Supervisory Board Sees the 2030 Future Plan as a Strong Signal

Yesterday, the Volkswagen Group Supervisory Board unanimously approved the Group Executive Board's "Future Plan 2030." The Volkswagen Group views this as the starting signal for the company's sustainable and long-term success. The Future Plan is intended to lay the groundwork for making the Volkswagen Group and its brands more efficient, more competitive, and better positioned for the future.

Oliver Blume, CEO of the Volkswagen Group, sees this as a "strong signal" for the future of the Volkswagen Group. "We are taking responsibility for our entire team, for our partners, and for manufacturing jobs worldwide. Over the next few years, we will invest a three-digit billion sum to make our iconic brands even more attractive, stronger, and more competitive."

Hans Dieter Pötsch, Chairman of the Supervisory Board, expressed his conviction in a statement that the implementation of the transformation strategy "will secure the Volkswagen Group's long-term future and competitiveness." And Olaf Lies, Minister-President of Lower Saxony, stated: "We are investing heavily in future viability and improving competitiveness. At the same time, we will develop long-term prospects for our locations."

Speaking on behalf of the employee representatives on the Supervisory Board, Christiane Benner, Deputy Chair of the Supervisory Board and First Chair of IG Metall, said: "With the future plan that has now been adopted, we are facing these enormous challenges together with the Board of Management and shareholders." She noted that it was good that the Board of Management now has the foundation to tackle the critical tasks. "This explicitly includes developing future scenarios for all plants." Daniela Cavallo, Chair of the General and Group Works Council of the Volkswagen Group: "Volkswagen is thus once again upholding the equal importance of job security and profitability as shared corporate goals."

The 2030 Future Plan is the most strategically far-reaching transformation program in the history of the Volkswagen Group. The twelve initiatives are designed to make the Group and its brands more robust and competitive:

Strengthen the Financial Foundation

In a changing market environment, the Volkswagen Group is planning for annual sales of 9 million vehicles. The core financial target is an operating return on sales of 9 percent by 2030. This corresponds to an operating profit of approximately 31 billion EUR, with 37 billion EUR in overhead costs and a target of 135 billion EUR for investments in property, plant, and equipment as well as research and development during the planning period from 2027 to 2031.

Focus on the Most Attractive Vehicles

By 2035, the Volkswagen Group will streamline its model lineup by about 50 percent and reduce the complexity of its product offerings by about 75 percent. The goal: higher production volumes per model, lower costs, and greater economies of scale. When it comes to platforms, electronics architectures, driver assistance systems, and software, the Volkswagen Group is consistently aligning its efforts with the needs of both the Western and Eastern hemispheres.

Taking Efficiency to a New Level

A Group-wide program for Operational Excellence is designed to consolidate the efforts of Technical Development, Procurement, Production, Quality, Sales, and Overhead. The goals are significantly higher efficiency, improved processes, greater speed, and a

noticeable increase in competitiveness.

Strengthening Leadership, Accelerating Decision-Making

Leaner management structures, clear responsibilities, and shorter decision-making paths. A uniform performance and bonus system for executives is designed to focus attention on performance, results, and shared success.

Establishing a Competitive Production Structure

A concept for a sustainable and competitive production structure, consistent with the target vision, is to be developed for the European plants by the end of June 2027. With its resolution, the Supervisory Board acknowledged that there is a production overcapacity of 500,000 vehicles in Europe within the Volkswagen Group and that, for the Emden, Zwickau, Hanover, and Neckarsulm, no competitive follow-on production can currently be guaranteed on a phased basis from 2031 through 2034. Alternative uses for these plants are being examined in parallel and as a supplement.

Necessary Adjustment of Workforce Levels

Beyond the existing programs, a further fundamental adjustment of global workforce levels is necessary. The analysis underlying the 2030 Future Plan calls for a Group-wide adjustment to the workforce totaling approximately 50,000 job reductions—including management positions.

Further Developing the North American and Chinese Businesses

In North America, the Volkswagen Group will focus on the most profitable segments in the future. The Group is adapting its China business to the changed expectations regarding the overall growth of the Chinese automotive market and is expanding its export business toward the “Global South.”

Simplifying the Group Structure

The Supervisory Board requests that the Group Executive Board develop a model for an enhanced decision-making and corporate structure for the Volkswagen Group. The enhanced decision-making and corporate structure is intended to enable a clear allocation of responsibilities and faster, more efficient, and modern Group management.

Streamlining the Investment Portfolio, Using Capital More Targeted

The portfolio of investments and businesses will be consistently reduced based on their strategic and economic contribution to the core business and is to be streamlined by approximately one-third.

Accelerating Implementation

The Group Executive Board assumes overall responsibility for implementation and will drive the program forward with clear leadership and the necessary pace. The Supervisory Board will be closely involved in the process, regularly informed of progress, and consulted where necessary.

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Images for article

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