

ŠKODA AUTO
DIVERSITY REPORT 2021



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MAREN GRÄF

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FOREWORD

Dear colleagues,

ŠKODA AUTO had quite a ride in 2021 – and we definitely took a leap in driving diversity and inclusion forward. Thank you for joining us on this thrilling journey.

I joined ŠKODA AUTO on 1 March 2021, and am humbled to be surrounded by so much positivity from the ŠKODA team! What I value most is your solidarity – not only between each other, but also with the outside world. This year saw a continuous fight against the COVID-19 pandemic, semiconductor shortages and even a devastating tornado in Moravia. I'm proud to say that in the midst of these challenges, our employees showed the spirit of solidarity at ŠKODA AUTO, and lived up to our values by offering the human touch that is part of our DNA. I'd also like to thank Jaroslav Povsik and his team at KOVO Unions for their cooperation and support, especially in these challenging times.

Our employees' warm approach is at the core of our diversity and inclusion management.

We, at ŠKODA AUTO, as well as the entire Volkswagen Group, are in the midst of the greatest transformation our industry has experienced: new competitors on the horizon, and an evolution from being a car manufacturer to a technological company that focuses on software and digitisation. We're going through turbulent times, that's for sure!

In 2021, we said goodbye to the "Human Management Resources" Department and introduced "People and Culture". I established a new Diversity and Inclusion team to help drive this topic forward across all functions and areas. Mixed teams deliver the best results and are more innovative. And best of all, working for such a diverse team is great fun!

Although there are still steps to take, I can clearly see a shift in understanding the spectrum of diversity: from gender initiatives, to parental rights, to supporting communities like LGBT+ or International employees. At the end of the day, diversity is about each of us – and our uniqueness.

Please enjoy reading the Diversity Report 2021. Let's continue to support our community and share your story in the 2022 edition!

Your sincerely,

Maren Gräf

pl. fat

Board Member for People and Culture

OUR THOUGHTS

DR. JOHANNES NEFT

Board Member for Technical Development

I am convinced that diversity leads to higher creativity and better solutions. This is, then, reflected in our products with a higher added value for our customers. Our customers are also diverse, which is why it is important to approach this problem from different perspectives. Common sense dictates that a diverse team tends to be more effective.



JAROSLAV POVŠÍK

Chairman of the Works Council KOVO Unions

ŠKODA AUTO is well prepared for diversity and inclusion, as there has always been scores of multicultural employees and their families here. And with the Volkswagen merger, it all gained a new dynamic. A great brainstorming of abilities, intellect and capabilities is being created from a multitude of cultures from all over the world. This system, when earnestly and distinctly supported, brings high added value to ŠKODA AUTO, great competitive advantage, and for its employees, an enrichment of their lives by multiculturality and preparation for a fully connected human world.



CHRISTIAN SCHENK

Board Member for Finance and IT

I believe in the strength and creativity of diverse teams because different experiences help to generate new solutions. Creative ideas are especially important in these challenging times of transformation. I also enjoy working in diverse teams to increase my knowledge and gain new ideas. My life has always been enriched by new unknown encounters, new cultures, new topics. I have always wondered how much we could achieve if we all were open to these new perspectives.





MARTIN JAHN

Board Member for Sales and Marketing

A combination of views across race, gender, ethnicity, sexual orientation or socio-economic perspectives is always beneficial in a work environment. I, myself, strive to have a diverse team. It is the best way to acquire a wide scale of competencies and a creative approach to fulfilling our goals and mutual inspiration.



DR. MICHAEL OELJEKLAUS

Board Member for Manufacturing and Logistics

As a sponsor of Mindset Change, I would like to challenge all of our colleagues to become actively involved in implementing the goals of NEXT LEVEL ŠKODA STRATEGY 2030. We need to reach a point where we ask the question together: what can I do for the company? What do I need to change in order to properly face the challenges around me? Diversity is a part of these changes. We need a unique company culture with clear attributes, such as implementation strength, a human approach and excellent team spirit. Let's work together on a common goal: "EXCELLENCE WITH JOY".

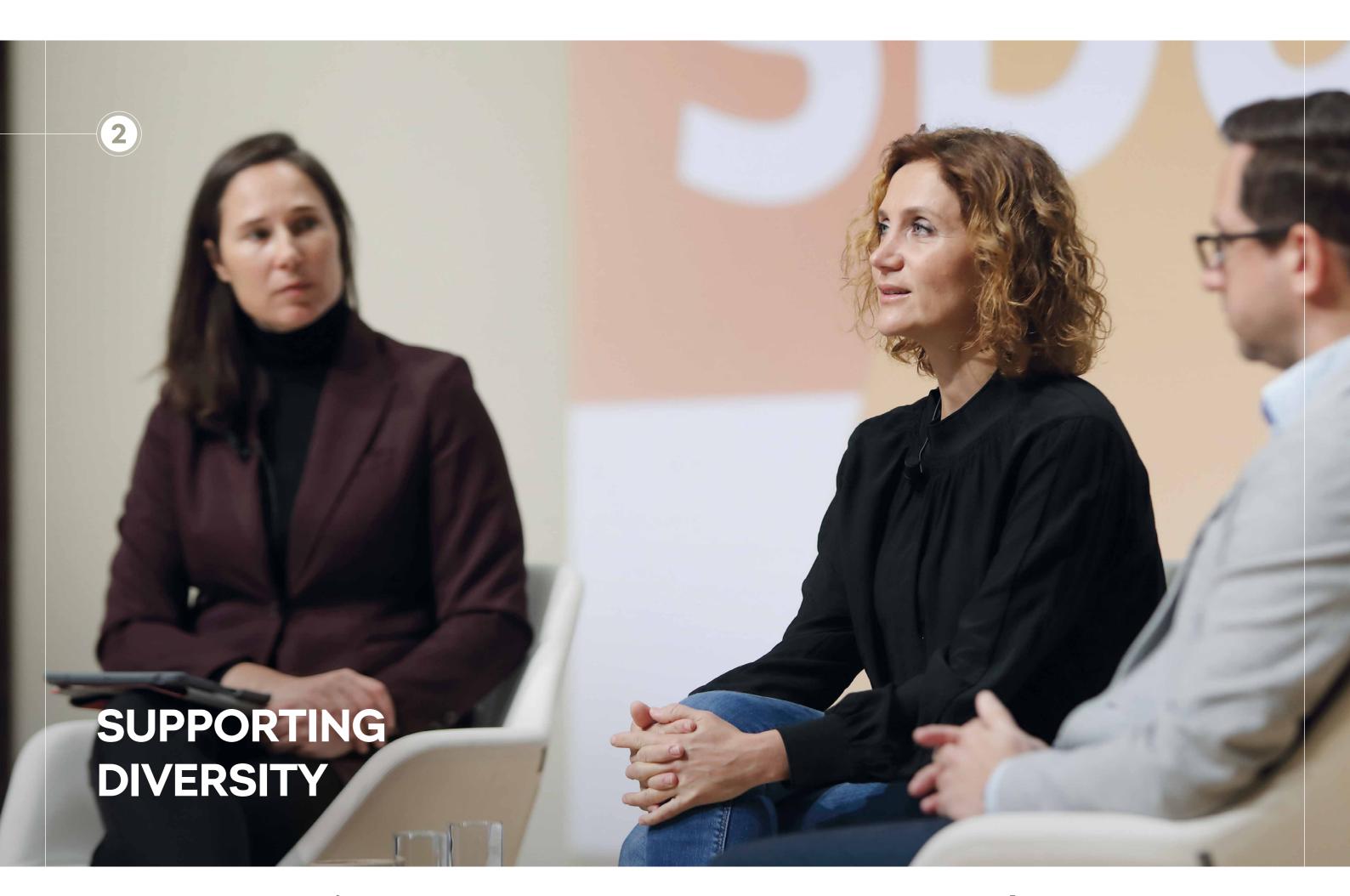


KARSTEN SCHNAKE

Board Member for Procurement

I have worked in different locations throughout my life, with colleagues and partners that come from different cultures, and it has always enriched both my professional and private life. This is also why I try to bring this approach to my own team. I find diversity and inclusion key to securing well-functioning teams. It is analogous to what good purchasers do - the best ones always work with diverse partners from different regions and cultures and with various skills.





EACH PERSON'S UNIQUENESS FORMS THE FOUNDATION OF THE DIVERSITY WITHIN ŠKODA AUTO

DIVERSITY MANIFESTO

EVERYONE WHO FEELS THAT THEY ARE TRULY
THEMSELVES IN THEIR WORKING ENVIRONMENT
HAS THE OPPORTUNITY TO APPLY THEIR SKILLS,
GAIN THE RESPECT OF THEIR TEAM AND CAN
ALLOW THEIR UNIQUENESS TO FLOURISH.
AND THAT UNIQUENESS IS WHAT MOVES OUR
COMPANY FORWARD. THEREFORE, WE FULLY
SUPPORT DIVERSITY AND INCLUSION, AND AIM
TO LOOK AT THE WORLD WITH OPEN EYES AND
WITHOUT BIAS. HUMAN DIVERSITY IS A GIFT
AND WE, AT ŠKODA AUTO, VALUE IT.

NEXT LEVEL ŠKODA STRATEGY 2030

More international, more electrified and more digital – that's ŠKODA AUTO's goal for the remainder of this decade. In 2021, the carmaker introduced the next NEXT LEVEL ŠKODA 2030 strategy, which gives a clear roadmap to where the company's transformation is headed. Once it reaches its destination, ŠKODA AUTO will be much stronger in domestic and foreign markets than it is today.

"ENGAGE" is a priority, in which the company emphasises digital customer experience and ecology. It also has ambitious goals regarding diversity and education. According to the new strategy, by 2030, every fourth management position will be held by a woman. To ensure this goal, the company offers a wide range of activities from motivating young women to study in technical fields to providing practical experience to future female managers.

We will offer strong support throughout employee training during this transformation process. With the declining number of repetitive manual jobs, there is a growing urge to invest in this area. From 2022 until 2030, ŠKODA AUTO will invest 500 million euros in training and education. The aim is to ensure jobs in the future.



66 THOMAS SCHÄFER

"To achieve our goals, we will focus on three priorities: EXPAND, EXPLORE and ENGAGE. These are the pillars from which we will build upon. With our social partner KOVO Unions, we will take the company to a higher level in the coming years. We will remain faithful, of course, to our brand values – Simplifying, Human, Surprising. Our values have always set us apart – they are strong and remain relevant."

NEXT LEVEL ŠKODA PEOPLE STRATEGY 2030

OUR EMPLOYEES ARE THE MAIN DRIVER OF SUCCESS FOR ŠKODA AUTO. THAT'S WHY WE NEED THEM TO BE PREPARED FOR THE FUTURE, NOT ONLY REGARDING THEIR SKILLS, BUT ALSO THEIR ABILITY TO OPEN UP TO NEW IDEAS. DEPARTMENTS - PEOPLE AND CULTURE CREATED THE NEXT LEVEL ŠKODA PEOPLE STRATEGY, WHICH IS A FOLLOW-UP TO THE COMPANY-WIDE STRATEGY. IT STEMS FROM THE NEEDS OF THE EVOLVING LABOUR MARKET, REACTS TO CHALLENGES BROUGHT ABOUT BY TRANSFORMATION AND INTRODUCES ACTIONABLE STEPS AS HOW TO ACHIEVE THE NEW GOALS. WITH THE SUPPORT OF KOVO UNIONS, WE ARE WORKING TO CREATE A NEW EMPLOYEE CULTURE THAT FOCUSES ON DEVELOPMENT AND SUPPORT.

