



Czech Automotive Industry in Transition

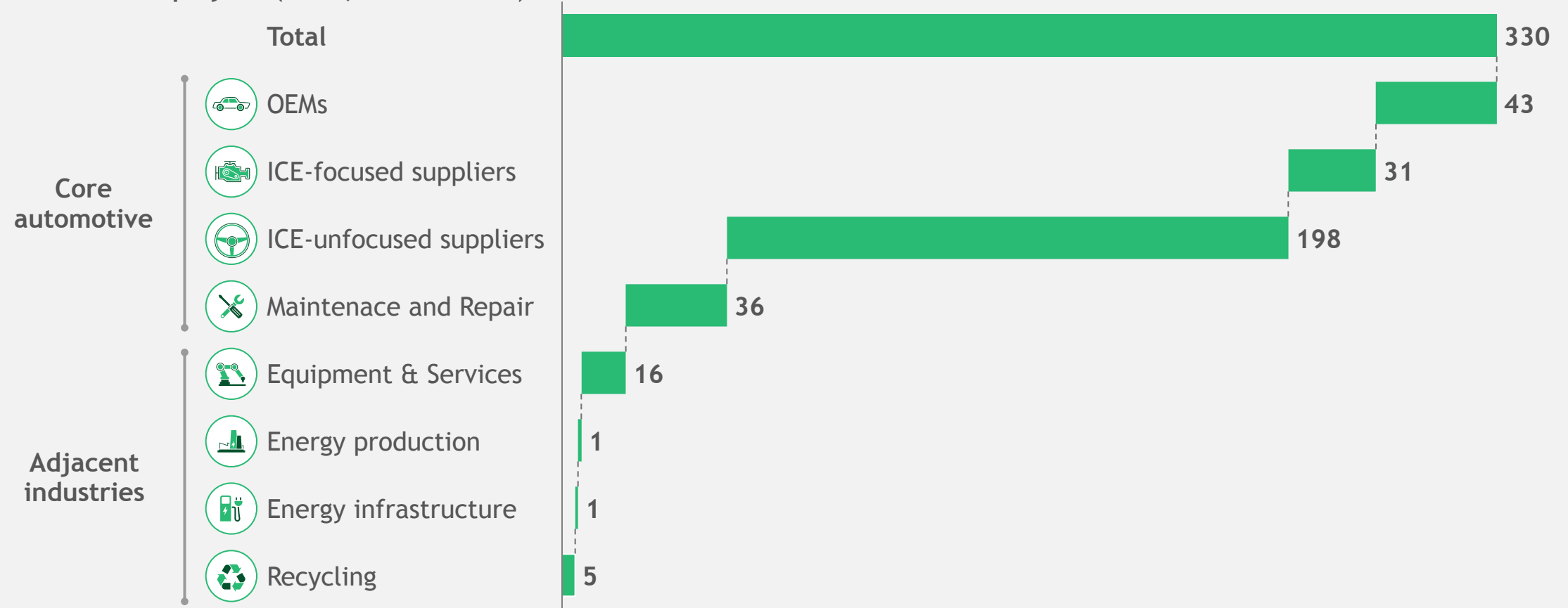
Potential Job Impacts of Electromobility in the Next Decade

PRAGUE, OCTOBER 12TH, 2022

How will the # of Jobs in the Automotive Industry change until 2030?

330K jobs in automotive spread across eight industries

Number of employees (2019, in thousands)



6

Trends impact employment in considered industries



Market volume

-1.0% Yearly sales decrease¹

-0.2% Yearly production decrease¹

0.9% Yearly car parc increase¹



Technology evolution

11% Yearly increase in software value per car



Product mix

1.3% Yearly increase in content per car

0% Increase in overall car portfolio



Productivity gains

0.4% Average yearly productivity increase



Shift to EV

58% 2030 BEV production share

100% High value-add in battery production



Job On- / offshoring

0.4% On- (+) / offshoring (-) of jobs (p.a.)

