

Audi Presents Plan for the Production of the Future

- **A comprehensive approach, the 360factory: All production sites will manufacture all-electric vehicles by 2029**
- **The premium brand plans to halve its factory costs by 2033**
- **Board Member for Production and Logistics Gerd Walker: “The path Audi is taking conserves resources and accelerates our transformation to a provider of sustainable premium mobility”**

Ingolstadt, December 20, 2022 – Audi is all in on electromobility: As of 2026, the brand with the four rings will only launch all-electric models onto the global market, gradually phasing out production of its combustion models by 2033. Based on this clear decision made as part of its Vorsprung 2030 corporate strategy, Audi is now taking steps to prepare its global facilities for the production of all-electric cars.

Unlike many of its competitors, Audi is building on its existing global production network to achieve this vision. “Step by step, we are bringing all our sites into the future,” says Audi Board Member for Production and Logistics Gerd Walker. “We don’t want any standalone lighthouse projects on greenfield sites. Instead, we are investing in our existing plants so they end up being just as efficient and flexible as newly built production sites or greenfield plants.” According to Walker, this is sustainability in action – in economic, ecological, and social aspects. “The path Audi is taking conserves resources and accelerates our transformation to a provider of sustainable premium mobility,” Walker emphasizes.

The Audi Board Member for Production and Logistics wants to make manufacturing flexible and resilient to ensure it will be future-proof in the long term. In keeping with this aim, Audi developed its comprehensive strategy taking various perspectives into account. Walker and his team focused on the following questions: “What does society expect from us? What do our customers demand? What are the expectations of stakeholders, and what will our employees need in the future?” In response, Audi has created the 360factory; a vision of the future. The approach places equal emphasis on cost-effectiveness, sustainability, flexibility, and attractiveness.

An ambitious roadmap on the road to e-mobility

By the end of the decade, Audi will be making electric-drive models at all of its production sites worldwide. “To achieve our goal, we are relying on our highly qualified staff and will make all our employees fit for the future by 2025 with a training budget of around 500 million euros,” says Walker. Two sites, Böllinger Höfe and Brussels, are already producing all-electric vehicles. Starting next year, the Audi Q6 e-tron will be the first all-electric model to roll off the production line in Ingolstadt. And production of all-electric cars will gradually start in

Neckarsulm, San José Chiapa, and Győr as well. In 2029, all production sites will be producing at least one all-electric vehicle model. Depending on local conditions, production of the remaining combustion models will be gradually phased out by the beginning of the next decade.

New plants will only be built where additional capacity is needed. For example, Audi and its partner FAW are currently building a [site in Changchun \(China\)](#) where models based on the PPE (Premium Platform Electric) technology platform will be locally produced. With construction set to finish by the end of 2024, this will be the first automotive plant in China where only all-electric Audi models roll off the line.

Transformation as a catalyst for increased productivity

However, electrifying its plants is but one aspect on the road to Audi's vision for the production of the future. "We will use the transition to e-mobility to make major leaps in productivity and optimization by making the necessary modifications," says Walker. Once it is equipped for the future, Audi's production network is intended to be economical, sustainable, and attractive as well as flexible. Four central goals with ambitious key figures: To ensure that future production will be economical, Audi wants to cut annual factory costs in half by 2033. To achieve this, the brand with the four rings plans to reduce the complexity of its vehicles where it does not benefit the customer – to this end, vehicle development will take a streamlined production process into account from stage one. The premium manufacturer will also continue to digitalize production, for example, with the [Edge Cloud 4 Production](#) solution using local servers. This will make it possible to replace expensive industrial PCs, reducing IT efforts such as software rollouts and operating system changes. In the future, Audi will also be using another new solution – cycle-independent [modular assembly](#) – to simplify work with high product variability. Virtual assembly planning saves material resources and makes innovative, flexible collaboration possible across locations.

Flexible, sustainable production

To ensure the premium manufacturer will be able to respond more flexibly to fluctuations in customer demand or production program, Audi will make its manufacturing processes even more flexible. "We want to structure both product and production so we get the optimum benefit for our customers," says Walker. To this end, the new Audi Q6 e-tron, for example, will initially be made in Ingolstadt on the same line as the Audi A4 and A5. The electric models will then gradually replace the combustion cars on the lines.

