

Annual Mobility Study 2026: Australian Insights Into the Future of Mobility

August 2026

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Australia's EV market is at an inflection point: cost parity has been reached and Chinese brands are surging, but rural range anxiety remains a structural barrier to mass adoption

- **EV and hybrid share is rising rapidly but Australia lags peer markets**
 - EV + hybrid share reached c.6% of registered vehicles in 2025, up from c.1.5% in 2021; EVs grew at c.36% CAGR vs c.10% for hybrids over the period
 - c.9% of new vehicle sales in 2025 were EVs (EVs + hybrids combined: c.30%); urban consumers show 72% three-year purchase intent vs 37% for rural consumers
 - Australia still lags Europe, the UK and Canada but has overtaken the US as of 2025
- **Cost parity has been reached; and rising fuel prices are accelerating EV uptake**
 - EV and ICE total cost of ownership reached parity in 2024-25; c.51% of non-EV owners are now willing to purchase an EV at current price levels
 - Environmental concern is a weaker driver in Australia vs peer markets; range anxiety and charging access remain the primary barriers for regional consumers
- **Charging speed, range and purchase price are the top three EV purchase decision factors**
 - Home charging capability is a critical convenience driver; public fast-charging access is especially important for suburban and rural consumers
 - Battery lifetime and performance reliability are the leading ownership concerns, alongside warranty coverage and residual value confidence
- **Chinese EV brands are gaining significant market share at the expense of incumbents**
 - BYD purchase intent surged from c.16% in 2024 to c.39% in 2026; BYD volumes rose from c.7k to c.11k units and share of EVs sold grew from c.7% to c.11%
 - Tesla purchase intent held stable at c.8%-9%, suggesting Chinese brands are capturing incremental demand rather than converting existing Tesla loyalists

Note: EV=electric vehicle; CAGR=compound annual growth rate; ICE=internal combustion engine
Source: L.E.K. Annual Mobility Study 2026; Federal Chamber of Automotive Industries; International Energy Agency; L.E.K. research and analysis

Australia lags Europe on autonomous vehicle readiness: safety concerns and technology distrust are dominant barriers, and AV deployment is unlikely before the EV transition matures

- **Australians are significantly more resistant to AV taxis than European peers**
 - 48% of Australians would never use an AV taxi vs 42% in Europe; only 14% would use one without hesitation vs 16% in Europe
 - Safety concerns are the leading barrier (70%), followed by technology distrust (48%), connectivity/GPS fears (43%), data privacy (31%) and job displacement (30%)
- **Australia is structurally c.3-5 years behind Europe on the pathway to AV deployment**
 - Europe has begun early AV taxi deployment in select markets; Australia remains in early EV transition with EVs at only c.9% of new vehicle sales and c.1.6% of the registered fleet
 - The c.33% EV new-sales threshold that historically precedes AV introduction has not yet been reached; urban consumers show the highest AV openness, mirroring EV adoption patterns
- **Commercial AV deployment in Australia is a late-2020s outcome contingent on the EV transition**
 - The mobility pathway progresses ICE → hybrid → EV transition → AV introduction → full integration; Australia is in EV transition with EVs + hybrids at c.30% of new sales in 2025
 - AV ride-sharing is the most probable near-term use case; widespread AV integration requires EVs to reach 50%+ of total vehicles, a longer-horizon outcome
 - Growing consumer familiarity with ADAS, expanded charging infrastructure and continued EV price declines are expected to shift AV sentiment through the late 2020s

Note: AV=autonomous vehicle; EV=electric vehicle; GPS=global positioning system; ICE=internal combustion engine; ADAS=advanced driver assistance systems
Source: L.E.K. Annual Mobility Study 2026; L.E.K. research and analysis

Agenda

- **The L.E.K. Annual Mobility Study**
- EV market overview
- Drivers of EV uptake
- EV customer preferences
- The rise of Chinese EVs
- Autonomous vehicles
- The L.E.K. team

The L.E.K. Annual Mobility Study is a global transport study which seeks to understand consumers, identify barriers and uncover opportunities across a variety of geographies

The L.E.K. Annual Mobility Study

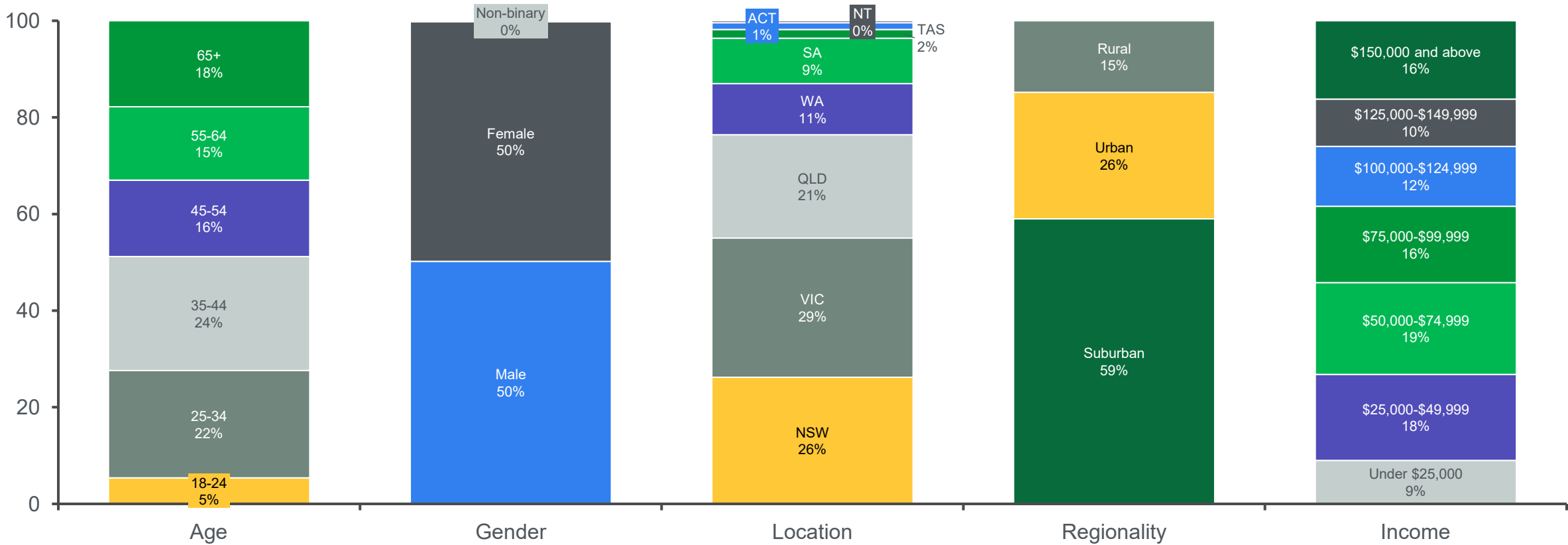
- L.E.K. Consulting, in conjunction with Vision Mobility and CuriosityCX, conducts an annual global mobility study
- The survey was established in 2016, and 2026 represents the 10th edition
- In 2026, the study had over 5,000 respondents across seven countries: US, Canada, UK, France, Spain, Germany and Australia
- **This report, which supplements the L.E.K. Annual Mobility Study report, presents a specific Australian data cut focused on electric and autonomous vehicles**
- The key areas covered were:
 - Mobility usage and adoption
 - Consumer sentiment and interest
 - Automotive mobility and adoption (including electric vehicles and hybrids)
- The study is used to:
 - Understand people's attitudes, needs and wants in mobility
 - Identify barriers to adoption
 - Uncover new mobility opportunities

The Australian respondents were from a variety of age ranges, locations, regions and income brackets

The L.E.K. Annual Mobility Study

Demographics of Australian Annual Mobility Study respondents (Jan 2025-Jan 2026)

Percentage of AU respondents (N=500)



