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9 October 2017

Dear Ms. Van Buchem Dear Ms. Astola,

Thank you very much for your letter of 6 September and for submitting the common position agreed by the CPC Network as facilitated by the EU Commission.

As rightly mentioned in the common position, the Volkswagen Group agreed an Action Plan with EU Commissioner Jourová on 21 September 2016. In the context of our subsequent constructive and trustful dialog with the Commissioner, the Volkswagen Group has made significant progress implementing the agreed measures. Referring to the issues raised in the common position, we would like to provide you with an update on the progress made in the meantime:

Communication and transparency:

- As requested in the Action Plan, the Volkswagen brands informed affected customers individually about the availability of technical solutions for their vehicles. Additionally, in every EU Member State a website has been launched in order to enable our customers to check whether their vehicle is affected or not.
- As a response to the specific request by the EU Commission to enhance the communication efforts towards our customers beyond the above mentioned measures, the Volkswagen Group launched and implemented a far-reaching media campaign to inform about the availability of the updates end of 2016 and at the beginning of 2017. In close cooperation with our national sales organizations and importers, we identified and implemented the most appropriate and tailor-made solutions for our customers in the EU28 markets.
- Regarding the alleged lack of information and transparency on part of Volkswagen, I would like to inform you that as a result from the continuous dialog between Volkswagen and the EU Commission, we launched the e-mail address <u>stakeholder@volkswagen.de</u> on 20 January 2017 under which consumer authorities and consumer organizations are able to voice concerns

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- and request feedback to their questions. All received requests have been satisfactorily answered.
- o From our perspective, Volkswagen has provided ample opportunity for interested and concerned parties to receive detailed information on various questions in this context. In fact, the small amount of inquiries and complaints via the aforementioned contact points indicate in our view a general satisfaction with our information policy and the technical measures implemented. Overall, there have been very few complaints by our customers on the technical solution and its communication.
- O However, given your specific request to further increase our efforts in terms of communication and transparency, we would like to discuss with you possibilities to improve our outreach towards consumers even more in a direct dialogue. Considering your request, we will examine with our dealership networks how to reach out best to customers who have not yet visited the workshops for their software updates.

Trust building measure:

- The trust building measure mentioned in the common position was agreed between the Volkswagen Group and Commissioner Jourová, who regarded the measure as a "positive step", in order to encourage customers to take advantage of the software measure.
- With regard to your request to provide more information on the trust building measure, we would like to point out that that information is already available on the respective brand websites. However, we will ensure to further increase the visibility of that information. Concerning your request not to limit the Trust Building Measure to certain components or a certain time the purpose of the Trust Building Measure is to remove customers commonly expressed concerns that the technical measures could adversely affect certain components, and those components/parts are included in the Trust Building Measure.

Repairs:

- With regard to the request concerning vehicles bought and/or maintained outside the VW network, we would like to stress that the technical measures agreed on with or asked for by the responsible technical authorities are available for all affected vehicles of the VW Group.
- The Volkswagen Group has committed to retrofit the vehicles by autumn 2017. Please be ensured that Volkswagen is still relentlessly working towards that goal. Considering the fact that the approval of the technical measure for the majority of clusters of Skoda vehicles had been delayed by several months by the British VCA, we expect a further acceleration of the participation rate in the measure over the next weeks.
- O Given the voluntary nature of the recall in most EU member states and comparable data of similar European recalls not affecting the safety of the vehicle, the participation rate is already high above average. For example in Germany we have achieved a participation rate of round about 87%. Due to specific differences between the single member states we have a wider spread within the EU28. Nevertheless currently we achieve a participation rate of more than 67% in the European Union. Taking into account the delayed uptake of the majority of Skoda clusters and the estimated uptake of the recall figures until end of autumn we expect to achieve a quote of more

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- than 70% by end of autumn for EU28. As stressed above this figure is comparatively high regarding results of similar recall actions.
- Volkswagen has always said that its customers will not be disadvantaged by the technical measures. The German Federal Motor Transport Authority (KBA) has confirmed for all models approved to date that implementation of the measure will not lead to any deterioration in fuel consumption, CO₂ emissions, engine output, torque or vehicle acoustics. All figures relevant to type approval for the vehicle will continue to apply. Also the other responsible type approval authorities followed the assessment of the KBA.

Please let us reiterate our commitment to open and transparent communication concerning all matters raised. In this context, Volkswagen remains open and willing to answer all questions. Therefore, Christof Klitz, Head of our EU Representation Office in Brussels, would be pleased to meet with representatives of the CPC Network for a direct dialog. He will be accompanied by representatives from our sales and law department, should you have more detailed questions.

Against this background, we would also invite you to increase communication on the availability of technical solutions for the affected vehicles in the EU28 as well as on the existence of a trust building measure for affected customers via the national channels of your CPC-network. A strong signal from the European consumer authorities and organizations to invite the customers to visit the workshop in order to get their cars retrofitted would help to accelerate the uptake of the participation rate in the recall action.

Yours sincerely,