

Bienvenue à  
Škoda Auto



ŠKODA

# Škoda representatives



MICHAEL PASCAL VEČEŘ

Deputy Head of Regulatory team  
Economic and Social policy expert



RUDOLF MATÚŠ

Regulatory team  
Transport policy and Electromobility expert



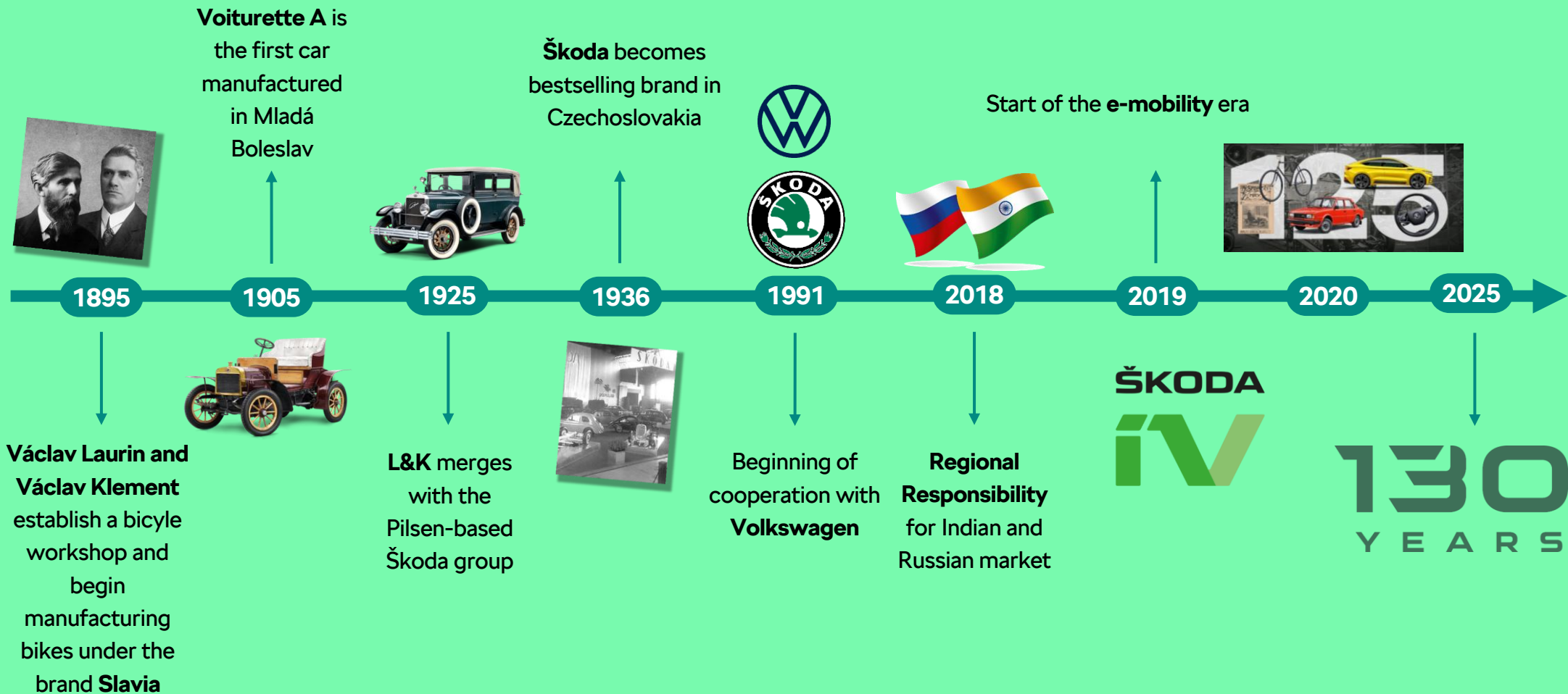
ONDŘEJ NOVÁK

Deputy Director  
Škoda Auto Endowment Fund

# KEY TOPICS

- Importance of the automotive sector in the Czech Republic
- International trade and global market integration
- Relationship between the automotive industry and European policies
- Ongoing push toward electrification
- Regional development and social sustainability

# Main Historical Events



# Automotive in the Czech Republic

SKODA

# Government introduction

## Program statement

|                |  |
|----------------|--|
| ECONOMY        | <ul style="list-style-type: none"><li>▪ Emphasis on budget stability, reduction of corporate income tax (21 % → 19 %)</li><li>▪ Reduction of fees for renewable energy for end customers</li><li>▪ Enhancement of tax deductions for research and development</li><li>▪ Introduction of EET 2.0, <b>support for businesses through faster depreciation</b>, non-adoption of the euro</li></ul> |
| EMPLOYMENT     | <ul style="list-style-type: none"><li>▪ <b>Capping the retirement age at 65</b> (currently 67), <b>early retirement for a broader group in hazardous professions</b></li><li>▪ <b>Encouraging employers to invest in preventive programs for their employees</b></li><li>▪ Stricter immigration policy, strengthening the fight against illegal work</li></ul>                                 |
| EU             | <ul style="list-style-type: none"><li>▪ <b>Rejection of the ban on ICE from 2035</b></li><li>▪ <b>Review of the Green Deal, rejection of the expansion of ETS2 to households and transport</b></li><li>▪ Emphasis on national sovereignty of EU member states</li><li>▪ Rejection of weakening the principle of unanimity</li></ul>  |
| FOREIGN POLICY | <ul style="list-style-type: none"><li>▪ Advocating for pragmatic foreign policy</li><li>▪ Strengthening strategic relations with the USA and maintaining good, or at least standard, relations with other key global powers</li><li>▪ <b>Restoration and strengthening of relations with the V4</b></li><li>▪ Continuation of traditional friendship with the State of Israel</li></ul>        |

## Economic situation

**Czech Republic has recovered from the previous crisis** caused by Russia's invasion of Ukraine and the subsequent energy crisis. Current developments point to a **positive outlook for the domestic economy** this year. Household spending adjustments have strengthened in particular.