Source: L.E.K. Annual Mobility Study 2026; L.E.K. research and analysis

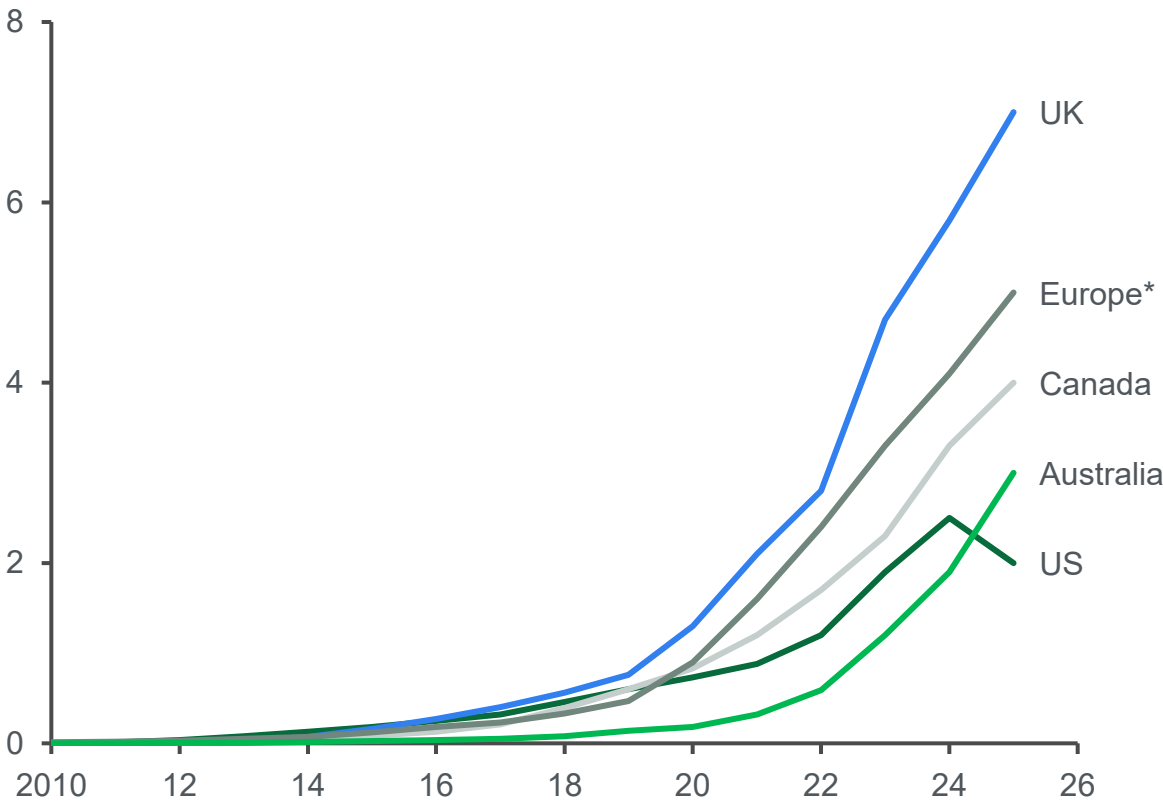
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EV share in Australia is rising at an increasing rate but still lags Canada, Europe and the UK; Australians' propensity to buy an EV suggests uptake may continue in line with Canada and Europe

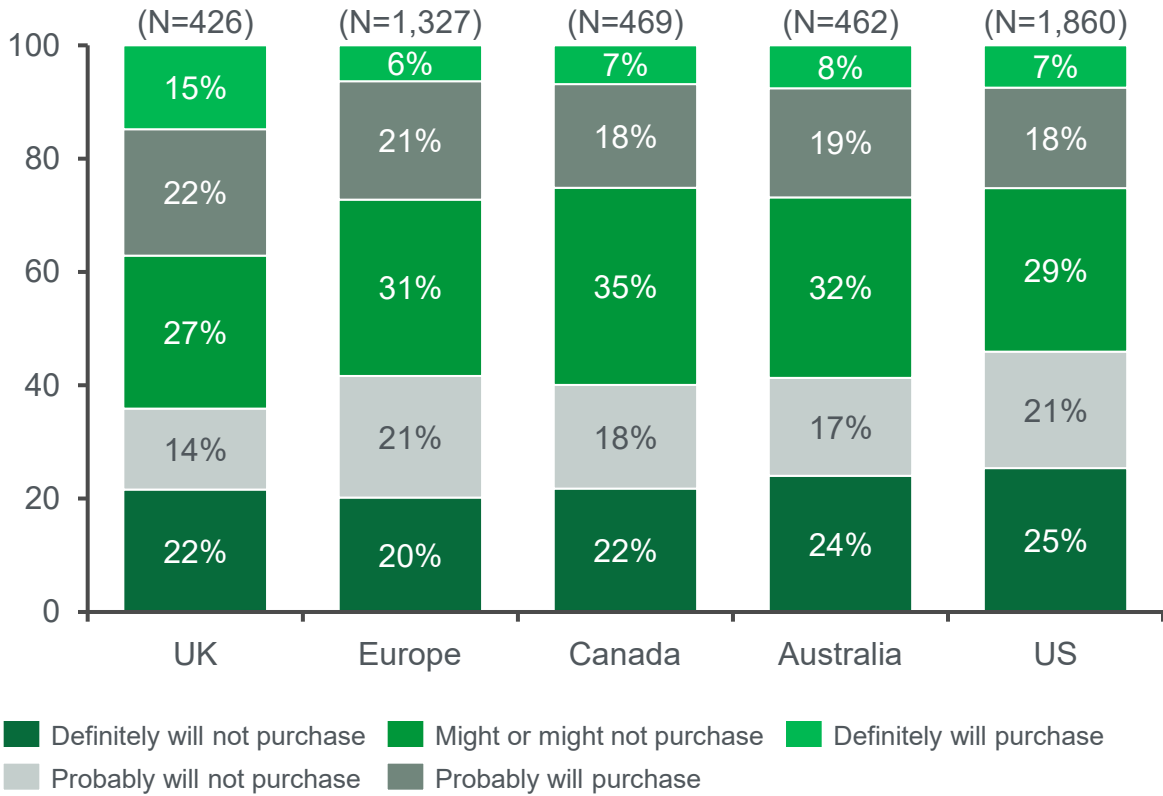
EV market overview

EVs as a share of cars in operation, by geography
(CY2010-2025)
Percentage



*Europe includes Germany, Spain and France
Note: EV=electric vehicle
Source: L.E.K. Annual Mobility Study 2026; International Energy Agency; L.E.K. research and analysis

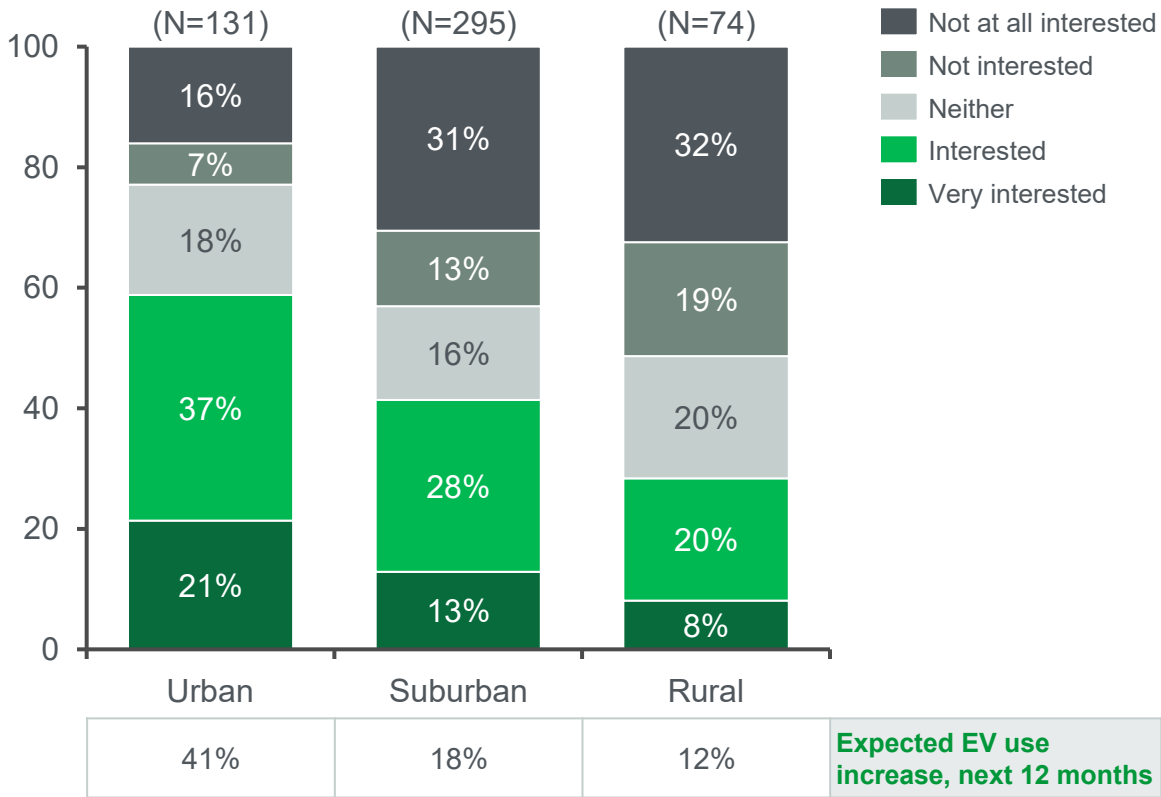
Likelihood of purchasing an EV among non-EV owners,
by geography (Jan 2025-Jan 2026)
Percentage of respondents who do not own an EV (N=4,544)



