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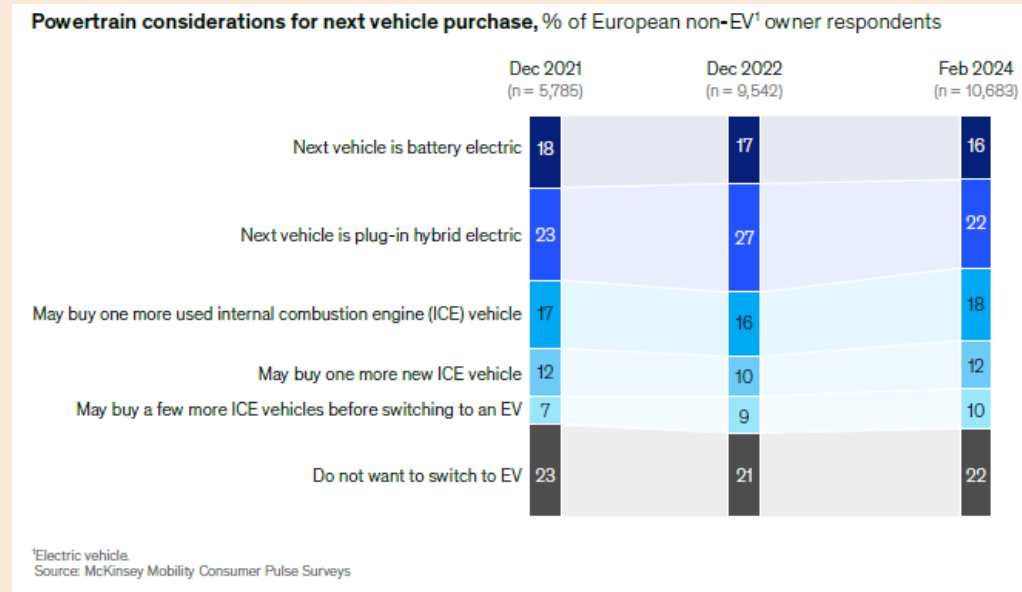
## Europe's Surprising Attitudes toward EVs...



...and what does it tell us  
about attitudes in the US?



# Stagnant attitudes don't bode well



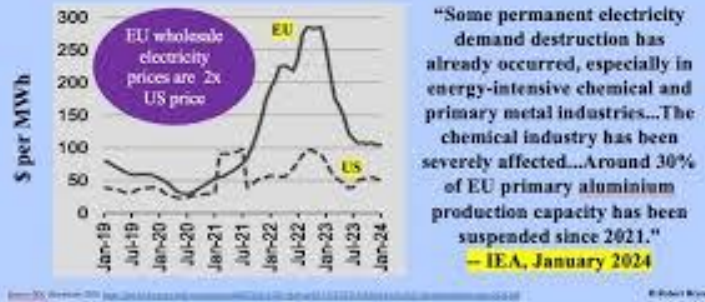
**The findings presented here are from a recently published survey by McKinsey & Company titled: *How European consumers perceive electric vehicles.***

**It is the result of polling 15,034 people in France, Germany, Italy and Norway.**

- What's most surprising about the above chart was how little movement there has been since the 2021 findings.
- What movement there has been is not going in the direction supporters of carbon-free transportation would like.
- The slight decline in the likelihood that their next vehicle will be an EV (or even a hybrid) is more startling given that Europe has been more progressive in achieving net-zero than the U.S.

# Some attitudes are universal

## EU Wholesale Electricity Prices Compared to US, 2019 to 2024



Top concerns about electric vehicles include price, driving range, and battery lifetime.