1. 2019 as baseline year
Source: IHS Markit; BCG



Positive impact on job demand



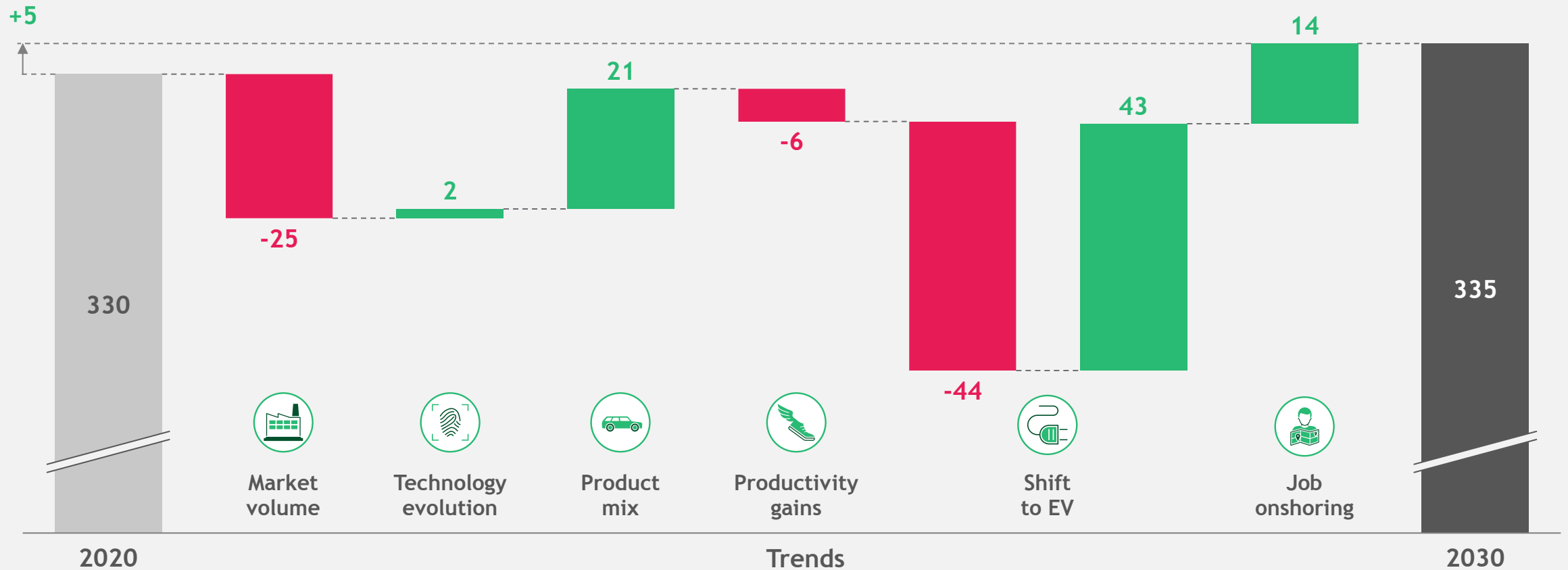