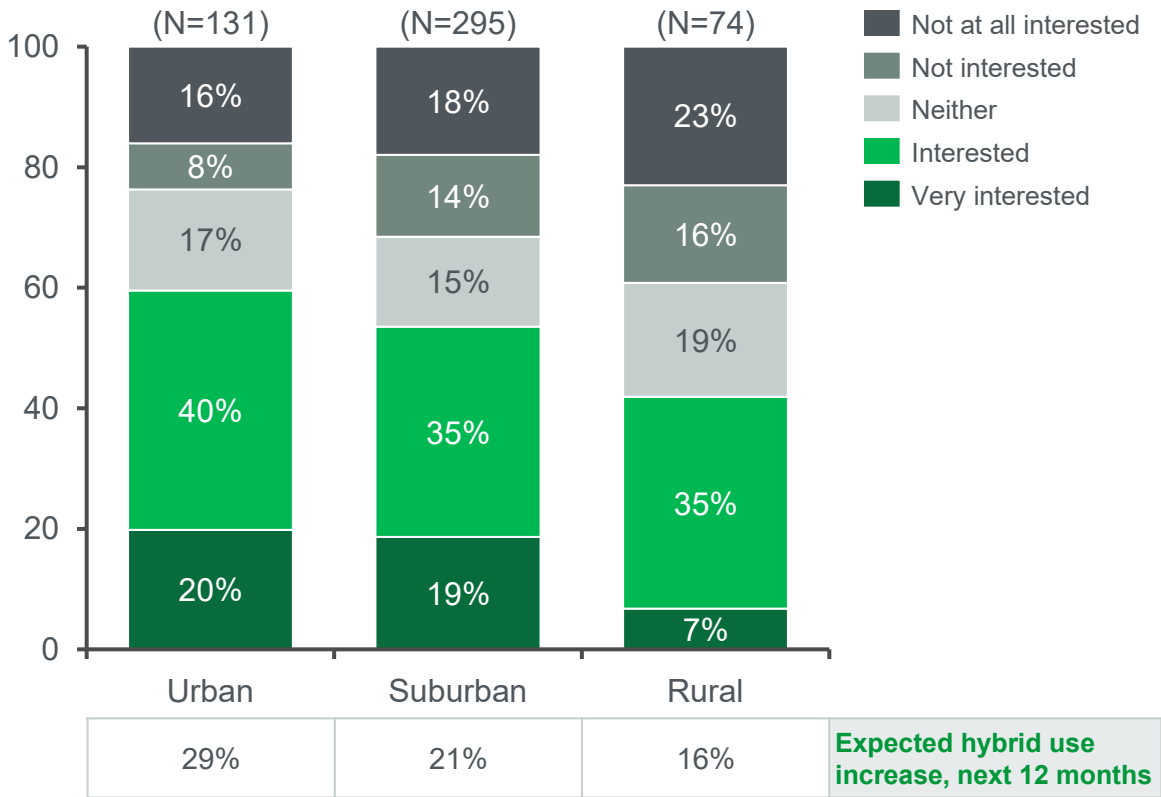
In Australia, urban respondents are clearly the highest current and expected future users of EVs; however, in hybrids, interest is spread more evenly across the regions

EV market overview

Australian interest in using EVs, by region
(Jan 2025-Jan 2026)
Percentage of AU respondents (N=500)



Australian interest in using hybrid cars, by region
(Jan 2025-Jan 2026)
Percentage of AU respondents (N=500)



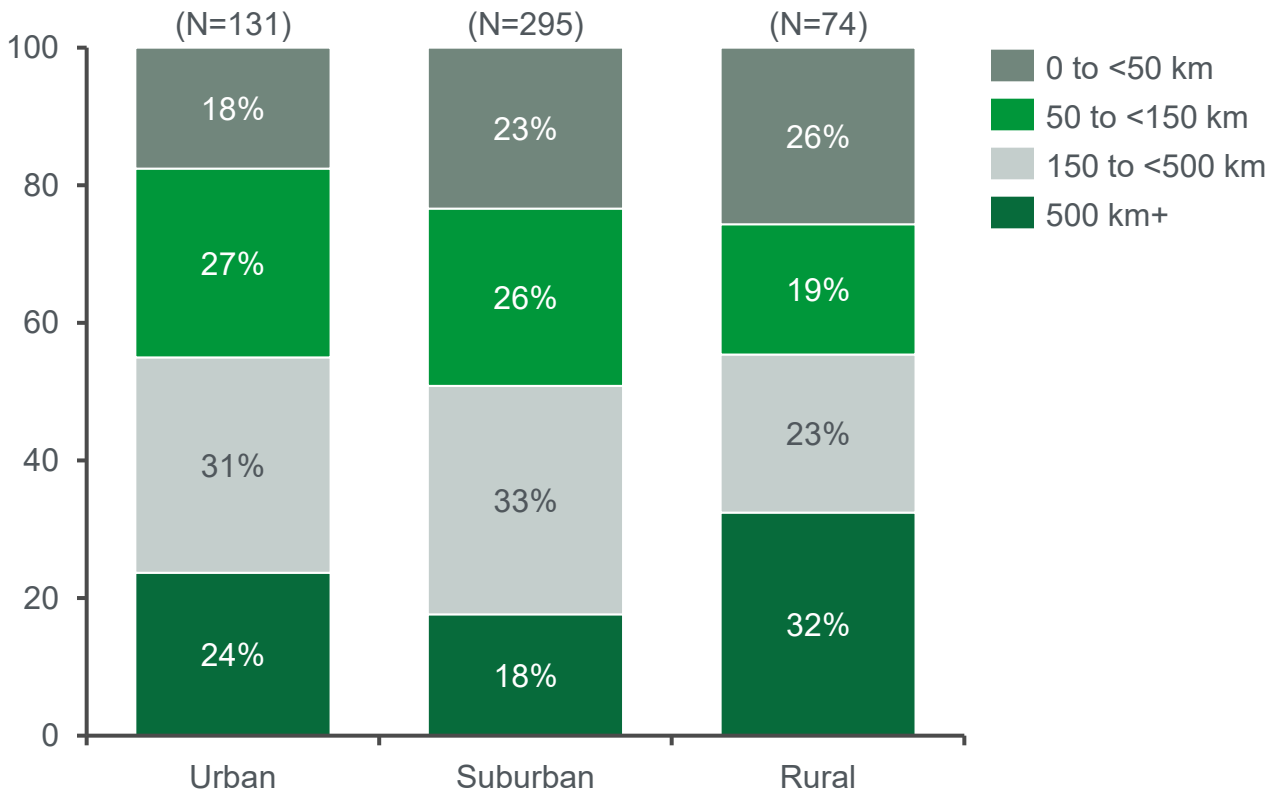
Note: EVs=electric vehicles
Source: L.E.K. Annual Mobility Study 2026; L.E.K. research and analysis

Rural drivers are nearly 2x more likely than suburban drivers to travel over 500 km weekly, c.32% vs c.18%, increasing dependence on petrol, diesel and hybrid vehicles and constraining EV adoption

EV market overview

Total distance driven per week, by region (Jan 2025-Jan 2026)

Percentage of AU respondents (N=500)



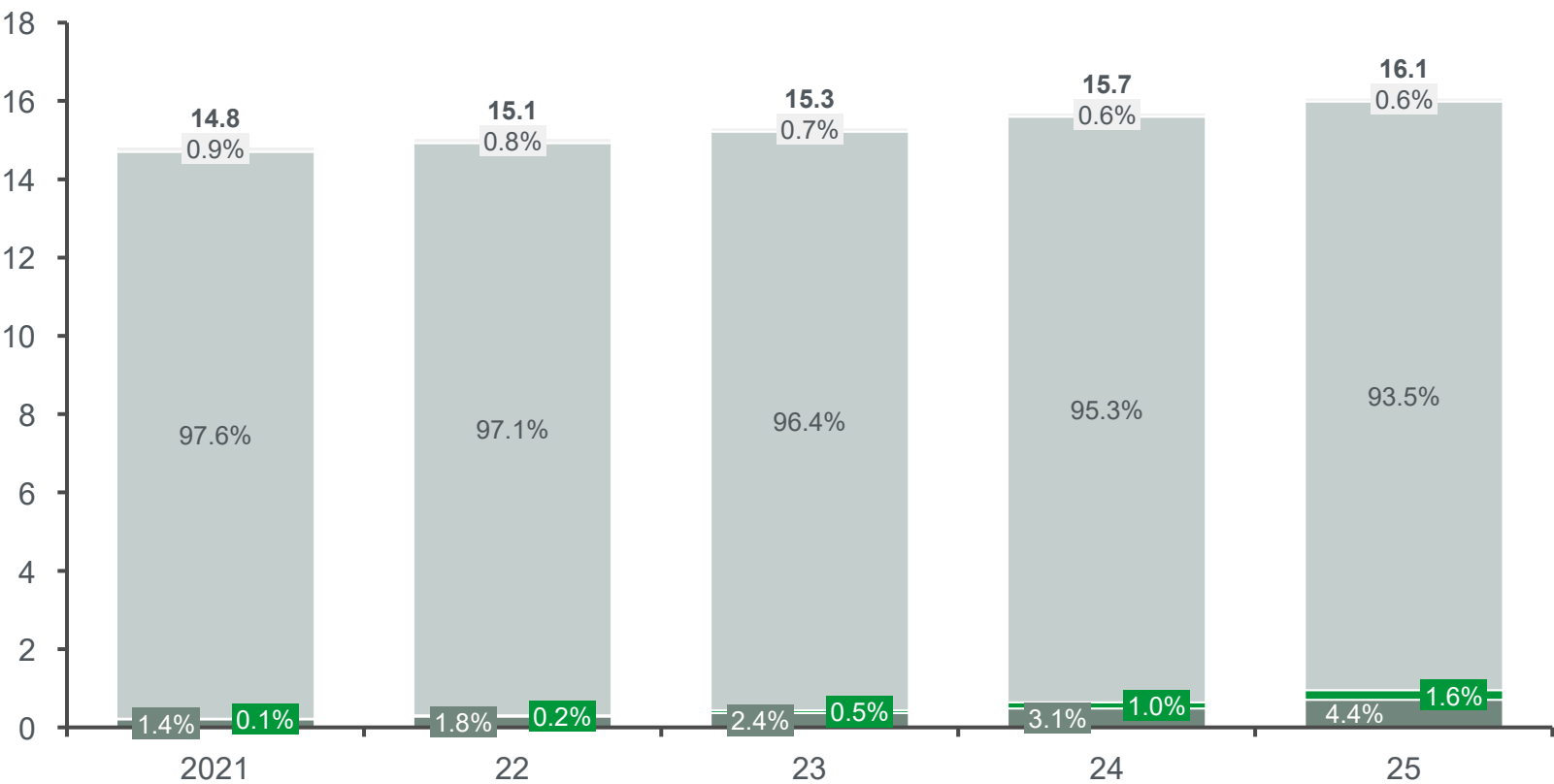
- EVs typically offer 200-600 km range, with select long-range models exceeding 700 km
- Hybrids generally deliver 800-1,200 km range
- Rural consumers face higher EV range constraints due to longer trips and less reliable charging access
- Hybrids better serve rural needs by extending range without charging dependence
- EVs are better suited to urban uptake, where shorter trips and denser charging networks reduce range barriers

