkswagen Foundation

Text of the Statutes in the version valid from 06.03.2025

Preamble

The Volkswagen Foundation is an independent, non-profit Foundation under civil law dedicated to science and technology in research and higher education in all disciplines and forms. It promotes the advancement of scientific knowledge, international scientific cooperation, and the improvement of structural conditions for research and higher education. It supports the communication of science to relevant audiences and the transfer of scientific knowledge. In doing so, the Foundation is committed to academic freedom and to ensuring the highest scientific quality and integrity.

1 Name, Registered Office

The name of the Foundation is VolkswagenStiftung ["VolkswagenFoundation"]. It is an incorporated foundation under civil law and has its registered office in Hanover, Germany.

2 Purpose of the Foundation and fulfilment of its purpose

- (1) The purpose of the Foundation is to promote the advancement of science and technology in research and higher education.
- (2) The purpose of the statutes is achieved in particular through the awarding of grants, supplemented by the implementation of its own projects and scientific events.

3 Non-profit Status

The Foundation shall pursue directly and exclusively non-profit objectives as defined by the section 'Tax-privileged purposes' of the German Tax Code. It shall act altruistically and shall not primarily pursue objectives for its own commercial interests. It may use its financial means only for the purposes set out in the Foundation's statutes. The founders shall not receive any payments from the Foundation's funds; the use of funds in accordance with section 9 subsection 2 of these statutes is part of the fulfilment of the purpose and is therefore not a payment within the meaning of the previous half-sentence. No individual may benefit from any

disproportionately high remuneration or from an expense which is not consistent with the Foundation's purposes.

4 Foundation assets

- (1) At the time of its establishment, the Foundation's assets consist of:
 - a) the claim against the Federal Republic of Germany to transfer the proceeds resulting from the sale of 60% of the share capital of *Volkswagen Aktiengesellschaft* [public Ltd.],
 - b) the claim on the counter-value of the annual profits accruing to the Federal Republic of Germany and the German Federal State [Land] of Lower Saxony of 20% each of the share capital of *Volkswagen Aktiengesellschaft* existing at the time the Foundation was established. In the event of these shares being sold, the Federal Republic of Germany and the Federal State of Lower Saxony shall be entitled to redeem their obligations of paying the annual dividend by paying to the Foundation the profit resulting from the sale of the shares,
 - c) the claim against the Federal Republic of Germany on the counter-value of the profits which will be realized by the Federal Republic of Germany from the shares to be sold according to the conditions set forth above under subsection a, following the conversion of *Volkswagenwerk GmbH* [private Ltd.] into a public Ltd.
- (2) The assets accruing pursuant to subsection 1 a and subsection 1 b sentence 2 shall be invested profitably.
- (3) Free reserves may be set aside within the scope of the German tax regulations. They may be determined by the Foundation to be allocated to the endowment capital. The same shall apply to further endowments made to the Foundation.
- (4) In order to realize its objectives, the Foundation shall use the income earned from the investment of its funds including the profits referred to hereinabove under subsection 1 b sentence 1 and subsection 1 c as well as any other additional grants. The administrative costs shall be covered out of these funds in advance.

5 Foundation bodies

- (1) The Foundation's bodies are:
 - a) the Management Board [Vorstand]
 - b) the Supervisory Board [Kuratorium].
- (2) The bodies of the Foundation shall as a rule adopt their resolutions in meetings. At the discretion of the person responsible for convening the meeting and unless otherwise specified in the respective rules of procedure, resolutions of the bodies may also be passed in meetings without the presence of the members of the bodies by means of electronic communication (hybrid or virtual). Resolutions may also be passed outside of meetings by means of electronic communication. Unless otherwise specified in the statutes, resolutions shall be passed by a majority of the votes cast; abstentions are not counted as votes cast.