Risks arising from the international trade situation remain and have a significant impact on future developments. As well as announced unbalanced public budgets, incomplete pension reform or low public R&D expenditure (1,8 % of GDP).

### Key economic figures

|                          |         |
|--------------------------|---------|
| GDP growth               | + 2.5 % |
| Real wages (3Q-25)       | + 4.5 % |
| Unemployment             | 2.6 %   |
| Inflation                | + 2.5 % |
| Government debt (of GDP) | 41 %    |

### Rating agencies

| Agency  | Long-term Rating (FC/LC) | Short-term Rating | Outlook |
|---------|--------------------------|-------------------|---------|
| S&P     | AA- / AA                 | A-1+ / A-1+       | Stable  |
| Moody's | Aa3                      | P-1               | Stable  |
| Fitch   | AA-                      | F1+               | Stable  |

# Automotive in the Czech republic

EXPORT

19 %

GDP

9 %

PRODUCTION

2nd

EMPLOYMENT

500 000

# Record taxes and securities liabilities in recent years

Mil. CZK

| Period | Corporate income tax | Social security | Health security | Personal income tax | Withholding tax | Property tax | Road tax | Total  |
|--------|----------------------|-----------------|-----------------|---------------------|-----------------|--------------|----------|--------|
| 2020   | 1 855                | 8 142           | 3 687           | 4 388               | 47              | 85           | 8        | 18 212 |
| 2021   | 3 915                | 6 118           | 2 737           | 2 164               | 65              | 86           | 6        | 15 091 |
| 2022   | 3 956                | 8 895           | 3 991           | 3 117               | 99              | 87           | 0        | 20 145 |
| 2023   | 6 604                | 7 862           | 3 486           | 2 821               | 106             | 88           | 0        | 20 967 |
| 2024   | 13 835               | 10 647          | 4 678           | 4 109               | 175             | 161          | 0        | 33 605 |
| 2025   | 16 800               | 11 409          | 4 988           | 4 486               | 455             | 172          | 0        | 38 310 |

Corporate income tax 2025 in the amount of **16,8 Bil. CZK** will be released on annual press conference on March 12, 2026

Škoda Auto is each year in TOP 10 taxpayers



| Period   | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|----------|------|------|------|------|------|------|
| Position | 4    | 1    | 7    | 2    | 2    | ?    |

# Importance of automotive in CZ

- Support for the automotive industry across the political spectrum
- Political representatives ready to discuss crucial automotive topics
- Critical stance towards the Green Deal and the ban on the sale of ICEs

*"The way Europe has embraced electromobility, with the goal of having 25 percent of cars powered by electricity by 2025 and as much as 40 percent by 2030, is a really big challenge. The Czech economy is based on car manufacturing, and let's hope we can all cope with this, including the negative impacts. I hope that the European Parliament has thought this through carefully."* **Andrej Babiš (ANO Movement)**



*"We must prepare Czech industry for the future of mobility. Supporting innovation, digitization, and autonomous driving is crucial, but it cannot come at the expense of people working in traditional manufacturing."* **Karel Havlíček (ANO Movement)**

# Facts & Figures

SKODA

## 2025 | All-time high in Europe

Milestone of 1 million delivered cars



YoY growth in cars delivered to customers



3.

