



ŠKODA
SIMPLY CLEVER

ŠKODA AUTO

**DIVERSITY
REPORT
2020**



SUMMARY



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FOREWORD

Greetings,

What is the essential factor for an automotive company to emerge stronger from the profound transformation process within our industry?

Two things that might come to mind first are electromobility and software expertise. These certainly are important, but they are not the whole picture. Diversity has come to the fore in recent years, and its relevance continues to increase.

There is much more behind diversity than gender, ethnic and social origin, sexual orientation, religious affiliation or worldview, and age are also key issues.

Countless studies have proven that diverse teams achieve better results: They operate more sustainably, achieve above-average profitability, and hit the right tone in communication. Diversity is not a buzzword, but rather a fundamental principle with tangible effects on a company's performance and culture.

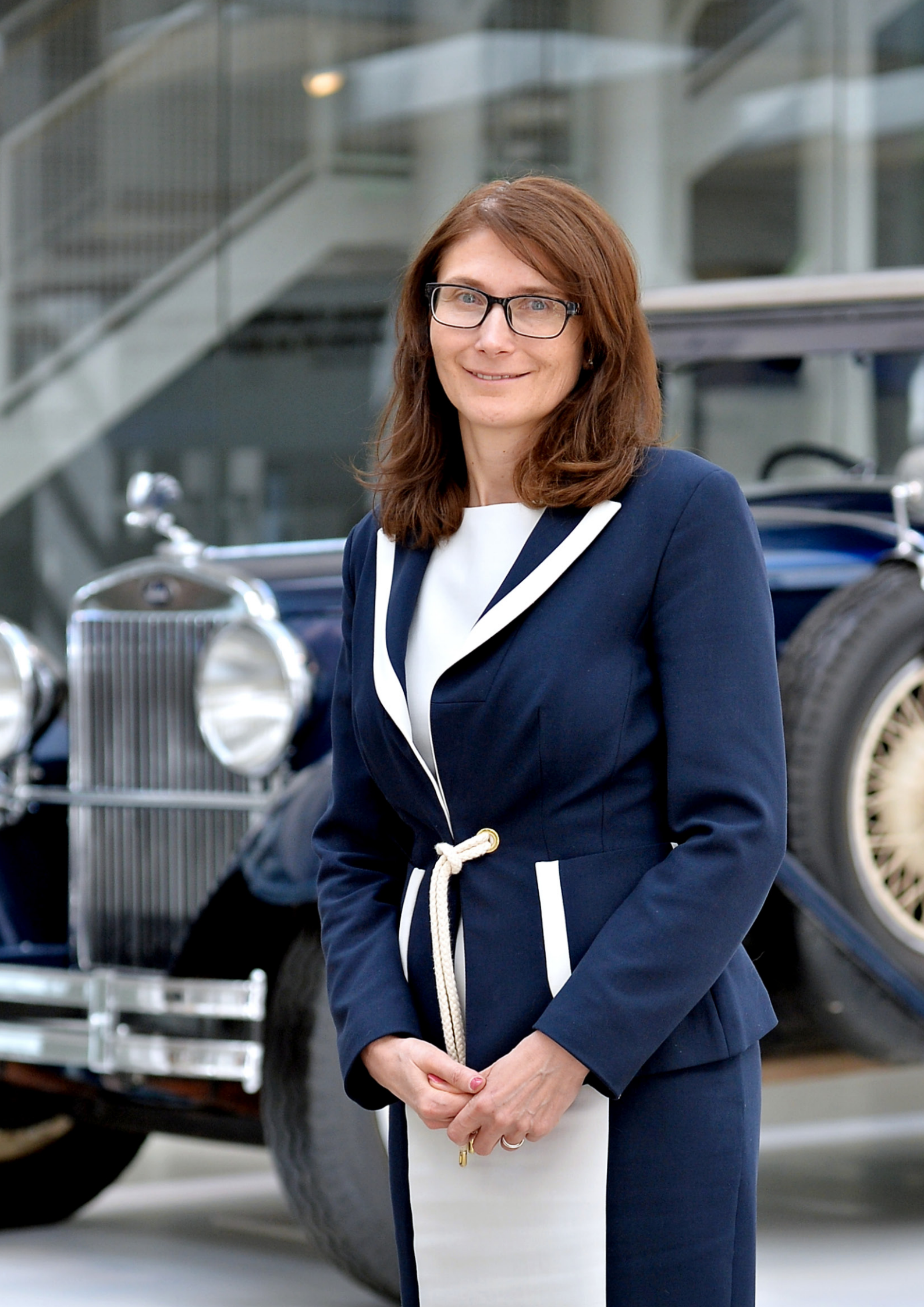
At ŠKODA AUTO, we made specific progress in 2020: Among other things, we became a Golden signatory to the European Diversity Charta in the Czech Republic and we organised specialised diversity training for Škodians in leadership positions as well as all our Board Members.

These steps are motivating. They provide a good starting point for boldly pursuing the next steps and taking diversity to the next level at ŠKODA AUTO. This includes sending out strong signals; Maren Gräf became the first woman to be appointed to the ŠKODA AUTO Board of Management in 2021. The levels below must become more mixed, too, if we are to fully reap the benefits of diversity. Our ambition is to have a 20 percent share of women leaders by 2025. We are striving for this together.

For this reason, I expect the whole leadership team to set a shining example by proactively and unreservedly promoting diversity in their areas. It must be made clear that diversity plays as important a role as achieving financial or sales targets. My clear expectation is that ŠKODA AUTO will lead the way in this field. I am convinced we will succeed.

Thomas Schäfer

CEO ŠKODA AUTO a.s.



Dear colleagues,

Diverse work teams contribute to better company results and more substantial and more targeted customer orientation. Therefore, as an employer, it is vital for us that all employees of ŠKODA AUTO have the opportunity to work in teams, inspire and enrich each other, and provide innovative solutions. One of the critical steps is to use the potential of each of us regardless of our differences.

Diversity is one of the strategic goals of ŠKODA AUTO. To fulfil this goal, it is important not only to speak about diversity but also to live it and accept it in our work and private lives. Several different paths contribute to the strengthening of the diversity of our teams, whether it is flexible forms of work, activities relating to different groups (parents, foreigners), or training we offer.

In 2020, we organized training for immediate superiors focused on their work with unconscious prejudices. This training is intended to help managers work with their teams and raise awareness of the topic among their subordinates and colleagues. Although it is natural to have some prejudices, we mustn't follow these prejudices in key moments (such as leading a team meeting, communication, etc.) and consciously distance ourselves (rise above it). The more we perceive the differences and can work with them, the better the person in the work team will feel and will be less afraid to express their opinions.

In conclusion, I would like to appreciate our long-term cooperation with our social partner, the KOVO trade unions. I thank our colleagues across the company who actively support diversity and inclusion. I am particularly proud that we have established close cooperation with diversity ambassadors in each area. They are senior managers who are contact partners in their areas, and their activities include contributing with data for steering rounds, communicating diversity topics, and at the same time supporting colleagues working on diversity-related projects. Ambassadors pass on their experience within the group and the company and help coordinate topics. We appreciate their time devoted to this topic, and we can build a community together in the company.

Jana Šrámová

Head of Operational HR,
Digitalization and HR 4.0



Dear diversity supporters,

2020 showed comprehensively that the development of diversity and the promotion of inclusion are fundamental prerequisites for the success of all companies. Diversity and inclusion cannot be strategic topics only in times of economic growth. In times of crises, such as the COVID-19 pandemic, the development of diversity and promoting an inclusive working environment are essential prerequisites for successful growth. In 2020, ŠKODA AUTO showed that we live diversity.

