

status 2023

The Volkswagen Foundation in
figures



VolkswagenStiftung

Who we are and what we do

status 2023 – Annual report of the Volkswagen Foundation



The Foundation

The Volkswagen Foundation is probably the largest private research funding organisation and one of the largest foundations in Germany. Its purpose is to support the humanities, social sciences and natural, life and technical sciences in research and higher education. It was founded by the Federal Republic of Germany and the State of Lower Saxony more than 60 years ago as an independent charitable foundation under private law. Its headquarters are in Hannover.



Strategy

Four profile areas structure the funding portfolio: 1. Exploration, 2. Societal transformations, 3. Understanding Research – Evaluation and Science Practice, 4. zukunft.niedersachsen. There is also a focus on the cross-sectional area Science in Society.



Investing sustainably

In the area of asset management, the Foundation began taking sustainability aspects into account as early as 2011. Since then, the entire equity and bond portfolio is the subject of continuous analysis to determine whether ESG criteria are met. ESG defines a standard that can be used to check how sustainably a company is positioned. The challenge for the Foundation is to shape its investment strategy so it achieves the highest possible level of sustainability without jeopardizing the mandate set out in the statutes, which is to invest its assets as profitably as possible.



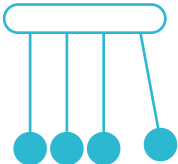
zukunft.niedersachsen

The Foundation and the government of the State of Lower Saxony recently joined forces to create their own funding programme to boost research and education in Lower Saxony. The aim of 'zukunft. Niedersachsen' is to make Lower Saxony a much more visible science location in national and international competition. The focus is on quality-assured selection procedures and the ongoing identification of cutting-edge fields of research. Three key areas are currently being specifically promoted: Digitality, transformation, and research excellence.



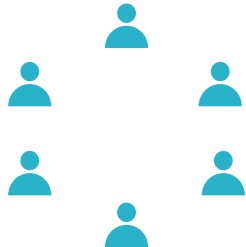
Capital and funding

At present, the Foundation's capital amounts to approx. 4.1 billion euro. The resources available for funding are generated from asset investment and allocated mainly in the area of "General Funding". Added to this are profit entitlements from 30.2 m Volkswagen trust shares held by the Federal State of Lower Saxony (mainly dividends). These funds are awarded to research in the programme zukunft.niedersachsen, which is jointly managed by the foundation and the Lower Saxony Ministry of Science. In 2023, the foundation received a one-off payment of 576.3 million euro from a special dividend of Porsche AG. This amount will be approved in the medium term in the programme zukunft.niedersachsen.



Funding concept

The Foundation has developed four guidelines for its funding practices.
• Providing impetus: The Foundation aims to play a pioneering role by supporting highly innovative pilot projects.
• Taking risks: It creates experimental spaces for upcoming top researchers.
• Crossing borders: Transnational, inter- and transdisciplinary projects characterize its funding activities.
• Shaping structures: The Foundation aims at generating sustainable effects. These are systematically analysed in order to benefit from lessons learned and subsequently shared with others.



Organization

The Volkswagen Foundation currently employs around 110 people, mainly in the three departments of Funding, Investment, Finance and Administration. Four staff units report directly to the Secretary General, Dr. Georg Schütte, who heads the Foundation. The Board of Trustees is made up of 14 personalities from the scientific community and other areas of civil society. The Board of Trustees usually meets three times a year to decide on strategy issues and funding applications.

1962

History

The Foundation owes its existence and its name to an agreement concluded between the Federal Republic of Germany and the state of Lower Saxony in 1961. The then 'Volkswagenwerk GmbH' was converted into a stock corporation, thus settling the dispute over the unresolved ownership relationships. The proceeds from this privatization were used to establish the Foundation, which began its work in Hanover in 1962 as an independent, private, and public benefit foundation under civil law – and not as a corporate foundation.