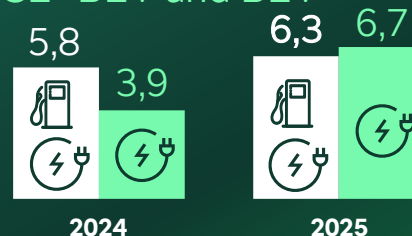
Best-selling Brand in Europe

TOP ranking in many European markets



Market Share Growth




















EU 27+4 ICE+BEV and BEV



Ranking BEV Elroq #2 & Enyaq #8

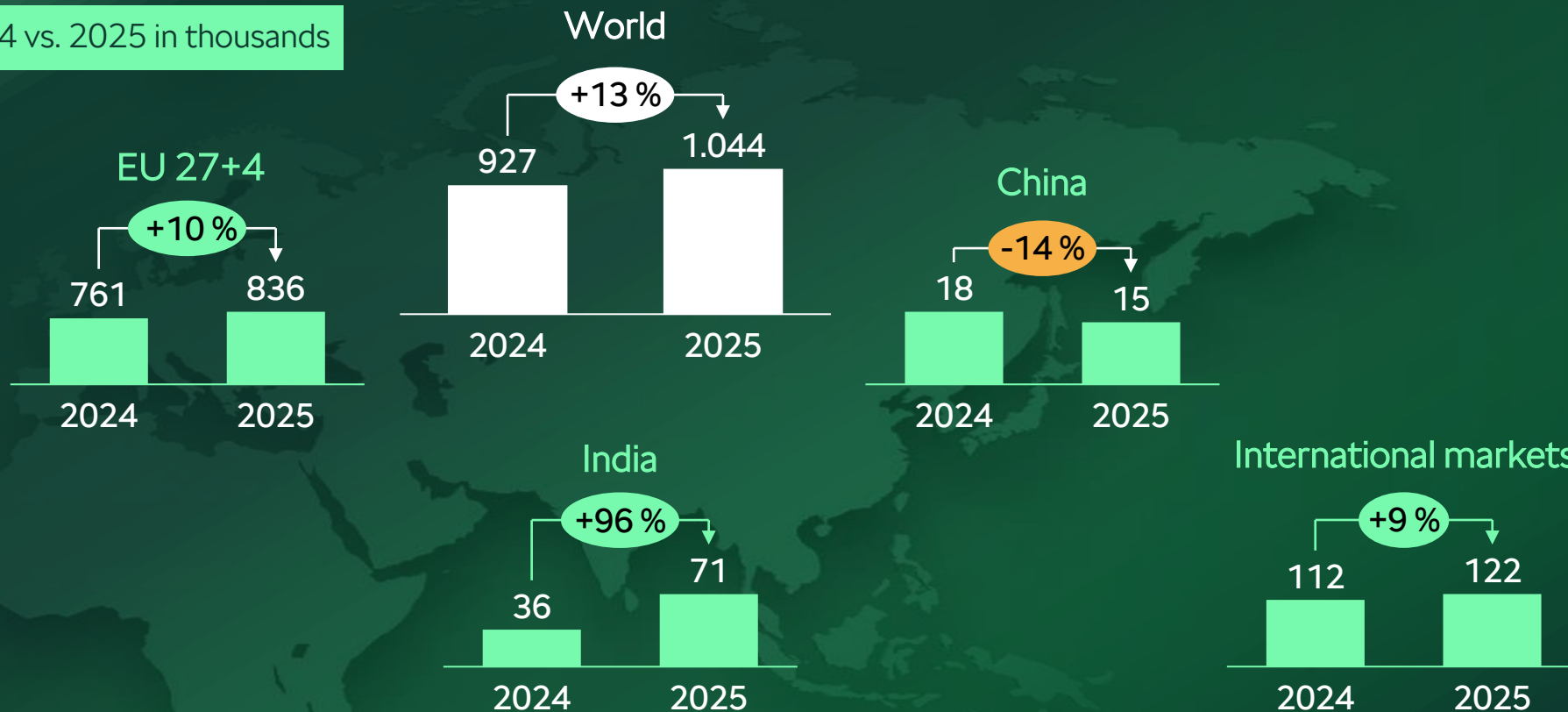
# 2025 | European success exceeding expectations

In the months of July, October and November, we even reached second position!

|                  |  |  | <b>SKODA</b>  |  |  |  |  |  |  |  |
|------------------|---|---|---|---|---|---|---|---|---|---|
|                  | Volkswagen  | Toyota  | Škoda   | BMW   | Renault   | Mercedes-Benz   | Audi  | Peugeot   | Dacia   | Hyundai   |
|                  |  |  |  |  |  |  |  |  |  |  |
| <b>1-12 2025</b> | <b>1</b><br>10,9 %  | <b>2</b><br>6,5 %   | <b>3</b><br>6,3 %   | <b>4</b><br>6,0 %   | <b>5</b><br>5,7 %   | <b>6</b><br>5,3 %   | <b>7</b><br>5,0 %   | <b>8</b><br>4,8 %   | <b>9</b><br>4,5 %   | <b>10</b><br>4,0 %  |
| <b>1-12 2024</b> | <b>1</b><br>10,5 %  | <b>2</b><br>7,2 %   | <b>4</b><br>5,9 %   | <b>3</b><br>5,9 %   | <b>6</b><br>5,4 %   | <b>5</b><br>5,5 %   | <b>7</b><br>5,1 %   | <b>8</b><br>5,0 %   | <b>9</b><br>4,4 %   | <b>11</b><br>4,1 %  |