The key topics for the development of diversity and inclusion in 2020 were

- Solidarity
- Flexibility
- Digitalisation
- Innovation
- Mental health of employees and changes in how we communicate

Under the hashtag #SKODAAUTOhelps, you will find beautiful and often emotional stories of how we have been helping during the pandemic. In 2020, ŠKODA AUTO had to shift gear to reach an even higher degree of digitalization in the company. The transition of thousands of employees to mobile work from home elicited a change in team management methods, methods of communication, and the use of new digital tools. However, ŠKODA AUTO will always find simply clever solutions, and in the same spirit, in the previous year, we have developed digital and leadership innovations.

Dynamic changes also entail an increased psychological burden. Whether you are a parent who, in addition to work, had to manage your child's online education or

your housekeeping, or you are the leader of a hybrid team who had one half of the team located across the Czech Republic and the other half in the office, there were higher demands on communication, on the methods of working and on the need for trust, which impacted on our mental well-being. We care about our souls at ŠKODA AUTO - preventive health programs, and the educational opportunities offered by ŠKODA Academy reflect this demand.

I am very proud of my colleagues across the whole company. Together we have been creating a diverse community at ŠKODA AUTO. The goal of developing diversity is to use the potential of each of us regardless of our differences. There can be millions of these differences - some can be visible (such as the colour of our eyes), but most are hidden (such as our values, family background, or sexual orientation). It is about each of us. In 2020, we started to work actively with unconscious bias in the company. We all have biases; it is human, after all. However, it is necessary for key moments (such as decisions on remuneration, recruitment, promotion, etc.) to take more time and realize which automatisms affect us. The next step is to use the tools (e.g., impulses in the form of the nudge management) to help us with this realization. Undoubtedly, our emotions - positive and negative - are related to unconscious biases. By caring for our souls, we are helping to create a psychologically safe environment at ŠKODA AUTO for everyone to be themselves. It is a long journey, we still have a lot to do at ŠKODA AUTO, but I strongly believe that we can do it together!

Thank you all for your cooperation in 2020. I look forward to new joint projects in 2021!

Jan Kotík

HR Diversity





DIVERSITY TEAM

The SB/5 department, which was coordinated by Lukáš Müller in 2020, has been dealing with diversity at ŠKODA AUTO for several years. And although all team members participate on this topic, the primary role is held by HR Diversity Specialist Jan Kotík, who is the contact partner for diversity and inclusion projects within the whole ŠKODA AUTO company. His duties include developing and fulfilling all five pillars of the HR Diversity Strategy, communication, employee engagement, and management training. He coordinates Volkswagen Diversity Community activities, creates partnership alliances, and shares experiences within the Business For Society alliance and Diversity Charter signatories.

In his two years of working on the diversity topic, Jan managed to create a group of diversity enthusiasts and build a community that actively develops the topic in their teams.

In addition to Jan, two interns Katarina Moshninova and Petr Spolek, also participate in the activities within the SB/5 team. They support the organization of Unconscious Bias training and also the LGBTQ community. As a support to the communication of the diversity, Tereza Štastná takes the role.

With this, our entire diversity team would like to thank everyone who supports communication to all our colleagues who create their projects supporting diversity in each field. These ambassadors are an integral part of our work, and we wouldn't be able to do what we do without their support.

Thank you for your collaboration in the year 2020, and we are looking forward to upcoming projects.

The Diversity Team

DIVERSITY AT ŠKODA AUTO

ŠKODA AUTO is fulfilling the Diversity Strategy approved by the Board of Directors in November 2018. It follows basic principles of diversity and inclusion, which are firmly stated in the corporate strategic documents - TOGETHER 2025 Strategy, ŠKODA AUTO Group Code of Conduct, Sustainable Development Strategy, and others. Diversity and inclusion are also an integral part of corporate culture - the fourth principle of the group says, „We live diversity.“

As part of ŠKODA AUTO's diversity strategy, we are developing five dimensions of diversity. The first dimension (Gender-balanced Company) focuses on equal opportunities for employees regardless of whether they are men or women. In 2020 we realized a significant amount of projects within this dimension.

The second dimension (Origin and Culture) focuses on the aspect of internationalization of the company. ŠKODA AUTO supplies cars to more than 100 markets worldwide, which is why a global mindset is essential if we are to keep and grow our success. We have received a new responsibility for new markets within the entire Volkswagen Group - this brings an increased need for international teams.

The third dimension (Generation Cooperation) oversees cooperation across different generations of employees. ŠKODA AUTO is an attractive employer for other groups of employees across all age groups. Supporting flexibility and new forms of work has been an important topic (Distant form of work has proven as possible. Thanks to the COVID-19 pandemic, we have overcome the number of prejudices associated with working from home.).

The fourth dimension (Individual Capabilities) focuses on support for disadvantaged groups of employees (disadvantage can be physical or social).

Within the fifth dimension (Diverse Mindset), we support the diversity of thinking, creating a psychologically safe environment, and working with unconscious biases. Another critical aspect is an education and communication of diversity and inclusion issues in company.

In 2019, ŠKODA AUTO signed the Diversity Charter, a platform in which leading employers committed to developing a tolerant work environment. In Europe, the Diversity Charter counts over 10,000 signatories. In 2020 ŠKODA AUTO became a golden signatory and general partner of the Diversity Day event in Parliament of the Czech Republic. Unfortunately, due to the COVID-19 pandemic, the Diversity Day conference was held online and separated into two terms in spring, and autumn.

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Within the diversity strategy of SKODA AUTO we are developing 5 dimensions of diversity in the company.

ŠKODA AUTO, in collaboration with the Business For Society, Microsoft, and ČSOB, applied for a European Grant for creating Diversity and Inclusion Masterclass in 2021-2022. The application was approved by a European Commission in a record time. These companies are now committed to creating content to develop diversity and to form an inclusive work environment in companies in Czechia and Slovakia.

ŠKODA AUTO also leads by best practice example within the VW Group Diversity community, shares good real-life examples, and collaborates on key projects. The annual Diversity Conference was held online in September 2020 with the main topic of Discrimination in companies.



DIVERSITY AT VOLSKWAGEN

VW Group Diversity Community

23-24/09/2020

4th International Diversity Conference of Volkswagen Group



An annual Diversity Conference held virtually around 80 diversity managers from the Volkswagen group with participants from Australia through the USA or Sweden to South Africa. The main topics discussed were everyday racism in the workplace, diversity management as a driving force of cultural changes, especially in the COVID era, and group-wide initiatives against discrimination.

The more diverse we are, the better are our chances of succeeding. If all of us - more than 600,000 colleagues across all brands, subsidiary companies, and time zones cooperates and respects each other, we will continue to ensure the economic success of our group. Only together can we achieve diversity, tolerance, and inclusion!



10/03/2020

Diversity Wins @VW

[VIDEO](#)

In ŠKODA AUTO, we introduced the group-wide initiative Diversity wins @ Volkswagen we under the name Support of Diversity and Working With Unconscious Biases For the Better Team Function. The introductory training took

place on March 10, 2020, and was dedicated to the extended Board of Directors of ŠKODA AUTO and was led by VW diversity managers Elke Heitmüller and Shannon Pereira.



Partners, cooperation with others



Business For Society

Business for society is the largest platform for responsible trade in the Czech Republic. Its mission is to help companies of all sizes to set and develop principles permanently sustainable business and CSR. Their membership base counts over 100 of the most influential Czech companies and over 250,000 employees gets to participate on Business For Society's activities.

This alliance cooperates with key unions, institutions and the state and is the Czech partner of CSR Europe and the national coordinator of a number of European programs. ŠKODA AUTO has been a member of the platform for many years.