Grants

Grants 2019 to 2023 in € million



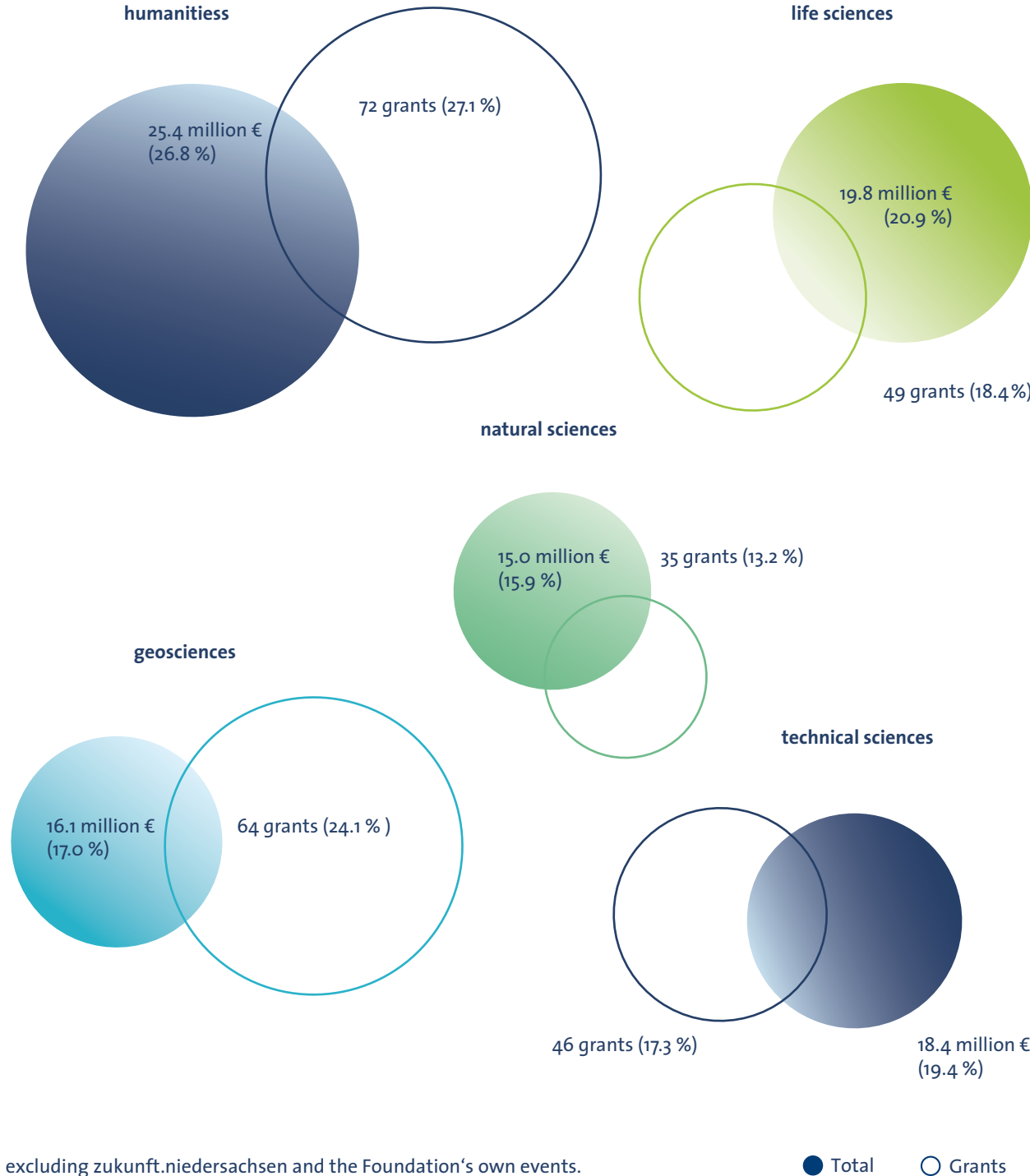
● General Funding

● Zukunft.niedersachsen

Allocation of funds*

Grants in general funding (266 in total), broken down by scientific discipline, by number and funding amount as well as (in per cent) the share of grants and funding amount in total.

In 2023, there were 136 grants awarded in the humanities and social sciences and 130 grants in the life, natural and technical sciences.



