

Annual Report 2020 of the Supervisory Board of Stichting Diesel Emissions Justice

Introduction

1. The Foundation was established in the Summer of 2019 in response to the Diesel Emissions Scandal. Public indignation arose due to the circumvention by several car manufacturers, including Volkswagen AG, of the intensified emission standards, primarily by using cheat devices to falsify test results, 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 for damages.
2. The 2020 report of the Foundation's Supervisory Board (the **Supervisory Board**) – (verslag Raad van Toezicht') now available on the Foundation's website, is in compliance with the obligation(s) of the Foundation as laid down in Sec. 3:305a(2)(d)(3) of the Dutch Civil Code and Principle VII, elaboration 7 of Claim Code. This report covers the activities of the Supervisory Board during 2020 regarding (i) the Foundation's strategy and governance and (ii) the Foundation's financial position.
3. In June 2020, Mr Arco Krijgsman has been appointed Chairman of the Supervisory Board, succeeding Mr Crucq who passed away in February 2020. With this replacement, the Supervisory Board again consists of three persons in line with article 10 sub 1 of the Foundation's Articles of Association.

Strategy and Governance

4. The Foundation promotes the interests of the Affected Owners in both the Netherlands and abroad. In light thereof, the Foundation has brought three separate collective proceedings in 2020 before the District Court of Amsterdam after having sent notification of liability / demand letters to various responsible parties. In March, the first writ of summons has been issued against Volkswagen AG et al; the second in June against Daimler AG, and the third against FCA in August.
5. The Supervisory Board has performed supervision of the (legal) strategy, policies and general conduct of affairs of the Foundation, and has been guided by the interests of the Foundation and its participants, Affected Owners who entered into participation agreements with the Foundation.
6. The Foundation has engaged various experts together to pursue these objectives in a professional manner. Amongst these are the Board Members, Supervisory Board Members, and retained legal and non-legal professional advisers, as well as the hiring of a full-time director who is in charge of daily operations.

7. The Board, Supervisory Board and managing director, depending on subject matter, individual expertise and availability, have held frequent conference calls to discuss the Foundation's activities, and met in person once. The Supervisory Board has provided the Board and its managing director with advice in connection with the initiation of legal proceedings against Defendants and related parties, and other strategic and governance-related topics.

Financial position

8. The Foundation has managed to raise funds in order to finance its activities with an external litigation funder and has concluded two additional litigation funding agreements in 2020 with Consumer Justice Network B.V., rather than demanding an upfront fee from its participants. The drafting and negotiation of these funding agreements took place under the close supervision of the Supervisory Board. In view of one of its members' involvement in the litigation funder, the relevant board member recused himself from taking part in the deliberations and decision-making processes regarding the funding agreements.
9. The Supervisory Board has reviewed and approved the Foundation Financial Statements over 2020 as compiled by an independent chartered accountant on the basis of the bookkeeping kept by Van Heugten & Dekker Belastingadviseurs BV. The compilation engagement with the independent accountant has been performed in accordance with Dutch law, including the Dutch Standard 4410, "Compilation engagements", which is applicable to accountants, and is of the opinion that these reflect the Foundation's actual situation.

Conclusion

The Supervisory Board takes the view that, in 2020, the Board and managing director laid down a sound basis for the Foundation's future efforts. Looking ahead, the Supervisory Board is confident that the Foundation will be able to continue protecting and defending the interests of its participants, with a view ultimately to resolving matters for all affected.

Amsterdam, 16 June 2021

Arco Krijgsman, Chairman

George Tsetsekos

Greg Coleman