Volkswagen Final Offer FAQs



Thank you for your continued engagement and feedback on our final contract offer to the UAW. We've compiled the most asked questions and answers below.

Separate from questions on the offer itself, we are getting lots of questions about a strike. We have a <u>dedicated fact sheet and FAQ</u> with more information.

| Contract Topic | FAQs |
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| Voting on a Contract | Q: I want to vote on Volkswagen's final offer. How do I do that? What can I do if I'm not hearing back from the union? |
| | Only the UAW can take our final offer to a vote as your bargaining representative. |
| | You can reach out to <u>Chattanooga.Solidarity.42@gmail.com</u> or to your bargaining representative directly. |
| | We hope that if enough employees tell the UAW they want to vote, the UAW will listen to its membership and give you a voice. |
| Job Security | Q: What does the offer say about job security? Is it true that VW can close the plant at any time? |
| | Volkswagen wants to further grow and invest here in Chattanooga. For the company to do that we need a fair and competitive agreement, and that's exactly the focus of our final offer. |
| | We have clear language in our final offer directly addressing the closure or sale of the plant. |
| | There are limited exceptions in the contract that solely apply to extreme situations out of our control, such as natural disasters. |
| | This is the same type of language that appears in Detroit Three contracts with the UAW, including General Motors. |
| | We also have language guaranteeing our employees pay and health care in the event of temporary or indefinite layoffs. |
| Car Lease Program | Q: Is VW planning to get rid of the lease program after 2026? What is changing about the program in the contract? |
| | We know how popular the lease program is and have committed to keeping it for the full duration of the contract. |
| COLA | Q: How does COLA work? What exactly does the \$0.45 cap mean? |
| | • COLA is intended to provide extra protection from inflation on top of guaranteed wage increases put forward in the contract. |
| | COLA can add up to an extra \$0.45/hour to your base wage. |
| | • The allowance is recalculated every quarter based on inflation, so the amount may vary – but it can be as high as \$0.45/hour at all times throughout the contract. |
| | If inflation is unusually high and the COLA calculation exceeds \$1 in two consecutive quarters, Volkswagen and the union will revisit raising the cap or considering other compensation options. |



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| Profit Sharing | Q: How does profit sharing work? Why does it seem lower than the Detroit Three? |
| | Volkswagen's proposed bonus structure includes both our existing 8% attendance bonus as well as a new profit sharing calculation. |
| | We didn't want to completely replace the attendance bonus with profit sharing because we don't want you to be penalized if the company doesn't perform well. The attendance bonus is more within your control than company profits and over 95% of hourly employees meet its requirements. |
| | Moving our bonus structure to just profit sharing like the Detroit companies have would mean hourly employees could potentially receive no bonus payment if Volkswagen doesn't perform well. |
| | • Profit sharing would work like this: if VW Passenger Cars exceeds 4% return on sales, you receive a payout of \$1,000. If the return exceeds 7%, you receive \$1,250, and if the return exceeds 8%, you receive \$1,500. |
| | The Passenger Cars brand includes the vehicles we produce in Chattanooga (Atlas, Atlas Cross Sport, ID.4). |
| Health & Safety | Q: Is it true there are no health and safety provisions in the contract? |
| | No. The health and safety subcommittee was closed out after we reached agreement with the union on language for many new policies to enhance our safety standards based on your feedback. A few highlights already agreed upon that are included in our final offer: |
| | A new health and safety committee made up of your peers will work together with our current safety committee. |
| | A new process for raising a safety complaint or concern. |
| | Peer leaders will help ensure better communication back to team members around safety concerns once investigated and resolved. |
| Floating Holidays | Q: How do the floating holidays work? Are they on set days or can I take them when I want? |
| | The two new floating holidays are designed to help you take more time off when you want to. |
| | You can choose which days to use them, using the normal PTO approval process. |
| | Floating holidays are a designated benefit and do not count against PTO. |

If you don't see an answer to a question you have, please email us at <u>finaloffer@vw.com</u> or attend in-person office hours with the Labor Relations Team.