Business For Society organizes
multiple different meet-ups, discussions
and activities that reach out to

250,000
employees

- 04/03/2020 Women in Leadership Platform [VIDEO](#)
- 15/05/2020 Diversity Day Conference 2020 [VIDEO](#)
- 11/06/2020 5th Mothers and Fathers Are Welcomed Annual Conference [MORE](#) [VIDEO](#)
- 08/07/2020 Women in Leadership Platform - business brunch at the Canadian Embassy [VIDEO](#)
- 09/10/2020 Diversity Day Conference II [MORE](#) [VIDEO](#)
- 11/12/2020 Diversity Workshop - Women in top management at LIDL



Partners, cooperation with others

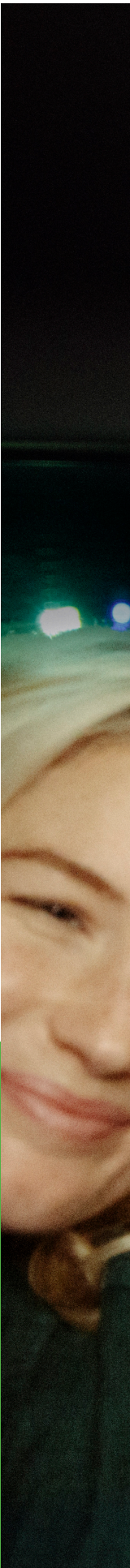


The Diversity Charter

The creation of the Diversity Charter was initiated by the European Commission, in the Czech Republic the Diversity Charter officially launched in 2014. The signatories of the Diversity Charter undertake to create such an environment that is friendly to all individuals regardless of gender, race, color, nationality, ethnicity origin, health status, age, sexual orientation, religion or worldview. We perceive diversity as principle that allows all people regardless of their individual differences to fully develop their personal potential. Voluntary application of the principle of diversity means accepting, supporting and further developing the talent of individuals. We are Recognizing that this approach represents an opportunity for innovation.

ŠKODA AUTO has been a signatory of the Diversity Charter since 2019 and fulfils its principles.

In years 2020-2022 we are a Golden Signatory of the Diversity Charter







2



UNCONSCIOUS
BIAS

WORKING WITH UNCONSCIOUS BIAS

Working on unconscious biases is a foundation of diversity development in our society. Why? Because to us, humans biases are natural. The world around us is rapidly changing and overwhelms us with vast amounts of information that we can't process. As a result, our brain automatically creates filters or defense mechanisms that help us to navigate faster. While in the past, we only had to process a small part of the information we have today, most of them were essential to our existence. However, this has changed, and now, we have to locate and select those of great importance. To simplify this process, we often use biases rooted in us. Our brain consciously processes only 5% of the information, while 95% of data is processed subconsciously.

95%

of the information we process unconsciously

5%

of information is processed consciously

Unconscious biases affect us constantly. Society automatically perceives them as a negative attitude towards some situation, person, or group. However, the reality is that biases can be negative as well as positive. They are views, experiences, and stereotypes of the past taken from generation to generation in combination with our life experiences created newly. A person does not even need to encounter some situation in life, but they can already have established prejudice. This ability allows us to process information faster and create an instantaneous reaction that would not have been possible without a bias. Our minds would have to analyze all the essential facts, which would cost time and energy.

It is impossible to quantify the number of individual biases, but there are more than 200 categories for them. Every gender has its prejudices, nationality, culture, company, family, or another social group. Prejudices from individual categories can intermingle, match, but they can go as well against each other. All of us have hundreds and thousands of biases, but we don't even realize.

In 2020, almost 2,000 direct superiors participated in training focused on active work with unconscious biases. They concluded that the most common biases at ŠKODA AUTO are „authority bias," "planning fallacy," "status quo bias," and "bandwagon effect".





Unconscious biases

The most common biases at ŠKODA AUTO

Authority bias

1

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

Planning fallacy

2

Tendency to underestimate the time needed to complete a task.

Status quo bias

3

Tendency to like things to stay relatively the same.

In-group bias

4

Tendency to give preferential treatment to others that are part of their own group.

Bandwagon effect

5

Tendency to do or believe things because many other people do or believe the same.

Halo effect

6

Tendency for a person's positive or negative traits to "spill over" from one personality area to another in others' perceptions of them.

Not invented here

7

Aversion to use products, research, standards or knowledge developed outside a group.

Illusion of transparency

8

People overestimate others' ability to know themselves, and they also overestimate their ability to know others.

Stereotyping

9

Expectation towards a member of a group to have certain characteristics without having actual information about that individual.

Confirmation bias

10

Tendency to search for, interpret, focus on and remember information in a way that confirms one's perceptions.

Ostrich effect

11

Ignoring an obvious (negative) situation.

Affinity bias

12

Tendency to evaluate more positively those who are like us and share our worldview.

Unconscious Bias Trainings for all superiors

In the second half of the year 2020, we launched a series of interactive trainings focused on unconscious biases.



The training was mandatory for all direct superiors to point out the nature of biases, identification, and active work with them. We introduced participants to the series of biases they may encounter in their daily lives and work environment. We helped them to identify some of which they may not be aware of by themselves. In the second part of the training, we introduced them to so-called nudge management. It is a methodology that deals with

unconscious bias by shifting it in the correct direction. It is an excellent tool for promoting a diverse culture. The right nudge can help a person to decide by themselves without strict order. Participants also tried out various model situations as an interactive part of the workshop when they identified any of their biases towards others from the position of a leader.



And how do participants reflect on the training?

During the training, have you discovered you uncovered some unconscious biases?

Martin Soukup

I work in an environment of product marketing, where we continuously prepare analyses as a base for strategic decisions and substantiate them with findings from market research. I work in a multicultural team in terms of diversity, and it makes our work even more interesting. I enjoy my work, and after completing the training, I decided to take even more steps to improve the overall atmosphere in the team. Upon my return from abroad, I could see mutual respect in the new department on the one hand and a greater distance between people due to their biases. However, we have already changed that successfully. I participate in shared breakfasts/lunches to get to know each other better and act openly and fairly. Furthermore, monthly we share experiences from successful projects across departments. From time to time, however, I encounter type bias in our organization „Not made in our country“ (in ŠKODA AUTO) and specific resistance to change. From a product perspective, the dynamic of competition-based environment and mobility trends makes us think critically about what our existing and potential customers appreciate about ŠKODA cars, where they perceive the need for improvement and how we can meet these needs to gain a satisfied and loyal customer so our company can gain long-term prosperity.

Libuše Pilná

I realized that since I have been working for ŠKODA AUTO for quite some time, I am used to not changing well-established procedures, and sometimes I resist changes (Status Quo bias). At the same time, I find it interesting that everyone in my group has had a different bias. It seems that we are diverse in this as well. I believe it would be very beneficial if production workers could also undergo training. Each coin has two sides, and it would be effective if workers had the opportunity to look at the issue from a different perspective than they are used to.

Pavel Spáčil

I don't think any of the biases mentioned during the training were new to me. However, it „dusted off“ some of them and made me realize I have to pay attention to them.



Which biases have you encountered during your career?

Martin Soukup

During my 18 years in the company, I have encountered many biases, in both good and bad ways. For example, from my recent posting abroad in China, I experienced certain biases of colleagues in the department, who, according to the first information, „box“ you (stereotyping) before they get to meet you. Afterward, they will form their own opinion about you based on how you adapt to the local environment, accept their way of thinking, and support team integrity and brand development. In the current Covid-era, everyone should respect the work of others, appreciate critical thinking on the discussed topics, and seek solutions on how to strengthen and transform the ŠKODA brand in future years.

Libuše Pilná

I am convinced that everyone has biases. It's something we can't do anything about. But we can learn to control them. It depends on who meets whom and what their experiences are from the past, and then they are forming unconscious biases accordingly. I encounter the topic of diversity quite often because I sometimes travel to America to visit my family. At the same time, I led diverse teams during my career at ŠKODA AUTO.