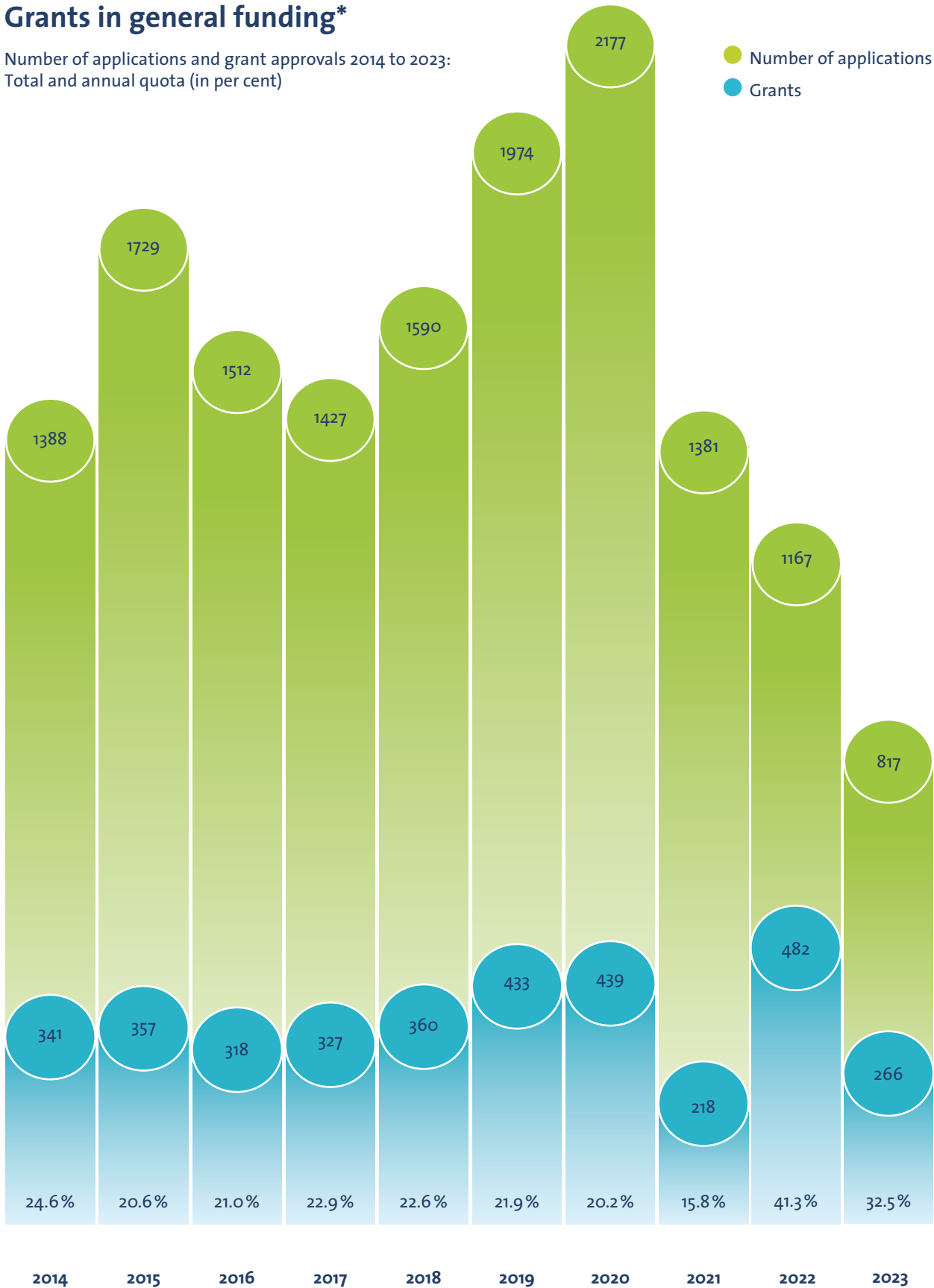
excluding zukunft.niedersachsen and the Foundation's own events.

