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ŠKODA Digital Lab: Future workshop for new digital technologies and solutions

- › ŠKODA establishes ideas workshop in Prague – pilot phase started
- › Mobility of the future – new mobility services and business models for ŠKODA
- › Digitization and connectivity important pillars of ŠKODA Strategy 2025

Mladá Boleslav, 24 October 2016 – ŠKODA is strengthening its innovative power and digital development expertise by establishing a digital lab in Prague. Creative teams will be exploring and developing new business models in the innovative ideas workshop. This will involve integrating digital technologies more strongly into ŠKODA's current core business, and developing innovative connectivity and mobility services. The pilot phase for the development of the digital lab will run until the end of 2016. The digital lab is then going to operate as an independent ŠKODA business entity.

"The development of new digital technologies and solutions is of central importance for ŠKODA's future development," says ŠKODA CEO Bernhard Maier "We are preparing for the digital age with our Digital Lab. Digitization, connectivity and new mobile services are among the cornerstones of our 2025 strategy. Our goal is to develop entirely new mobility solutions for our customers. The car shall remain our core product. In the future, we will complement this with services that make daily driving easier, safer, more efficient and comfortable. As a result, ŠKODA will be shifting from being purely a car manufacturer towards a mobility service provider."

Innovative connectivity and mobility services will make a significant contribution to the company's future sales. The requirements for this are being created at the ŠKODA Digital Lab. Customer-oriented ideas and solutions can be quickly generated, tested and turned into marketable products.

In addition, the ŠKODA Digital Lab will be developing new working methods and forms of cooperation with external partners. This will include, among others, speed, adaptability and flexibility. The experience gained from the digital lab will be integrated into ŠKODA's corporate culture. Following the fundamental change in the automotive industry, the company will be in a position to meet the requirements of modern industrial culture.

"We want to send out signals for the mobility of the future – both internally and externally," explains André Wehner, Head of Corporate Development and Digitization at ŠKODA. "The digital lab is creating the prerequisites for even greater innovative strength at ŠKODA, and will connect the automobile to the digital world."

The exchange with other future workshops within the Volkswagen Group will be key. The ŠKODA Digital Lab will be working closely with the people responsible for digitizing the



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Volkswagen Group and the brands. The exchange of experience and results will therefore benefit the entire Volkswagen Group.

At the ŠKODA Digital Lab, creative minds from various fields will be developing ideas, and solutions – regardless of their parent company, start-up centre or incubator – that can be used in practice by the Czech automobile manufacturer. “With the Digital Lab, ŠKODA is taking a new path in the development of products and services. It will be important to optimally combine the learned working methods of the automotive industry with the requirements of the young digital world,” says Wehner.

The pilot phase of ŠKODA Digital Labs is currently underway. The Czech carmaker is working on this project in a strategic partnership with several development companies. IT professionals from ŠKODA and development companies are jointly developing novel technologies and solutions.

ŠKODA examined three vibrant areas of Prague, which are characterized by their creative environment, as possible locations for the digital lab. The Czech capital also has the advantage of being in close proximity to ŠKODA’s headquarters in Mladá Boleslav and leading technology companies in the country. The company envisages the workshop will commence operations as an independent ŠKODA business entity in 2017.

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ŠKODA AUTO

- > is one of the longest-established vehicle manufacturers in the world. The company was founded in 1895 – during the pioneering days of the automobile. Today, the company’s headquarters remain in Mladá Boleslav.
- > currently offers the following models in the range: CITIGO, FABIA, RAPID, OCTAVIA, YETI, KODIAQ and SUPERB.
- > in 2015 delivered more than 1 million vehicles to customers worldwide.
- > has belonged to Volkswagen Group since 1991. The Volkswagen Group is one of the most successful vehicle manufacturers in the world. ŠKODA, in association with the Group, independently manufactures and develops vehicles, as well as components, engines and gear transmissions.
- > operates at three locations in the Czech Republic, produces in China, Russia, Slovakia and India mainly through Group partnerships, as well as in Ukraine and Kazakhstan through local partners.
- > employs over 26,600 people globally and is active in more than 100 markets.

