

PRESS RELEASE

Page 1 of 3

CO₂-neutral production at ŠKODA AUTO's Vrchlabí plant

- > ŠKODA AUTO's component plant in Vrchlabí CO2-neutral since end of 2020
- > CO₂ emissions cut from 45,000 tonnes annually to 3,000 tonnes, mainly thanks to renewable energies
- > Car manufacturer's other production sites also on their way to becoming CO2 neutral

Mladá Boleslav/Vrchlabí, 6 October 2021 – The component plant in Vrchlabí has been ŠKODA AUTO's first CO₂-neutral production site worldwide since the end of 2020. To achieve this, the car manufacturer systematically reduced its energy consumption and switched to renewable energies. In doing so, the company was able to cut CO₂ emissions at the site from 45,000 tonnes annually to its current level of 3,000 tonnes. The remaining emissions are offset through compensation measures and CO₂ certificates. ŠKODA AUTO has been producing the 7-speed direct shift gearbox (DSG) DQ 200 at the Vrchlabí site since 2012. 2,300 units are produced there every day, and the three millionth DQ200 gearbox was produced in 2019.

Miroslav Kroupa, Head of Brand Management at ŠKODA AUTO, emphasises, "As a car manufacturer, we bear a special responsibility for environmental and climate protection. We have set the course by achieving CO₂ neutrality at our high-tech Vrchlabí site, and we are showing where we are heading in terms of environmental sustainability and energy efficiency."

At the end of 2020, the gearbox plant in Vrchlabí became ŠKODA AUTO's first CO₂-neutral production site worldwide, and Mladá Boleslav and Kvasiny are soon to follow suit. Last year, 41,500 MWh of the 47,000 MWh of total energy required in Vrchlabí came from renewable sources, which corresponds to a share of approximately 90 per cent. As a result, carbon dioxide emissions fell from 45,000 tonnes per year to 3,000 tonnes.

The remaining CO_2 emissions are offset by purchasing CO_2 certificates. By financing these, ŠKODA AUTO is supporting climate protection projects, e. g. including the production of renewable energy in India and rainforest conservation.

At the Vrchlabí site, effective energy management saved more than 2,000 MWh of thermal energy and almost 1,500 MWh of electricity last year alone. Furthermore, unused heating circuits in production were closed, intelligent, energy-efficient room temperature regulation was introduced, and the air supply management was optimised. In addition, the lighting in many rooms has been aligned with the operating hours.

Since the beginning of 2019, all waste from the production process at the Vrchlabí plant has been recycled either materially or thermally – and this has been the case for all the car manufacturer's production plants since the beginning of 2020. This year, ŠKODA AUTO has also started using CO₂-neutral methane from biogas plants in Vrchlabí instead of natural gas.

ŠKODA AUTO is also investing in climate protection measures at several other locations, including the commissioning of one of India's largest solar roof systems at the Pune plant in late 2019.



PRESS RELEASE

Page 2 of 3

The largest photovoltaic roof system in the Czech Republic is also being built at the main plant in Mladá Boleslav. At the combined heat and power plant there, 30 per cent of the fuel required to generate electricity is obtained from renewable raw materials; only CO₂-neutral biomass and biogas are to be used by the end of the decade. ŠKODA AUTO also plans to further reduce emissions from coolants and company vehicles by 2030.

In addition, ŠKODA AUTO is aiming to reduce the emissions of its vehicle fleet by more than 50 per cent by 2030 compared to 2020 and is planning to increase the share of all-electric models in Europe to between 50 and 70 per cent, depending on market developments. By 2030, the company will be adding at least three more all-electric models to its product portfolio.

ŠKODA AUTO is also committed to reforestation; since 2007, ŠKODA AUTO has been planting a tree for every vehicle sold in the Czech Republic, reaching a total of more than one million by the end of this year. On the grounds of its three Czech factories, more than 1,400 trees and over 27,000 m² of hedges and shrubs are helping to protect the climate and provide a habitat for insects and other animals.

Further information:

Tomáš Kotera Head of Corporate and Internal Communications T +420 326 811 773 tomas.kotera@skoda-auto.cz Martina Gillichová
Spokesperson for the Kvasiny and Vrchlabí plants
T +420 730 862 526
martina.gillichova@skoda-auto.cz

Infographics and media image:



Infographics: CO₂-neutral production at ŠKODA AUTO's Vrchlabí plant

The component plant in Vrchlabí has been ŠKODA AUTO's first CO₂-neutral production site worldwide since the end of 2020. To achieve this, the car manufacturer systematically reduced its energy consumption and switched to renewable energies.

Download Source: ŠKODA AUTO



CO₂-neutral production at ŠKODA AUTO's Vrchlabí plant

The company was able to cut CO2 emissions at the site from 45,000 tonnes annually to its current level of 3,000 tonnes. The remaining emissions are offset through compensation measures and CO2 certificates.

<u>Download</u> Source: ŠKODA AUTO



PRESS RELEASE

Page 3 of 3

ŠKODA AUTO

- > is successfully steering through the new decade with the NEXT LEVEL ŠKODA STRATEGY 2030.
- aims to be one of the five best-selling brands in Europe by 2030 with an attractive line-up in the entry-level segments
- > is emerging as the leading European brand in India, Russia and North Africa.
- currently offers its customers ten passenger-car series: the FABIA, RAPID, SCALA, OCTAVIA and SUPERB as well as the KAMIQ, KAROQ, KODIAQ, ENYAQ IV and KUSHAQ.
- delivered over one million vehicles to customers around the world in 2020.
 has been a member of the Volkswagen Group for 30 years. The Volkswagen Group is one of the most successful vehicle manufacturers in the world.
- > independently manufactures and develops not only vehicles but also components such as engines and transmissions in association with the Group.
- operates at three sites in the Czech Republic; manufactures in China, Russia, Slovakia and India primarily through Group partnerships, as well as in Ukraine with a local partner.
- > employs more than 43,000 people globally and is active in over 100 markets.