● Total

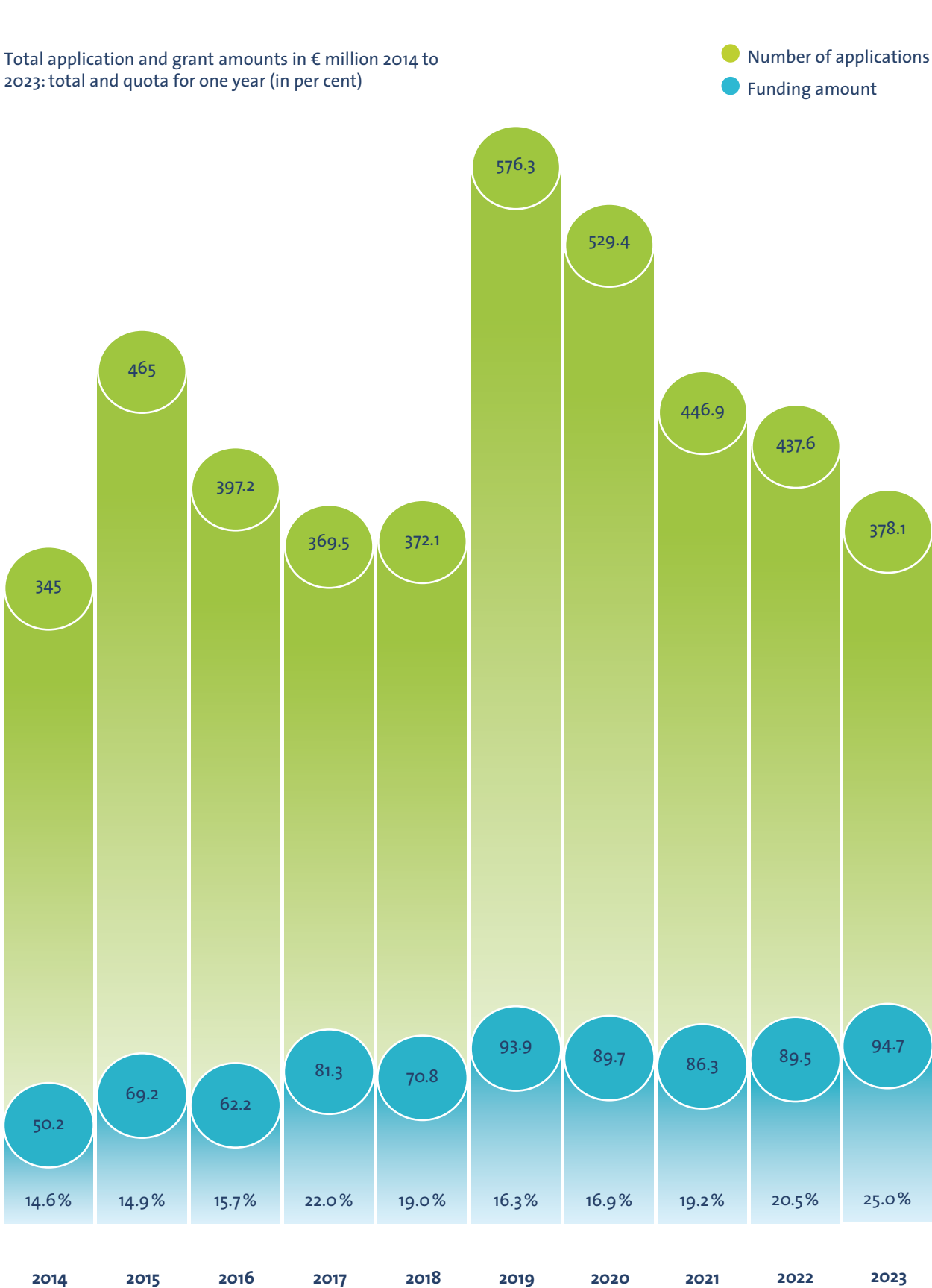
○ Grants

Grants in general funding*

Number of applications and grant approvals 2014 to 2023:
Total and annual quota (in per cent)