Negative impact on job demand



No impact on job demand

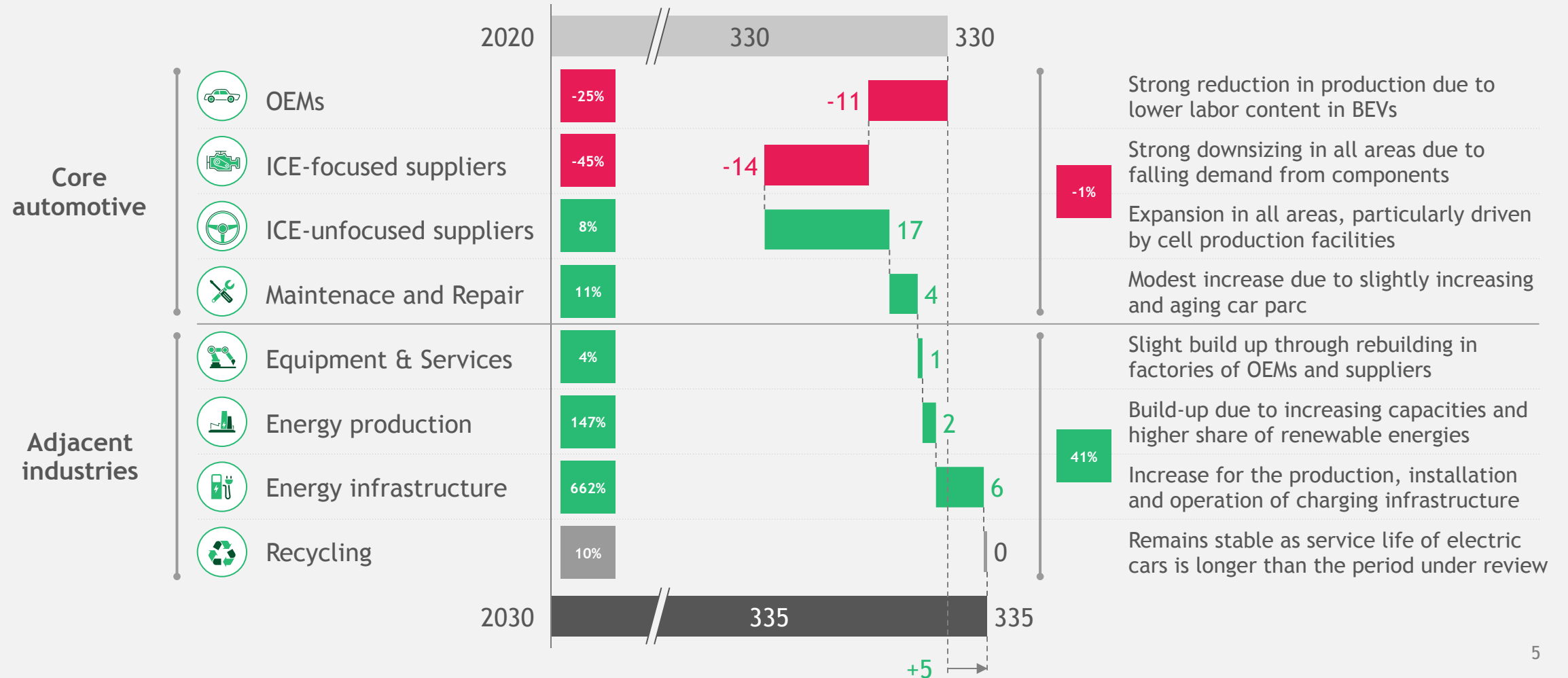
Overall positive impact, shift to EV with big transitions