Note: EV=electric vehicle
Source: L.E.K. Annual Mobility Study 2026; L.E.K. research and analysis

In Australia, hybrid and EVs are gaining share of total vehicles; hybrids have 2.5x the market share of EVs, but the number of EVs on the road has increased 3x faster than hybrids over 2021-25

Number of registered motor vehicles in Australia, by vehicle type
(Jan 2021-Jan 2025)

Millions of vehicles; Percentage



	CAGR (%) 2021-25
Total	2.0
Other	(9.9)
Petrol and Diesel	0.9
EV	99.6
Hybrid	36.1

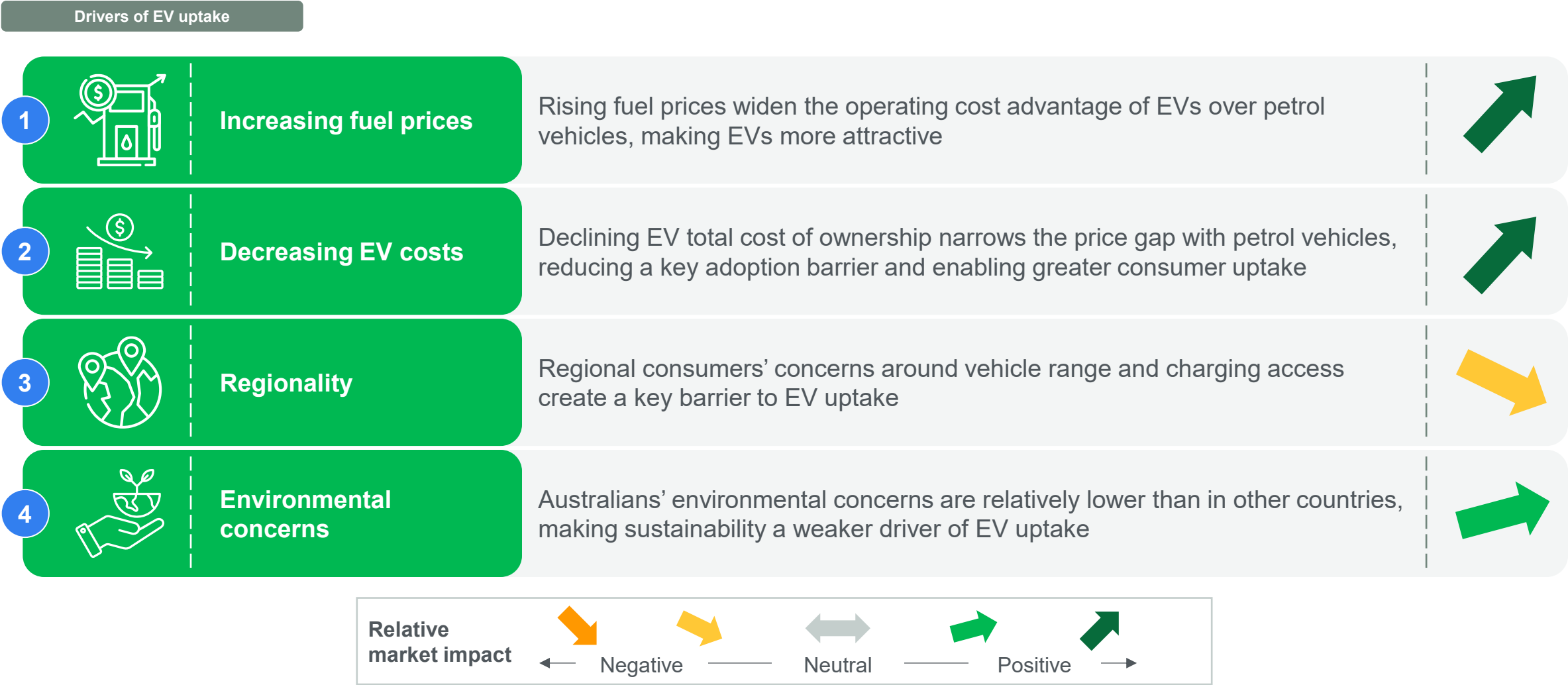
- EV and hybrid share has increased from c.1.5% in 2021 to c.5.9%* in 2025:
 - EV share has changed from c.0.1% in 2021 to c.1.6% in 2025
 - Hybrid share has changed from c.1.4% in 2021 to c.4.4% in 2025
- This data indicates Australians are continuing to purchase hybrids, but more customers are turning to EVs

* Sub-segments do not sum to total due to rounding
Notes: EV=electric vehicle
Source: L.E.K. Annual Mobility Studies 2024-2026; L.E.K. research and analysis

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- **Drivers of EV uptake**
- EV customer preferences
- The rise of Chinese EVs
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EV adoption is supported by increasing fuel prices and decreasing ownership costs, while range concerns remain a key barrier to uptake for regional consumers