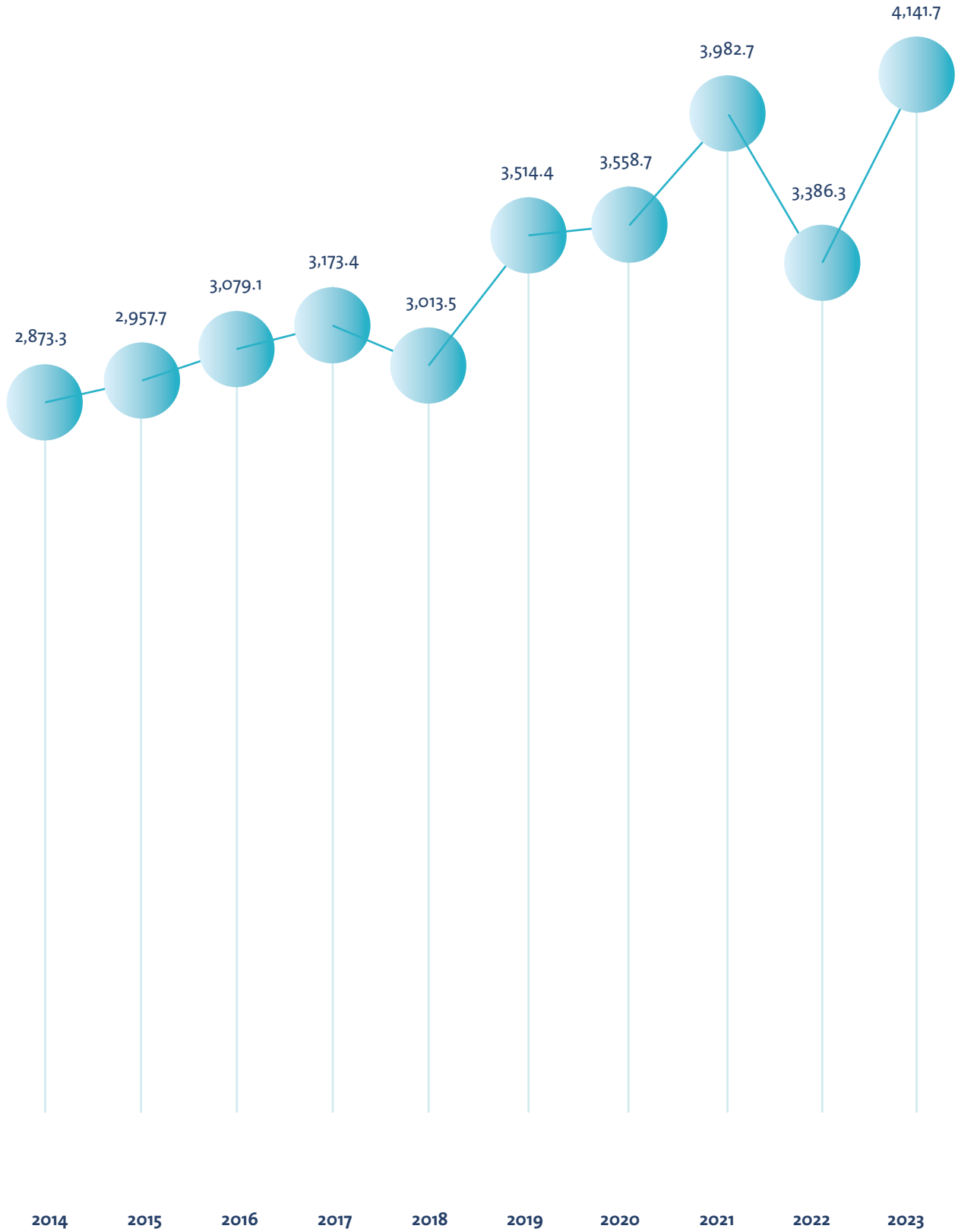


Total application and grant amounts in € million 2014 to 2023: total and quota for one year (in per cent)