Pavel Spáčil

I have encountered a lot of prejudices, but the one that stood out was always associated with the first impression and conclusions about the person and their capabilities based on external appearance or the first reactions (earrings, casual clothes, nervousness, etc.)



Martin Soukup

Head of Strategic Product Planning



Libuše Pilná

Foreman of Gearwheel Production
Shift A



Pavel Spáčil

Planning Coordinator.
Long-term Test Prep.

Project Implicit

If you'd like to test your automatic reactions by detailed test, visit the Project Implicit website by Harvard University



ONLINE TEST OF BIASES

Test your biases

The Implicit Association Test (IAT) is a metric from psychology that helps us find the intensity of subconscious association between different objects in our memory and uncover the conviction we don't have conscious access to. The output of the IAT is the revelation of the so-called implicit biases or implicit stereotypes. In the test, you can measure your biases against different groups, such as gender, race, science, career, weight, sexuality, and disability.

1

You lead a discussion with your colleagues on a topic that has been dividing your team for a few days now. You agree to find more information on this topic to get some background. What will you focus on when researching the documents?

- A** You'll look for information that will support your argument and they come from source, you trust
- B** You'll focus on information that support the argument of your colleagues, in order to understand their point of view better
- C** You'll look for additional materials relevant for all point of views

2

Your subordinate will come up with an interesting, bold project proposal that is very unusual for your work environment. How will you react?

- A** You'll explain them these sorts of projects are great but your company is not ready for this set-up or higher management won't approve with the suggestion and you discourage them to pursue it any further
- B** You'll support him automatically because it's necessary to support every idea
- C** You'll let them work on the suggestion, discuss possibilities and risks and give them space to prepare and present the project to the management.

3

You and your colleagues are preparing materials for large meeting of managers, however you are told that it is necessary to shorten the content of this material. What will be your first impulse when selecting what needs to be reduced?

- A** You'll ask your superior what needs to stay in the document as they understand what other managers are used to
- B** You keep the materials you prepared because you understand them and stand behind your work
- C** You'll discuss with someone independent which materials to choose

4

Imagine, you have the opportunity to decide the rate of personal evaluation of your subsidiary. What criteria will you use to set up the limit?

- A The time spent at work
- B By the time I see or hear her in comparison to other team members
- C Timely finished tasks and their quality

5

Your subsidiary wants to use the mobile work i.e. home office on Friday. What is your first thought?

- A It's normal part of working in teams, you trust them fully and approve of the request
- B You'll think they want to use home office to prolong their weekend and deny the request
- C You'll allow it but you will also give specific list of tasks and you'll want to see report on the fulfilment

1

A - 3b
B - 2b
C - 1b

2

A - 2b
B - 3b
C - 1b

3

A - 3b
B - 2b
C - 1b

4

A - 3b
B - 2b
C - 1b

5

A - 1b
B - 3b
C - 2b

5 – 7 points

We all have biases, but the way you think shows that you are aware of them, you can recognize them, and actively work with them. Your openness to opinions others is quite good and you can appreciate a fruitful discussion. However, working with one's own biases is part of lifelong development, so stay aware.

8 – 11 points

When it comes to your decision-making, you follow a particular form of automatism. It is essential to realize that biases can be positive, but they can still contribute to long-term discrimination. You may not be thoroughly convinced about the importance or benefits of diversity in your surroundings. Try to think about the different situations in which someone expresses some prejudices against you and think about how you would react in their place.

We recommend that you try the Implicit Automatization Test mentioned above to get to know your automatisms better and discover the potential for your personal development.

12 - 15 points

It is quite likely your answers were driven by a certain experience, which may not have been of positive nature. That's precisely how our Amygdala works. It helps us to make quick decisions based on previous experience. Try to consciously clear your conclusion from this and take a look at the problem from a different angle.

You can work well with your automatisms if you make conscious decisions.



3



**GENDER BALANCED
COMPANY**

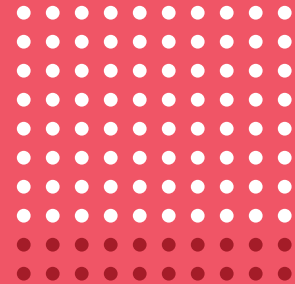
Gender Balance, Statistics



Women vs. Men

In total: 34,514

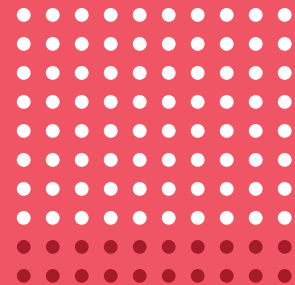
- Men 79.7%
- Women 20.3%



Women vs. Men - direct employees

In total: 22,703

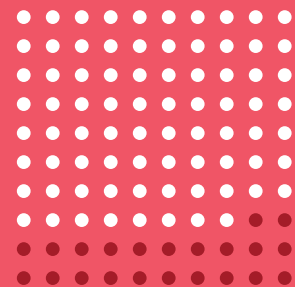
- Men 80.3%
- Women 19.7%



Women vs. Men - indirect employees

In total: 11,100

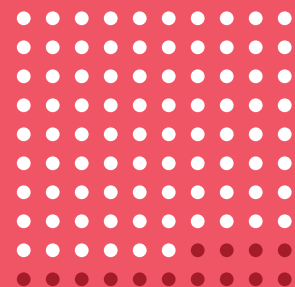
- Men 78.1%
- Women 21.9%



Women vs. Men - management

In total: 711

- Men 86.1%
- Women 13.9%



GENDER BALANCE

Our company focuses on 5 diversity dimensions as part of ŠKODA AUTO's diversity strategy. The first dimension (gender-balanced company) focuses on equal opportunities for employees regardless of their gender. It means leveling the starting positions to ensure equal opportunities.

The Group Code of Conduct formally states equal opportunities for men and women. However, an equal chance in the work environment can sometimes be disturbed by unconscious biases. For example, parents sometimes have to choose between a career and caring for a family. ŠKODA AUTO wants to ensure equal opportunity regardless of whether you go on maternal or parental leave or don't. Keeping contact between the company and parents and offering opportunities for personal development is the key focus when supporting parents.

However, there are still some chances for improvement, like the number of women in managerial positions. ŠKODA AUTO monitors key performance indicator (KPI) in the form of a percentage representation of women in management. Each area at ŠKODA has an appointed contact partner from higher rank management, which is actively involved in fulfilling this KPI and develops projects for equal opportunities. Our common goal is to emphasize the development of women's potential and to support their representation across all management levels. And so we gradually break down our unconscious biases (e.g., in the form of a glass ceiling, which is an invisible barrier on her career path).

We monitor equality of opportunities across all company areas - initiatives supporting this diversity dimension are emerging in all areas within the company.

ŠKODA AUTO creates projects to support technical education, such as cooperation with the Czechitas or our participation in the international event Girls Day. It is also worth mentioning collaboration with primary, secondary, and higher education schools. Due to the COVID crisis, the number of full-time events has been reduced, but many events have taken place in an online format.

At ŠKODA AUTO, we maintain equal pay between all groups of employees, from tariff employees up to management.



Projects to support Gender Balance

Creating a work environment with balanced male and female principles - pilot in Technical Development

The area of technical development hires the lowest number of women throughout the company, which also applies to the representation of women in management. Thus, the work environment has traditionally been dominated by The „male principle.“ The goal of this pilot is to include women’s principles in teamwork and thus strengthen the resilience of teams in today’s fast-changing world. The use of both male and female principles is essential for innovation and collaboration. This pilot is composed of 4 workshops (the first workshop with Con-

scious Diversity in November 2020) 6 men and 6 women participants. The benefits will also be diverse - with the help of The snowball effect, we will integrate the principles into teams, encourage both men and women to act outside traditional principles, and the Technical Development will increase its attractiveness. Workshops continue in 2021. The pilot could expand in other areas at ŠKODA AUTO.