66 TEREZA ŠŤASTNÁ

HR Strategy Specialist

"In the automotive industry, the word 'transformation' is often linked to electromobility. However, it is important to realise that every area of our company is undergoing transformation. Our product is changing, our methods, the tools we use to do our work and our employees' priorities as well. That's why we are working on connecting more closely with our employees through our new strategy; we listen to their needs and give them space to co-engage on strategic projects. The future of our success depends on quality employees and diverse teams".



Just like the company's main strategy, the ŠKODA PEOPLE STRATEGY also consists of three pillars – EXPAND, EXPLORE, ENGAGE. Each of these pillars includes three initiatives and a total of 24 strategic projects, which focus on a wide range of topics, including diversity and inclusion.

EXPAND



We will increase qualifications for the future

We are systematically planning for new skill sets needed in the near future, so we can securely utilise all of our employees based on the changing requirements that this transformation brings.

We are growing our efforts to become a strategic business partner

We are focusing on strategic planning with respect to the upcoming changes that will influence the company's operations. We are also strengthening the connections and cooperation in other regions we are active in.

We are searching for future talent

ŠKODA AUTO's goal is to attract and retain both Czech and international talent. We are developing strategic partnerships with universities and offering a new concept for our work environment.

EXPLORE



We offer a new concept for work

Together, with KOVO Unions, we offer a modern and innovative work environment, which is CSR compliant and supports inclusion. We simplify processes and look for tools to aid effective collaboration between units.

We develop performance management within the company

We support employee motivation and engagement through a fair, transparent and digital compensation management system.

We are becoming digitised

We are preparing a unified IT system, based on employees' needs. For example, our digital HR services are designed to be easily accessible to every employee 24/7.

ENGAGE



We give space to diversity and sustainability

ŠKODA AUTO is an inclusive employer that supports diversity throughout the company and its surroundings. Through the ŠKODA AUTO Endowment Fund, we strive to increase the quality of life in all of the regions that we operate in.

We are initiating changes in the company culture

We are the driving force behind the shift in the company culture, helping employee development by using an individual approach at both personal and performance levels.

We take care of the overall health of our employees

We provide employees with a work environment that is compatible with their personal preferences and tools to support their physical and mental health in order to create a work-life balance.

SX TRANSFORMATION

OUR SX TRANSFORMATION DEPARTMENT WAS FOUNDED IN NOVEMBER 2021 AND OPERATES UNDER THE S AREA – PEOPLE AND CULTURE. WE ARE PARTICIPATING IN THE DEVELOPMENT OF A NEW FUNCTIONAL STRATEGY AND ARE RESPONSIBLE FOR A COMPLEX FRAMEWORK OF ACTIVITIES – STARTING FROM STRATEGY DESIGN TO MANAGING THE STRATEGIC INITIATIVE PORTFOLIO. A BIG PART OF THE DEPARTMENT'S ACTIVITIES IS SHARING AND IMPLEMENTING DIVERSITY AND INCLUSION TOPICS IN THE WORKPLACE. LAST, BUT NOT LEAST, WE ARE IN CHARGE OF SEARCHING FOR MODERN APPROACHES FOR WORK AND OUT-OF-THE-BOX THINKING. OUR MAIN FOCUS IS ON:

- STRATEGY
- **TRANSFORMATION**
- SEARCHING FOR NEW IDEAS AND OPPORTUNITIES

- DIVERSITY AND INCLUSION
- COMMUNICATION
- **EVENT MANAGEMENT**



"We are proud to help create diversity within ŠKODA AUTO. We are driven forward, not only by the growing positive response from management, but by our employees' own initiatives across the entire company. We truly cherish this openness for change and want to strengthen it responsibly. We have a lot of tasks concerning the development of diversity and inclusion ahead of us, but this support fills us with excitement for the job moving forward".

ŠTĚPÁN ŠPRINGL

Head of Transformation

has worked as an ambassador for digitisation for many years. He focuses on broadening horizons and is convinced that during times of transformation, nothing is impossible.

NATÁLIA HUDECOVÁ

D&I Team

is an HR professional with an overlap across topics that she seamlessly connects together.

MARTINA ZIMMERMANN

D&I Team

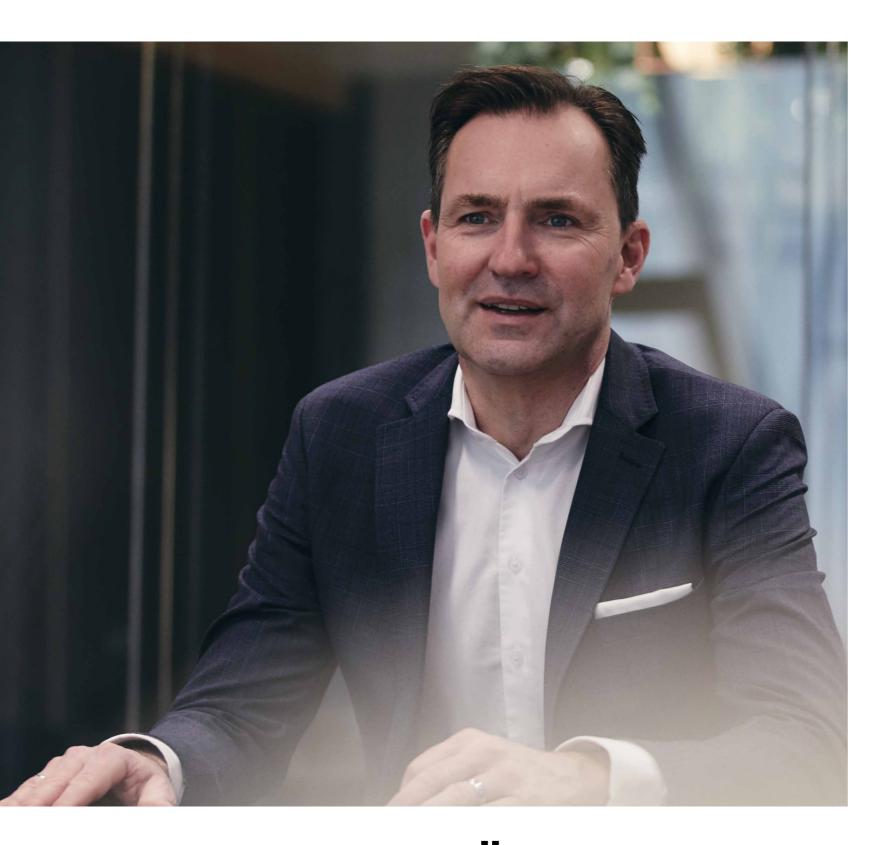
taps into her long-standing experience in marketing for the automotive industry.

JAN KOTÍK

D&I Team

has a long-term interest in diversity and inclusion and is a passionate diversity ambassador.





LEADING BY EXAMPLE

Thomas, you are a passionate ambassador for diversity and inclusion. Why do companies need to promote diversity and create inclusive workplaces?

On the one hand, diversity and inclusion enrich a company, change the meeting culture and open up new perspectives. On the other hand, they are essential for business success. Countless studies have proven that diverse teams achieve better results. In addition, we must not forget that our customers are diverse. As a car brand, we also need to be as diverse as possible to meet their needs.

What are your best practices on how to promote diversity and inclusion? What is the role of management in doing so?

One thing is clear: you have to exemplify diversity and inclusion from the top down. It won't work unless the management team has understood and internalised this topic. Diversity and inclusion are just as crucial to a company's success as profitability or other metrics. That's why we have clear goals that we implement consistently. For example, by 2030, at least one in four managerial positions will be held by a woman.

What is your personal experience in terms of diversity?

During my career, I have experienced a wide range of corporate cultures – from backwards-looking

to very cosmopolitan and progressive. The truly remarkable thing is that diverse teams inherently have a better team spirit, which leads to a more dynamic way of working and, of course, more fun and satisfaction. However, since this is by no means the case everywhere, I still see a great need for action, especially within the Volkswagen Group.

We know that diversity is not about favouring groups but about respecting each other and equal opportunities. Do you ever wonder why a topic like this evokes such strong emotion?

It's naturally a very emotive topic because it affects each one of us. And as such, I welcome critical discussions and many perspectives on it. What I do not accept, however, is when someone actively works against equal opportunities or even blocks them. That's my red line.

The topic of diversity and inclusion goes hand in hand with corporate culture. How do you see the role of a manager regarding this topic?

As someone who speaks up and considers diversity, inclusion and equal opportunities as the basis of their actions and unconditionally exemplifies these principles every day.

THOMAS SCHÄFER

Chairman of the Board at ŠKODA AUTO



2021

DIVERSITY MEETUP

Online discussion about women in management and their support, with participation from Česká Spořitelna Board Member Daniela Pešková, who is responsible for retail banking, and Chairman of the Board at ŠKODA AUTO Thomas Shäfer. On the same day, 10 February, ŠKODA AUTO announced the arrival of Maren Gräf, who became the first female board member in the company's 125-year-long history.

FEBRUARY

MAY EUROPEAN DIVERSITY MONTH

ŠKODA PROUD

An internal employee group, which focuses on a safe and open work environment, was established.

PRIDE BUSINESS FORUM

Signing of Memorandum 2017+

ŠKODA AUTO's goal is to offer a tolerant and inspirational environment without the need keep one's identity nor sexual orientation hidden.

CZECHITAS

ŠKODA AUTO became a general partner.

ŠKODA OPEN TALK: DIVERSITY

Linking strategy and diversity

The ŠKODA OPEN TALK was the biggest meeting held so far, with over 100 employees in attendance. Many topics were discussed, including working parents, goals and internationalisation.

Thomas Schäfer, Maren Gräf, Head of HR

Thomas Schafer, Maren Graf, Head of HR

Operative Care Jana Růžičková and Head

of External Relations Michal Kadera attended.

EUROPEAN DIVERSITY DAY

ŠKODA AUTO, as a golden signatory of the European Diversity Charter, attended the prestigious European Diversity Day conference, held in the Czech Parliament and organised by Business for Society.

DIVERSITY COMMUNITY MEETUP

An open discussion about diversity and inclusion with Maren Gräf and 70 colleagues from various fields and employment levels.

BE THERE

A recruitment campaign was launched with the aim to hire people regardless of gender, who would like their futures connected with innovation and cuttingedge technology in IT, development and production.

AUGUST

S – PEOPLE AND CULTURE

At the S – Forum, S Area – Human Resources

Management introduced changes that

will help to fulfil the NEXT LEVEL ŠKODA

STRATEGY 2030.

As of now, the whole area is called S – People and Culture. The newly established SX Transformation Department, which includes the Diversity and Inclusion team, is also part of S – People and Culture.

NOVEMBER

TOP RESPONSIBLE COMPANY AWARD

ŠKODA AUTO received a special jury award at the TOP Responsible Company for Diversity competition for a project called Promoting Diversity and Managing Unconscious Bias.

MEETUP WITH ESTER JANEČKOVÁ

A streamed discussion was held with employees on the topic of inclusive workplaces. It was led by the employee group ŠKODA Proud, with moderator Ester Janečková, patroness of the counselling website Sbarvouven.cz.

WOMAN TO WOMAN

After a successful pilot programme, a project was launched connecting female talent with female managers, helping them improve their work and management skills.

DECEMBER



- **LI** ... WE ARE IN CZECHIA, THEREFORE EVERYONE SHOULD SPEAK CZECH.
- WANT TO
 PRIMARILY STAY
 AT HOME AND
 CARE FOR THEIR
 CHILDREN.
- GENERALLY
 BAD DRIVERS
 AND DO NOT
 UNDERSTAND
 TECHNOLOGY.
- AND IT WORKED WELL.
- BY THESE
 UNFAMILIAR
 WORDS DIVERSITY,
 INTEGRITY,
 COMPLIANCE.
 I AM SURE WE
 HAVE SOME NICE
 CZECH WORDS
 FOR IT.
- WAS MAKING
 FUN OF HIM,
 SO I JOINED IN
 ORDER TO FIT IN.
- FORBID ALL
 THIS DIVERSITY
 NONSENSE.