Job losses and job gains (in thousands) due to various trends



Declining development in core, upside in adjacent industry

Job losses and job gains (in thousands) across different industries





Transition of job positions in 3 perspectives



Transition
over time



Pre-COVID level of ~330k
jobs reached by 2030



Transition between
industries & job families



70k jobs to be shifted
to & from industry clusters
in Auto & adjacent industries



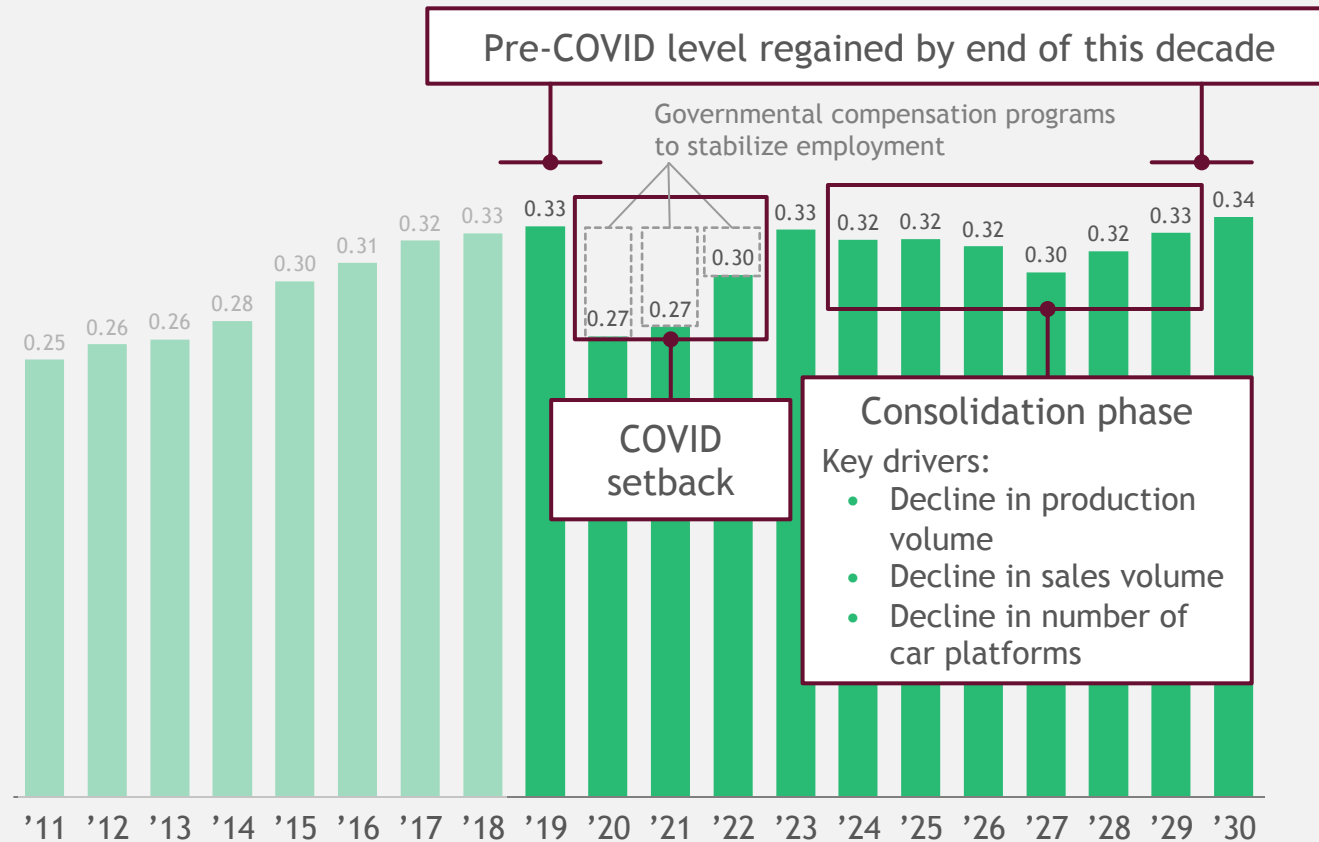
Transition
across regions



Job growth in Czech Rep.
expected, slight decline in
most of Europe

Employee demand with fluctuations until 2030

Total of job development 2010 - 2030 in the Czech Republic [in million]



Key characteristics 2020-30



Return to previous growth trajectory by end of decade



Recovery from COVID setback expected until ~2023



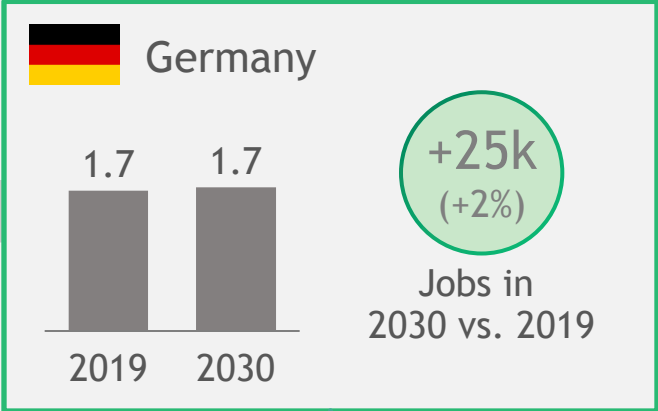
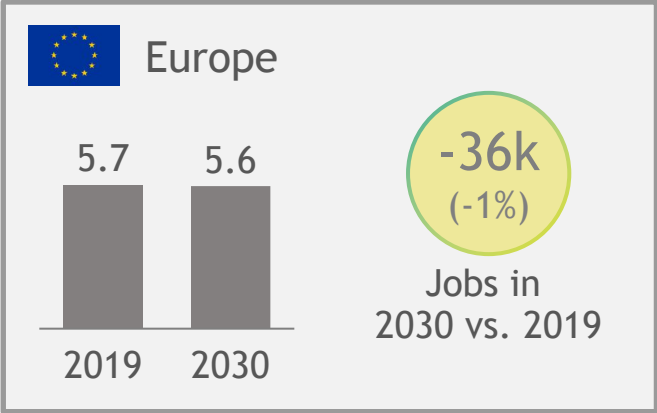
Consolidation phase 2025-27 due to total volume decline

