

Declaration of the Board of Management and Supervisory Board of AUDI AG
regarding the recommendations of the
“Government Commission on the German Corporate Governance Code”
pursuant to Section 161 of the German Stock Corporation Act

The Board of Management and Supervisory Board of AUDI AG declare that the recommendations of the “Government Commission on the German Corporate Governance Code” published in the official section of the Federal Official Gazette by the Federal Ministry of Justice in the version dated May 26, 2010 up until the announcement of the new version on June 15, 2012 were complied with. However, the restrictions applied that the Supervisory Board does not form a nominating committee (No. 5.3.3 of the Code) and that elections to the Supervisory Board do not take the form of election of individuals (No. 5.4.3, Sentence 1 of the Code). The reasons for the departures are explained in the following remarks.

The Board of Management and Supervisory Board of AUDI AG furthermore declare that the recommendations of the “Government Commission on the German Corporate Governance Code” published in the official section of the Federal Official Gazette by the Federal Ministry of Justice in the version dated May 15, 2012 were and are complied with, with the exception of Nos. 5.1.2, Paragraph 2, Sentence 3, 5.4.1, Paragraph 2, Sentence 1 (age limit for Board of Management and Supervisory Board members), 5.3.2, Sentence 3 (independence of the Audit Committee Chairman), 5.3.3 (nominating committee), 5.4.1, Paragraphs 4 to 6 (disclosures in proposals for election), 5.4.2 (no more than two former Board of Management members to sit on the Supervisory Board), 5.4.3, Sentence 1 (Supervisory Board elections in the form of election of individuals), 5.4.6, Paragraph 2, Sentence 2 (performance basis for Supervisory Board remuneration), 5.5.3, Sentence 1 (report to the Annual General Meeting on conflicts of interest arising and how they have been dealt with).

The Board of Management and Supervisory Board do not consider an age limit for members of corporate bodies to be appropriate. The ability to run a company successfully or exercise the necessary degree of oversight over the Board of Management’s running of the company as a Supervisory Board member does not disappear upon reaching a specified age limit. The imposition of an age limit can moreover be deemed discriminatory.

According to the recommendation from No. 5.3.2, Sentence 3, the Audit Committee Chairman is among other things to be “independent”. A lack of the recommended independence could potentially be inferred from the Audit Committee Chairman’s membership of the Boards of Management of Volkswagen AG and Porsche Automobil Holding SE. The Board of Management and Supervisory Board believe that these activities neither represent a conflict of interest nor interfere with the work of the Audit Committee Chairman. As the concept of independence is not clearly defined within the Code, this departure is explained merely as a precaution.

The Supervisory Board is of the opinion that a nominating committee merely increases the number of committees without noticeably improving its work as a corporate body.

With regard to the recommendation in No. 5.4.1 Paragraphs 4 to 6 on the disclosure of certain circumstances in proposals for election by the Supervisory Board to the Annual General Meeting, the requirements of the Code are vague and unclear in their definition. A departure is therefore declared merely as a precaution, though the Supervisory Board will endeavor to comply with the recommendation from the Code.

No. 5.4.2, Sentence 3 of the Code contains the recommendation that no more than two former Board of Management members should sit on the Supervisory Board. The Board of Management and Supervisory Board are of the opinion that in view of the current majority situation, even a

higher number of former Board of Management members does not mean that the Board of Management is not properly advised and overseen by the Supervisory Board. Furthermore, a purely numerical limit to the number of former Board of Management members means valuable expertise could be lost. This explains the departure. Notwithstanding this, in making proposals for election the Supervisory Board will always ensure that the number of former Board of Management members on the Supervisory Board will not interfere with the latter's ability to advise and oversee the Board of Management independently.

Elections by list are a common practice in democratic elections.

The Board of Management and Supervisory Board are of the opinion that the current regulation on remuneration in Section 16 of the Articles of Incorporation and Bylaws of AUDI AG contains a performance-related component for the members of the Supervisory Board which also promotes sustained corporate development. In light of the vagueness of the recommendation from No. 5.4.6, Paragraph 2, Sentence 2 of the Code and the unclarified scope of a performance-related remuneration component in respect of sustained corporate development, the Board of Management and Supervisory Board declare the departure merely as a precaution.

Following judicial decisions last year, there is uncertainty about the necessary scope of reporting by the Supervisory Board to the Annual General Meeting, as recommended in the Code, on conflicts of interest arising and how they have been handled. For this reason, the Board of Management and Supervisory Board declare a departure from this recommendation merely as a precaution. Notwithstanding this, the Supervisory Board will provide information on conflicts of interest arising in its report to the Annual General Meeting.

Since November 23, 2009 a settlement cap has been agreed for new contracts concluded with Board of Management members, as a result of which new contracts have complied with No. 4.2.3, Paragraphs 3 and 4 of the Code from that time on. Contracts concluded prior to that date remain unaffected by this new rule for the protection of vested rights.

The Supervisory Board determined the number of independent Supervisory Board members at today's meeting. From this date on, the new recommendation from No. 5.4.1 of the Code is thus complied with.

Ingolstadt, November 29, 2012

On behalf of the Supervisory Board:

On behalf of the
Board of Management:

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Prof. Dr. Martin Winterkorn

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Rupert Stadler