Concerns about battery electric vehicles (BEV), % of European non-BEV owner respondents (n = 1,743)

Purchase price	37
Insufficient driving range	36
Concerns about battery lifetime	35
Fear of increases in electricity prices	28
Availability of public charging stations	28
Concerns about battery decommissioning	21
Concerns about battery safety	21
Total costs of ownership	20
Need to change travel patterns on long trips	18
Cannot charge at home	16
Do not consider BEVs to be very green	16
Unclear resale value due to technology	15

Source: McKinsey Mobility Consumer Pulse Survey, Feb 2–15, 2024

**Europe suffers from the same insufficient public charging network as other parts of the world (again, sans China).**

**The cost of ownership concern is bit surprising, but less so when considering Europe’s cost of electricity can be 2-3x greater than in the US which extends the payback period.**

- **The good news:** 80% of those surveyed expect to buy an EV in the future.
- **The bad news:** Unsurprisingly, price is a universal headwind.
  - At the end of the day – notwithstanding China - it’s wealthier buyers and those fully committed to the environment that ignore price.
  - For the “masses” to get on board requires price parity.
  - Ironically, the west has placed tariffs on Chinese EVs that have achieved parity.
- The other “standard” objections of driving range and battery life are also prevalent concerns.
  - The desired driving range in Europe is about 500 km (310 miles). Interestingly, the average minimum driving range requirement in Europe has increased from 356 km in 2019 to 504 km this year.



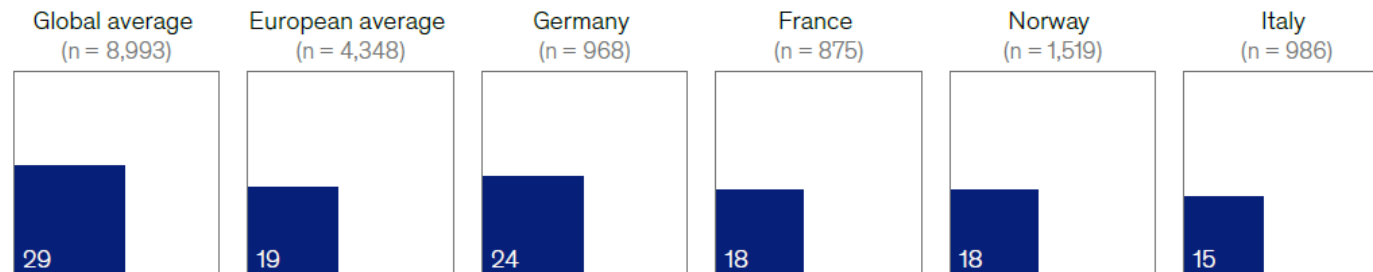
**The good news: Progress toward net-zero transportation is being made.**

**The bad news: The pace isn't what the climate movement would like to see.**

**In the near-term, this isn't likely to change.**

# Two steps forward, one step back

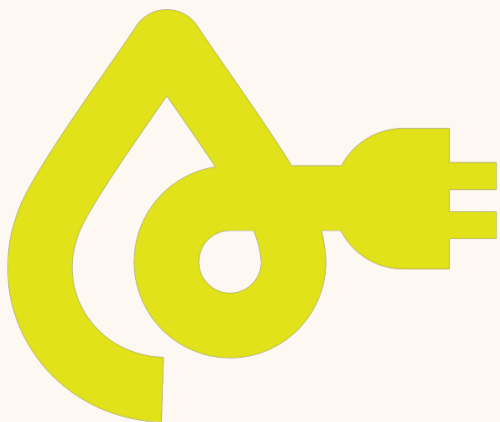
Share of current electric-vehicle owners reporting that they are likely or very likely to switch back to an internal combustion engine vehicle in the future, by country, %



Source: McKinsey Mobility Consumer Pulse Survey, Feb 2–15, 2024

- Globally, 29% of EV owners in the survey said that they are very likely to switch back to an internal-combustion engine (ICE) vehicle for their next purchase.
- Financial conditions are playing a significant role.
  - 40% of European EV owners say they need to trade down with their next purchase due to their financial situation.
  - 41% indicated that the cost of EV ownership is too high.
- In the US the McKinsey survey found that 46% of EV owners are likely to switch back to an ICE vehicle.
  - The findings are consistent with Europe's more supportive climate attitudes.
  - They are also consistent with the fact that the U.S. continues to lag behind in addressing the key obstacles.

**Tomorrow – more key findings from the McKinsey survey**



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## Unbiased and Unfiltered

- An honest assessment of the climate change effort.
- I cover what's working – but more important - the issues/roadblocks that the industry would prefer to ignore.
- A must-read for anyone with a desire to understand what's really going on with renewable energy and climate change.



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