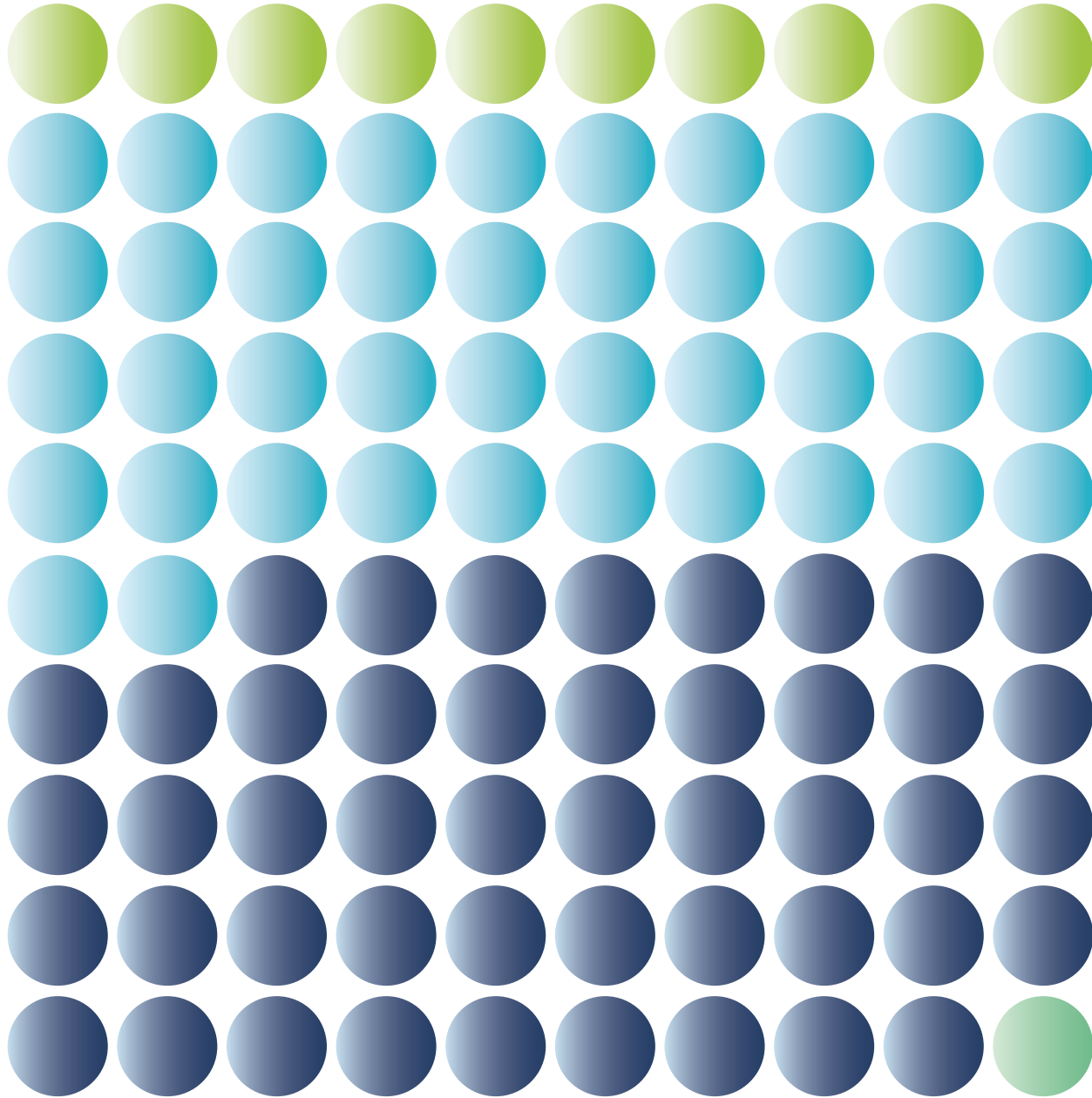


*excluding zukunft.niedersachsen and the Foundation's own events.

Development of the Foundation's assets in € million



Asset classes in the investment portfolio



● Real estate (10.0 %)
 ● Interest-bearing securities (41.8 %)
 ● Equities (47.4 %)
 ● Alternative Investments (0.8 %)

'Zukunft.niedersachsen' replaced the predecessor program 'Niedersächsisches Vorab' in 2023

Who we support



Andrea Binder, political scientist at Freie Universität Berlin, funded as a Freigeist Fellow with the project 'Global monetary relations in the age of Eurodollar futures'.

Brief pause, concentrated look: How should she outline her complex research project to the layperson on the other side of the table. Then Andrea Binder says: 'Globally active banks, including those from Germany, grant cheap loans in US dollars from off shore financial centres such as the Cayman Islands to other banks, corporations and companies based elsewhere in the world. With every loan in US currency, the offshore banks increase the dollar money supply, they create foreign currency'. This money multiplication escapes any banking supervision or political control and undermines rules that would apply to banks in their home markets.' Politicians tolerate the practice because the cheap loans from the offshore system ensure global economic growth. On the other hand, the volume of debt in this completely non-transparent sector has inflated considerably. No one knows exactly how much. The fact that foreign currencies are created in such an unregulated way, that money is multiplied out of thin air, as it were, jeopardizes the stability of the financial system and undermines democratic processes. She has set herself a goal: to approach politicians with the results of her research in order to convince them with empirical evidence to finally intervene.



