

Volkswagen Group in China presents new AI-powered ADAS system for the next generation of intelligent electric vehicles

- **“In China, for China”:** Volkswagen Group is consistently strengthening its local technology competence in China. At Auto Shanghai 2025, the company is introducing its first self-developed automated driving system (ADAS), designed for especially seamless and safe driving experiences
- **Powerful full-stack solution:** The system, developed by CARIAD’s joint venture CARIZON and trained by the intelligent AI-driven data platform GAIA, offers highly precise and fully safety-focused driving functions up to Level 2++, and paves the way for development toward Level 3 and beyond
- **Innovations for all:** Volkswagen will implement the technology this year and integrate it into a new generation of Intelligent Connected Vehicles (ICV) for the compact segment starting from 2026—making highly automated driving accessible to more Chinese customers in entry-level vehicle segments
- **Ralf Brandstätter, Volkswagen AG Group Board Member for China:** “The rapid progress in developing our new ADAS system highlights CARIZON’s technical capabilities and the implementation strength of our ‘In China, for China’ strategy. We are developing cutting-edge technology locally—at ‘China Speed’—tailored to our Chinese customers, with the highest standards in driving performance, safety and quality.”

[Beijing, 17 April 2025] The Volkswagen Group is systematically expanding its local technology competence in China as part of its ongoing commitment to the “In China, for China” strategy. At Auto Shanghai, Volkswagen will debut its first proprietary AI-powered, highly automated driving system. Specially developed for China’s complex traffic environments, the system is self-learning and engineered for both seamless and extremely safe driving experiences. Through an efficient System-on-Chip (SoC) with high computing power, it enables smooth, rapid responses to a wide range of driving

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scenarios. The group will present a Volkswagen-brand model with this technology in China before the end of this year. Starting next year, it will also be integrated into models based on the China-specific Compact Main Platform (CMP), marking it accessible to price-sensitive compact segment customers.

The development marks a significant milestone in building up in-house development competence for core technologies that are in high demand among Chinese customers. Already today, a quarter of all newly registered vehicles in the Chinese market are equipped with a Level 2 driving system for highway scenarios. By 2030, Level 2+ is expected to be in use in more than 80 percent of vehicles in the market. Level 2++, which covers both highway and urban traffic scenarios, is then expected to be installed in 75 percent of new vehicles.

In line with this outlook, Volkswagen Group established CARIZON a joint venture between its software lighthouse CARIAD and Chinese tech company Horizon Robotics, in November 2023 as part of its "In China, for China" strategy. The joint venture specializes in highly advanced automated driving systems for the Chinese market. Over the past 18 months, more than 500 software experts across the company's Beijing and Shanghai locations have driven the development of the new ADAS technology forward.

Ralf Brandstätter, Volkswagen AG Group Board Member for China and CEO of Volkswagen Group China: "With our new ADAS system, we are demonstrating what is possible when strengths of Volkswagen are combined with local innovation. The system has been developed at 'China speed', fully tailored to the needs of our Chinese customers and will set a new benchmark in the market for driving performance, safety and quality. The rapid progress we have made reflects the outstanding capabilities of our joint venture CARIZON and the successful implementation of our 'In China, for China' strategy."

GAIA: AI-powered data platform accelerates development cycles

The system transforms Intelligent Connected Vehicles (ICVs) into predictive driving companions with human-like driving experience that can avoid dangerous situations before they arise. The key to this is "GAIA", CARIZON's proprietary AI-driven data platform for intelligent data collection and analysis. With two terabytes of data collected per vehicle per day and over 100,000 kilometres of test driving daily, GAIA enables highly automated AI training of the vehicle software.

Compared to conventional data platforms without an AI Big-Data technology, GAIA accelerates data analysis sixfold and reduces the verification cycles of AI solutions to just one-twentieth of their original duration

This enables CARIZON to generate and validate hundreds of thousands of real-world driving scenarios with exceptional speed and accuracy— accelerating the development cycle, reduces costs, and ensuring a particularly seamless and safe driving performance.

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Marcus Hafkemeyer, CEO of CARIZON, said: "With a team of 500 local ADAS experts and the consistent integration of AI in the development process, we have built an advanced ADAS system in a very short time—one that will deliver outstanding performance in driving performance and safety. This year, we will bring Level 2+ ADAS to the road. Level 2++ ADAS with Urban Navigate on Autopilot (NoA) is in advanced testing and will be launched in 2026. This will also enable us to lay the technological foundations for a fast-track evolution towards Level 3."

Auto Shanghai: Group showcases Next-Gen Smart EVs for China

Volkswagen Group is accelerating its transformation by consistently implementing its "In China, for China" strategy. The company is strengthening its local development capacities in e-mobility, digitalization, and intelligent driving, while also accelerating its decision-making and development processes in the region. This enables rapid responses to market-defining trends in China and fully leverages the growth and innovation potential of the market.