# 2025 | We surpassed the milestone of 1 million delivered cars

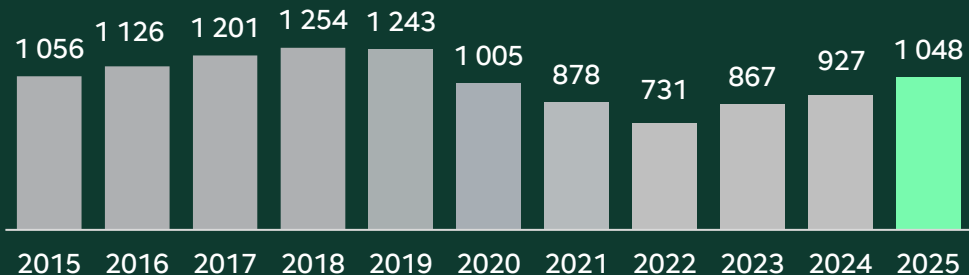
DtC: 2024 vs. 2025 in thousands



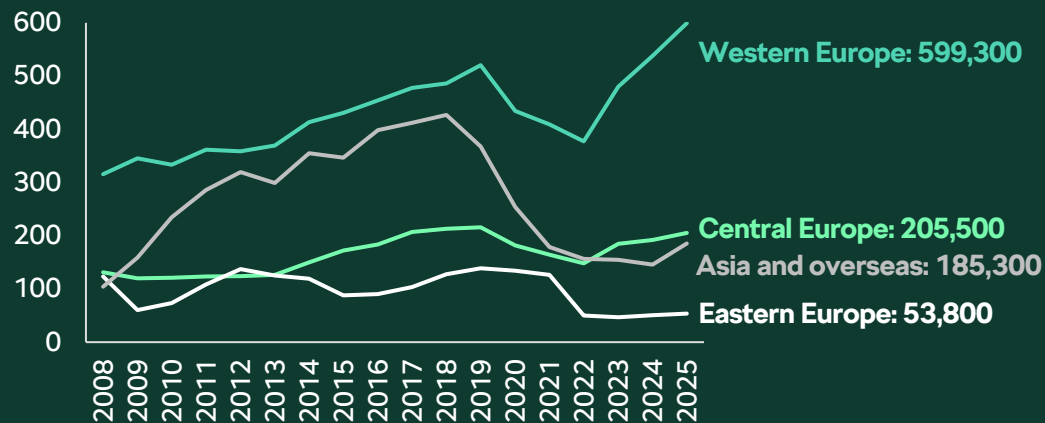
# ŠKODA Auto Global Performance Overview

in thousands

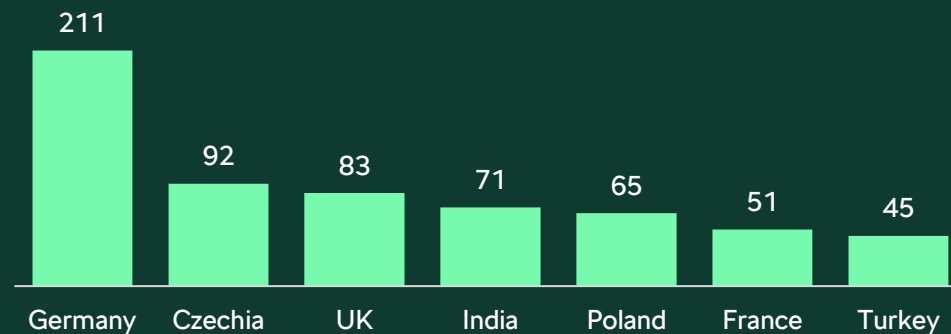
1 047, 900 Vehicles delivered worldwide in 2025



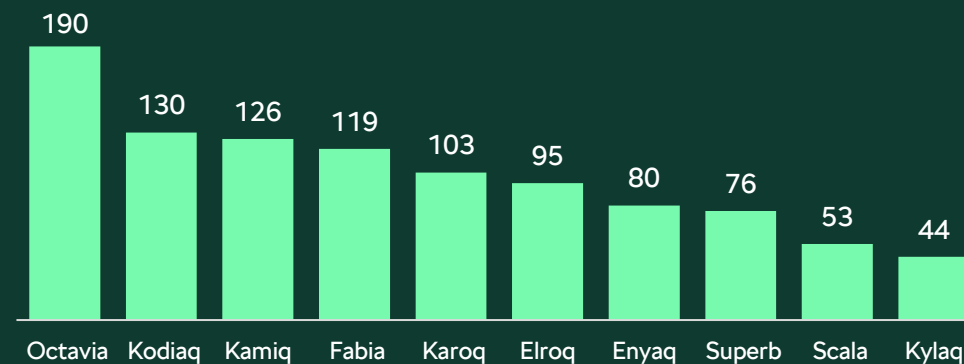
1 047, 900 Vehicles delivered worldwide in 2025



Top 7 markets

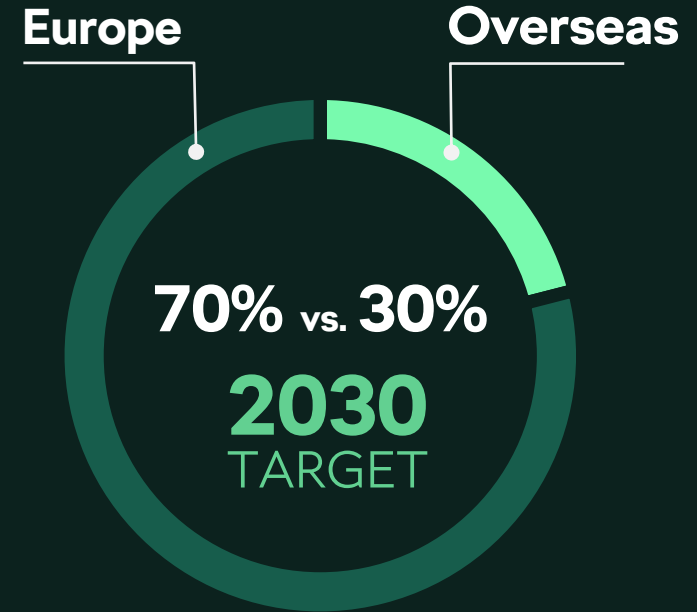
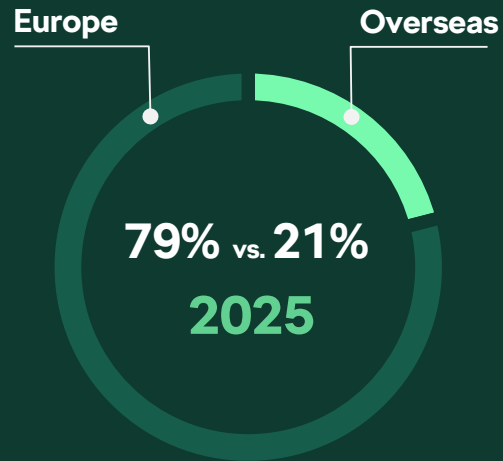
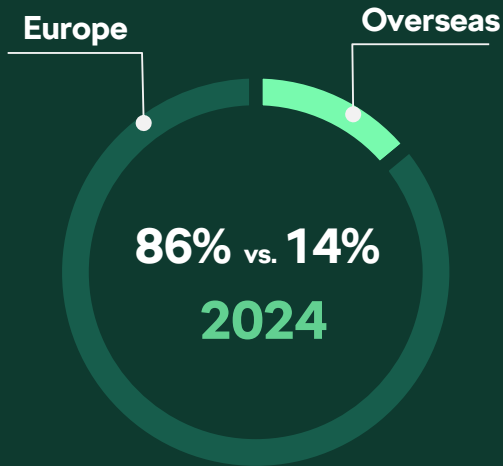