A partnership with Czechitas

ŠKODA AUTO has been supporting the field of technical education for several years, among other things, with the non-profit organization Czechitas. Czechitas, for a long time, helps women and children get to know the world of IT through programming, coding, or working with data, thereby increasing diversity in the IT world. Together, we focus on increasing computer knowledge in Mladá Boleslav and its surroundings, both by courses designed for the public and specifically targeted lessons for high school girls. Professional courses will also be open to ŠKODA employees on maternity or parental leave ŠKODA AUTO.

With the development of electromobility and digitalization, ŠKODA AUTO is becoming more of a technological company. That can't be done without IT professionals and other specializations. That is why supporting education in this field is important, especially in regions where we operate through our production plants.

Support of a technical education for girls

With the support of colleagues from IT, the HR Marketing and School Cooperation department organized evening gatherings in Prague and Liberec for high school students who attended Summer School by Czechitas. A week-long course to acquaint them with the digital world and motivate them to pursue the study of technical fields. And therefore, ŠKODA AUTO is a strategic partner of this organization.

At the end of a demanding week, the students completed a full-day course hackathon, in which they used all the newly acquired knowledge and developed a project. Then they presented their work at the gala dinner, exercised their presentation skills in front of an expert jury composed of representatives from partner companies. The jury evaluated the following: technical processing, presentation, and the project's social benefits. All these are a big challenge for many girls. Thanks to this new experience, they also gain other valuable skills they can use even outside of their study life.



[CZECHITAS](#)



[GIRLS DAY - ŠKODA AUTO](#)

Czechitas is a non-profit organization, which inspires, educates, and applies new talent to enhance diversity and competitiveness in IT

It connects people who want to learn IT and teach IT

A pilot of a consultation program for women in talent program

This consultation program was created by HR, and Sales and Marketing departments as part of the Themenpatenschaften diversity program. Centrum Dohody agreed to a partnership, and together we created a manual for the entire program. This consultation program should serve as a support and encouragement to women talents to be in charge of their own career development, maximize their potential, develop skills, appropriately divide their energy between the demands of personal and professional life, and make a good decision for their future career. In 2020, we launched a pilot consultation run with the support of Jana Šrámová, head of the SB - Operational Department HR care, digitization, HR 4.0, and Eva Kancnýřová, head of the VTK department - Customer Center. In 2021 we will launch the program company-wide.

Safe parking spots for women in Česana

Another of the Themenpatenschaften projects is a concept of secure parking spaces by the teams from Finance and Technical Development. With the help of other departments across the company, this project was brought to life. The concept of secure parking spaces comes from Germany, and as these spots are located near the exits and with sufficient lighting, women don't need to walk alone across the whole parking space. The project was implemented in December 2020 in a parking house in Česana, the location of Technical Development technically approved in March 2021.





4



**FAMILY
SUPPORT**

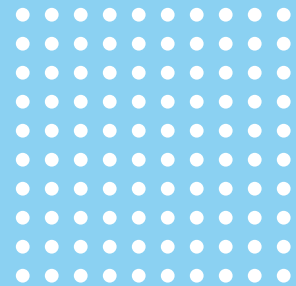
FAMILY SUPPORT, STATISTICS



Parents at the Maternity Leave

In total: 212

- Men 100%
- Women 0%



Parents at the Parental Leave

In total: 773

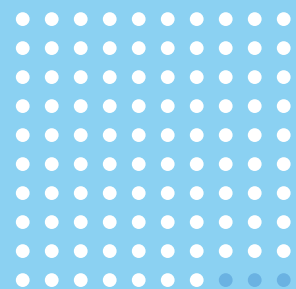
- Women 99.1%
- Men 0.9%



Parents at the Unpaid Leave

In total: 76

- Women 97.4%
- Men 2.6%



We need to do such steps that the maternity or parental leave is not perceived as a step back on a career path.

FAMILY SUPPORT

Parenting is a challenge on its own, and in 2020 it was more challenging than ever. The pandemic closed schools, and the children had to stay at home suddenly. Parents found themselves in a situation where they had to find a work-life balance and still take care of their offsprings more than usual. Households transformed into kindergartens, schools, clubs, and school canteens. Some parents had the luxury of working from home in home office mode; others did not. The latter had no other option than to stay at home and receive nursing support. And even this situation is quite unusual; it showed us how important it is to support this group of employees and be an equal life partner.

Today, many women face the question of whether to choose a career or childcare. But do they really need to choose? What can we do to help women to decide for themselves and not to have worries about motherhood? We also shouldn't forget the men who can also choose to take parental leave and should not be penalized in any way. Our journey, not the destination, is to provide all

parents sufficient resources so that they can continue to develop their career path. At the same time, they could be the best parents for their children regardless of gender or orientation.

In 2020, we revised how we as ŠKODA AUTO maintain communication with our parenting employees to keep contact and keep them updated on current events. We have created tools that can ease their return to work and support them in their new development.

The first and most crucial step was to give parents access to the new employee portal ŠKODA Space from their own device at home to read the news from the company and find all the information they need.

Unfortunately, the traditionally organized meet-up with parents called ŠKODA FAMILY could not occur in 2020 due to the pandemic. If the situation allows it, we will get together in 2021.



Challenges parents can face

Loss of an overview of what is happening in the company

The suggestion of return or prolongation of Maternity/Parental leave

Meetings late in the afternoon or evening

Biases from colleagues and supervisors

Non-flexible forms of work

Change of shifts

Possibility of grandparents that can babysit



From the mother's perspective: Petra Lauerová

Before leaving for Maternity leave, professional coordinator of external relations and CSR (SR); now on parental leave and now within the agreement on work activity as project management Green Office (PSU)

What is your experience as a parent on maternity/parental leave at ŠKODA AUTO?

I would divide this experience into two phases - planning to leave the company on maternity leave and the maternity and parental leave itself. I must admit that when I planned the departure, I received a significant amount of maternity leave information from several departments; however, there was no comprehensive guide that would provide all this information summarized and gave specific practical advice, such as step-by-step in the process of communication with the state administration regarding maternity allowance, parental allowance, or how to effectively plan my return to work.

Work is an essential form of self-realization, so I never wanted to disconnect from it completely. That's why I decided to collaborate with the SB/5 department on publishing the Guide To Maternity And Parental Leave. At the same time, I liked the idea of keeping in touch with other parents during their absence from the workplace.

Together with colleagues from the departments STR, SE, and SB, we gave life to a webinar called „Welcome Back on Board, „which helps us inform parents about the current news in the company, re-onboarding, or the latest benefits and services. We have two successful runs behind us, and their success motivates us to work on the project continuously.

I'm thrilled that the topic of parental support has an ever-increasing response in the company, especially the department SB/5, and new projects emerge with the opportunity for every mom and dad. At the same time, I am glad that parents on leave can keep in touch with the company. Not only in a passive way, watching the news on ŠKODA Space or by visiting events, but they can work on projects via the agreement on work activity if they are interested.

How do you manage to balance your work and family life during the maternity, now parental leave?

As I mentioned before, I'm the type who needs to combine family care with some other way to clear my head, and, fortunately, today's technological progress makes it possible. However, without flexible work conditions, I would not be able to support the SB/5 suddenly and at the same time focus on project activities in the Green Office department. I am so very grateful to my current manager, Mrs. Lenka Bočková, who allowed me to be within her Ecology and Labor Protection department.

She provided me with flexible work conditions, so I don't have to be so often in the office in Mladá Boleslav and spend time with my family. Still, I can also devote my time to several exciting projects concerning the circular economy or communication of green topics. Of course, it's often challenging and still involves work in the evenings, but it's a form of relaxation, and I am grateful for this possibility.



What are the key skills people learn as a parent but can use in the work environment?