Auto Shanghai 2025 marks a key milestone in this transformation. For the first time, Volkswagen Group will present an entirely new generation of smart electric vehicles from Audi and Volkswagen brands—developed exclusively in China for Chinese customers. The Volkswagen Group will launch over 20 fully electric and electrified NEV models by 2027 as part of its broad product offensive. By 2030, the Group brands will offer around 30 fully electric models.

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About the Volkswagen Group

The Volkswagen Group is one of the world's leading car makers, headquartered in Wolfsburg, Germany. It operates globally, with 115 production facilities in 17 European countries and 10 countries in the Americas, Asia and Africa. With around 680,000 employees worldwide. The Group's vehicles are sold in over 150 countries.

With an unrivalled portfolio of strong global brands, leading technologies at scale, innovative ideas to tap into future profit pools and an entrepreneurial leadership team, the Volkswagen Group is committed to shaping the future of mobility through investments in electric and autonomous driving vehicles, digitalization and sustainability.

In 2024, the total number of vehicles delivered to customers by the Group globally was 9.0 million (2023: 9.2 million). Group sales revenue in 2024 totaled EUR 324.6 billion (2023: EUR 322.3 billion). The operating result before special items in 2024 amounted to EUR 19.1 billion (2023: EUR 22.5 billion).

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Volkswagen Group in China

The Volkswagen Group is one of the first and most successful international car manufacturers in China's automobile industry and has made individual mobility possible together with its Chinese Partners. For over 40 years, the Volkswagen Group and its brands have always been pioneers of mobility in China.

The company's success story in China began in 1978, when Chinese partners first made contact with the Volkswagen Group. In 1984, SAIC Volkswagen Corporation Ltd., Volkswagen Group's first joint venture in China, was founded in Shanghai, followed by FAW-Volkswagen Corporation Ltd. in 1991. In 2017, in addition to the two existing joint ventures in China, Volkswagen (Anhui) Automotive Company Limited was established to produce new energy vehicles. Then, in 2021, the Audi FAW NEV Company was incorporated, focusing on premium electric vehicles.

The Volkswagen Group is consistently following its "In China for China" approach to enhance local development expertise. In 2023, Volkswagen Group China Technology Company (VCTC) - the Group's biggest R&D center outside Germany - was established, focusing exclusively on the development of intelligent connected vehicles (ICVs). VCTC enables the Group to fully integrate itself into China's industrial ecosystem and to customize products even faster to meet the needs of Chinese customers.

The business scope of Volkswagen Group in China includes the production, sales and services of complete vehicles and parts, such as engines and transmissions. The Group's brands — including Volkswagen, Audi, ŠKODA, JETTA, Porsche, Bentley, Lamborghini, Ducati, MAN, SCANIA — have a business presence in China through Volkswagen Group China and its subsidiaries.

In 2024, Volkswagen Group China delivered around 2.93 million vehicles to customers in the Chinese mainland and Hong Kong, together with its Chinese joint venture partners. To date, around 50 million customers in China drive cars from the Group's brands - a number unparalleled by any other automaker in the country. Following its clear "Target Picture 2030", Volkswagen Group China aims to remain the largest international OEM in China and play a leading role in the ICV era.

Volkswagen Group Website: <http://www.volkswagenag.com>

Volkswagen Group China Website: <http://www.volkswagengroupchina.com.cn/en>

Volkswagen Group China Media Service Website:
<https://mediacenter.volkswagengroupchina.com.cn>

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About CARIZON

In 2023, CARIAD, the Volkswagen Group's software competence center, and Horizon Robotics, the leading provider of intelligent driving computing solutions, have established a joint venture company, CARIZON. CARIZON integrates CARIAD's expertise in software development and Horizon Robotics' strong hardware and software technology capabilities to develop industry-leading, highly optimized and full-stack Advanced Driving Assistance System (ADAS) and autonomous driving solutions for the Group. Currently, CARIZON's R&D center are located in Beijing and Shanghai, with more than 500 software experts.

In 2025, the self-developed ADAS solution by CARIZON was successfully delivered. This system can realize highly human-like, multi-scenario coverage, and safety-first intelligent driving experience. Leveraging the robust computing power of high-performance System-on-Chips (SoC) and enhanced by CARIZON's proprietary AI data engineering platform GAIA through intensive training, this system reliably handles diverse complex road conditions while upholding Volkswagen Group's uncompromising safety standards to protect user driving safety.

CARIZON's L2+ level ADAS will enter mass production starting from 2025, and the L2++ level with urban navigation driving assistance function is in the preliminary testing stage, planned to be launched in 2026.

As a cornerstone of Volkswagen Group's "In China, for China" strategy, CARIZON leverages the Group's comprehensive localized R&D ecosystem and deep collaboration with strategic partners to persistently develop cutting-edge intelligent driving solutions tailored to Chinese customers' needs.