We regularly report on the Foundation's website about the recipients of funding and their work: extraordinary personalities with surprising perspectives on research and methods. Here you will find excerpts from three exemplary portraits. Follow the QR codes to read the full texts on the homepage



Karoline Augenstein, transformation researcher at the University of Wuppertal, funded with the project 'Narrative Futures: Developing an inter- and transdisciplinary approach for the construction of futures and shaping transformations through narrative'.

Fast-forward to the future and decide the outcome of a game or story yourself: This exists in video games or in children's literature, and there it is called 'Create your own future'. Karoline Augenstein, junior professor of policy analysis with a focus on transformation research and sustainability in Wuppertal, refers to this concept to explain her research topic. 'We can also shape the future in reality,' she says and asks: Who is fast-forwarding in which story? Do we depict dystopian scenarios, like the climate activists from Extinction Rebellion or the Last Generation, to make it clear that we need to act now? Or do we create the story of a humanity capable of action that will solve the climate problem, as is the basis of some political models? Always against the background of the important question: How can science contribute to the creation of narratives that provide orientation and encourage people to change?



Joachim Haug, biologist at the Ludwig-Maximilians-Universität in Munich, funded as a Lichtenberg Professor with the project 'Morpho-Eco-Space – Revealing the true ecological importance of arthropod larvae'.

He specializes in an aspect of zoology that many others ignore – the larvae of insects and crustaceans. 'Most people focus on the adult animals,' says Joachim Haug. 'But the larvae are particularly exciting.' The larval stage of many insects lasts much longer than their adult state. Contrary to what its name suggests, the adult mayfly, for example, only lives for two days. The larva, on the other hand, lives for five years. The larvae are therefore the main form of existence for many insects and crustaceans. 'This is why the larvae have a greater influence on the ecosystem,' says Joachim Haug. Over the long period in which they develop, they eat significantly more than the adult animals. They therefore consume more resources. In turn, the larvae are available to other animals all year round as protein-rich food – even at times when there are no adults around. Larvae therefore play a major ecological role. Joachim Haug wants to find out whether the various insect species and groups have become rarer over time. The important question for him is whether insect species are dying out to a greater extent today than hundreds of thousands or even millions of years ago, also against the background of the current insect loss.



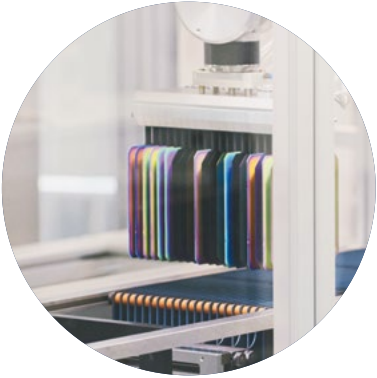
News from the Foundation



Funding opportunities

In the three areas of general funding ('Knowledge about Knowledge', 'Societal Transformations', 'Exploration'), these calls for proposals were launched in 2023:

- **Transdisciplinary Approaches to Mobility and Global Health**
Exploring the interactions of mobility and health
- **Circularity in everyday life – Ideas competition**
Making the raw materials transition tangible for a broad audience
- **Change! Fellowships and Research Groups**
Researching and initiating transformation processes
- **Earth System Sciences**
Establishing junior professorships for a new systems science
- **Circularity with recycled and biogenic raw materials – Cooperation projects**
Closing the raw material-product cycle with sustainable concepts
- **Transformation of democracy – Task forces/cooperation projects**
Opening up new perspectives on the transformation of democracies
- **Theme weeks: Scientific ethics, human rights**



zukunft.niedersachsen

Thanks to a special dividend from Porsche AG, the Volkswagen Foundation was able to grant a record sum for the promotion of science and education in Lower Saxony in 2023. In the joint program zukunft.niedersachsen created by the Foundation and the government of the state of Lower Saxony, 'Strategic Development of Potential' is the financially strongest funding program to date. 265 million euros are available for proposals from universities in Lower Saxony that want to design and implement long-term development strategies. More information and all funding opportunities can be found on the new website: www.zukunft.niedersachsen.de