Sales by model



# Overseas markets | Important pillar of our future

Türkiye | North Africa | Middle East | Central Asia | ASEAN | India | Oceania



# Most Diverse Škoda Product Portfolio in History



New Superb

New Kodiaq

Octavia FL

Scala FL

Kamiq FL

Fabia

Karoq FL

## BEV Family



Enyaq

Elroq

Epiq<sup>1</sup>

Peaq<sup>1</sup>

FL = Facelift

 Hybrid options

 Mild hybrid options soon

<sup>1</sup> coming in 2026

# Škoda in Czech Republic

## Facts:

- The brand's home country and second-largest European market
- **947,140 cars produced** at the Czech Škoda plants in 2025

## Three production sites:

- Mladá Boleslav, Kvasiny, Vrchlabí

## Production of engines, transmissions, and battery systems:

- **513,800 engines** from the efficient EA 211 range
- **311,300 MQ 200 manual transmissions**
- **721,400 DQ 200 DSG transmissions**
- **329,000 traction batteries** for electric vehicles based on the MEB platform

**Mladá Boleslav:**  
Fabia, Octavia, Kamiq,  
Scala, Enyaq family,  
Elroq



**Vrchlabí:**  
DQ200  
7-speed DSGs



**Kvasiny:**  
Octavia, Karoq, Kodiaq



Prague ○

○  
Brno

# Škoda appearance in world 2025 - Production

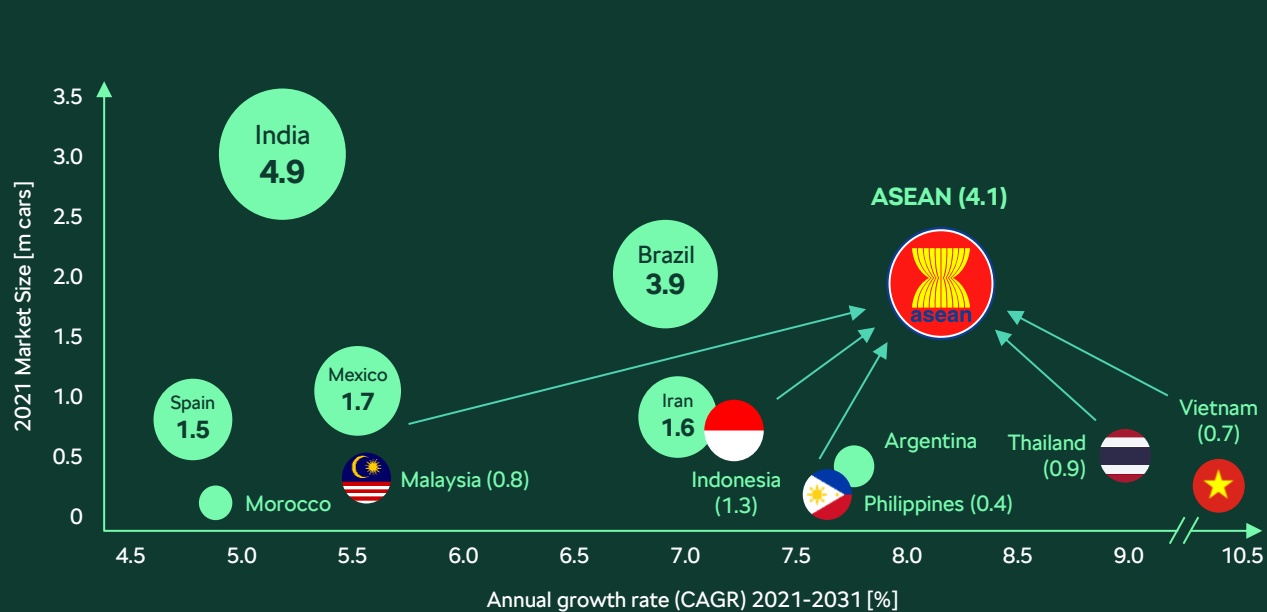


# Expanding Global Footprint: ŠKODA takes over the strategic management of the Brand Group Core in ASEAN, the fastest-growing region in the world

► Five ASEAN focus markets are among the fastest-growing car markets



► The ASEAN automotive market is projected to encompass more than 4.1 million vehicles in 2030