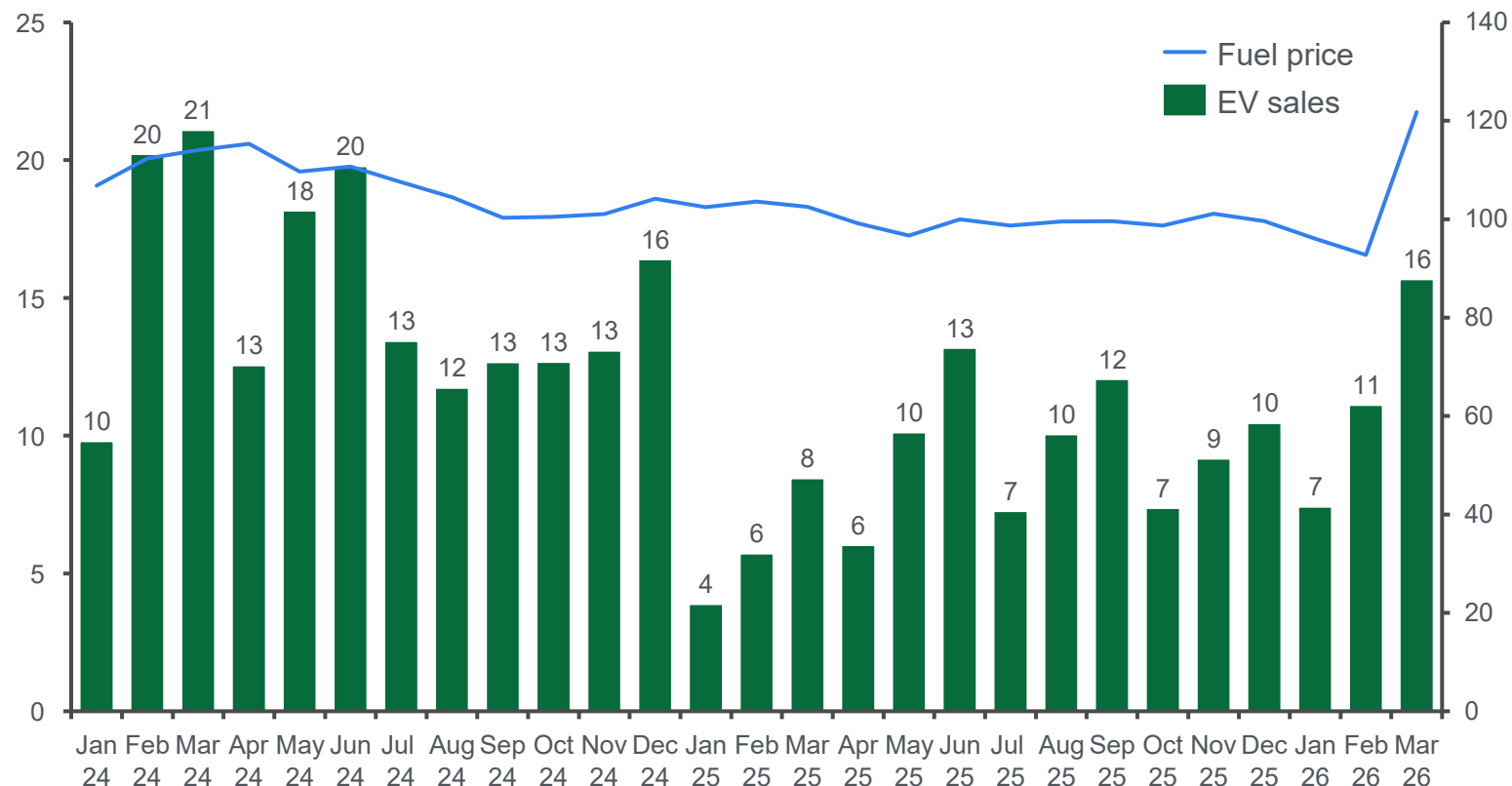
Note: EV=electric vehicle

Despite softer EV sales in 2025 relative to 2024, early 2026 volumes recovered, driven by fuel prices that appear to support EV uptake, alongside EV model availability and pricing

Drivers of EV uptake

**Total EV Sales in Australia
(Jan 2024-Mar 2026)**

Thousands of EV sales



*January 2024 to March 2024 values assume CPI remains at March 2024 levels

Note: EV=electric vehicle; ICE=internal combustion engine; CPI=Consumer Price Index

Source: Federal Chamber of Automotive Industries; Electric Vehicle Council; Australian Automobile Association; Australian Financial Review; L.E.K. research and analysis

- **Early 2025 EV demand weakness appears to be driven by headwinds at Tesla rather than fuel economics**
 - The softening in EV sales coincides with increased negative media coverage of Tesla following the change in US administration
 - Tesla, historically Australia's largest EV seller, saw sales fall c.60% in Q1 2025
- **EV sales momentum recovered through late 2025 and into Q1 2026 as market fundamentals improved**
 - Rising fuel prices, broader EV model availability and more competitively priced Chinese entrants strengthened the value proposition of EVs relative to ICE and hybrid alternatives

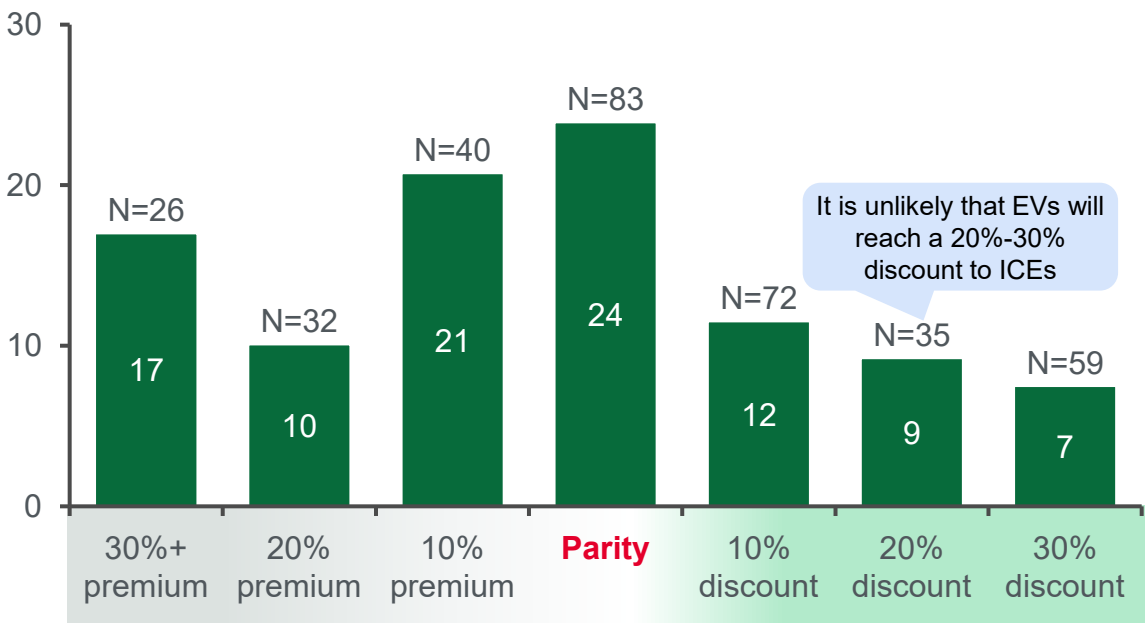
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L.E.K.'s survey suggests EV adoption is likely to accelerate when prices reach parity, which occurred between 2024 and 2025, meaning these customers are likely entering the market in 2025-26

Drivers of EV uptake

At what premium to an ICE vehicle Australians are willing to purchase an EV (Jan 2025-Jan 2026)

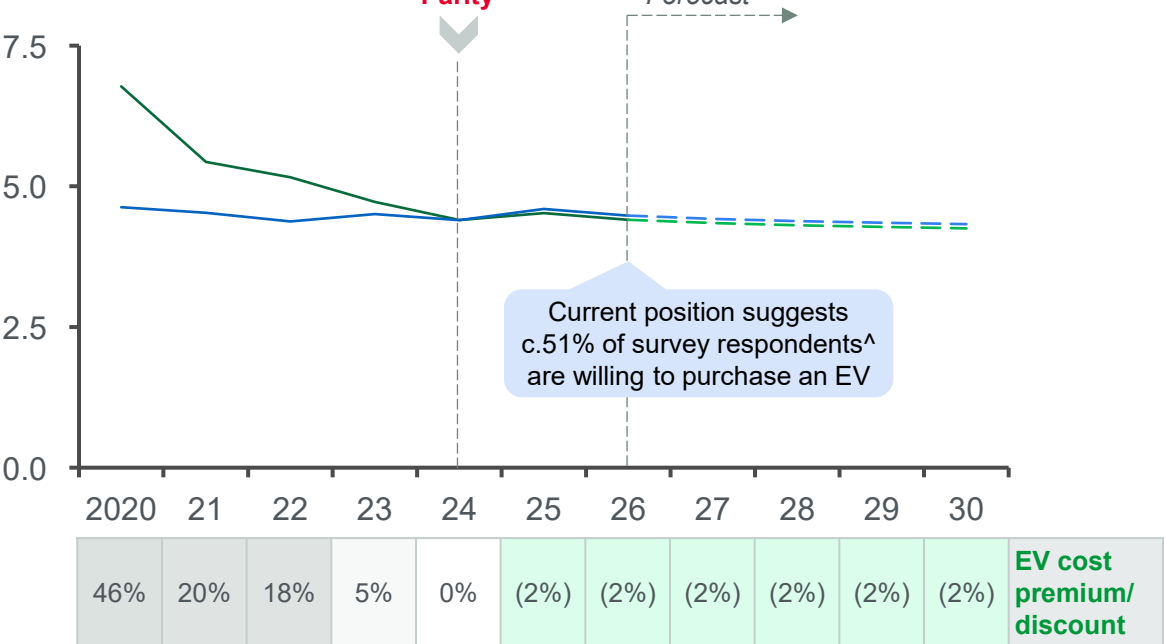
Percentage of AU respondents (N=347)^



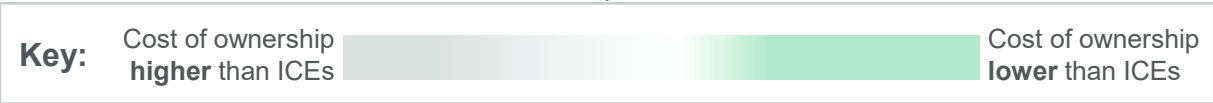
It is unlikely that EVs will reach a 20%-30% discount to ICEs

EV and ICE total annual cost of ownership* (2020-2030F)