- RATHER KEEP
 MY MOUTH SHUT,
 IN ORDER NOT
 TO STAND OUT
 TOO MUCH.
- WILL NOT TAKE
 LONG, WE CAN
 TAKE THIS OLD
 PRESENTATION
 AND JUST
 REPLACE THE
 NUMBERS.

- THAT VARIOUS
 MINORITIES
 ARE BEING
 SUPPORTED AT
 THE EXPENSE
 OF THE SILENT
 MAJORITY.
- I CAN ALREADY
 SEE HOW
 SOMEONE
 ACTUALLY
 WORKS DURING
 MOBILE WORK.
- **11** ... THE BOSS IS ALWAYS RIGHT, WHY BOTHER.

DO THESE SENTENCES SOUND FAMILIAR TO YOU?
THEY ALL STEM FROM REAL-LIFE SITUATIONS,
AND MAY NOT EVEN COME FROM A NEGATIVE
PLACE. BOTH POSITIVE AND NEGATIVE BIASES ARE
NATURAL TO PEOPLE. A CLOSER INSPECTION CAN
BE FOUND ON THE NEXT PAGE.

DO YOU HAVE BIASES?

WORKING WITH BIASES IS THE FOUNDATION FOR DEVELOPING DIVERSITY
AND INCLUSION IN OUR SOCIETY. BIASES ARE NATURAL TO EVERY
PERSON AND GROUP, BECAUSE OUR BRAIN IS WIRED TO PERCEIVE THEM.
IN FACT, ONLY 5% OF ALL INFORMATION IS CONSCIOUSLY PROCESSED.
UNCONSCIOUS BIASES INFLUENCE US PRACTICALLY NONSTOP, BE IT
THROUGH OUR OWN EXPERIENCE, ACQUIRED EXPERIENCE OR PASSED
DOWN FROM GENERATION TO GENERATION. EVERYONE HAS THOUSANDS
ROOTED WITHIN THEM, AND SO, IN ŠKODA AUTO, WE TEACH OUR EMPLOYEES
TO KEEP AN OPEN MIND (AND AN OPEN HEART) WHEN CONFRONTING THEIR
OWN BIASES. WE ARE, THUS, REWARDED WITH BETTER INTERPERSONAL
RELATIONSHIPS WITHIN OUR DEPARTMENTS AND MORE DIVERSIFIED TEAMS.

THE MOST COMMON BIASES AT ŠKODA AUTO

AUTHORITY BIAS

The tendency to attribute greater accuracy to the opinion of an authority figure (unrelated to its content) and be more influenced by that opinion.

STATUS QUO BIAS

The tendency to prefer that one's environment and situation stay relatively the same

BANDWAGON EFFECT

The tendency to do something primarily because other people are doing it, regardless of their own beliefs.

PLANNING FALLACY

The tendency to underestimate the time needed to complete a task.

WORKSHOP FOR WORKING WITH UNCONSCIOUS BIASES

After a successful launch, a series of interactive educational workshops for superiors, based on real-world examples and experiences, continued running throughout 2021. E-learning courses focused on supporting diversity and managing biases followed last year's workshops. These helped to check the minimal diversity standards in the company.

During the workshop, attendees learn to distinguish biases that they encounter each day.

An integral part of this process is participating in model situations, which help to manage our own biases in real life.

Another part of the course is focused on nudge management, a method that is derived from the scientific examination of human behaviour, as well as applied management and organisational methods that naturally make a positive influence on employees' subconscious behaviour.

WORKSHOP FOR MALE AND FEMALE PRINCIPLES AT WORK

A well-functioning team is built on mutual respect amongst its members. In order to help people better understand the principles of cooperation between men and women at work, the diversity team, in collaboration with ŠKODA Academy, prepared a special workshop. In the workshop, the attending employees learn to honour their male and female characteristics and learn to work with them. This gender identity workshop takes 3.5 hours either in-person or online. Several teams (e.g., PF. GKU and SX) attended in 2021 and we will, again, hold the workshop in 2022.



QUIZ: ARE YOU WELL ACQUAINTED WITH DIVERSITY?

1. INCLUSION MEANS

a/ diversity among people c/ recognition of minorities, but only if they assimilate

into the majority

b/ division of people into various groups d/ taking people as they are

2. HOW MANY PERCENT LESS DO WOMEN EARN IN THE CZECH REPUBLIC, CONSIDERING THEY HAVE EQUAL QUALIFICATIONS AND POSITIONS AS MEN?

a/ 9% c/ 19% b/ 12% d/ 20%

3. HOW MANY GENERATIONS ARE CURRENTLY ACTIVE IN THE GLOBAL LABOUR MARKET?

a/3 c/7 b/5 d/9

4. HOW MANY TYPES OF BIASES ARE THERE?

a/ 40+ c/ 120+ b/ 70+ d/ 150+

5. WITH A BETTER USE OF WOMENS' POTENTIAL, BY 2030, THE POTENTIAL GDP IN THE CEE REGION COULD INCREASE BY

a/ 20 billion euros c/ 146 billion euros b/ 83 billion euros d/ 193 billion euros

6. WITH A BETTER USE OF WOMEN'S ECONOMIC POTENTIAL, BY 2030, THE GDP IN THE CZECH REPUBLIC AND SLOVAKIA INCREASE ROUGHLY BY

26

a/ 3% c/ 12% b/ 8% d/ 14%

CORRECT ANSWERS

- 1 Inclusion is the key to success, profitability and team work. To include someone means to respect the person exactly the way they are and to give them a feeling of belonging and an opportunity to express themselves. (correct answer: d)
- 2 The Gender Pay Gap (GPG) is the difference between the salaries of men and women and it varies between the EU countries. At 18.9%, the Czech Republic has the 5th widest gap. The highest GPG is in Estonia, at 21.7%. (correct answer: c)
- 3 Gen Z (1997–2012), Gen Y millennials (1981–1996), Gen X (1965–1980), Baby boomers (1946–1964), the Silent Generation (born before 1945). (correct answer: b)
- 4 Biases are often unconscious and are perceived by everyone. We are not born with them and, sometimes, do not even know we have them. They develop from childhood based on our culture, society, family, education and so on. Oftentimes, they are not based on actual proof or experience. There are more than 170 types of biases in Google's search results. (correct answer: d)

More about unconscious biases can be found in last year's Annual Diversity Report.



- 5 Source: McKinsey & Company (correct answer: c)
- 6 Source: McKinsey & Company (correct answer: b)

NUMBER OF CORRECT ANSWERS

0-2 BEGINNER (LEARN MORE ABOUT DIVERSITY AND INCLUSION, OR JOIN OUR COMMUNITY FOR SUPPORT IN THESE TOPICS)

3-4 INTERMEDIATE (EXPERIENCE D&I IN PRACTICE, JOIN ONE OF OUR DIVERSITY PROJECTS OR GET ACQUAINTED WITH NEW COLLEAGUES)

5-6 PROFESSIONAL (YOU ARE APPARENTLY WORKING FOR THE SX TRANSFORMATION DEPARTMENT)

BONUS QUESTION: DO YOU PERSONALLY THINK THAT DIVERSITY AND INCLUSION CAN HELP YOU?



a/ yes b/ no

The right answer is YES. Getting acquainted with new things, cultures, people and gaining new views about them helps us:

- Have more empathy towards others
- Support our own creativity and thinking
- Learn something about ourselves
- Mitigate conflicts with others and lower depression
- Improve our ability to see things from different perspectives
- Stimulate our brain (we are constantly exploring and learning)

These questions and other similar ones will be included in a playful introduction to diversity and inclusion for ŠKODA AUTO employees in 2022. The SIMPLY DIVERSE quiz, sponsored by Marek Jancák, Head of Vehicle Manufacturing, was created under the patronage of the Mindset Change initiative. It is also part of the NEXT LEVEL ŠKODA STRATEGY 2030.

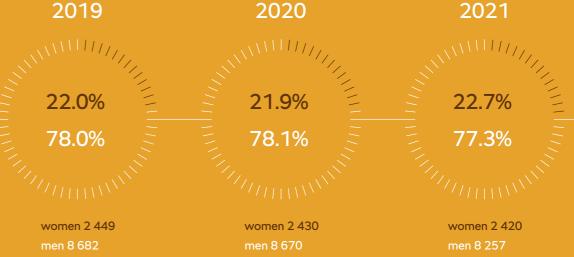


FOR EVERYONE

ŠKODA AUTO IS TRADITIONALLY ONE OF
THE LARGEST EMPLOYERS IN THE CZECH REPUBLIC.
THANKS TO ITS COMPANY CULTURE AND
CONTINUOUS DEVELOPMENT, IT IS ALSO A SOUGHTAFTER EMPLOYER. OUR GOAL IS TO OFFER AN OPEN,
EQUAL AND SAFE WORKING ENVIRONMENT FOR
ALL, SO THAT EMPLOYEES CAN USE THEIR FULL
POTENTIAL. SIMULTANEOUSLY, WE ARE DOING
THE BEST WE CAN TO FULFIL THE NEXT LEVEL
ŠKODA STRATEGY 2030 OBJECTIVES. ONE OF
THE MOST IMPORTANT GOALS IS TO INCREASE
THE NUMBER OF WOMEN IN MANAGERIAL
POSITIONS. BY 2025, WE PLAN TO HAVE 20% OF
THE POSITIONS HELD BY WOMEN AND BY 2030,
25% OF THEM HELD BY WOMEN.

| 33 881 total | 34 514 total | 35 153 total |
|--------------|--------------|--------------|
| | | |
| 2019 | 2020 | 2021 |
| women 20.4% | women 20.3% | women 20.6% |
| men 79.6% | men 79.7% | men 79.4% |

MANUFACTURING POSITIONS 2019 2020 2021 19.7% 19.9% 19.7% 80.3% 80.3% 80.1% women 4 355 women 4 480 women 4 710 men 18 223 men 18 999 **ADMINISTRATIVE POSITIONS** 2019 2021 2020





FIND YOUR WAY

ŠKODA AUTO OFFERS FAIR TREATMENT, EQUAL OPPORTUNITIES
AND AN INCLUSIVE WORK ENVIRONMENT. WE OFFER WIDE SUPPORT
AND HELP IN DEVELOPING THE POTENTIAL OF OUR CURRENT
AND FUTURE EMPLOYEES.

WOMAN TO WOMAN

Women that are part of our talent programme can sign up for Woman to Woman mentoring sessions, which were officially launched after a successful pilot run. In these sessions, experienced female managers help our female talent improve their work and management skills. Supporting female talent with the aim to fill management positions should help the NEXT LEVEL ŠKODA STRATEGY 2030 goal for having 25% of these positions held by women.

For more information, please contact Martina Ficková (ŠKODA Academy)

66 JANA RŮŽIČKOVÁ

Head of SB - Operative HR care, HR Digitisation 4.0

"A woman's perspective in finding solutions for some of the difficult situations she encounters in reaching a management position differs from that of a man's. Sharing information with experienced female managers can help them on their way".

BE THERE

A new recruitment campaign called Create the Image of the Future With Us began in August 2021. ŠKODA AUTO presented itself as a modern tech company that emphasises diversity in all of their locations and offers an inspiring work environment. This campaign helped shift the perception of the company as a prestigious employer that is suitable for women.



More info can be found at www.skoda-career.com/bethere

EMPLOYEE GROUPS

Employee groups, in which employees voluntarily meet up, are a vital part of our company culture. They are the cornerstone for developing diversity and inclusion, and thanks to them, engagement and solidarity within the company is increasing. The groups have proven to support the adaptation of foreign colleagues. They are a benefit for both the employees and the company. At ŠKODA AUTO, the group Internationals @ ŠKODA is available to join and, since May 2021, ŠKODA Proud has represented LGBT+ talent.