155K positions with dedicated training needs

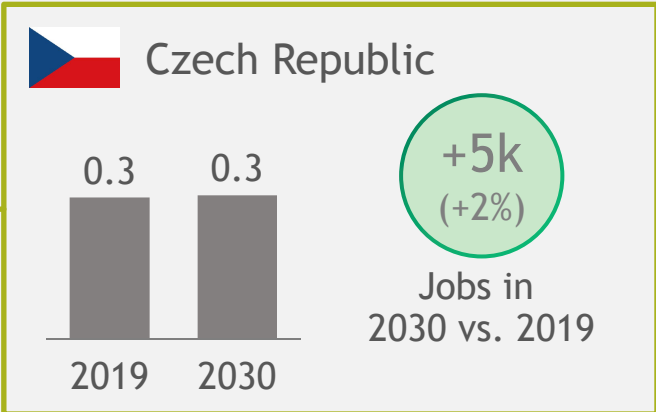
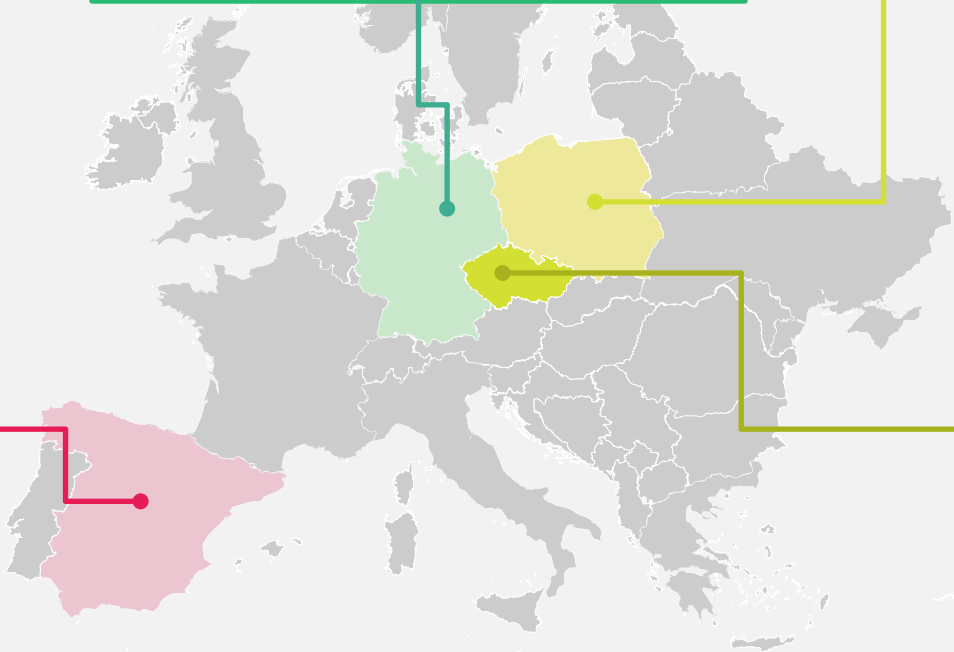
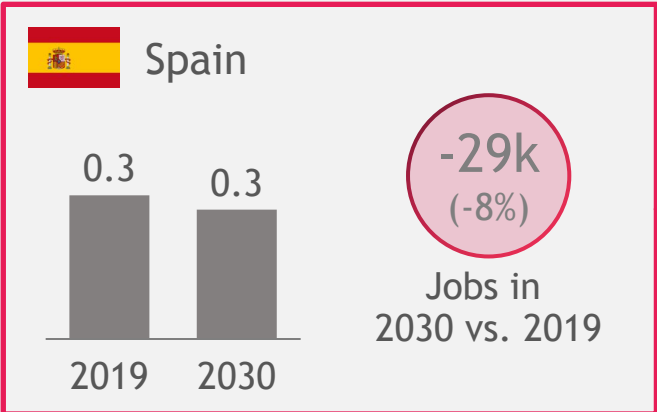
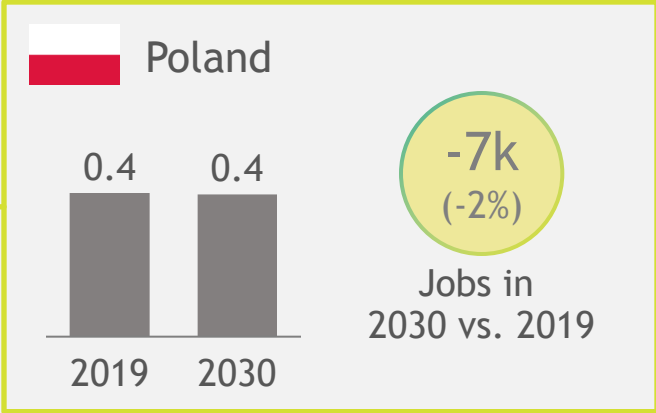
	Same job profile	Similar job profile	New job profile
Situation	Remaining in the company and profession with slightly different requirements	Change to a similar industry and / or job profile	Change to other industry and / or new job profile
Measures	On-the-job training required	Retraining and relocation necessary	Requalification and relocation necessary
Affected positions	~85k	~40k	~30k
Example	<i>Employee final assembly automotive OEM</i>	<i>Employee gearbox production to electric motor assembly</i>	<i>Employee battery cell production</i>