# International Market is facing global **challenges** and **competitive pressures**



**Market growth  
slower than  
expected**



**Competitors with  
superior products  
and production  
overcapacity**



**Invasion of  
Chinese brands**



**Japanese and  
Korean competitors  
defending their  
positions**

EU

SKODA

# STRATEGIC DIALOGUE ON AUTOMOTIVE: KEY RESULTS



30. 01. 2025  
Start of dialogue



05. 03. 2025  
Automotive industry action  
plan

## Automotive package 15 December 2025

- CO2 regulation
- Greening corporate fleets
- Automotive OMNIBUS
- Battery booster

## Industrial Accelerator Act Expected 25 February 2026

- „EU made“ local content requirements (LCR) to be specified
- Foreign investment in strategic components compliance criteria to be introduced
- LCR application mechanism and scope shall be defined
- LCR criteria based preferences (public procurement, incentives, etc.) to be introduced

# CO2 revision - 2030



2030 Target 48 g (-55 %)

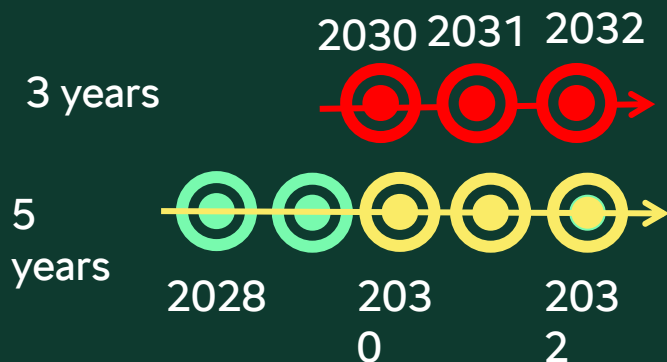
BEV 58 %

ICE 42%



## Flexibilities

### Averaging mechanism



### Utility Factor



8-12 g

CO<sub>2</sub>

2024

32-35g

CO<sub>2</sub>

2025

53-64 g

CO<sub>2</sub>

2026

### Supercredits for BEVs (Epiq)



# CO2 revision – 2035

90 %

2035 Target 11 g (-90 %)

10 %

Possible variants

Compensation mechanism



BEV 92% + ICE 8%



BEV 90% + HEV 10%



BEV 83% + PHEV 17%



BEV 59% + REEV 41%



Green steel

E-fuels



# Greening corporate fleets

CZ example



BEV + PHEV



BEV

2030

55 %

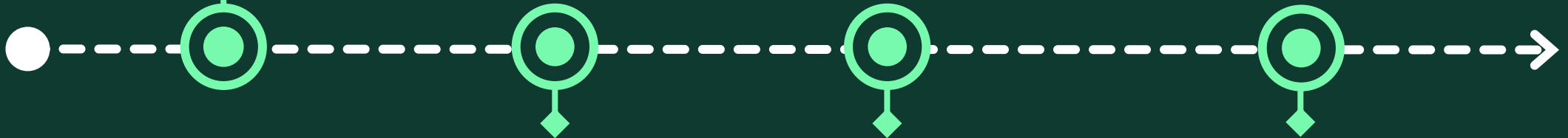
36 %



2035

76 %

64 %



ZLEV vehicles up to 50 g CO2 included

Linking to „EU-Made“ local content requirements for support

Applies in 2030 and tightens in 2035

90 % BEVs sold in CZ = corporate fleets

# Automotive OMNIBUS

## Small cars initiative

New subcategory for small vehicles up to 4,2 meters



Regulatory freeze for small BEVs for the next 10 years



Supercredits in CO2 regulation



New category as the criterion for public support and incentives

Electrification

SKODA

# The greatest transformation in automotive history

## Polycrisis<sup>1</sup>



**Decarbonization**



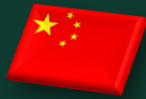
**Drivetrain  
Transformation**



**Digitalisation  
& AI**

<sup>1</sup> Geopolitical tensions, protectionism, economic instability, climate change and energy insecurity

# The EU's stringent 2035 ICE ban showcases high regulatory ambition, contrasted by a relatively low BEV market growth and penetration



**China**

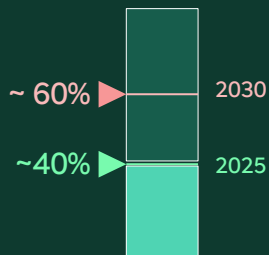
**CO2 regulation**

NEV (BEV+PHEV) share regulated

**ICE ban**

**No**  
(ban of fossil fuels 2035 planned)<sup>1</sup>

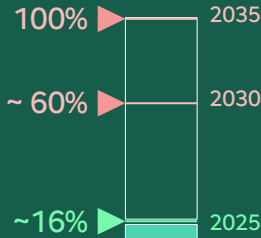
**market BEV share 2025 / compliance target**