- The groups are created and operate based on our employees' volunteer activities once their foundation is approved by SX.
- Group and member activities take place outside of working hours.
- Employees create events focused on diversity,
 e.g. coming-out in the workplace, intercultural
 evenings or informal community gatherings.

BOARD TO TALENT

The idea to create a mentoring programme was initiated by Board Members

Thomas Schäfer and Maren Gräf. The mentor and the mentee meet once a month
to discuss relevant topics. Women in various phases of their career and from different
backgrounds can attend this programme. Board to Talent is also enriching from
a networking perspective, since solid relationships are built between the mentor
and mentee. This programme is a great and beneficial tool to support women on their
way into management positions, with real results.



MAREK JANCÁK

is Head of Vehicle Manufacturing at ŠKODA AUTO and very active within the Mindset Change initiative.

What does Mindset Change mean to you personally? Is there a difference between the perception of diversity from five years ago?

I've never doubted the benefits of diversity and I am sure I am not the only one. The question is, how do we promote it? I recently read an article about a significant tech company that forbade its IT staff to use terms, like blacklist and whitelist, master and slave. I laughed at first. Who would be offended by terms like these that have been used for decades. Then, I realised that these words have strong symbolic meanings. This kind of banality, which borders on the nonsensical, is a way to gain a lot of attention. Moreover, no one will ever doubt your intolerance for more severe situations than this. A company's culture resides at the base line of what management will tolerate. That's why I side with quotas for women in management. Simple recommendations will not lead anywhere. Everyone is talking about quotas and everyone has to take them seriously. Quotas will help bridge the phase of doubt about female managers, and will be followed by how obvious the need is. And when we reach that moment, we can, then, abolish the quotas.

Have you personally experienced a moment or an event that translated into an essential change?

In my professional life, yes. I experienced this moment when I was presenting, before a brand new Head of Manufacturing and Logistics, an idea for improving processes, coupled with necessary expenses, but which would bring in a higher profit. Two minutes into the presentation, Michael Oeljeklaus interrupted me and asked why I was showing him this. Raised by our old company culture, I replied that I would like him to authorise it. His response took me by surprise: "If you are convinced that it is beneficial, just do it. If you



have any doubts then we are just wasting time". That was the seismic shift in my management approach. Because "trust" has a sister called "responsibility". So, if I ever lost sleep because of my previous superior's decisions, from this moment on, it could only be my own fault. If you apply this principle on all levels of management, you will find yourself in an agile, decisive and effective company. The ability for managers, on all levels, to make decisions is vital in achieving this. The more you invest into human resources, the less you need to check on everything and everyone.

What advice would you give your potential young colleagues concerning the Mindset Change topic?

Life is change, even when it is not pleasant.

Everyone should ask themselves, at the end of the day, what did I manage to change and what idea did I prepare for tomorrow? If they cannot find the answer, it is time to make the biggest change – changing your position.

EVA KANCNÝŘOVÁ

has worked at ŠKODA AUTO for 30 years, 25 of those years were spent in management positions in the F, G, S and V Areas. Currently, she is the Head of the Customer Centre.

Do you feel like there has been a change in the perception of women in the workplace throughout your career?

Yes, especially recently, with the support of women on their career path. There are great benefits available, such as mobile work and job sharing.

Have you personally encountered the bias that only men should hold positions like yours?

I have never encountered something like that in my professional life; quite the opposite. Choosing the best candidate has always been done in the spirit of equal opportunity, although in a different sense than it is today. I am talking about a strict men to women ratio, which can, ultimately, be counterproductive.

You have two children. What, in your view, best helps to balance work and family life?

As I have already mentioned, flexible job arrangements, which I would have embraced back then, are a great help. There was nothing like that available previously, so I had to rely on the support of my wider family. But, I live by my motto: "What doesn't kill you, makes you stronger".

Do you have any spare time for hobbies?

My biggest hobby is playing sports. As a child I was a competitive ice skater and it is still dear to my heart, whether on ice or in-line. I ski, practice yoga, and I love travelling, and organising and planning my own trips. Furthermore, I love reading, photography, theatre and cooking.

You participated in the Woman to Woman pilot programme. How did it go?



The Woman to Woman project has its roots in the V Area, an area in which core business is completely different. Working on it was a kind of a hobby. Our Simply Clever project was created with the support of the S Area. I happily share my experience with young talent and I enjoy meeting them on their career path. Sharing of experiences and skills goes both ways, of course. That is why this cooperation with young talent is inspiring to me.

What are the crucial questions a woman on her way into management should find the answers to?

A woman on her way into management most probably wants to have a family. Balancing a career and family is doable. It is important to understand that doing both at 100% will never be possible. My advice is to set your priorities and, in some instances, prefer family, and in some, prefer work.

CLICHÉS ABOUT WOMEN IN MANAGEMENT

SOCIETY, AS WELL AS THE ENTIRE JOB MARKET, IS CHANGING. HOWEVER, FOR DECADES, NEARLY EVERY COMPANY RELIED ON THE SAME MANAGEMENT TEAMS, CONSISTING OF THE SAME MEN, OF A SIMILAR AGE, WITH A SIMILAR BACKGROUND AND WITH SIMILAR EDUCATION. THAT'S THE REASON WE HEAR THE SAME OLD PHRASES THAT, UNDER CLOSER SCRUTINY, DO NOT HOLD. THE MOST COMMON ONES HAVE BEEN COLLECTED BY THE INDEPENDENT NONPROFIT BASED IN STOCKHOLM AND BERLIN, THE SWEDISH-GERMAN ALBRIGHT FOUNDATION. HAVE YOU EVER HEARD ANY OF THEM FROM AN EMPLOYER IN THE CZECH REPUBLIC? COUNTER THEM WITH FACTS.



THERE IS NO PROBLEM

- THERE ARE ALREADY WOMEN IN MANAGEMENT POSITIONS
- I HAVE NEVER ENCOUNTERED FEMALE
 DISCRIMINATION IN THE WORKPLACE
- **THIS GENDER HYPE WILL PASS**
- MEN MOSTLY WORK IN MY INDUSTRY, WHICH IS WHY THERE ARE FEW WOMEN IN MANAGEMENT

The problem exists. Women are often unintentionally and unconsciously disadvantaged. They are less compensated for the same amount of work and are less often nominated for leading positions. If they have children, the burden of childcare rests mainly on them, which is why they are often underestimated at work.



EQUALITY HAS NO ECONOMIC ADVANTAGES

- WE CAN NOT PRIORITISE EQUALITY FOR ECONOMIC REASONS
- WE ARE DOING FINE WITHOUT WOMEN,
 JUST LOOK AT OUR RESULTS
- WE DO NOT EVALUATE BASED ON GENDER, ONE'S QUALIFICATIONS ARE THE DECIDING FACTORS
- FOCUSING ON GENDER WARPS THE QUESTIONS REGARDING REAL ECONOMIC PROBLEMS

Companies with a good management team mix are more profitable, innovative and make less risky decisions.

A modern inclusive management and company culture attracts the best talent, both male and female, which will decide the future competitiveness of the company.





BUSINESS IS NOT FOR WOMEN

- WOMEN ARE NOT INTERESTED IN BUSINESS, THEY STUDY EDUCATION OR LIBERAL ARTS
- WOMEN CHOOSE FAMILY OVER CAREER

- VERY FEW WOMEN HAVE EXPERIENCE IN TOP MANAGEMENT POSITIONS
- TOO FEW WOMEN HAVE THE RIGHT EXPERT QUALIFICATIONS

In reality, business schools are favoured by men and women equally. The number of business administration graduates is higher for women than for men. But, when filling managerial positions, men are preferred.



IT IS WOMAN'S FAULT FOR NOT BEHAVING CORRECTLY

- WE OFFERED WOMEN MANAGERIAL
 POSITIONS BUT THEY TURNED THEM DOWN
- WOMEN ARE NOT ENERGETIC ENOUGH

- WOMEN ARE NOT GOOD
 AT NETWORKING
- NO WOMEN APPLIED FOR MANAGERIAL POSITIONS

When there are no women applying for managerial positions, or turning them down, it is not the women's fault and their inability to adapt. Companies should, on the other hand, analyse why they are not attractive enough for women. A sustainable company needs to be flexible and open, with an inclusive company culture.

Source: Albright Foundation

FOR PARENTS

A LONG CAREER PAUSE FOR PARENTAL LEAVE CAN CAUSE A LOT OF PARENTS, ESPECIALLY WOMEN WHO STAY AT HOME FOR SEVERAL YEARS, TO DOUBT THEMSELVES. ŠKODA AUTO KNOWS THAT HAVING CHILDREN DOES NOT MEAN THAT PEOPLE MUST GIVE UP ON THEIR CAREER GOALS. THE PARENTAL LEAVE PERIOD IS FULL OF CHALLENGES. BUT, WITH THE RIGHT SUPPORT, THIS TIME CAN ALSO FURTHER CAREER GROWTH. WE DEBUNK THE MYTH OF THE TRADITIONAL FEMALE CAREGIVER ROLE AND SUPPORT MEN WHO DECIDE TO TAKE A BIGGER PART IN RAISING THEIR CHILDREN. WE HOPE THIS NUMBER CONTINUES TO INCREASE EACH YEAR. WE STAY IN CONTACT WITH OUR TEAM OF PARENTS AND TRY TO OFFER AS MUCH SUPPORT AS POSSIBLE DURING THIS WONDERFUL, BUT DIFFICULT, PERIOD.

MATERNITY LEAVE

| 188 total | 212 total | 222 total |
|-------------------|----------------------|-------------------------|
| 2019 | 2020 | 2021 |
| men 0% women 100% | men 0% women 100% | men 0.5% women 99.5% |

PARENTAL LEAVE

| 706 total | 773 total | 847 total |
|-------------------------|-------------------------|-------------------------|
| | 2020 | 2021 |
| 2019 | 2020 | 2021 |
| men 1.7% women 98.3% | men 0.9% women 99.1% | men 1.2% women 98.8% |

UNPAID LEAVE FOR PARENTS OF CHILDREN UP TO 4 YEARS OF AGE

| 55 total | 76 total | 82 total |
|-----------------|-----------------|-------------|
| 2019 | 2020 | 2021 |
| men 0% | men 2.6% | men 1.2% |
| women 100% | women 97.4% | women 98.8% |

WORK-LIFE BALANCE

PARENTS (AND ENTIRE FAMILIES) WERE TESTED BY THE EVENTS OF 2021; E.G. THEIR ABILITY TO ADAPT AND REACT QUICKLY TO SCHOOLS AND KINDERGARTENS CLOSING DUE TO COVID-19.

APPLYING OUR LEARNINGS FROM THE BEGINNING OF THE PANDEMIC, ŠKODA AUTO HAS TRIED ITS BEST TO ACCOMMODATE PARENTS WITH SUPPORT FOR WORK AND FLEXIBLE HOURS. A NEW MANUAL WAS ALSO PREPARED FOR PARENTS.



JOB SHARING

Are you returning to work post-parental leave and are unsure how to manage all of your new responsibilities? You don't have to choose between your family and your career. A shared job position makes it easy to handle both. Job sharing isn't standard yet, but employees may create a constructive solution and agreement with their management. And if it goes well, hopefully we'll see more positions like this in the future.

66 IVA KUŘILOVÁ, MARTA JEŽKOVÁ

Forward Sourcing Department (two mothers sharing one position – securing tenders for suppliers for serial production)

"Each of us manages our own processes, which we, alone, are responsible for.

Each of us has our own inquiries that we must take care of. This is how we remain independent and alleviate the need for us to rotate at fixed times. We set up our workflow beforehand with our superior".

TIPS FOR APPLICANTS

Contact the coordinator or department head in your respective Area. Begin your inquiry a year in advance, as job sharing positions are scarce and may take time to become available.