6 Management Board

- (1) The Management Board of the Foundation consists of at least two persons. The Management Board manages the Foundation in accordance with the Foundation Statutes, including the rules of procedure and the resolutions of the Supervisory Board.
- (2) The Foundation is represented in and out of court by two members of the Management Board acting jointly. The members of the Management Board may be exempted from the restrictions of section 181 of the German Civil Code [BGB] by resolution of the Supervisory Board.
- (3) The members of the Management Board are appointed by the Supervisory Board for a maximum term of five years. A member of the Management Board may be reappointed for a maximum of five years at a time. The Supervisory Board regulates the duration and termination of the appointment and employment, including remuneration. Each member of the Management Board may be dismissed by the Supervisory Board at any time without good cause.
- (4) The Management Board shall adopt rules of procedure with the approval of the Supervisory Board.

7 Supervisory Board

- (1) The Supervisory Board consists of 14 members. Seven members are appointed by the Federal Government of Germany and seven by the Federal State Government of Lower Saxony. When appointing members of the Supervisory Board, their personal suitability in terms of their expertise, experience and independence of opinion shall be decisive, with due consideration given to distinguished scientists. The members of the Supervisory Board shall not be subject to any instructions in the exercise of their duties.
- (2) The Lower Saxony State Government appoints the chair of the Supervisory Board from among the members of the Supervisory Board, and the Federal Government appoints the first deputy chair. The Supervisory Board elects the second deputy chair from among its members. The Lower Saxony State Government may dismiss the chair and the Federal Government may dismiss the first deputy chair at any time, without cause, as members of the Supervisory Board.
- (3) The term of office of the members of the Supervisory Board is five years. The chairperson and the first deputy chairperson of the Supervisory Board may be reappointed several times for a term of five years each. For the other members of the Supervisory Board, reappointment is permitted once only, for a further five-year term. The members of the Supervisory Board shall receive appropriate remuneration.
- (4) A majority of two thirds of the votes cast shall be needed for the Supervisory Board to pass a resolution. Any amendment to the statutes of the Foundation shall require a majority of two thirds of the statutory number of members. The Supervisory Board shall be deemed to quorate if more than half of its members, including the chair or one of the deputies, are present. All members participating in the meeting in accordance with section 5 subsection 2 shall be deemed present.
- (5) The meetings of the Supervisory Board shall be convened by the chairperson. Minutes shall be kept of each meeting, and they shall be signed by the chairperson and the person taking the minutes.

- (6) The Supervisory Board represents the Foundation vis-à-vis the members of the Management Board both judicially and extrajudicially. The chairperson, jointly with one deputy, represents the Supervisory Board vis-à-vis third parties, courts, and authorities, as well as the Supervisory Board on behalf of the Foundation vis-à-vis the Management Board, for example in implementing Supervisory Board resolutions pursuant to section 6 subsection 3 sentence 3. Only in cases where the chairperson is prevented from exercising the office shall the Supervisory Board be represented jointly by both deputies.
- (7) The Supervisory Board shall determine its own rules of procedure.

8 Duties of the Supervisory Board

- (1) The Supervisory Board advises and supervises the Management Board. It decides on the discharge of the Management Board and on amendments to the Statutes.
- (2) The following transactions and measures may only be undertaken by members of the Management Board with the prior consent of the Supervisory Board:
 - a) Determination, substantial amendment, and repeal of the central funding objectives, main funding priorities, and funding offers, as well as decisions on funding applications of fundamental importance or high strategic relevance for the Foundation's work in accordance with the rules of procedure,
 - b) Determination and substantial amendment of the principles for asset management, personnel matters, remuneration system, as well as for finance and accounting,
 - c) Adoption of the annual budgetary plan,
 - d) Determination of the Lower Saxony State Government's proposed use of funds in accordance with the Foundation's statutes pursuant to section 9 subsection 2,
 - e) Adoption of the annual financial statement and the annual report on the activities of the Foundation,
 - f) Establishment, relocation, and dissolution of the Foundation's registered office,
 - g) Conclusion of employment contracts with department heads,
 - h) Initiation or termination of legal disputes that may have significant financial consequences or are of fundamental importance to the Foundation,
 - i) Transactions of the Foundation with members of the Management Board and persons closely associated with them or with companies closely associated with them, unless the Foundation is already represented by the Supervisory Board in such cases.
- (3) The Supervisory Board may, in the rules of procedure pursuant to section 7 subsection 7 or by resolution, make further transactions and measures subject to its consent and stipulate reporting obligations for the Management Board.
- (4) In urgent cases where a resolution of the Supervisory Board itself cannot be awaited without significant disadvantages for the Foundation, even using the forms of meeting and means of communication permitted under these statutes, a resolution by the Presiding Committee of the Supervisory Board shall be permissible instead. The Presiding Committee shall consist of the Chair of the Supervisory Board, its two deputies and one additional member elected by the Supervisory Board from among its members. The Chair of the

Supervisory Board shall inform the members of the Supervisory Board immediately and comprehensively of any urgent resolutions made by the Presiding Committee.