In my experience, it is definitely time management, task organization, and problem-solving. I must admit that now I can handle something that would take much longer previously in a record short time. At the same time, a person can't avoid multitasking, which means they can cope with a greater number of different tasks.

Projects

A Guide For Parents On Maternity and Parental Leave

Under the leadership of Petra Lauerová and with the contribution of specialists from departments across the company, in February 2020 we published, a Guide to Maternity And Parental Leave. This practical guide aids employees who are currently on maternity or parental leave to navigate a large number of topics (the process of leaving for maternity or parental leave, legal deadlines, the process of re-integration back into employment, training,

benefits, or how to maintain contact with the company). The guide also helps all departments hiring parents and all direct superiors with an outlook on the whole issue. Parents can download the guide from the ŠKODA Space employee portal or in a printed version at the HR Care department. The guide is regularly updated to maintain the highest added value and stay current.

Link for an online version
of the guide



GUIDE



A webinar for parents “Welcome Back on Board”

Due to the safety situation in 2020, the annual meet-up of parents ŠKODA Family could not happen. However, the meet-up was replaced by interactive webinars called Welcome Back on Board. In 2020, we held the first two runs. Parents on maternity or parental leave were able to connect to an online webinar from their personal devices from the comfort of their home. The target group of the webinars is parents who plan to return to work in the shorter horizon. The goal is to inform them about current events in the company, the development in the pandemic

situation, and what is happening during their absence, the current and latest benefits for parents, educational or health care opportunities, and last but not least, to introduce them to the topic of diversity and inclusion. Parents could ask direct questions, which guests answered during the webinar. CEO Thomas Schäfer also attended the historically first webinar for parents to greet the parents and express his support for their re-integration back into the company.



Link to the webinars:



[FOR THE DIRECT AREA](#)



[FOR INDIRECT AREA](#)



5



INTERNATIONALIZATION

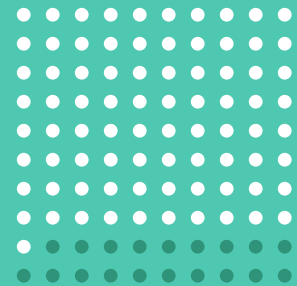
INTERNATIONALIZATION, STATISTICS



Foreigners vs. Czechs ratio - direct employees

In total: 22,703

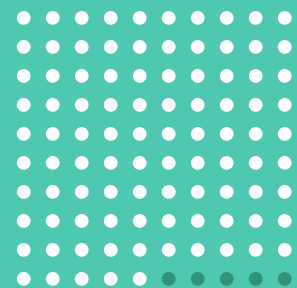
- Czechs 80.8%
- Foreigners 19.2%



Foreigners vs. Czechs - indirect employees

In total: 11,100

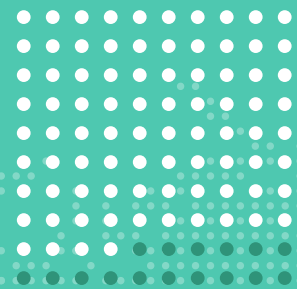
- Czechs 95.3%
- Foreigners 4.7%



Foreigners vs. Czechs in management

In total: 711

- Czechs 84.1%
- Foreigners 15.9%



10
America

4,514
Europe

4
Africa

84
Asia

Foreigners working
at ŠKODA AUTO in the
Czech Republic

INTERNATIONALIZATION

ŠKODA AUTO is active in more than one hundred markets in the world. Each customer is unique and has individual needs, habits originating from the environment in which they live, where they grew up, and what socio-economic circles they are from. This means that we must keep the diversity of our customers in mind throughout the life cycle of our products. To identify their real needs, we need diverse teams. Ethnic-diverse teams help us understand our customers' cultural and ethnic environment and better recognize their requirements and needs or how they make decisions and what is crucial for them during this process.

However, the need for diversity should not be limited to the product or customer only. We must understand that society, in general, is changing. The younger generations that grew up in a global environment have a more affluent cultural background, thanks to the Internet, social networks, and global content consumption. They have a more extensive range of possibilities, and the international aspect of diversity is part of their world compared to the older generations.

ŠKODA AUTO has a long tradition of international cooperation. Our employee base includes over five thousand foreigners from more than fifty countries, all working in different positions ranging from blue collars to managers. We have direct responsibility within the VW Group in regions like India, Russia, and North Africa and subsidiaries in Germany and Slovakia.

We welcome foreign graduates among our employees as part of the Trainee Program. This is an annual talent program for university graduates who can apply within one year after their graduation, and during a one-year-long period, they can try different job positions according to their focus and really choose what they enjoy and are interested in, including one trip abroad. Within the program itself, they participate in different projects and activities focused on their development. Above all, they become part of the international community of current and former trainees.

Another project in support of the internationalization at ŠKODA AUTO is the possibility of international job rotations throughout VW Group. As part of development programs for future management roles, our employees can participate in international projects and be sent abroad for an extended period ranging from one year onwards. Employees can then benefit from the exchange of know-how, mutual project support, and personal development. All this is also sustained by intercultural training.



The Trainee Program has a long tradition at ŠKODA AUTO. We've seen many positive changes during the last 28 years of its successful operation. The most fundamental change was its internationalization in 2012. As a result, we gained new and unique perspectives on the program itself and the whole company. Trainees get to know different departments during the year-long program and meet many colleagues with whom they can exchange their views and experiences. Last year, our international trainees also began to address the topic of helping foreigners adapt to Czech and corporate culture, trying to pass on their knowledge and help younger colleagues settle in.

In 2020, our international trainees started to focus on helping foreigners to adapt to Czech and corporate culture

Alžběta Budinská

Trainee Care Specialist



Intercultural management

ŠKODA Academy offers courses, webinars, and e-learning which are regular activities to support international cooperation at ŠKODA AUTO. These programs are designed to help get familiar with the country where our employees should travel and understand the culture, local customs, and behavior in different parts of the world. These pieces of training, which are available in a full-time and online form, aim to explain the issue of intercultural differences, improve communication and cooperation with foreign colleagues and their adaptation in the Czech environment and thus prevent conflicts resulting from intercultural differences.





The content of the courses/webinars is to get acquainted with the given area, to identify individual differences, to solve model situations from practice, and, last but not least, to share knowledge from real cooperation. In addition to the introductory lecture, participants will try out group work, moderated discussions, and teamwork. The scope of the course is one day, and the ŠKODA Academy organizes everything. Currently, those interested can learn interesting information about Russia, Germany, India, China, and the Czech Republic. ŠKODA Academy pays special attention to employees in preparation for long-term work abroad, for which it organizes special courses and, if necessary, provides training for other destinations (Spain, Mexico, Great Britain, Sweden, UAE, Israel...).

Last year, 2020, 21 events took place, which 192 people attended. The plan for 2021 until June 30, 2021, is 58 events with the participation of 222 people. The popularity of these courses is still growing. Thanks to the information of its employees, ŠKODA AUTO can expand its operations abroad. We are thus more competitive, and we are consolidating our position on the market - that is why intercultural management has been included among the strategically supported transformation topics of the company.



6



**GENERATION
COOPERATION**

GENERATION COOPERATION, STATISTICS



Age distribution

Age	Percentage
0-20	0.62%
20-25	6.73%
25-30	14.05%
30-35	14.27%
35-40	14.63%
40-45	17.24%
45-50	14.65%
50-55	8.97%
55-60	6.33%
60+	2.50%

Average age
of ŠKODA AUTO employee

39.8

GENERATION COOPERATION

ŠKODA AUTO is one of the largest and also oldest employers in the country. Over the years, different generations from multiple families have been part of our employee base, and for some of these families, this employer is quite a tradition. This intergenerational cooperation is a beautiful example of the importance of age diversity for the stability of the company.