**EU<sup>2</sup>**

**- 55% in 2030**  
**- 100% in 2035**  
(compared to 2021)

**2035**



**US**

GHG regulation with ZEV credit system, current situation volatile

**No**



**India**

**- 32% in 2027**  
**- 49% in 2032**  
(compared to 2021)

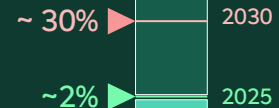
**No**



**Japan**

**- 32% in 2030**  
(compared to 2016)

**No**

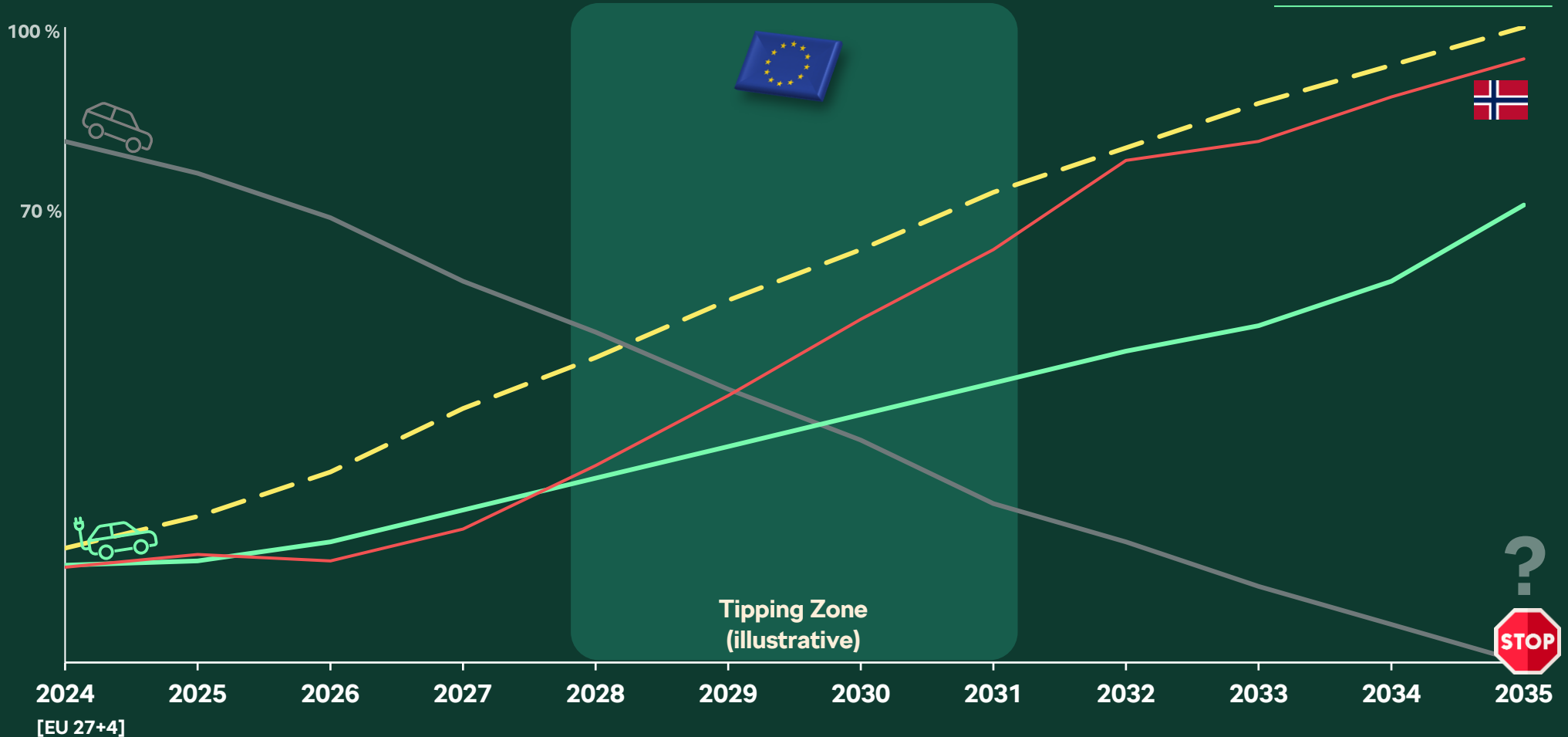


<sup>1</sup> Synthetical fuels only

<sup>2</sup> EU 27

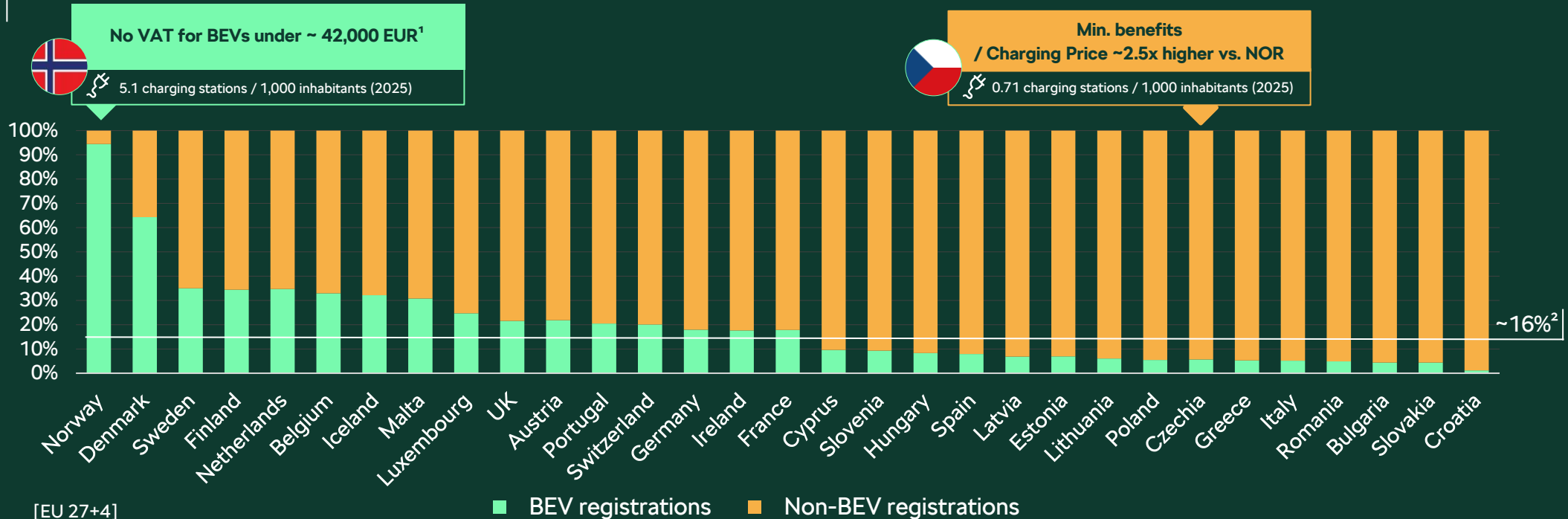
# But the momentum is increasingly unclear