TYPES OF FLEXIBLE WORK

During the difficult pandemic period especially, many parents appreciated flexible forms of work (flexible hours, mobile work, DPČ, DPP, part-time work). ŠKODA AUTO offers employees (upon agreement with management) the ability to work a suitable amount of hours outside the workplace and with a daily schedule that fits the employee's needs.

CONDITIONS

- Suitable technical equipment
- Double voluntariness and non-sickness
- Suitable employee technical equipment
- Safe handling of secured information
- Secured contact between employee and colleagues

The company also offers training focused on effective mobile work for all employees.





THE SOUL MATTERS

"The Soul Matters" is an online education programme on how (not only) parents can keep their mental state healthy. There is also a company psychologist available for employees.

www.poliklinika.skoda-auto.cz/prevence/na-dusi-zalezi



GUIDE TO MATERNITY AND PARENTAL LEAVE

There is an updated manual available for parents that can guide them through the entire parental period, from their pregnancy announcement to their return to work life. They can find a complete list of legal rights and obligations, benefit offers, educational options and many tips on how to handle their return to work. The manual also introduces the ŠKODA Space portal, which is now available on mobile devices. Parents can easily access all information available and communicate with their employer through this portal.



PARENTAL DEVELOPMENT

The parental leave period may be a great time for some parents to further their education. ŠKODA AUTO offers all parents a wide variety of options for self-study, using online databases for webinars and e-learning materials. The company also supports foreign language study. You can find more information in our new Guide to Maternity and Paternity Leave.



WEBINAR FOR PARENTS

A webinar for parents planning to return to work took place in April 2021. The online meeting "Welcome Back Onboard" presented attendees with news from the company and options for returning parents.

BOTH PARENTS HAVE THE RIGHT TO WORK AND SPEND TIME WITH THEIR CHILDREN

VERONIKA BEJDÁKOVÁ HAS BEEN WORKING AT ŠKODA AUTO FOR SIX YEARS. SHE WORKED IN THE SB DEPARTMENT - OPERATIVE HR CARE UNTIL SHE STARTED MATERNITY LEAVE. CURRENTLY, SHE HAS A 40% EMPLOYMENT CONTRACT AS A HR PROFESSIONAL FOR THE SPP DEPARTMENT (HR PLANNING AND WELFARE SERVICES). HER HUSBAND RADEK BEJDÁL WORKS AS A PROJECT COORDINATOR IN THE SP/2 DEPARTMENT - IMPROVEMENT. THEY TAKE TURNS CARING FOR THEIR TWO-YEAR-OLD SON.



When did you agree to take turns caring for your son?

Veronika: Before our son was born, we agreed on dividing the parental leave period. Over time, we became increasingly firm in our conviction. I think spending time with a small child is priceless. Both parents should enjoy their children's early years as much as they can. Originally, I wanted to return to work after two years, and then my husband would take care of our son for another year. We did not want to send such a small child to kindergarten or daycare, and unfortunately, our parents live too far away.

Did you negotiate with your employer far in advance, or did you find a quick solution?

Veronika: Approximately eight months before my planned departure, I contacted the personnel department to see how a return in the spring of 2022 would look like. Due to the fact that I worked as a contractor during my maternity and parental leave, I did not lose contact with the company. Over time, we decided, with my husband, that we would both prefer to have parttime employment contracts – or to try to combine them. We would like to say thank you to our coordinators (Miroslav Němec, Petra Kučerová), who have supported us through this transition.

What does your regular workday look like now?

Veronika: I have a 40% part-time contract, so I am physically in the office one day a week, which I use for meetings and working with my colleagues. Other than that, I usually work during the day when my son sleeps, or in the evenings and weekends. Currently, I am also being onboarded for a new position.

Radek: There has been no significant change on my side, except that I am at home with my son one day a week. So, I adapt my weekly work programme to concentrate on activities that require less interaction with colleagues and are focused on managing and developing the IT system. I also focus on other conceptual tasks that

I can do at my own pace and optimally distribute them throughout the day.

Would you recommend this system to other families?

Veronika: Definitely. It allows my husband to spend time with his son. My employment also brings more money to the family budget. But, others might object to working at the expense of their free time.

How does your son react to this kind of care?

Veronika: My son is used to me, so he tries to look for me in the morning. But, he enjoys spending time with his dad and they do different things than they would do on a regular day with me. He greets me excitedly in the afternoon and does not want me to leave his room.

What was your main motivation for returning to work?

Veronika: Even before leaving for maternity leave, I knew that I wanted to stay in contact with my colleagues. I did not want to fully leave work, but of course, work in a way in which my son would still be my number one priority. I worked for the SB Department as a part-time contractor, which was very flexible and that suited me well. It helped me rest from ordinary activities. So, once I got an offer to work on a part-time employment contract, I did not hesitate.

Which benefits of this joint-care model have worked best for you?

Radek: I am still getting used to this new model. Each day is better and better. Soon, I may be able to cook lunch and not just reheat the food my wife prepares. It definitely gives me more time to spend with my son. One, quite vague benefit is also the feeling of security. For example, if my wife gets sick, I know I would be able to take care of our son. I have also realised that taking care of a child is demanding and intensive. I definitely agree that parental leave is in no way a vacation. I salute my wife, and all women for that matter.

FOR LGBT+ PEOPLE

ŠKODA AUTO AIMS TO PROVIDE A TOLERANT AND INSPIRING ENVIRONMENT FOR ALL EMPLOYEES, WHO CAN BE OPEN ABOUT THEIR IDENTITY OR SEXUAL ORIENTATION. DIVERSE TEAMS ACHIEVE DEMONSTRABLY BETTER RESULTS. AN EQUAL APPROACH TO ALL EMPLOYEES IS ALSO PART OF THE NEXT LEVEL ŠKODA STRATEGY 2030 AND OUR CODE OF CONDUCT, OR COLLECTIVE AGREEMENT. OUR ACTIVITIES IN 2021 PROVED THAT THESE ARE NOT JUST EMPTY STATEMENTS, BUT REAL ACTIONS.

- APPROXIMATELY 50 MEMBERS
- 7 ORGANISERS
- OPEN TO ALL LGBT+ EMPLOYEES

 AND THEIR ALLIES

skoda.proud@skoda-auto.cz

ŠKODA PROUD

STAND UP FOR ALL LGBT+ EMPLOYEES (LESBIANS, GAYS, BISEXUALS, TRANSGENDER AND AND PEOPLE WITH OTHER SEXUAL ORIENTATIONS OR GENDER IDENTITIES)

Promote equality, raise awareness, reduce biases, help create an open workplace, connect, educate and encourage employees through collective activities.



66 STEFAN WEBELHORST

"Being active and involved in ŠKODA Proud has a lot to do with the fact that in my earlier years in my jobs, I would have liked to see more diversity in LGBT+ representation, especially in leadership positions. The opportunity to have role models you can identify with sends the message 'Be yourself. What you bring to the table is great'. That's why the ŠKODA Proud employee group is so important when it comes to representation, support and sharing".

BE PROUD

ŠKODA Proud

"After CEO Thomas Schäfer was appointed in 2020, there was a mindset change throughout the company. Topics, such as corporate culture, integrity, diversity and inclusion were identified as focus topics for the sustainable success of the company and were actively put on the agenda. At the same time, colleagues approached us from Volkswagen's 'We Drive Proud' employee group, an LGBT+ initiative that has been successfully active in the VW Group for a long time. This motivation and the ambition to positively shape corporate culture was the starting point for the creation of ŠKODA Proud".

ŠKODA Proud came at exactly the right time. Its foundation was announced on the International Day Against Homophobia, Biphobia and Transphobia on 17 May, when Maren Gräf and Thomas Schäfer signed the Memorandum 2017+ and ŠKODA AUTO joined the Pride Business Forum, a club of Czech employers committed to LGBT+ equality in the workplace.

"It was a 100% grassroots initiative. And we were happy about the consistently positive reactions from colleagues and the active support for our idea from management" explains Stefan Webelhorst, one of the founding members of the group.

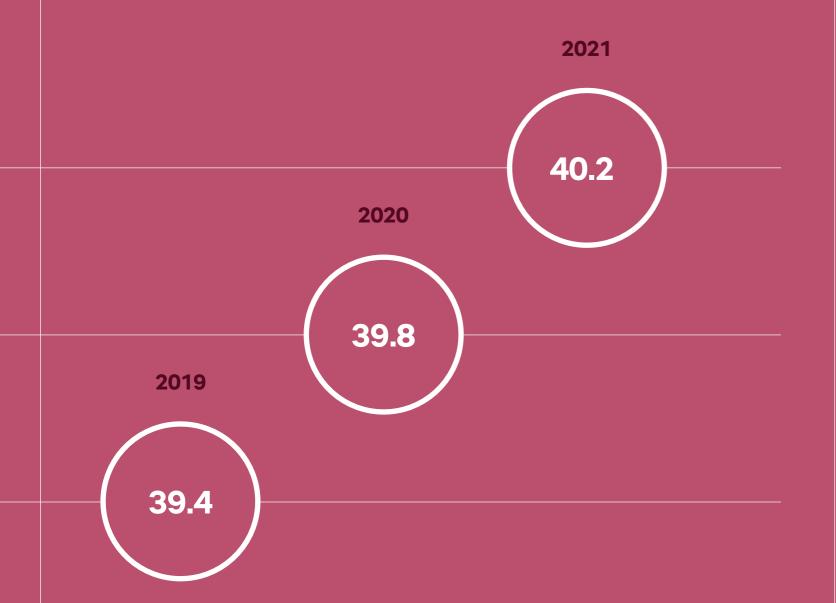
One of the major challenges for the new employee group over the past year has been to provide relevant content to ŠKODA AUTO employees. It turned out that there was a lot of interest in these topics. For example, more than 200 people attended the talk with Ester Janečková in November 2021.



FOR EVERY AGE

THERE ARE CURRENTLY FIVE GENERATIONS OPERATING IN THE GLOBAL LABOUR MARKET. WE CAN FIND EMPLOYEES FROM EACH OF THESE GENERATIONS WORKING IN ŠKODA AUTO. NOW, MORE THAN EVER, WE REALISE HOW IMPORTANT AGE DIVERSITY IS IN EACH TEAM AND WE FOCUS ON SUPPORTING ALL AGE CATEGORIES.

DEVELOPMENT OF AVERAGE AGES AT ŠKODA AUTO



2021 OVERVIEW



FROM STUDENTS TO SENIORS

BY 2030, THREE-FOURTHS OF THE EMPLOYEE BASE AT ŠKODA AUTO WILL CONSIST
OF MILLENNIALS BORN BETWEEN 1981 AND 1996. THEREFORE, IT IS HIGH TIME TO SUPPORT
INTEREST IN TECHNICAL FIELDS AND ENCOURAGE NEW TALENT TO JOIN THE INDUSTRY.
HOWEVER, THIS DOES NOT ONLY RELATE TO STUDENTS, BUT ALSO TO PROFESSIONALS
VIA EDUCATION AND RETRAINING. IT IS ALSO IMPORTANT TO FOCUS ON OLDER GENERATIONS
THAT MUST BE ABLE TO FIND A RESPECTABLE WORK ENVIRONMENT IN WHICH THEY CAN APPLY
AND WIDEN THEIR SKILLS. THE GOAL OF THE COMPANY IS TO HAVE INTERGENERATIONAL
HARMONY, LEADING TO STABILITY AND ONGOING COMPANY DEVELOPMENT.



66 MAREN GRÄF

"The automotive industry is going through a period of profound change and is heading toward electromobility and digitisation. In order to successfully undergo this transition, we, at ŠKODA AUTO, educate recent college graduates via our yearly training programme Tech Trainee in the areas of electromobility, digitisation and cyber security. As an employer, we feel obliged to prepare young talent for future tasks. In order to prepare them for the future, we are going to invest 45 milion euros in the next two years".