Audi has been pursuing its Mission:Zero environmental program to reduce its ecological footprint related to production and logistics since 2019. The program's central goal is to make all Audi production sites worldwide net carbon neutral¹ by 2025. To this end, the plants in Brussels and Győr as well as the Böllinger Höfe in Neckarsulm have already been converted. The environmental program also addresses the areas of resource and water efficiency as well as the protection and preservation of biodiversity. For example, Audi plans to halve today's ecologically weighted water consumption² value in its production sites by 2035. In 2018, Audi México became the world's first premium manufacturer to produce cars completely wastewater-free. At the Neckarsulm site, a water cycle was set up in a pilot project between the factory and the

neighboring municipal wastewater treatment plant, which will reduce the demand for freshwater by more than 70 percent.

On its way to becoming a 360factory, Audi is now setting itself even more ambitious sustainability targets related to production. By 2030, the company aims to cut its absolute environmental impact in the areas of primary energy consumption, power plant emissions, CO₂ equivalents, air pollutants, local water risk, and wastewater and waste volumes in half, compared with the 2018 figure. Important steps to achieve this goal include generating renewable energy in-house and using innovative technologies to create more [circular value chains](#) where resources used are utilized in closed cycles.

Attractive internally and externally

The Audi 360factory will also showcase Audi as an attractive employer both internally and externally – particularly within production. As part of this commitment, Audi is currently working on concepts for making working hours [more flexible](#), even in areas that are tied to specific shifts. Audi is also making the working environment and break rooms more comfortable for its employees. The Audi Production division does not see itself purely as a vehicle manufacturer, but also as a developer of process technology. “We want to be the best employer – for our employees already on board as well as for all applicants, students, and professionals,” says Walker. “Our transformation into the 360factory will require the very best minds, even in disciplines not commonly associated with production, such as electronics and software development.”

As Audi’s first fully comprehensive 360factory, the Ingolstadt plant will serve as a blueprint for the transformation of the company’s large-scale production facilities worldwide. The other sites will tackle the transformation step-by-step. “We still have a long way to go,” says Walker. “But the direction we’re headed in and the steps to get there are clear.”

¹ Audi understands net-zero carbon emissions to mean a situation in which, after other possible reduction measures have been exhausted, the company offsets the carbon emitted by Audi’s products or activities and/or the carbon emissions that currently cannot be avoided in the supply chain, manufacturing, and recycling of Audi vehicles through voluntary offsetting projects carried out worldwide. In this context, carbon emissions generated during a vehicle’s utilization stage, i.e. from the time it is delivered to the customer, are not taken into account.

² Ecologically weighted water consumption makes it possible to compare absolute demand for water at Audi locations around the world while taking account of prevailing local water stress factors and rainwater usage. That way, economizing can be prioritized in places where water is particularly scarce.

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The Audi Group is one of the most successful manufacturers of automobiles and motorcycles in the premium and luxury segments. The brands Audi, Ducati, Lamborghini and Bentley produce at 21 locations in 13 countries. Audi and its partners are present in more than 100 markets worldwide.

In 2021, the Audi Group delivered around 1.681 million cars from the Audi brand, 8,405 sports cars from the Lamborghini brand and 59,447 motorcycles from the Ducati brand to customers. In the 2021 fiscal year, AUDI AG achieved a total revenue of €53.1 billion and an operating profit before special items of €5.5 billion. More than 89,000 people all over the world work for the Audi Group, around 58,000 of them in Germany. With its attractive brands, new models, innovative mobility offerings and groundbreaking services, the group is systematically pursuing its path toward becoming a provider of sustainable, individual, premium mobility.

Further information on official fuel consumption figures and the official specific CO2 emissions of new passenger cars can be found in the "Guide on the fuel economy, CO2 emissions and power consumption of all new passenger car models," which is available free of charge at all sales dealerships and from DAT Deutsche Automobil Treuhand GmbH, Hellmuth-Hirth-Str. 1, 73760 Ostfildern-Scharnhausen, Germany (www.dat.de).