To all current offers in the area of General Funding:



Sustainability

With the goal of climate neutrality, the Foundation is constantly striving to improve its carbon footprint and align its business operations with aspects of sustainability. A new milestone has now been reached on this path: using data from 2023, the first report has been produced in accordance with the formal criteria of the German Sustainability Index. It provides a sound basis on which the foundation will develop new measures to make its impact as climate-neutral as possible. Scan the QR code to find out more about sustainability in the activities of the VolkswagenStiftung on our homepage.



Keyword: Academic freedom

The Volkswagen Foundation is concerned about the growing pressure to which researchers in Germany and abroad are exposed. And is resisting this development not only with words, but also with deeds. For example, in 2022, following Russia's invasion of Ukraine, it created a million-euro funding program for scientists who had fled the country in just one week - as it had previously done in the case of Turkey and Afghanistan. Following the terrorist attack by Hamas, the Foundation and the state of Lower Saxony increased the budget for the 'Research cooperation rations with universities in Israel' program as a sign of their solidarity with researchers in Israel. In addition, the 'Social Transformation mation' focus area bundles funding projects that the foundation hopes will provide validated impetus on how to counter the radicalization of subpublics. The Foundation is convinced that free science needs an open society.

Statement of income and allocation of funds in € thousands

	2023	2022
Income from asset management	997,583	404,202
Cost of asset management	16,619	52,251
Surplus from asset management	980,964	351,951
Grants for funding purposes	–	252
Administrative expenses	17,667	19,673
Annual yield	963,297	332,530
Costs of the fulfillment of the Foundation's purpose	603,611	321,218
Annual surplus	359,686	11,312
Funds carried forward from the previous year	68,262	61,288
Allocation to revenue reserves	-300,000	–
Allocation to the reallocation reserve	-11,686	-4,338
● Amounts carried forward to the following year	116,262	68,262

Audit

The auditing firm BDO AG, Hanover, has audited the annual financial statements 2023 of the Volkswagen Foundation and issued an unqualified audit opinion.

Balance in € Thousands

Aktiva	2023	2022
A. <u>Claims</u> against the State of Lower Saxony pursuant to Section 4 (1b) of the Articles of Association	76,694	76,694
B. <u>Non-current assets</u>		
I. Intangible assets	380	1,260
II. Fixed assets	1,448	1,623
III. Financial assets	3,944,314	3,425,442
C. <u>Current assets</u>		
I. Receivables and other assets	24,333	18,058
II. Securities	23,975	47,368
III. Cash and cash equivalents	255,717	21,623
D. Prepaid expenses and deferred charges	275	261
● Balance sheet total assets	4,327,136	3,592,329
Liabilities	2023	2022
A. <u>Equity</u>		
I. Share capital	1,324,707	1,324,707
II. Revenue reserves	1,077,896	777,896
III. Reclassification results	619,726	608,040
IV. Funds carried forward	116,262	68,262
	3,138,591	2,778,905
B. Project reserve in accordance with 62 para. 1	3,266	2,267
C. Provisions	49,468	47,488
D. Liabilities	1,135,811	763,669
● Balance sheet total liabilities	4,327,136	3,592,329

Published by

Volkswagen Foundation
Kastanienallee 35
30519 Hanover
Phone: (0511) 8381-0
E-mail: info@volkswagenstiftung.de
www.volkswagenstiftung.de

Editor

Jens Rehländer

Images

element K for Volkswagen Foundation
Julia Sellmann for Volkswagen Foundation
Felix Albertin for Volkswagen Foundation
Thomas Bach for Volkswagen Foundation
Dorian-Vasco Nagel, ehrenwerk.tv for
Volkswagen Foundation
Sina Ettmer – stock.adobe.com
Nataliya Vaitkevich – pexels.com

Design

Concept, layout and illustration
Bureau Bordeaux, Hanover

Printed by

Gutenberg Beuys Feindruckerei,
Langenhagen

