

Volkswagen buries hatchet in boardroom battle

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The launch of VW's all-electric ID.3 was plagued with problems, offering an opening for unions to attack CEO Herbert Diess

Car giant Volkswagen's supervisory board on Monday announced a deal to end infighting over top jobs and strategy that risked toppling chief executive Herbert Diess, saying the boss's strategy had their "full support".

Diess, 62, has come into conflict with VW's powerful worker representatives over his plans for the massive carmaker to shift towards [electric vehicles](#) and break decades-old power structures that many observers blame for its "dieselgate" emissions cheating scandal.

The company said in a statement that the [supervisory board](#) "unanimously resolved to give its full support to the strategy, in particular the orientation of the company towards electromobility and digitalisation.

"In the upcoming years, the board of management... will implement the strategy with Herbert Diess at the top," it added.

Press reports suggested that Diess had demanded an extension of his contract beyond its current end date in 2023 as proof he had the non-executives' backing.

While the company did not grant the former BMW executive that vote of confidence, it did confirm his nominees to top roles.

Arno Antlitz, finance chief at high-end subsidiary Audi, will take control of the entire group's finances from June.

Meanwhile Thomas Schmall will move from Volkswagen Components to take responsibility for "technology" across the group, while Murat Aksel will become group head of purchasing on top of the same role at the VW brand.

Diess' push for change at VW has seen him lock horns with Bernd Osterloh, the head of the group's influential works council.

As recently as June, an attack by union representatives cost the chief executive his role as head of the flagship VW brand, after they accused him of "massive failures of management" in launching two crucial new models.

Now there is "total agreement between the supervisory board, the board of management and the employee representatives" on VW's objectives, Osterloh was quoted as saying.

VW is pumping more than 35 billion euros (\$43 billion) into electric vehicles and plans to sell 26 million cars from a range of 70 electric models by 2030.

Diess has publicly stated his objective is to catch up with US competitor Tesla.

Also in Monday's statement, the supervisory board said sportscar maker Lamborghini and motorbike

company Ducati would both remain part of the VW group, although press reports and analysts regularly suggest the two world-famous brands could be sold off or floated separately on the stock market.

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