TECH TRAINEE PROGRAMME

This new training programme is mainly focused on electromobility and digitisation. People who have graduated college within a maximum of two years ago are eligible to join. While the standard trainee programme allows trainees to choose their field while within the company, this new programme leads graduates directly to a specific field.

ŠKODA AUTO A.S, MECHANICAL ENGINEERING VOCATIONAL SCHOOL

- Fields with a vocational certificate
- Mandatory practice at ŠKODA AUTO
- Girls Day an annual day with interactive programmes for grammar school students in years seven and eight

ŠKODA AUTO UNIVERSITY

- The only university in Czechia whose founder is a multinational company
- Undergraduate and graduate tracks available
- English study options available
- Internship opportunities at ŠKODA AUTO
- Thesis consultation possibilities with experts at ŠKODA AUTO
- Laurin & Klement Award for the best thesis with a prize of 80K CZK

EMPLOYEE HEALTHCARE

ŠKODA AUTO is a traditional employer with a wide base of loyal and motivated employees, who remain with the company for a large part of their lives. It is, therefore, in the company's best interest to take care of their employees' physical and mental well-being. ŠKODA AUTO owns its own clinic and offers high-quality prevention and healthcare programmes. Also, thanks to an extraordinary cooperation with KOVO Unions, the clinic's breadth keeps growing. There are rehabilitation programmes, voluntary vaccination subsidies and psychosocial care currently on offer.

THE RELATIONSHIP DOES NOT END WITH RETIREMENT

Even after retiring, there are several benefits available for ex-employees, e.g. subsidised car leasing, convalescent stays and more. At the same time, the company motivates seniors to participate in more activities and, in case of interest, offers them a more convenient position or different types of part-time work. For example, ex-manufacturing employees can apply at specialised schools as part-time practice supervisors.

FOR PEOPLE WITH DISABILITIES

AT FIRST GLANCE, YOU MAY NOT NOTICE IT, BUT WORK CAN BE FULL OF OBSTACLES FOR SOME EMPLOYEES. THAT'S WHY ŠKODA AUTO SUPPORTS INCLUSION AND TRIES TO, NO MATTER THE DISABILITY, ENCOURAGE EVERYONE TO DO WHAT THEY ARE GOOD AT.

NUMBER OF EMPLOYEES WORKING AT THE SHELTERED/PROFILE CENTRE

2021
429
2019

394

DISABILITIES?

WHO IS A PERSON WITH

Level of disability based on the decrease of working abilities

E.G. PEOPLE WHO HAVE UNDERGONE A TRANSPLANT,
HAVE HEAVY ALLERGIES. HAVE CARDIAC PROBLEMS

E.G. PEOPLE WITH LIMITED MOBILITY, RHEUMATOID OR

DISEASE

USUALLY SOMEONE WITH A VISIBLE DISABILITY, OR PEOPLE

WHO RECENTLY EXPERIENCED A SERIOUS ILLNESS

PSORIATIC ARTHRITIS, MULTIPLE SCLEROSIS, CROHN'S

WHO IS A MEDICALLY DISADVANTAGED PERSON?

People with a disability, who are capable of continuous work, but their ability to perform their job is limited in the long term due to an unfavourable health condition (based on medical knowledge, their health condition lasts longer than a year and severely limits their physical, sensoric or mental abilities and, thus, their work performance).



You might have a severe allergy, asthma, celiac disease or diabetes. Have you undergone a transplant or have been diagnosed with an oncologic disease? You can turn to our HR department for help with any situation and to find a suitable working environment.

personalistika@skoda-auto.cz

WITHOUT LIMITATIONS

THE GOAL FOR ŠKODA AUTO IS NOT ONLY TO FULFIL THE MANDATORY QUOTA (TO EMPLOY 4% OF OUR WORKFORCE WITH PEOPLE WITH A DISABILITY), BUT TO BE A TRULY ATTRACTIVE EMPLOYER FOR EVERYONE REGARDLESS OF PHYSICAL OR SOCIAL RESTRICTIONS.



Once an employee undergoes their mandatory medical check, they are not obliged to report any further health complications to their employer. However, ŠKODA AUTO tries to create a work environment that offers openness and trust on both sides. Employees registered as persons with a disability or medical restriction are offered an extra week of vacation and other benefits by the company.

ŠKODA AUTO operates six continually modernised sheltered plants, where almost 430 employees work. For the last six years, we have operated our sheltered/profiled workplace for people with physical and/or social restrictions. People who, due to a temporary or permanent disability, are unable to perform their original work tasks are employed here. They are fully barrier-free workplaces that can be best adapted to various needs.

52

I'VE FELT SUPPORTED FROM THE START

For employees with disabilities, what is it truly like to work at ŠKODA AUTO? Petr Stanislav (24) started working at ŠKODA AUTO after graduating from the local specialised school and has been working as a HR Administrator since 2018.

Have you felt that the company was ready for employees with special needs from day one?

It really depends on what kind of work environment we are talking about. However, there are plenty of workplaces that are customised. Fortunately, I did not have any special requirements. I am completely satisfied with the building having an elevator.

You are a passionate race car driver. Was that one of the reasons why you chose ŠKODA AUTO as your employer?

I would not say that, but there is certainly a connection. As I am keen on motorsport, I started attending ŠKODA AUTO Vocational School in 2012, where I trained as an auto mechanic. As a successful graduate, I was offered the position I am still currently employed in.

Do you pursue racing in your spare time?

Sports are an indivisible part of my life. They have always been. Apart from that, they also help me stay in good physical shape. Currently,

I am engaged in endurance off-road racing and basketball. I love an active lifestyle, therefore I spend two to three hours a day pursuing my hobbies.

What has been the biggest obstacle for you at work? And, conversely, what about ŠKODA AUTO's approach towards employees with disabilities has pleasantly surprised you?

As I started working at a department that I knew very little about at first, there was a lot to learn. Fortunately, I was, and am, surrounded by wonderful colleagues that are helpful in every way. Thanks to this atmosphere, I was able to adapt quickly.

How do you perceive support from your colleagues?

Their support was amazing from day one. We have a great team that does not have a problem helping each other out.

Have you felt a shift in the company mindset towards diversity and inclusion since you started working at ŠKODA AUTO?

Yes, since I started working here, a huge amount of work has been done. Practically everyone is acquainted with these principles, from students to employees across the board. Considering how many people work here, I think this is an important topic. And a lot of emphasis is justifiably put on it.

BEHIND THE WHEEL WITHOUT BARRIERS

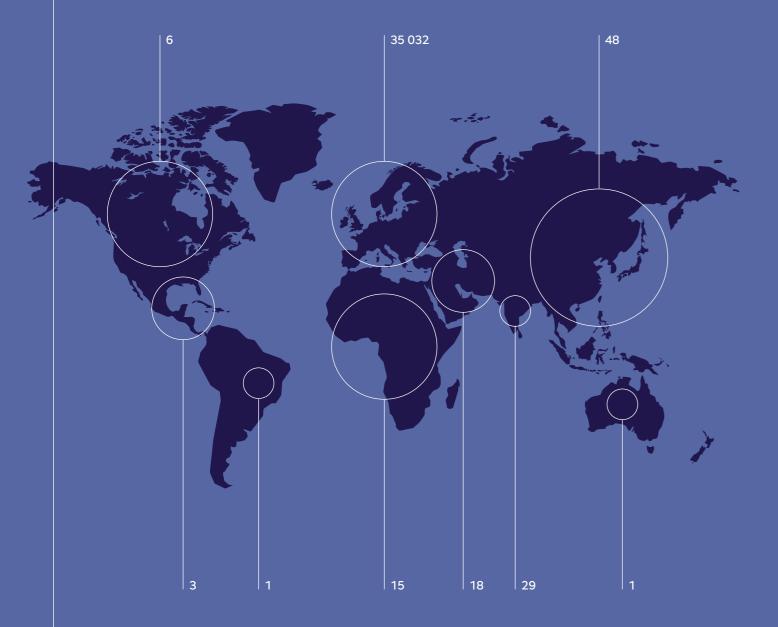
One of ŠKODA AUTO's CSR priorities is supporting people with disabilities. A guide to the world of barrierless mobility, ŠKODA Neřídit, was published mid-2021 in collaboration with Cesta za snem. This brochure, named after a long-term company project, answers questions related to people with disabilities learning to drive. Part of this activity is an already functioning grant programme, from which people with disabilities are able to ask for a subsidy of up to 15 thousand Czech crowns to complete driving school.





INTERNATIONALISATION

EACH CUSTOMER IS UNIQUE, AND ŠKODA AUTO IS JUST AS DIVERSE. TEAMS CONSISTING
OF DIFFERENT CULTURES HELP US UNDERSTAND THE SPECIFIC REQUIREMENTS AND NEEDS
OF OUR CUSTOMERS. THANKS TO OUR OPENNESS TO INTERNATIONAL TALENT, WE ARE
ALWAYS ABLE TO FIND THE BEST EXPERTS AND OFFER THEM ATTRACTIVE JOBS AND SUPPORT
IN ADAPTING TO A NEW ENVIRONMENT. WE ARE CREATING A TECHNOLOGICAL FUTURE
BASED ON DIVERSITY.



MANUFACTURING POSITIONS



ADMINISTRATIVE POSITIONS



MANAGEMENT POSITIONS



ALL NATIONALITIES ARE WELCOME

AN INTERNATIONAL EMPLOYEE MIX HAS BEEN INSEPARABLY PART OF ŠKODA AUTO FOR MANY YEARS NOW - ON EVERY JOB LEVEL. THANKS TO THIS, THE COMPANY HAS HIGH-QUALITY PROGRAMMES AND ACTIVITIES FOR FOREIGN WORKERS, WHICH ARE BEING CONTINUALLY EXPANDED.

BUSINESS TRAINEE PROGRAMME

An international programme focused on marketing, sales, strategy and HR is aimed at business-oriented university graduates, who graduated a maximum of two years ago. During the first year, trainees get a chance to try out different departments, including an internship abroad. It is an unique opportunity to get to know ŠKODA AUTO experts and other trainees from all over the world and create lifelong connections.

MINDSET CHANGE CULTURAL DIALOGUES

Tolerance and an open mind are prerequisites for a well-functioning company. Throughout 2021, there was a cycle of six online cultural dialogues in Czech and English that introduced employees to the culture inside of ŠKODA AUTO. Together, employees are figuring out how to improve the work environment. These meetings are motivation for proactive changes within the company.

INTERCULTURAL MANAGEMENT COURSES

Mutual understanding between colleagues, who oftentimes stem from different cultural backgrounds, is an important aspect of a properly functioning team. That is why ŠKODA Academy regularly offers courses, webinars and e-learnings that help prevent possible conflicts. They also support foreign employees in adjusting to the Czech environment. During the year, there were nine course slots that helped the attendees introduce the culture, habits and behaviours of people in, e.g.,India, China, Germany, Russia and of course, the Czech Republic.



66 AIDA MERUŠIĆ

Sales Planning Specialist for the German market

"I originally looked for a job in my native country, Bosnia and Herzegovina. I accidentally stumbled on the ŠKODA Trainee Programme on social media. I did not intend to move abroad at that time, but I very much liked how the programme was structured and what it offered. During the year, I could switch departments every two to three months; all were sales related. This helped me get a complete picture of how the company operates in this area. After that, I was able to start my position as Sales Planning Specialist for the German market."



THERE ARE NO PROBLEMS, JUST SOLUTIONS

Stories from our international employees are colourful and inspirational. Romny Romero, from the EX1 Department, has one of these stories about his journey to ŠKODA AUTO. He has now been living in the Czech Republic for five years.

What was your journey to ŠKODA AUTO like?