Thousands of AUD



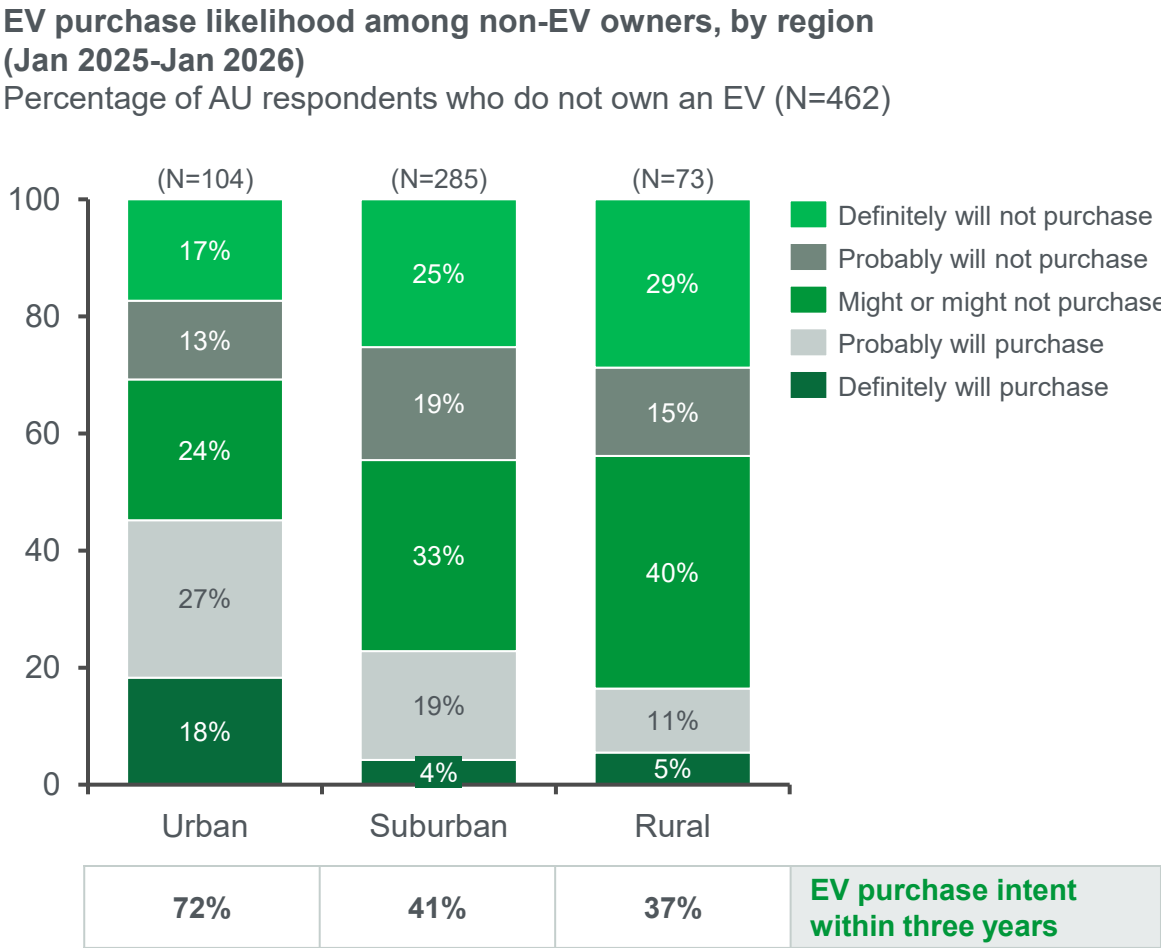
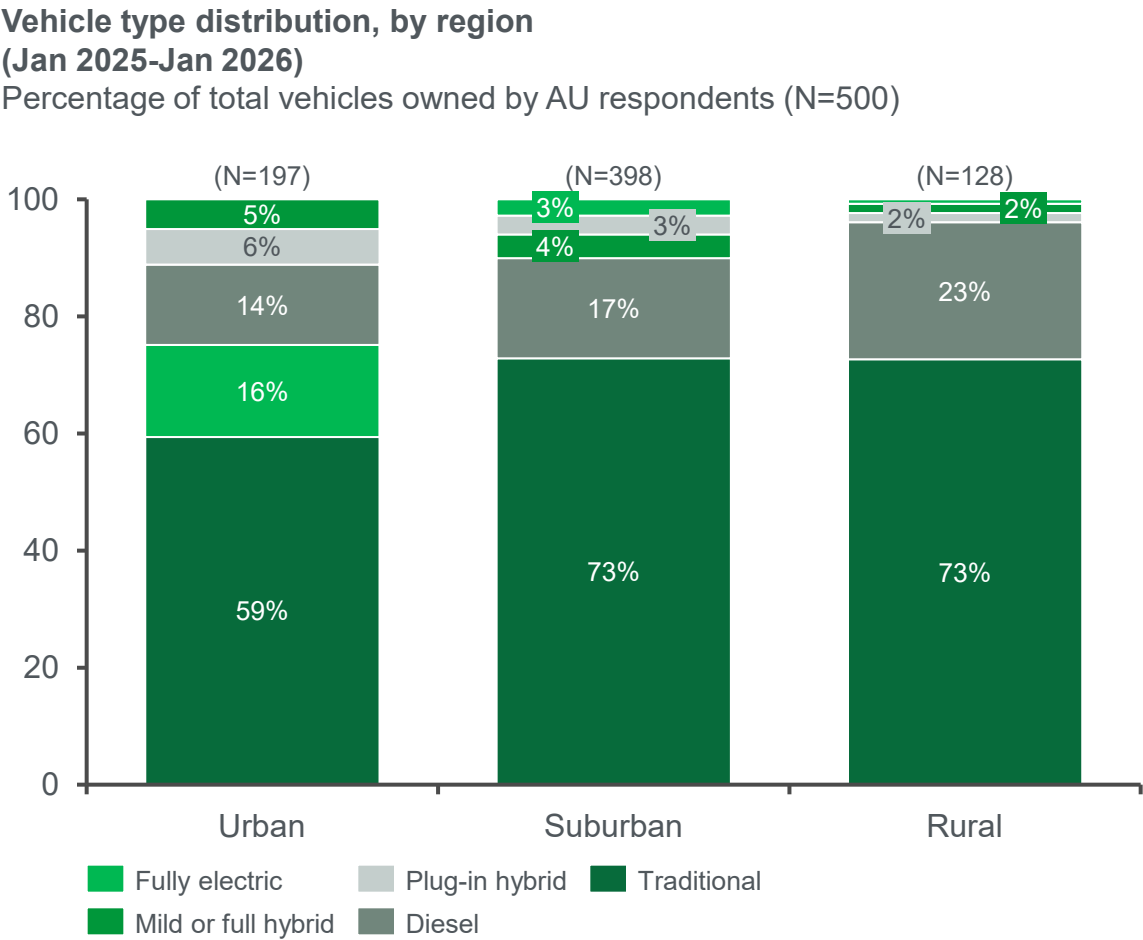
Current position suggests c.51% of survey respondents^ are willing to purchase an EV



*Evaluates the sensitivity of cost of total vehicle ownership; **Costs based on most common non-utility vehicle purchase of each class (Toyota RAV4, Mazda CX-5, Tesla Model 3, BYD Sealion 7). Costs include purchase cost (real, 2025) annualised assuming a 15-year asset lifespan, and energy costs, assuming 14,000 km per year; ^Excludes 153 respondents who would never buy an EV; ^^Forecast based on the average change over the past three years, moderated by a 0.5x adjustment factor
Note: EV=electric vehicle; ICE=internal combustion engine
Source: L.E.K. Annual Mobility Study 2026; Argonne National Laboratory (US Department of Energy); GreenVehicleGuide.gov.au; drive.com; L.E.K. research and analysis

EV penetration is highest in urban areas, with suburban and rural areas showing relatively lower intent to purchase an EV

