

VOLKSWAGEN

GROUP OF AMERICA

September 1, 2016

The Honorable Daniel T. Kildee
United States House of Representatives
227 Cannon House Office Building
Washington, DC 20515-2205

Dear Representative Kildee:

Thank you for your letter dated July 12, 2016 regarding the recent election involving the Skilled Team (maintenance) employees at Volkswagen Group of America Chattanooga Operations, LLC.

As you noted, the Volkswagen Group has a global reputation for supporting and collaborating with its workers through its longstanding history of codetermination in production facilities around the world. I assure you that Volkswagen intends to honor this commitment to our workforce here in our Chattanooga factory.

As has always been the case, Volkswagen respects the right of our employees to decide the question of union representation. In keeping with this, we petitioned for a National Labor Relations Board (NLRB) election in February of 2014 under a joint agreement with the UAW to allow all of our production and maintenance team members to vote on union representation.

After our employees decided against exclusive representation at that time, we established an innovative policy that allows employees to engage with the Company through a labor organization, including UAW Local 42 and the American Council of Employees, and present topics of general interest to their membership.

Our efforts in this regard represent our strong commitment to meaningful employee representation while still respecting U.S. labor laws.

Nevertheless, we believe that union representation of only the maintenance employees would divide our workforce and ignore the overwhelming community of interest shared by our maintenance and production employees. Thus, as we indicated prior to the election, we asked the NLRB to review the decision to separate Volkswagen workers and, instead, allow them to vote together on the matter of union representation. This request was in accordance with the NLRB's new election rules that defer much of the consideration of these important issues until after the election.

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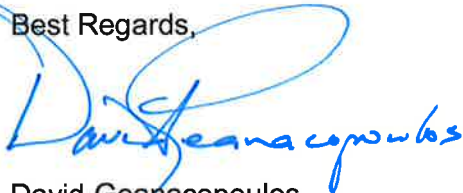
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We are, of course, disappointed that the NLRB denied our request to fully evaluate this important issue which potentially impacts other employers and employees in the U.S. Because the NLRB itself is divided on this question based on NLRB Member Miscimarra's pointed dissent, Volkswagen is taking the necessary steps to have this issue reviewed by the appropriate United States Circuit Court of Appeals as is our right under the National Labor Relations Act and the Federal Rules of Appellate Procedure.

For these reasons, we don't believe it is appropriate, nor is it required, to begin the bargaining process while the legal review of this issue is ongoing.

Volkswagen appreciates your interest in our company and its employees. If you have questions, or need additional information regarding any of the issues discussed herein, please feel free to contact me.

Best Regards,



David Geanacopoulos
Senior EVP, Public Affairs