When I came to Prague, I did not know this brand at all. In a situation where I had to close down my company with a half a milion euro loss, I received a message from a headhunter at ŠKODA AUTO. I deep dived into what ŠKODA does, its history and affiliations, and it was like love at first sight. I celebrated my third anniversary at ŠKODA AUTO in January 2022.

Do you mind telling us more about yourself?

I was born in Cuba, grew up in Miami and have Spanish roots. I beat cancer at the age of 16, which gave me a new perspective. There are no problems, just solutions. My dream was to become a pilot, but I was unable to pass the physical endurance tests. I love aeroplanes and I was good at maths, so I became an aviation

engineer (I also obtained a private pilot licence, so I managed to make half of my dream come true). But one of the biggest lessons I learned at an early age was that experience is not one thing; it is everything. That is why I decided to work for one of the biggest aviation component manufacturers full time and study at university at the same time. These were crazy days. I woke up before six a.m. and came back home from school or work at night. Four years (and some hair loss) later, the sacrifice paid off. I became the QA Manager for the US, EU and Asia regions. At that point, I knew the operations so well that I became my boss' boss. I had six years of experience, at the age of 24, in the commercial aviation area and wanted to do something on my own. That's when the idea for Progressive Aircraft Service was born. We travelled to South America (especially Colombia and Brazil) with my best friend, bought private jets, and then fixed and sold them in the US.

Why did you end up in the Czech Republic?

We operated Progressive Aircraft Service for a year when the Airhero idea came around. We wanted to give everyone the opportunity to fly (a plane that can fly autonomously, but is connected to a land-based station in case of emergency). We found the only suitable aeroplane here. At that time, the political situation in the US was not great and I was recently divorced, so I decided to leave. After two years of development, we ran out of money and we had to stop the project. That's when I got an invitation for an interview at ŠKODA AUTO.

Do you still remember your first impression of the Czech Republic?

I remember the cold, since I had just arrived from Miami in December. I was born and studied in Cuba, so I had seen the same types of buildings, and Russian cars and trucks. I was not sure how well I was going to be able to adapt, but in the five years that I've lived here, the tempo of progress has been exponential. I honestly believe that Prague is going to become the next business capital of Europe in 15 to 25 years.

What do you like most about life here?

Prague is a very international city, so I am happy to explore new cultures. It is also a very safe and strategic city for doing business and travelling. I was fortunate enough to surround myself with people I now call family. I keep saying that I came to Prague for money and stayed for love. But I can not forget to mention the great beer and, of course, ŠKODA AUTO.

Have you encountered any problems as an expat?

Five years ago, there was a crazy amount of bureaucracy for me. I needed to deal with all of the government institutions in the Czech language. Almost nothing was electronic, each of the forms were only available on paper. It was difficult to pay using credit cards and people did not trust foreigners much.

And how did you feel when you started working at ŠKODA AUTO?

I was fortunate to end up in one of the most diverse and open departments (EX) as part of the Technical Development team. People speak Czech, Slovak, Portuguese, Russian, Spanish, English, German, French, Italian, Hindi and Korean. We are a very young, motivated and international team, where everyone works on taking ŠKODA AUTO to the next level. And we have a very openminded supervisor, who knows how to listen to the craziest ideas and is always constructive. Our department also knows how to help foreigners feel at home (we even have our EX-Dream Team Whatsapp Group).

What would you recommend our other international colleagues do in order to fit in?

I would not necessarily recommend blending in. We need more contrast (not everything can be one colour). What I would recommend to my international colleagues is to be yourselves. Your culture, background, experiences and points of view will challenge your team and make them find better solutions or different ways of cooperation. You make ŠKODA International. For instance, you work in a Czech company where the internal business and management communication language is German. That right there gives you grounds to not let the language tabu (CZ, GER) limit your ability to be an asset to this company.

Are you missing any kind of support from your employer?

I speak four languages (English, Spanish, Italian, Portuguese). I can literally communicate with over 85% of the world's population. But, sometimes it doesn't seem to be enough, especially when German is not part of my repertoire. I would appreciate transparency in how someone who does not speak Czech or German can become a board member or a manager. Alternatively, what are the options in career advancement for international employees? I would also appreciate the ability to work from abroad.



A DIVERSE YEAR AT PKD VRCHLABÍ

There are periods that can move the entire company years forward. Last year was one of those years for PKD. Thanks to the immense effort and openness of the management and employees, Vrchlabi is now an example for others when it comes to the implementation of diversity and inclusion principles.

66 IVAN SLIMÁK

Head of the ŠKODA AUTO Vrchlabí Plant

"The transformation of the Vrchlabí Plant ten years ago meant change in terms of internationalisation. Our plant was visited by colleagues from Volkswagen and our employees started venturing abroad as well. The topic of diversity is self-evident for us, which can be demonstrated by the support and motivation of women and girls in our technical training. In 2021, for example, the first meeting between our female colleagues and year eight and year nine students took place. They shared their work experiences and presented options for part-time work or internships at the Vrchlabí Plant. We also thoroughly support foreign language skills – we financially supported the municipal library in Vrchlabí in order to acquire 300 English books and audio books for elementary and high school students. We also supported the English study programme at the local high school that culminates in an internationally recognised American graduation certificate".

The Speed+ competition, which takes place amongst concerned plants for component manufacturing, was one of the motivations for change in PKD. It consists of five parts, one of them being diversity. In 2021, the PKD department of the Vrchlabí Plant experienced three online audits that evaluated progress, and checked on compliance and development. From 46 scored questions in eight blocks, we managed to uphold all but two.

PKD VRCHLABÍ PLANT'S GOALS

ROLE MODEL PROGRAMME

A recommended minimum of two activities per year for managers (open door for subordinates, shadowing, charity with the inclusion of the entire team, environmental support).

PROFILE POSITIONS

Occupancy of job positions for workers with work limitations (two-year temporary solution, a sheltered working centre has been established for permanent purposes).

BABY BOOMER GENERATION

Search for new qualified workers before this generation retires (long-term cooperation with regional schools, universities, apprentice work, technical toys for kindergartens, motivation for girls to pursue technical subjects, etc.).

ACTIVITIES IN PRACTICE

Plant management, in collaboration with PK Human Resources, launched the monthly updated Cockpit
Diversity Report that is based on the VW Components standard. It stresses international cooperation and
knowledge sharing between VW Components plants. The PK Diversity team was established, where each PKx
department has its own representative. All PKD employees underwent "Getting to Know Diversity in 2021"
training. A long-term activity is working with nudges (a means to guide people to better conscious decision
making and more open communication across the company), which has been rated very positively by Speed+.

66 IVONA DOSTÁLOVÁ

Technical worker, responsible for Speed+ activities in the area of diversity

"It is important to communicate the topic of diversity clearly. People often do not realise that diversity is present all around us. We have older colleagues, younger colleagues, different educational backgrounds, positions and experiences. Each one of us has a different way we view the world, and have different joys, sorrows and cultures. We all create one whole functioning unit".

TECHNICAL POSITIONS

- Diversity-inspired PKD team group established (videos and articles about unconscious biases, paternal roles, etc.)
- Interactive questionnaire about D&I
- Emphasis on fulfilling all four levels of inclusion within the company (integrative management, authentic model, interconnectedness and visibility, clear career paths)

WORKER POSITIONS

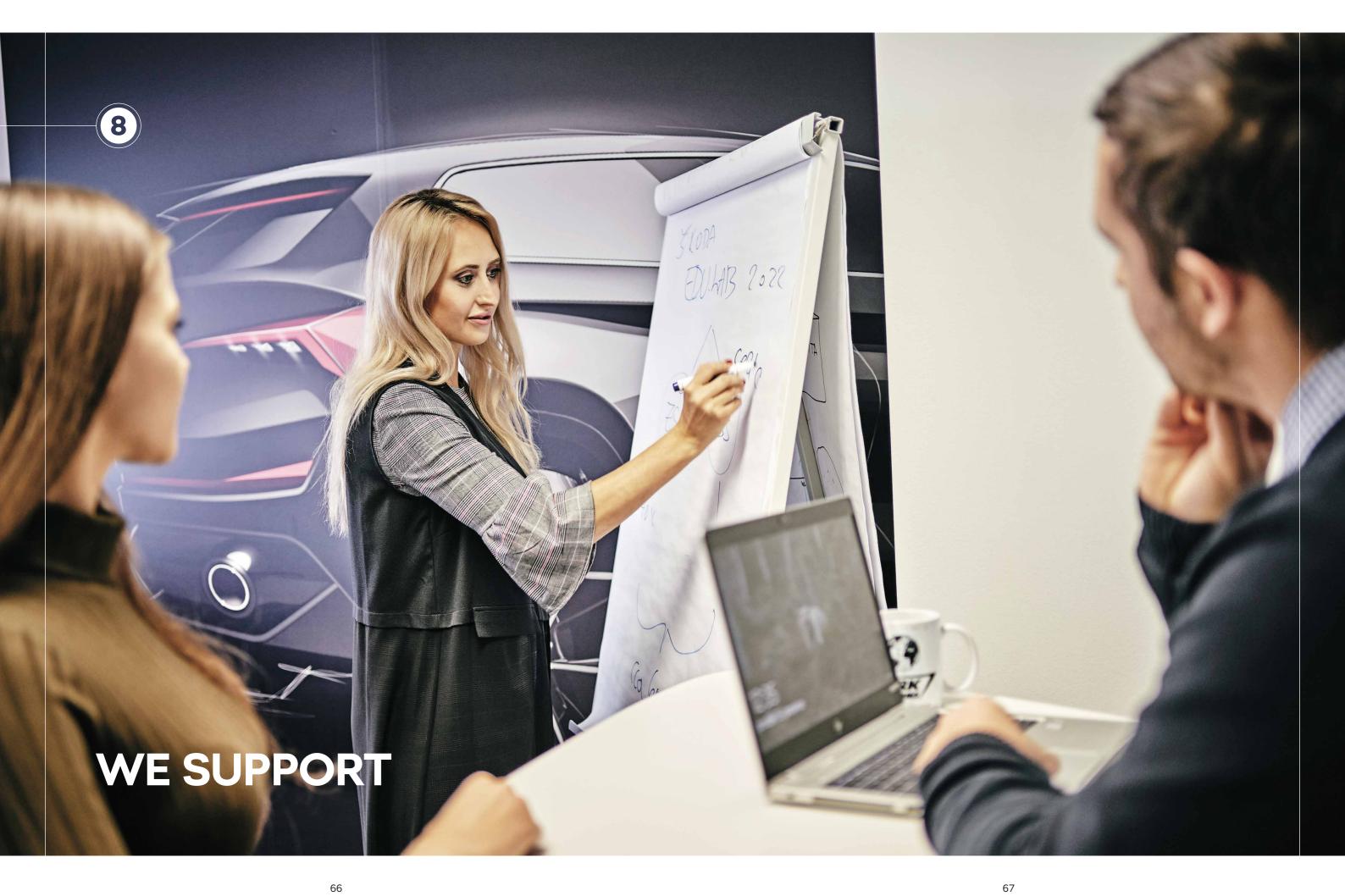
■ A series of 20-minute meetups focusing on unconscious biases, diversity and inclusion in select logistics groups

PKD

- Compile comprehensive materials acquainting topics of diversity and inclusion, including clear examples
- Interactive screens in meeting rooms and shared team spaces with the Diversity Icon, which provides exhaustive information about D&I (a new online platform was launched in May 2021 and the concept was taken over by the entire PK area in 2022)

In addition to activities directly at the plant, its representatives present at various events and debates, e.g., at the company diversity meetup. The School Expert project was also successful. Last year, the first meeting with the students took place. It was attended by two female production foremen and three women in various technical positions. The main goal of the project is to support and motivate girls in elementary schools to choose technical education.