Czech Rep. with slight increase, withstands overall trend

Regional distribution of jobs across Europe [in M]



! Limited transitions across European countries due to personal & cultural barriers



Push vehicle electrification towards ambitious scenario ...

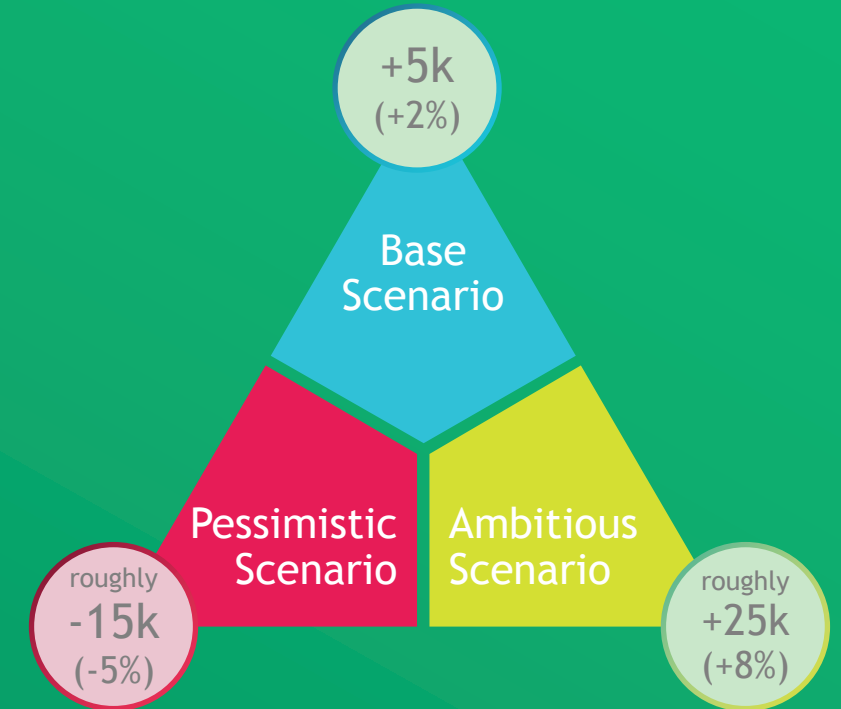
... as impact on jobs is highly dependent



The Base-Case is not a "per default"-scenario, measures need to be undertaken to achieve it

- Czech Republic in competition with other countries, especially in Eastern Europe
- The government is the responsible driver for the domestic market conditions
- Follow National Action Plan of Clean Mobility and even tighten targets
- Stimulate domestic e-mobility market by governmental incentives
- Tools by the government can comprise monetary to structural measures

Job impact per scenario
[# (%) by 2030 vs. 2019]



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