Surely, you've heard of people who returned to school to complete a college degree at an older age. It is these people who speak of this experience as being rejuvenated and rediscovering their youth. Age diversity is essential to the work environment, and today, in such an incredibly dynamic time, perhaps even more now than ever. Age-diverse teams are an excellent benefit for the company. Older people learn new skills faster from their younger colleagues, and in return, they can provide them with their experience

from years of practice. The benefit of such teams is also social as they teach us mutual tolerance and respect.

At ŠKODA AUTO, we emphasize integrating young graduates into already functioning teams in the form of compulsory internships for students in our production process or in the form of optional university internships. Students of our ŠKODA AUTO Vocational School can





also join the AZUBI Car project, or so-called student car, where they work, under the guidance of their teachers, our employees from technical development and production, on the concept of a new car of their own vision to the actual production of a fully functional car.

Univerity interns become part of our teams and thus get to often work on exciting projects. Most of them write their bachelor's or master's theses at ŠKODA AUTO and have the opportunity to consult with our experts. In 2020, we held the second year of the Laurin and Klement Award, a prize for the best diploma thesis written at ŠKODA AUTO. Interns also have the chance to be nominated by their supervisor for the so-called Student Talent Pool. If they succeed, they can join in interesting meetings with top managers and board members, who will share their experience and story of their career path.

However, the possibilities are also open to doctoral students, who can participate in our Ph.D. program and work on their dissertation under our guidance, work on their research in a real environment and use state-of-the-art equipment.

To promote age diversity, we should also focus on groups other than recent graduates. That means developing the skills of our long-term employees and supporting their health and mental resilience. The corporate physician is a relatively standard affair in companies. Still, ŠKODA AUTO goes further with its own polyclinic and has a wide range of health care and employee prevention program. We have several preventive programs focused on the early diagnosis of diseases such as diabetes, oncological diseases, issues with the musculoskeletal system, especially the back, and many others. Employees can also benefit from various rehabilitation programs, psychosocial care, flu, and tick-borne encephalitis vaccinations, and more.

Once our employees completed their career path and retired, they still can enjoy some of the benefits of our products and services, as is the possibility of employee car rental, discounts in restaurant facilities, and convalescent stays.

Contribution to the Diversity Report: Jarmila Plachá

When you say the word „diversity,“ most people will naturally think of gender differences, especially in the work environment. Unfortunately, these common biases are widespread and supported by the fact that many men, rather than women, still dominate in the management of most companies. I do not support mandatory quotas for different-sex representation because this should be decided primarily by the candidate's best qualification prerequisites, experience, and knowledge, regardless of their gender or origin. That is why it is essential to talk about diversity and explain this topic to work with our biases. For this reason, I actively support all activities related to the topic of diversity and inclusion.

Personally, the topic of diversity expands out of gender diversity. Because for the last ten years, I have been working in the field of technological innovations and their implementation into business models of companies, my main interest is generational diversity and cooperation. My career path started at a bank in Singapore right after college. Most of my colleagues working at the bank were of Chinese nationality, which also meant specific rules in the corporate culture. These were completely new and foreign to me. Although several Europeans worked in the management of this bank, the corporate culture primarily respected the principle of seniority and long-term career building within one company. At that time, of course, I didn't appreciate this principle. At such a young age, who would like that when they are full of ambition and big career goals; the company tells them they need to gain work experience, deserve the position, and mature

before they have the opportunity for more important managerial positions the company. In practice, this meant that candidates had to grow into a managerial position by gradually climbing the ladder for, say, twenty years. It was unacceptable for young talent to get a management position before they deserved and worked on it.

I believe this time is fortunately over, at least in the field of IT and technology. The founders of new technology companies are, on average, around thirty years or less. These young people grew up at a different time, but most of them at this age had already gained some business experience. Often they founded several companies; some of them were successful and made a successful exit, which is when someone acquired their company, they can monetize their investments. On the other hand, some went bankrupt and started again from scratch. It would be biased to think that when someone is thirty years old or younger and has founded a technology company, he simply cannot be good enough for a management position in a large company. These people often have more experience and are more open to new changes and business development opportunities than a man who has spent thirty years in the safety of one company. These young founders of now successful technology companies and startups are often forced to take risks, invest their own money or the money of their relatives, and have a tremendous personal commitment to move things forward. They are fighting for the favor of investors. They have to get out of their comfort zone. It is no exception that before they have experienced success, they have repeatedly experienced falls and failures and had to start from the beginning. This is why they carry incredible resilience. They are constantly ready for their business to change and be willing to transform their business if required by the market or the customer. This business experience is very valuable for them and potential employers in large companies. It gives them a competitive advantage over traditional managers in large



companies who do not have similar experiences as they have not been exposed to a similar personal „struggle for survival.“ Of course, we cannot possibly generalize like that, and there are exceptions on both sides. Still, in my own experience, when I hired a person with their own business experience and their own pitfalls for a leadership role, I wouldn't be afraid to entrust management to a person based on real work experience instead of service years, even if that person has achieved it at a relatively young age.

Intergenerational diversity is critical. On one side, you might have a senior manager or expert with plenty of years of experience in one company, but they are afraid to risk or try new things because they know all possible consequences. And on the other side, you have a younger manager with plenty of energy, drive, and managerial experience from their own business who wants to change and effectuate things immediately. They have plenty of ideas, but not all of them can be implemented for various reasons that this person might not see or can't yet anticipate. The ideal scenario for the company's or department's success is to combine the experience and knowledge of older managers with the energy of young and ambitious people. It is the only way to create a situation that can multiply this intergenerational potential for the best results for the company. An excellent example of this combination is, for example, the film *The Intern*

with Robert De Niro (2015), which perfectly illustrates this contradiction and conformity of intergenerational cooperation. I can definitely recommend this movie to all who feel overqualified and those who think that they already know everything in their thirties!

Finding intergenerational harmony and setting up an alliance between representatives of different age groups is not easy. Ever since I got the opportunity to lead my first team more than 20 years ago, I have been trying to listen more and talk less. Sometimes, it's quite a challenge for me, but I don't give up and continue to work on it. Only when we actively listen, we get to know others. If we listen really carefully, we can also recognize whether someone's reactions are a subject of bias, negatively impacting the way we act. In that case, you can be the best version of yourself, but as the other party is biased, it is tough to find an agreement both personally and professionally. Therefore, the recommendation is to try to know the motivation of others and further search to find consensus and win-win solutions for all parties.

Jarmila Plachá

Head of ŠKODA AUTO DigiLab, s.r.o.



7



DISADVANTAGED

DISADVANTAGED

ŠKODA AUTO has always helped people overcome barriers, not only in personal mobility but also in terms of inclusion and equal opportunities. Whatever you encounter in life should not stop you from doing what you enjoy or a reason to change employer.

Social policy at ŠKODA AUTO exceeds legal norms and goes beyond the usual concept. Even in difficult times, we support our employees and help them find positions even when they cannot carry out their current activities due to their health. We have a Sheltered/Profile Center, where employees can find employment when some health limits occur. Several other areas, such as IT, also offer some sheltered positions.

BARRIER-FREE MOBILITY

The ŠKODA Handy project has been supporting people with disabilities and their family members since 2010. Gradually, other authorized dealers have joined the mission, and clients can find them by the name ŠKODA Handy center. Specially trained dealers help clients to find a suitable car, to consult modifications and applications for state funding. We have ongoing cooperation with the Czech Association of Paraplegics (CZEPA) since 2014 and joined forces to create the information database called VozejkMap, which helps people with disabilities to plan their trips.

For greater mobility of our clients, ŠKODA AUTO lent two OCTAVIA COMBI cars to the Czech Association of Paraplegics. The ŠKODA Neřidit program aims to financially support and motivate people with disabilities to obtain a driver's license. In cooperation with the partner organization Cesta za snem, we created an educational program for mobility without barriers of the same name for the disabled. In 2020, the ŠKODA We Love Cycling team won the Handy Cyklo Marathon relay race, promoting the sporting spirit and integrating the disabled.