Schematic Overview



# Just within the EU, markets and regions vary widely in BEV adoption

## BEV registrations in the overall market



<sup>1</sup> VAT applied only to the amount of the purchase price that exceeds ~ 42,000 EUR

<sup>2</sup> EU 27, BEV market share

# Electromobility in the Czech Republic

## Vehicles

Total BEV/PHEV market  
**93 062**

---

Total BEV market  
**57 549**

---

Škoda BEV market share  
**19 %**

## Charging Infrastructure

Number of charging stations  
**3 655**

---

Number of charging points  
**6 446**

---

Number of ŠA charging points  
**1 946**

## EV Facts

- 6.2 mil. vehicles on the market
- 16 years average vehicle age
- BEVs 0.93% share of the vehicle fleet in the Czech Republic
- $\frac{3}{4}$  of vehicles are sold to fleets, 90% of BEVs to fleet customers

## Charging Facts

- Public infrastructure: 3.8 % utilization
- DC stations 16%, 149 kWh+, focus on HPC
- Current ratio 1 : 9 (BEVs : CPs)



# Škoda's strategy: Freedom of choice while complying with EU CO<sub>2</sub> regulation



Expanding all-electric portfolio



Further improved plug-in and mild hybrids



Highly efficient ICE models

# New battery system assembly in Škoda Auto

- **€205 million investment**
- Škoda becomes the **largest battery system manufacturer** within the VWG
- **335,000** battery systems/year
- **84 %** automation
- Introduction of cell-to-pack technology with potential battery **cost reductions**
- Strengthening VWG's electrification strategy and the **European battery value chain**



# Regional development and social sustainability

# Smart Sustainability Strategy: 8 Sustainability priorities

From 2026 onwards, focus on rebalancing those priorities with economic reality

## Environment

Innovator in resource reuse with Simply Clever sustainable solutions

Decarbonization **1**



Circular Economy **2**



Preserving local ecosyst. **3**



## Social

Hands-on proactive local community engagement & people empowerment

Our People **4**



Society **5**



## Governance

Role model for acting ethically and being resilient against crises

Integrity & Compliance **6**



Risk Management **7**



Sust. Business Relations **8**



Sustainability Communication

# Proactive Community Engagement & People Empowerment

## Focus Area

## Ambition

## Work Packages

### Our People



Empowering our people to build a resilient and future-ready workforce

1. **Education - secure future skills** by empowering employees, teaching & attracting talents and steering skill-set
2. **Well-being** – raise awareness about prevention of **mental health, ergonomics and rehabilitation**
3. **Diversity, equity & inclusion** part of corp. culture  
**Inclusive workplace** with high level of **psychological and physical safety**

### Society



Focus on local communities and external stakeholders for broader societal impact and long-term value creation

1. **Education** – supporting regional schools at all educational levels
2. **Mobility** - **enable accessible mobility** to disadvantaged groups and promote road safety
3. **Volunteering** – supporting charitable & volunteering activities to benefit local communities

# Regional development as a pillar of Škoda Auto's long-term resilience

Stable regions, talent and trust are critical to long-term success

## RATIONALE

- **Strong footprint** in home regions
- Pressures on regions from **automotive transformation and global trade shifts**
- **Limited public funding** capacity ahead
- Need to **unlock more value** from Škoda Auto's presence

## SHARED VALUE CREATED

- Regional **stability and trust**
- **Talent, skills and retention**
- **Stronger local capacity** and partnerships
- Long-term **benefits for education, innovation and quality of life**

## PRINCIPLES

- **Partnership** and open dialogue
- **Data-driven** approach
- **Cross-sector** cooperation
- **Long-term** commitment

## MAIN VEHICLE FOR REGIONAL DEVELOPMENT



# Škoda Auto Endowment fund

Strategic vehicle for regional impact and ESG contribution

- › Supports the long-term social & economic **resilience of home regions**
- › **Part of Škoda Corporate Citizenship** - contributes to **ESG implementation & reporting**
- › Strengthens **brand reputation and stakeholder trust**



## KEY RESULTS since 2018

- **CZK 490+ mil. (€ 19+ mil.)** contributed | **1200+ projects** | **3 regions**
- **Long-term partnerships** with municipalities, NGOs and other regional partners



## 4 PILLARS OF ACTIVITIES



delivered through a) strategic projects with partners, b) grantmaking, c) own initiatives, d) communication

# Strategic Projects Showcase

Strengthening & Connecting communities



City = Gallery

Riverside park at Česana

Community Center Pluhárna

Innovation Center  
Impact Hub MB

Bike sharing

# Flagship initiative - Education

Systematic development of schools and learners across all ages