9 Allocation of Funds

- (1) Funds shall be allocated in the form of grants earmarked for specific projects carried out by eligible scientific institutions. The Foundation shall ensure that such funds are made available solely as supplementary financial support; this shall also apply to the supplementary funding of running personnel and project-related expenses. However, such financial support shall be granted only in exceptional cases for periods exceeding five years. Within the context of its funding activities the Foundation may also carry out events and projects of its own.
- (2) The counter-value of the annual 20% dividend on the share capital of Volkswagen Aktiengesellschaft paid to the Foundation by the Federal State of Lower Saxony, together with 10% of the remaining available funds resulting as revenue from the investment of accrued financial assets as defined under above section 4 subsection 1 a and subsection 1 b sentence 2 or alternatively as profits as defined under section 4 subsection 1 b sentence 1 and subsection 1 c, shall be allocated a priori to the State of Lower Saxony in accordance with the State Ministry of Lower Saxony's recommendations and after the deduction of pro-rata administrative expenses for the support and advancement of projects' as listed in section 1 hereinabove.

10 Proof of Utilization

With respect to the allocation of funds, the Foundation shall lay down provisions regarding proof of utilization of awarded funds by the recipient as well as the subsequent verification of the supplied proof. The Foundation shall reserve the right to check the appropriate use of the funds by the recipient or to appoint auditors for that purpose.

11 Annual Financial Statements, Auditing

- (1) The financial year of the Foundation is the calendar year. Within the first five months of each year, the Management Board shall issue financial statements for the previous calendar year. The financial statements, including the proofs of utilization, shall be audited annually by an auditor or an audit company appointed by the Supervisory Board. Such audits shall be subject to guidelines to be defined upon consultation and agreement with the official audit institutes listed below.
- (2) The Foundation is subject to audit by the State Audit Office of Lower Saxony [Niedersächsischer Landesrechnungshof] and the Federal Audit Office [Bundesrechnungshof].

12 Amendments to the Statutes of the Foundation

- (1) The purpose set out in section 2 subsection 1 of the Statutes may not be amended in its essential content. Amendments to section 3 of the Statutes are only permissible insofar as

they serve to maintain the charitable status of the Foundation. The chair and the first deputy chair of the Supervisory Board, appointed by the Lower Saxony State Government or the Federal Government in accordance with section 7 subsection 2, shall each have a right of veto on resolutions concerning amendments to the statutes, with a deadline of six weeks from the date on which they become aware of the resolution.

- (2) The name of the Foundation may be changed by amendment to the Statutes in such a way that the scientific nature of its purpose is expressed therein.

13 Termination, devolution of assets

In the event of the Foundation being dissolved or liquidated or its tax-privileged purposes ceasing to apply, the Foundation's assets shall be distributed in equal parts to the Federal Republic of Germany and the Federal State of Lower Saxony, both being obligated to use such assets directly and exclusively for non-profit purposes according to the Foundation's purpose.

14 Commencement

- (1) The amendment to the statutes shall enter into force upon approval by the Lower Saxony Ministry for Science and Culture.
- (2) Upon entry into force of the amendment to the statutes, the members of the previous governing body, known as the Board of Trustees, shall resign from this body and constitute the new supervisory body, henceforth known as the Supervisory Board. Notwithstanding section 7 subsection 3 sentence 1, their previous terms of office shall continue to apply to their membership of the new Supervisory Board.
- (3) Notwithstanding section 6 subsection 1 sentence 1 and subsection 2 sentence 1, the Supervisory Board may appoint a single person as the sole member (CEO) of the Foundation's Management Board for a transitional period until 31 December 2027.