Sheltered profile center and integration of seniors

ŠKODA AUTO is one of the Czech pioneers in the employment of people with disabilities and reduced mobility. Our employment policy and close cooperation with KOVO Union allow us to do so. The company operates six sheltered workshops in its domestic plants, employing more than 400 people with disabilities. Sheltered workshops are gradually transforming themselves by using modern trends in ergonomics and digitization.



We are gradually expanding this project, with some significant changes in 2020, by adding jobs in sheltered workplaces in different organizational units. In addition, we also create these work positions directly integrated into production facilities in Mladá Boleslav, Kvasiny, and Vrchlabí, where people with reduced working capacity can work directly side-by-side with other staff members. This way allows us to ensure the effective employment of disabled employees, support diversity and inclusion within ŠKODA AUTO. For these activities, we have received multiple awards. In a difficult situation in 2020 with the pandemic, this group of employees with disabilities and seniors have received above-standard care to protect their health and safety. We again expanded the number of suitable jobs during this period and thus provided other employees with employment.

The company offers a unique program to cover the needs of the elderly employees, which includes opportunities for retraining, relocation within the company to another place with a guarantee of income, rehabilitation, additional five-day paid leave, and health prevention, for example, in the form of two-week spa stays.

The company operates six sheltered workshops in its domestic plants, employing more than 400 people with disabilities.



8



**LGBT FRIENDLY
EMPLOYER**

SUPPORTING LGBT

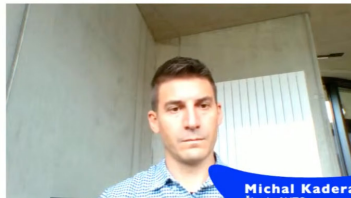
At ŠKODA AUTO, our goal is to support all areas of diversity as much as possible. Equality of opportunity, regardless of individual differences, is also firmly anchored in internal documents (Code of Conduct, Diversity Strategy, Collective Agreement)

An integral part of this effort is the support of the LGBT+ community. LGBT+ is an acronym for lesbians, gays, bisexuals, transgender people, and other sexual and gender identities. Although ŠKODA AUTO is still a newcomer in this area, we have managed to create a solid base in the form of settlement of benefits in the Collective Agreement, where the same conditions apply to heterosexual and same-sex couples. ŠKODA AUTO is thus joining the other brands in the Volkswagen Group and beyond, which are already actively involved in this topic.

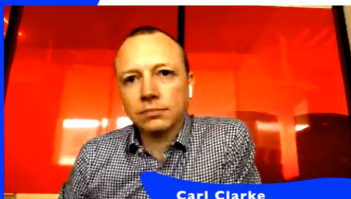
In 2020, our activities in this area focused mainly on the planned entry into the Pride Business Forum, which aims to support employers and employees in implementing the principles of LGBT diversity and fair treatment, regardless of sexual orientation or gender identity. Our representatives ŠKODA AUTO also participated in several events and discussions. The participation of ŠKODA AUTO's head of external relations, Michal Kadera, at the Pride Business Forum virtual conference is worth mentioning. Also, Jan Kotík's involvement in the LGBT Friendly Employer jury and the Pride Business Forum Heroes 2020 Awards, or our representation at the workshop, focused on coming out at the workplace.



Alena Sochorová
Microsoft



Michal Kadera
Škoda AUTO



Carl Clarke
Vodafone Czech Republic



sli.do: #PBF2020

Does your employer actively work on the advancement of LGBT equality at your workplace?



ŠKODA AUTO is thus joining the other brands in the Volkswagen Group and beyond, which are already actively involved in this topic.

Recording of the PBF conference with Michal Kadera



[PBF CONFERENCE](#)



[PRIDE BUSINESS FORUM](#)



9



**MINDSET
CHANGE**

MINDSET CHANGE

The topic of corporate diversity is sometimes an unjustified scarecrow. People are concerned that if a company starts supporting those who have been disadvantaged until now, it will automatically mean less space or support for the others. However, some people are already aware that this is not about limiting specific socio-demographic groups but only about leveling the window of opportunities, the so-called imaginary starting line. Why should a mother who is returning from her maternity or parental leave face bias and prejudices she did not face before her time away? Why does a foreign colleague attend only half of the meetings his domestic colleagues do? And why couldn't a colleague with five years left to retirement enrich his existing team with his experience worth a lifetime?

The topic of diversity is very complex, and there are many ways to approach it. The simplest but most painful and not very sustainable way is to set quotas. This way company can meet a specific goal of promoting diversity very quickly. Still, if some people don't understand the importance of diversity and how it benefits the company, they will never fully accept change. Not to forget the risk of so-called positive discrimination when candidates are assigned preferential status.

ŠKODA AUTO chooses a more extended, more challenging, but more sustainable approach by promoting a diversity of thinking and transforming corporate culture. In practice, this means that the primary goal is to support communities, educate our employees about its importance, benefits, and what they can do to make a difference. Diversity is also anchored in the Group-wide initiative called Together4Integrity, which commits each employee to co-creating a safe work environment for all without distinction.



The theme of diversity intersects with all activities of ŠKODA Academy not only as a tool for developing corporate culture.

In addition to already established cultural activities such as OPEN TALK, Role Model Program, or Corporate Culture Workshops, the topic of diversity is an integral part of development programs for leadership and management positions and other personal development programs.

In addition, all new employees encounter diversity during the first induction training and get acquainted with how we approach diversity and how we work with it.





OPEN TALK 16/06/2020

Diversity, the fourth Group Essential „We live diversity,“ was also the main topic of one of the seven Open Talks. A panel discussion platform organized by the ŠKODA Academy to strengthen open communication with top management.

The third in the line of the Open Talk series finally took place via live broadcast. The measure was taken due to the ongoing pandemic, and the event was organized in line with strict hygiene measures. Over 70 employees of ŠKODA AUTO and its subsidiaries (DigiLab, ŠkoEnerg, ŠKODA AUTO Deutschland) watched the live broadcast from the improvised studio built by the ŠKODA Academy in Mladá Boleslav. Viewers of the interactive broadcast had the opportunity to ask their questions through an online

application. The participants were members of the Board of Directors Dieter Seemann for Purchasing and Christian Strube for Technical Development, accompanied by Jana Šrámová, Head of Operational HR, Digitalization and HR 4.0, and Jarmila Plachá, head of ŠKODA AUTO DigiLab. They discussed various aspects of professional diversity, generational differences, nationalities, language skills, and the position of women and men in ŠKODA AUTO.

Complete video in all three languages versions is available in the ŠKODA Academy Media Library.



Strategy and Culture

The foundation of Strategy 2030 is our future-oriented program NEXT LEVEL ŠKODA, which focuses on three main priorities: „EXPAND,“ „EXPLORE,“ and „ENGAGE.“ One of these areas of action, MINDSET CHANGE/ TRANSFORMATION, was defined by the Board of Directors for the future strategy in order to provide ŠKODA AUTO with a long-term competitive advantage.

This project is the only one under the administration of area S, and our goal is to become more diverse, bolder, more resilient, and, in terms of our organization, more agile.

So together, we will cultivate the right culture for our strategy, a natural corporate culture that will be a strong foundation to live on every day because it is the fundament of everything we do. „Everyone should live a corporate culture the way they want to. Therefore, let's not wait for someone to dictate a change for us - let's be the change ourselves now and start, for example, by strengthening the positive routines that we already have,“ motivates Alois Kauer, head of the ŠKODA Academy and leader of this project.

Alois Kauer

Head of ŠKODA Academy





ŠKODA AUTO
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Content by SB/5
innoHR@skoda-auto.cz
www.skoda-auto.com