Drivers of EV uptake



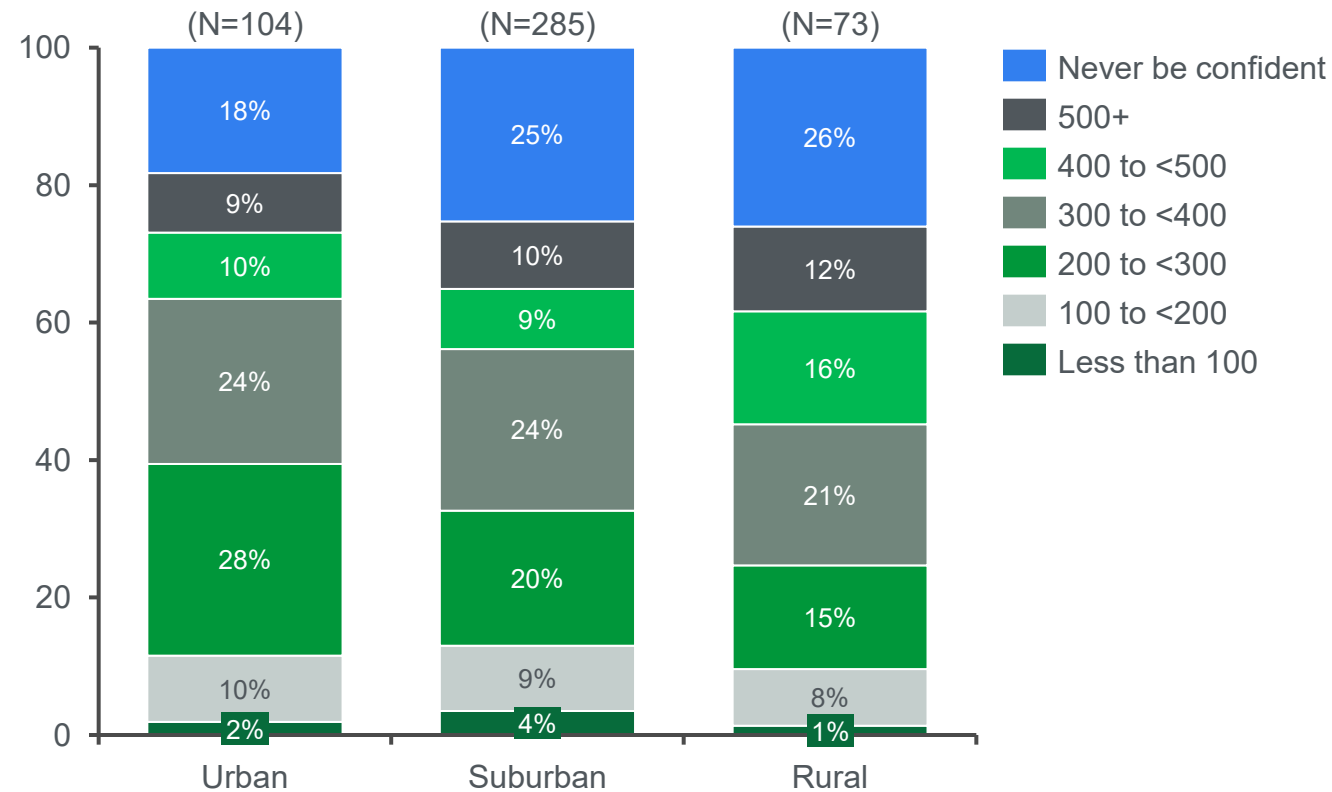
Note: EV=electric vehicle
Source: L.E.K. Annual Mobility Study 2026; L.E.K. research and analysis

3 Lower EV adoption in rural areas appears linked to range constraints, as longer driving distances result in higher minimum range expectations

Drivers of EV uptake

Minimum EV range required to trust an EV over a petrol car, by region (Jan 2025-Jan 2026)

Percentage of AU respondents who do not own an EV (N=462)



- Rural cohorts report longer driving distances than urban/suburban cohorts and higher range requirements before they would feel confident switching to an EV
- While public charging infrastructure rollout is lagging EV uptake nationally (charging points grew 121% from January 2022 to March 2025 while EV registrations grew 675%), access is even more limited in rural areas, where only c.33% of towns have a charger within 20 km
- This combination of higher driving needs and limited access to charging facilities may explain rural non-EV owners' higher range thresholds

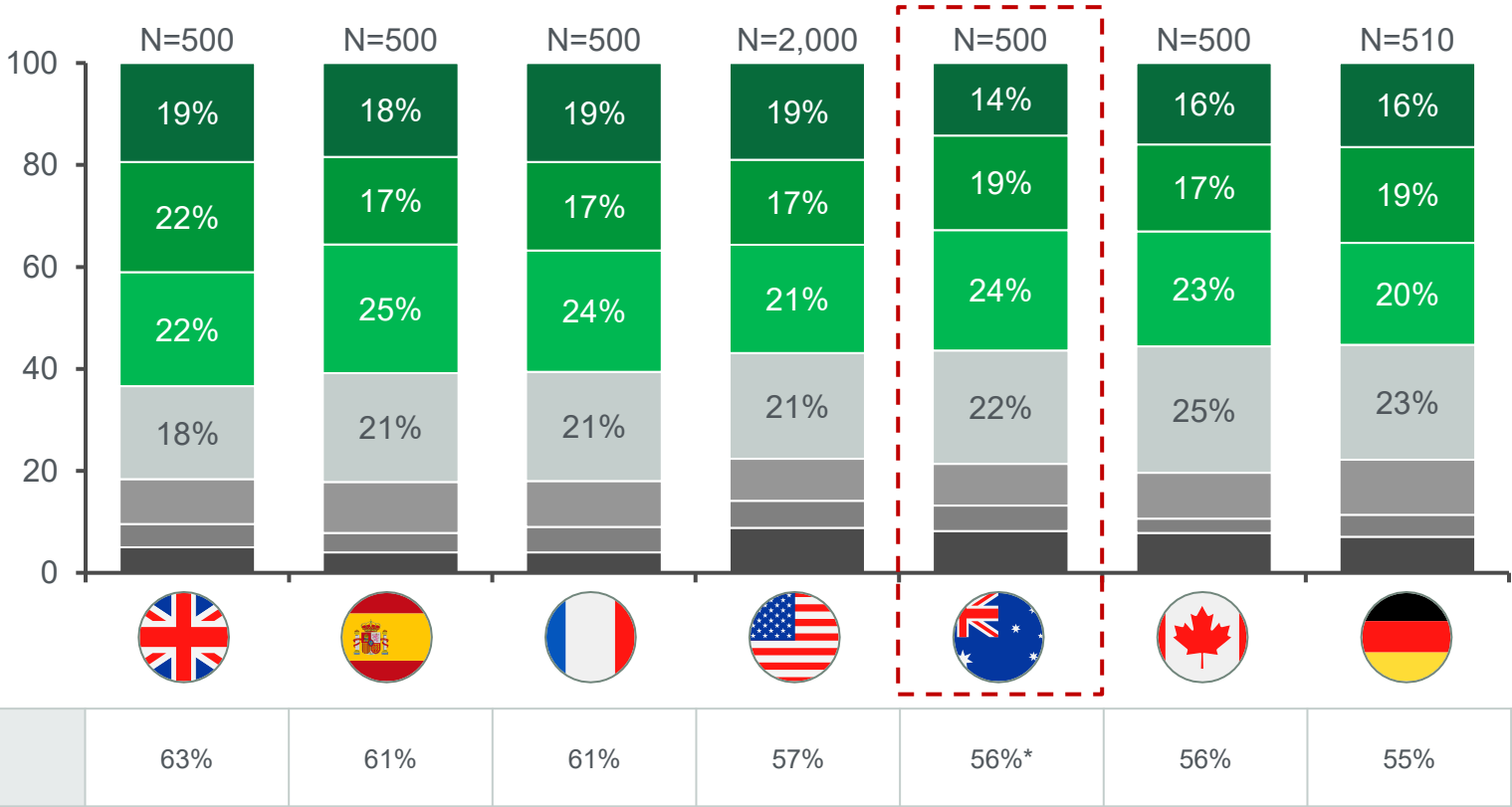
Note: EV=electric vehicle

Source: L.E.K. Annual Mobility Study 2026; Swinburne University of Technology; Energy Consumers Australia; L.E.K. research and analysis

4 Environmental concern in Australia trails several key markets, suggesting sustainability plays a limited role in EV purchase decisions

Drivers of EV uptake

Personal responsibility to reduce environmental impact, by country of residence
(Jan 2025-Jan 2026)
Percentage of respondents (N=5,010)



Key:

- 7 Strongly agree
- 6 Agree
- 5 Somewhat agree
- 4 Neutral
- 3 Somewhat disagree
- 2 Disagree
- 1 Strongly disagree

*Percentages do not sum precisely due to rounding in charts
Note: EV=electric vehicle
Source: L.E.K. Annual Mobility Study 2026; L.E.K. research and analysis

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Both EV and non-EV owners rank vehicle quality as the primary purchase criterion, but non-EV owners place greater emphasis on upfront price, while EV owners prioritise battery lifetime and performance

EV customer preferences

	EV/hybrid owners (N=85)	Non-EV/non-hybrid owners (N=415)
1	 Quality of the vehicle	 Quality of the vehicle
2	 Lifetime/quality of battery technology	 Upfront price including home charging
3	 Battery life/range on a single charge	 Lifetime/quality of battery technology
4	 Manufacturer's warranty	 Battery life/range on a single charge
5	 Charging infrastructure	 Ongoing cost of vehicle ownership
6	 Ongoing cost of vehicle ownership	 Manufacturer's warranty
7	 Energy prices going forward	 Energy prices going forward

Increasing price parity between traditional and EV vehicles is likely to drive non-EV owners' switching to EV vehicles

