



FORCED to peak

Resetting Priorities – Success Factors in Production and Logistics.

Production and Logistics are the core areas of Škoda Auto. Here, all threads come together, from the manufacturing of vehicle components to the final assembly of our cars. Across our locations in Mladá Boleslav, Kvasiny, Vrchlabí and Pune, 32,160 people work in Production and Logistics. Last year, we built around 888,000 cars, 470,000 engines, 1,035,000 transmissions, and 313,200 battery systems. This success is achieved through the right strategy, which serves as a toolbox for implementing our long-term goals in P Area.

Up until the COVID-19 pandemic in 2020, Škoda Auto's vehicle volume was characterized by consistent growth in a relatively stable environment. The pandemic and the associated semiconductor supply crisis broke this trend, and our previously very successful production strategy FORCE Program increasingly struggled to provide the right answers. The transformation towards the second generation of electric platforms and the increasing international competition have now forced us to strategically realign Production and Logistics.

Our Strategic Mission

With the new strategic initiative in production and logistics – peak – we are setting new priorities. We build cars whose development we have production-orientated influenced and use innovative

technologies to transform our infrastructure into lean, flexible & sustainable factories with the best business cases in CZ and abroad. The name peak is derived from the initials of the words Production, Effectiveness, Achievement and Key results.

The peak strategic initiative seamlessly integrates into the company strategy Next Level and contributes to the overall success of the company. By focusing on the success factors of production and logistics, we avoid duplication of efforts while fully addressing the specific P Area requirements at the corporate level. These success factors are pursued through three initiatives that provide guidance in today's complex environment.

Our Path to Reach the peak

The introduction of peak is crucial for our future success and competitiveness. We want to involve everyone from production and logistics. Through flagship projects, we will ensure the identification of our employees with peak, as they will all be the driving force at the core of peak.

In this context, you will find more detailed information about each initiative in the upcoming issues of Škoda Mobil.

The Three Main Initiatives

Future-Proof Factory

We are transforming our plants to the next EV platforms by integrating state-of-the-art technologies, automation, and data analytics. Our goal is to create flexible, sustainable, and highly efficient factories that are prepared for the challenges of tomorrow.

Operational Excellence

The aim of this initiative is to increase today's competitiveness of our factories by minimizing costs. Flexibility is essential for maintaining stable production in a volatile environment. Efficient quality is a prerequisite for customer satisfaction and will also drive cost reductions in product and process quality.

Leadership & Responsibility

We strive to further develop the organizational structure of production and logistics through responsible and sustainable growth. Leadership & Responsibility is evident through the development of our employees, the reduction of our ecological footprint, and expansion in ASEAN (Southeast Asia) region.



Andreas Dick
Board Member for Production and Logistics

With peak, we are addressing new challenges and competition. More than before we are focusing on our strategic success factors and how we can contribute to the overarching Next Level – Škoda Strategy 2030. We strictly separate our strategic goals and ambitions from our operational day-to-day business to generate a clear picture of our future production focusing on three leading initiatives.

