

## **Annual Report 2019 of the Board of Stichting Diesel Emissions Justice**

### **Introduction**

1. The Foundation was established in the Summer of 2019 in response to the Diesel Emissions Scandal. That public indignation was due to the circumvention by several car manufacturers, including Volkswagen AG, of the intensified emission standards, with all the associated consequences for the environment, public health and the (financial) harm caused to parties who bought the vehicles in question. The Foundation's aim is to support the interests of the Affected Owners in both the Netherlands and abroad in their quest for compensation.
2. By making this report on the Foundation's activities available on its website, the Foundation's board (the **Board**) fulfils its obligation to comply with Sec. 3:305a(2)(d)(4) of the Dutch Civil Code. This report covers (i) the Foundation's inception and functioning, (ii) its activities and (iii) its 2019 Financial Statements. For a description of the Foundation's governance and compliance with the Dutch Claim Code 2019, we refer to the Claim Code Compliance report / Foundation's Governance Statement that can be downloaded from the Foundation's website.

### **The Foundation's inception and functioning**

3. The Foundation has, following a careful selection process for the necessary expertise, and in accordance with the Claim Code 2019 compliance statement /Foundation's Governance Statement, secured the participation of a wide range of leading experts whose names and resumes can be found on the Foundation's website. These were, first of all, the Board Members and Supervisory Board members. In addition, the Foundation retained legal and non-legal professional advisers. Given the Foundation's considerable workload, which is due in part to its activities in multiple jurisdictions, it also has a full-time director who is in charge of daily operations. The Foundation's director is Femke Hendriks.
4. The Board, Supervisory Board and managing director hold frequent conference calls to discuss the Foundation's activities. Regarding specific topics, frequent email correspondence and bilateral calls take place between Board members, the managing director and the Foundation's advisors, such as local counsel.

### **Activities**

5. The Foundation has investigated the Diesel Emissions Scandal in detail by, among other things, holding exploratory talks with parties involved in proceedings against one or more Vehicle Manufacturers in Germany, the Czech Republic and the United Kingdom; and it provides funding for research on how the Manipulation system operates. The Foundation does not limit its research to Volkswagen Group only.

6. Simultaneously, the Foundation participates in the public debate. It has drawn significant attention, in the Netherlands, Belgium and France, to the role of the car owners in the Diesel Emissions Scandal and the need to come up with a solution for all affected owners. This has yielded meaningful media coverage in the Netherlands, Belgium, France, and across the EU.
7. The Foundation is also actively looking to cooperate with environmental and consumer organisations. One result, started in 2019, but with effect in 2020, was a round table and press conference held in France on 23 January 2020 together with the French consumer organisation *Familles Rurales* and the environmental organisation *France Nature Environnement*. In the Netherlands, the Foundation enjoys the support of *Milieudefensie* (Friends of the Earth Netherlands).

### **Financial year 2019**

8. As regards funding for this action, the Foundation decided to raise funds with an external litigation funder and concluded a litigation funding agreement with Consumer Justice Network B.V., rather than demanding an upfront fee from its participants.
9. The Foundation's expenditure over 2019 concerns book building efforts, publicity costs with a view to raising public awareness regarding the Diesel Emissions Scandal and instructing counsel in the Netherlands, Belgium, France and other jurisdictions. This has culminated in a notification of liability / demand letter to various responsible parties, including Volkswagen AG, dated 23 January 2020, followed by service on 13 March 2020 of a writ of summons upon 67 defendants, including Volkswagen AG, Audi AG, Seat SA, Skoda Auto AS, Dr. Ing. H.c. F. Porsche AG, Robert Bosch GmbH, Pon's Automobielhandel B.V. and individual car dealers. The Foundation pursues litigation under the Dutch Act on redress of mass damages in a collective action, effective as of 1 January 2020. This (WAMCA-) legislation provides for a unique and efficient mechanism for collective redress. The Foundation has requested the Amsterdam District Court be appointed as Lead Plaintiff in order to lead the litigation against defendants mentioned above.

### **Conclusion**

The Board takes the view that in 2019 important groundwork has been done. Based upon the Financial Statements, the financial position of the Foundation is solid and healthy, and forms a sound basis for the Foundation's future efforts to protect all affected by Dieselgate across Europe.

Amsterdam, 17 June 2020

Andrew Goodman, Chairman

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