VOLKSWAGEN GROUP

Media Information

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2026 collective bargaining negotiations: Volkswagen AG calls for significant relief in labor costs

- **Negotiations on the Volkswagen AG company collective agreement will start on November 24 in Emden. Today, the company submitted its collective bargaining demands to IG Metall.**
- **Volkswagen AG's demands form an overall package comprising several components. These include a pay freeze for 2027 and 2028, the elimination of special payments, such as the collectively agreed additional payment and the collectively agreed allowance, as well as greater flexibility in working hours.**
- **With its Future Plan 2030 (Group Target Picture), the Volkswagen Group is realigning all key areas of its business across twelve initiatives, from the product portfolio to new growth areas. Efficiency programmes in development, procurement, production, quality and sales alone are expected to reduce costs significantly by 2030 compared with current planning. Measures under the collective agreement are one part of this broader programme to strengthen the company's competitiveness.**

Wolfsburg, November 19, 2026. Today, Volkswagen AG submitted its demands for the upcoming collective bargaining negotiations to IG Metall. The focus is on significant labor cost relief. This is the case because the pressure to act has continued to increase since the 2024 collective bargaining negotiations. Additional steps are indispensable to remain competitive.

The company will continue to work intensively on its cost structure. The world is changing rapidly, and as a company we must respond. We are facing pressure from tariff barriers, a shrinking Chinese market and intensifying competition in Europe, for example. In light of our economic development, the cost measures agreed in 2024 are no longer sufficient on their own. It is therefore necessary to realign our business model even faster and more consistently.

With its Future Plan 2030 (Group Target Picture), the Volkswagen Group is realigning all key areas of its business across twelve initiatives, from the product portfolio to new growth areas. Efficiency programs in development, procurement, production, quality and sales alone are expected to reduce costs significantly by 2030 compared with current planning. The focus is on leaner development processes, lower material costs and reduced manufacturing, warranty and sales costs. Collective bargaining measures are one part of this broader program to strengthen the company's competitiveness.

Volkswagen AG's demands form an overall package comprising several components. In addition to an improved cost structure, the company's capacities are to be better aligned with demand and made more flexible. This also involves modernizing structures that have grown over the years and aligning them with today's requirements.

The catalog of demands includes, among other things:

- Pay freeze for 2027 and 2027
- Elimination of the collectively agreed additional payment amounting to 27.5 percent of average monthly earnings or alternatively six days of paid leave
- Elimination of the collectively agreed allowance amounting to EUR 167 per month
- A significant increase in the flexibility of weekly working hours. Currently, the collectively agreed regular working time is 35 hours per week. In the future, it should be possible to adjust it as needed to operational capacity utilization, without compensation for increases and with proportional pay adjustments for decreases

New negotiating leadership

For the upcoming collective bargaining round, Volkswagen AG is restructuring its negotiating leadership, as Arne Meiswinkel, Human Resources Board Member of the Volkswagen brand, is leaving the company as planned on December 31, 2026. Effective immediately, Kerstin Scholz, Head of Group HR Policy & Governance, and Frank Ischner, Group Human Resources Management, will jointly take on this task as a dual leadership.

Frank Ischner, Chief Negotiator of Volkswagen AG: "We have already experienced some challenging times and have emerged from them stronger. We currently find ourselves in a situation in which we need a quick agreement to counter the high cost pressure. This time too, the company and IG Metall jointly bear responsibility for ensuring that we can still compete tomorrow and are positioned to be future-proof."

Kerstin Scholz, Chief Negotiator of Volkswagen AG: "In the negotiations, we will also talk about willingness to change and more flexible deployment of personnel. In doing so, we are not questioning our arrangements lightly. But the overall conditions have deteriorated significantly. For this reason, we need to become faster, both in restructuring the company and in adjusting the cost structure. Together, we must find socially responsible solutions that at the same time secure economic stability. Because only a successful company can offer future-proof jobs in the long term."

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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 111 production facilities in 16 European countries and 10 countries in the Americas, Asia and Africa. The Group employs around 663,000 people worldwide. The Group's vehicles are sold in over 150 countries.

With a comprehensive 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. The goal: As a "Global Automotive Tech Driver", to make the best automotive technologies accessible to customers worldwide - from entry-level mobility to the luxury segment.

In 2025, the total number of vehicles delivered to customers by the Group globally was 9.0 million (2024: 9.0 million). Group sales revenue in 2025 totaled EUR 321.9 billion (2024: EUR 324.7 billion). The operating result in 2025 amounted to EUR 8.9 billion (2024: EUR 19.1 billion).

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