Concerning education, the Vrchlabí Plant also supports technical education and technical extracurricular activities. The Vrchlabí PKD Collective has been engaged in various fields for many years, regardless of any competitions. The workers regularly attend the "Shoebox" charity event, where they support the Diakonie ČCE – centre Světlo in Vrchlabí and even adopted a cheetah in the Dvůr Králové Zoo.



EU DIVERSITY CHARTER / BUSINESS FOR SOCIETY



On 21 May, Thomas Schäfer and the Head of Diversity Management at Volkswagen Elke Heitmuller attended the European Diversity Day International Conference, held at the Czech Parliament. The main topic of this prestigious event was how to conceptually anchor the topic of diversity in the company management. The debate was joined by representatives from areas

of business, politics and science.



The conference was organised by the Business for Society Alliance, which is the national guarantor for the European Diversity Charter. ŠKODA AUTO joined in 2019. This employer initiative for company and workplace diversity is currently supported by more than 12,000 companies and organisations across Europe.

CULTURE FESTIVAL IN MLADÁ BOLESLAV



The ŠKODA AUTO Endowment
Fund has, for the third time,
supported the September cultural
festival, which took place at the
Výstaviště park in Mladá Boleslav.
Over one weekend, attendees
could explore the culture, customs,
or cuisine of the Vietnamese,
Thai, Nepalese, Turkish, Indian and
Mongolian minority living in the
Czech Republic

The Culture Festival is organised by the city of Mladá Boleslav, in collaboration with the Centre for Integration of Foreigners SUZ MV ČR. Since its first year, the festival has also been funded by the ŠKODA Endowment Fund.

PRIDE BUSINESS FORUM



On the International Day Against Homophobia, Biphobia and Transphobia, Thomas Schäfer and Maren Gräf signed Memorandum 2017+, announcing ŠKODA AUTO as a member of the Pride Business Forum ŠKODA AUTO became the 33rd member of the Pride Business Forum initiative, whose goal is to support LGBT+ diversity in companies and secure fair treatment regardless of sexual orientation and gender identity.

CZECHITAS

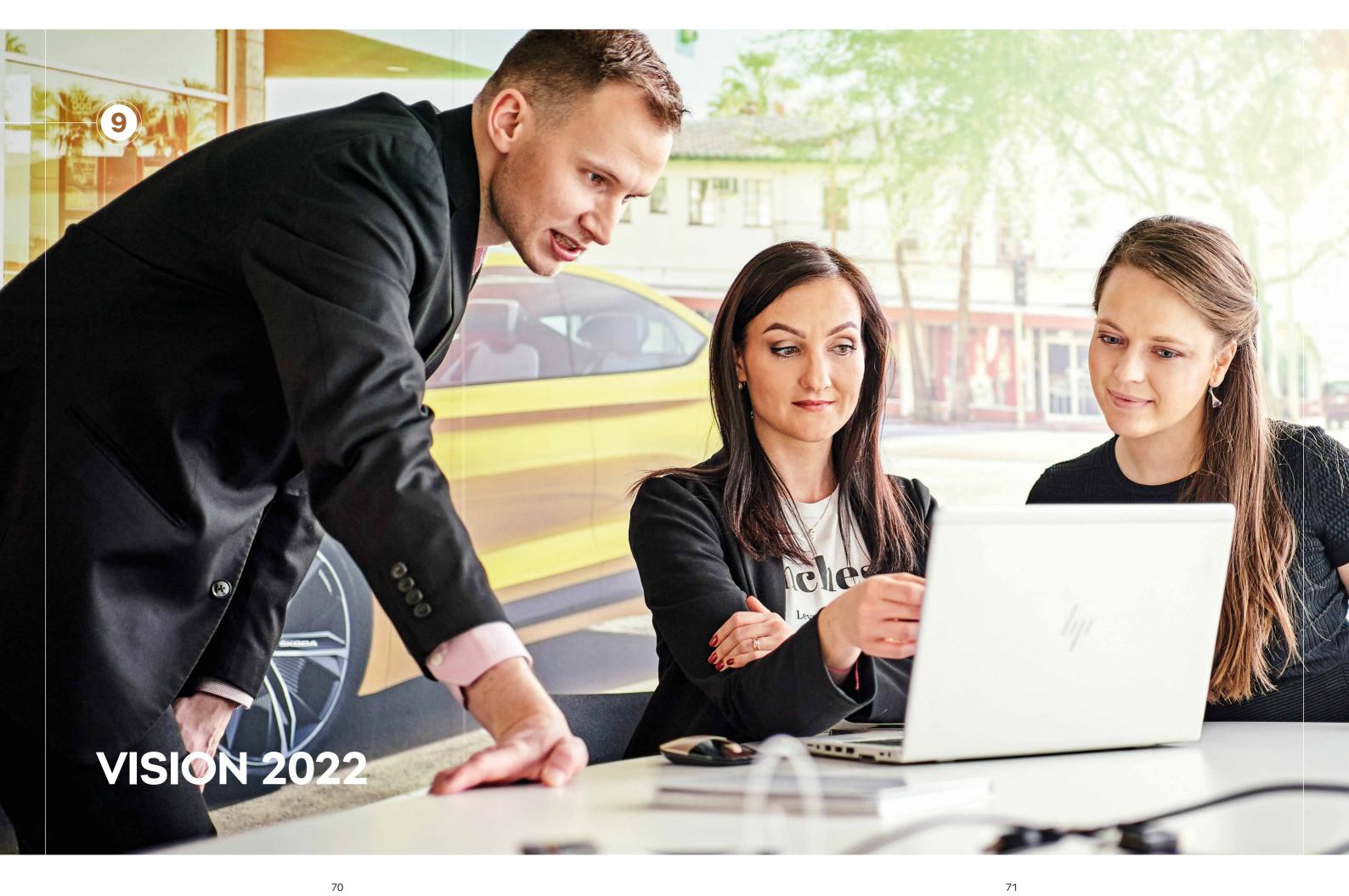


Over the summer, ŠKODA AUTO supported the first Summer IT School for female high school students (Prague, Liberec). It was a weekly camp, with an intense and varied programme, aimed to support the interest of girls in computer-related fields and simplify the entrance into technical subjects at universities.

In September, the ŠKODA Academy, together with Czechitas, launched IT courses for employees aged 42 to 56. The three-month-long course helped retrain employees' digital capabilities, so that they apply them in their work.

22-24 September, ŠKODA AUTO, as a conference platinum partner, and in cooperation with Czechitas, attended the ACM Celebration of Women in Computing: womENcourage 2021. The goal was to connect women from various technical fields and encourage them in their IT profession and training.

Czechitas is a non-profit organisation that focuses on IT education for women and children. It helps to overcome the cliché that technology and IT fields are not for women. ŠKODA AUTO has been their general partner since 2021. The partners jointly prepare public courses, courses for female high school students, and also special courses for employees on maternity and parental leave.



DIVERSITY AND INCLUSION TEAM VISION 2022

UNIFY, PINPOINT AND CORRECTLY
COMMUNICATE DIVERSITY AND
INCLUSION ACTIVITIES AT ŠKODA AUTO

CREATE A DIVERSITY PLATFORM ON ŠKODA SPACE. SUPPORT AND ENLARGE THE DIVERSITY COMMUNITY AT ŠKODA AUTO

PREPARE NEW DIVERSITY NEXT LEVEL ŠKODA STRATEGY 2030

DATA WORK - TRANSPARENCY AND MONTHLY REPORTING INCLUDING GOAL MANAGEMENT



CREATE A PLAN FOR THE TRANSPARENCY OF INFORMATION IN INTERNAL AND EXTERNAL COMMUNICATION – EASY TO UNDERSTAND AND CLEAR COMMUNICATION ABOUT DIVERSITY AND INCLUSION

ŠKODA AUTO GROUP – KPI STEERING FOR THE ENTIRE GROUP

FOCUS ON SPECIFIC PILLARS OF D&I

- **FAMILY-FRIENDLY POLICY**
- INTERNATIONALISATION
- **AGE MANAGEMENT**
- **LGBT+ INCLUSION**
- **EMPLOYEE GROUPS**
- MINDSET CHANGE AND UNCONSCIOUS BIAS MANAGEMENT
- **EMPLOYEES WITH DISABILITIES**
- ROLE MODEL PROGRAMME

EVERYONE CAN FIND SUPPORT



According to a survey on Mindset Change, 33% of employee respondents fear standing up against unfair treatment. Let's change that!

WHERE TO TURN TO, IF YOU DON'T FEEL SAFE AT WORK?

Consult with your superior

2

If your superior is not trustworthy, or refuses to deal with the situation, contact HR (SB)

3

Contact the Compliance Department (GO)

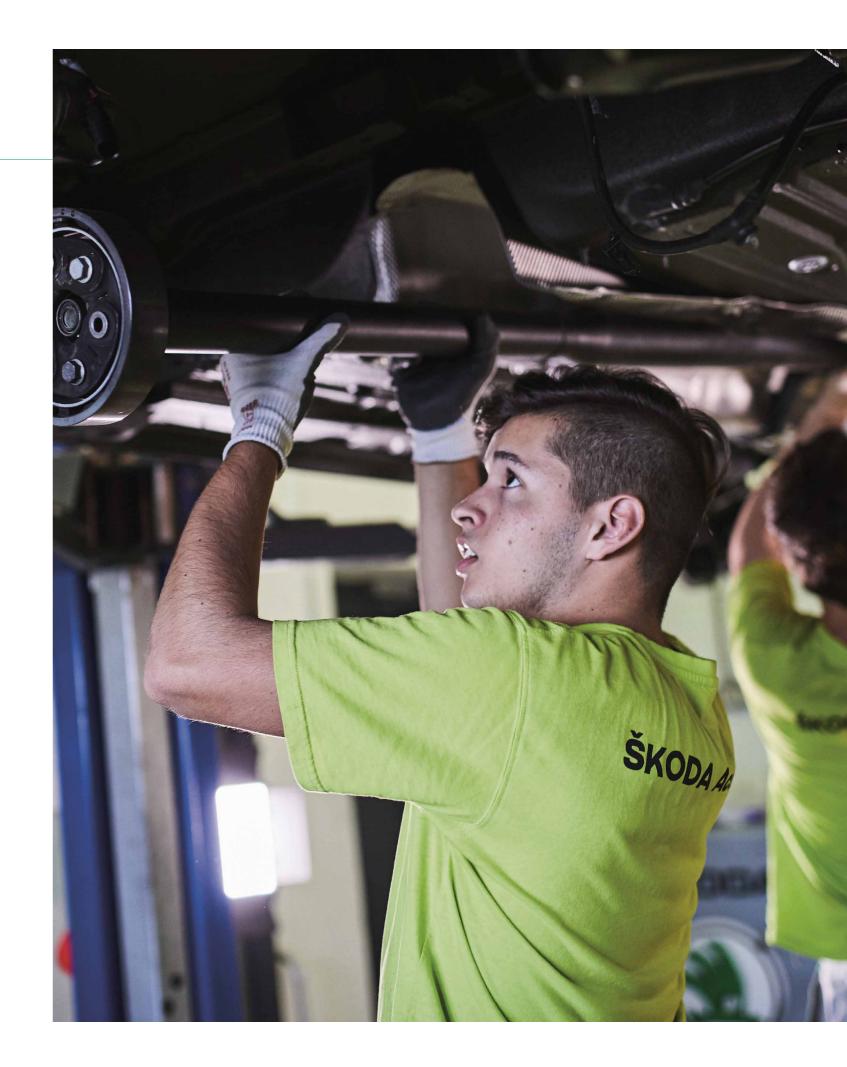
4

Use the anonymous VW Whistleblower System (ombudsman also available in Czech)

5

Talk to the company psychologist (The Soul Matters – free psychological consultations)

All photos included in the Diversity Report are of ŠKODA AUTO employees and are used with their consent.





DIVERSITY@SKODA-AUTO.CZ