Key: Significant differences between EV/hybrid and non-EV/non-hybrid owners

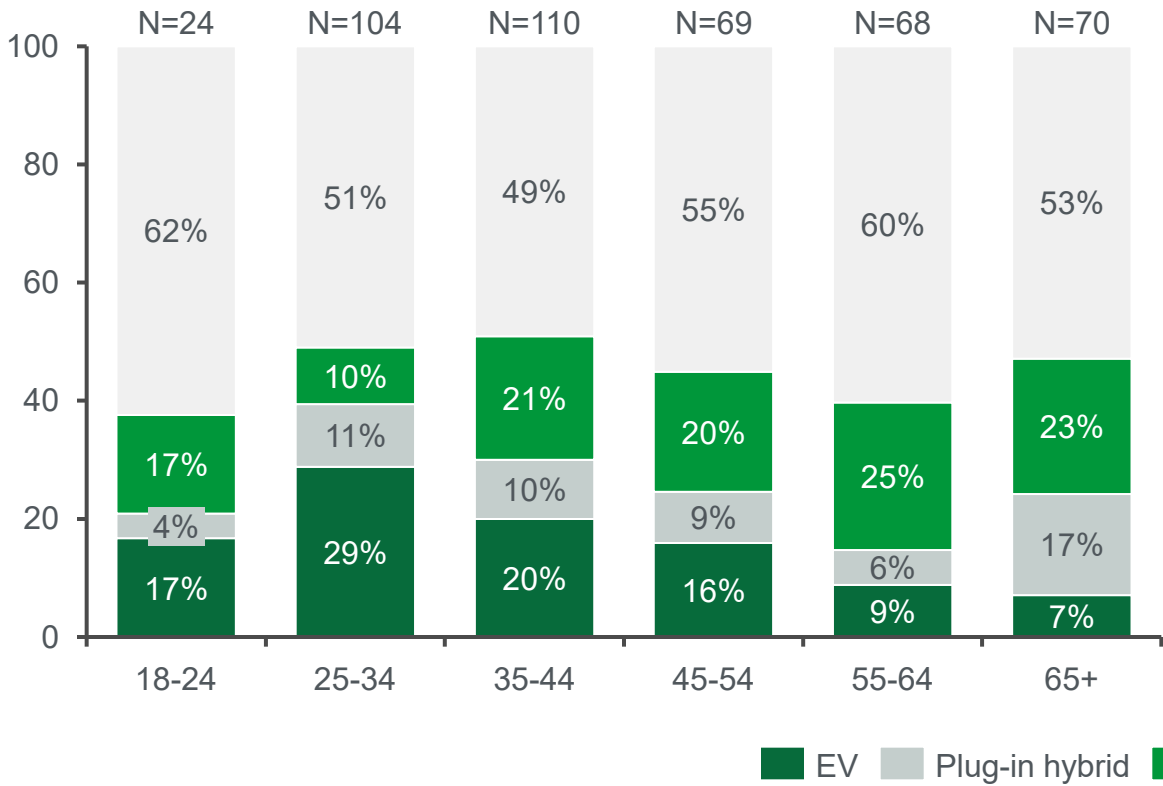
Note: EV=electric vehicle
 Source: L.E.K. Annual Mobility Study 2026; L.E.K. research and analysis

Australians aged 25-44 and current EV owners show the highest EV purchase intent, making them the key customers for EV companies

EV customer preferences

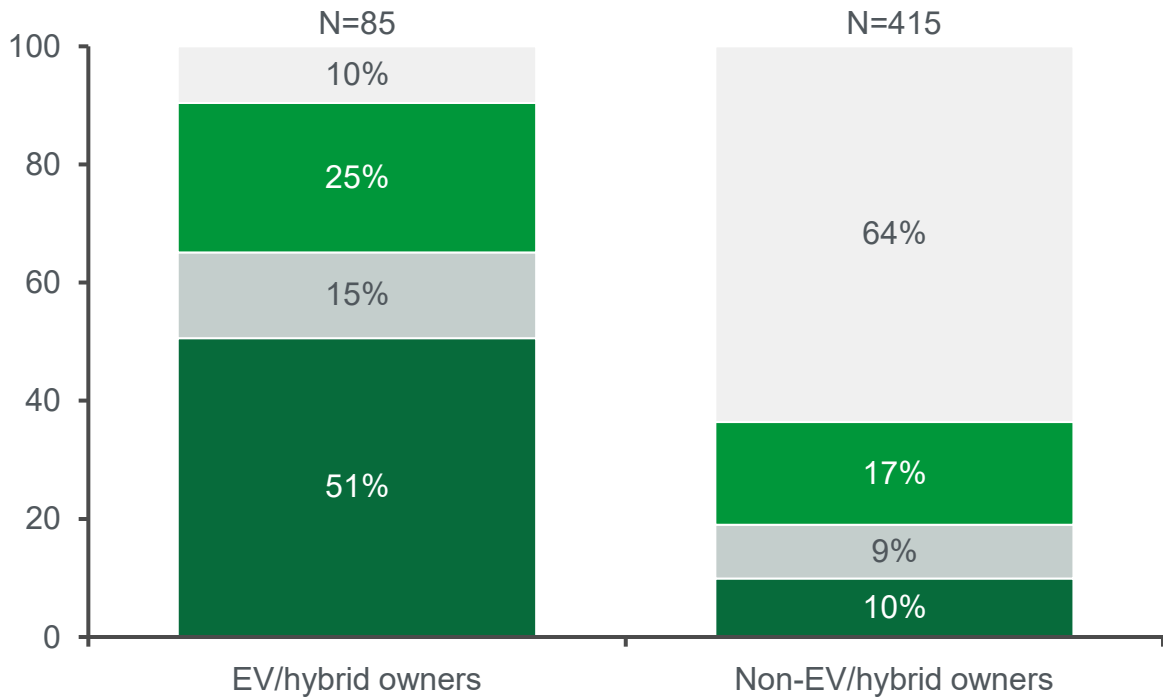
Interest in purchasing an EV, by type and age group
(Jan 2025-Jan 2026)

Percentage of AU respondents looking to buy a car (N=445)



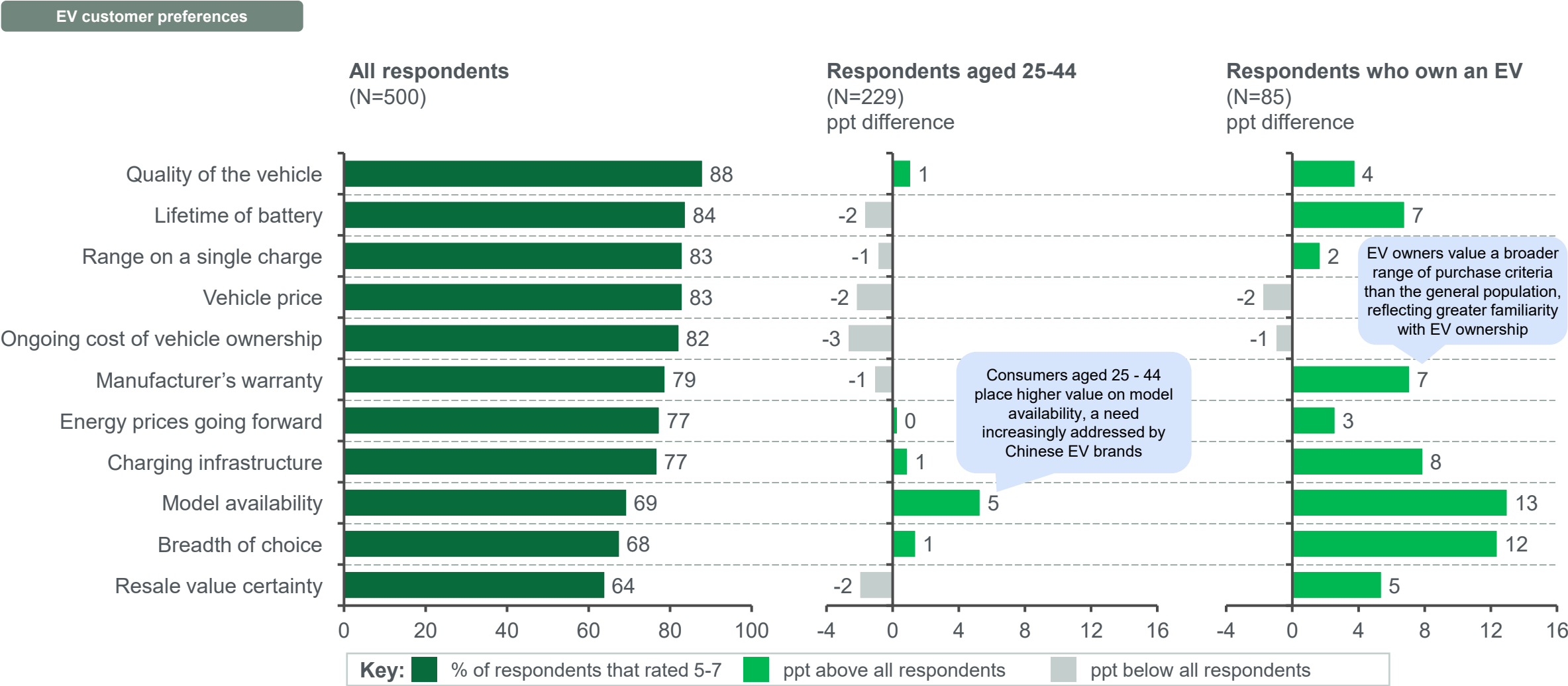
Interest in purchasing an EV, by type and car ownership
(Jan 2025-Jan 2026)

Percentage of AU respondents looking to buy a car (N=445)



Note: EV=electric vehicle
Source: L.E.K. Annual Mobility Study 2026; L.E.K. research and analysis

EV owners value a broader set of purchase criteria, while younger consumers over-index on model availability, a need supported by expanding Chinese EV choice



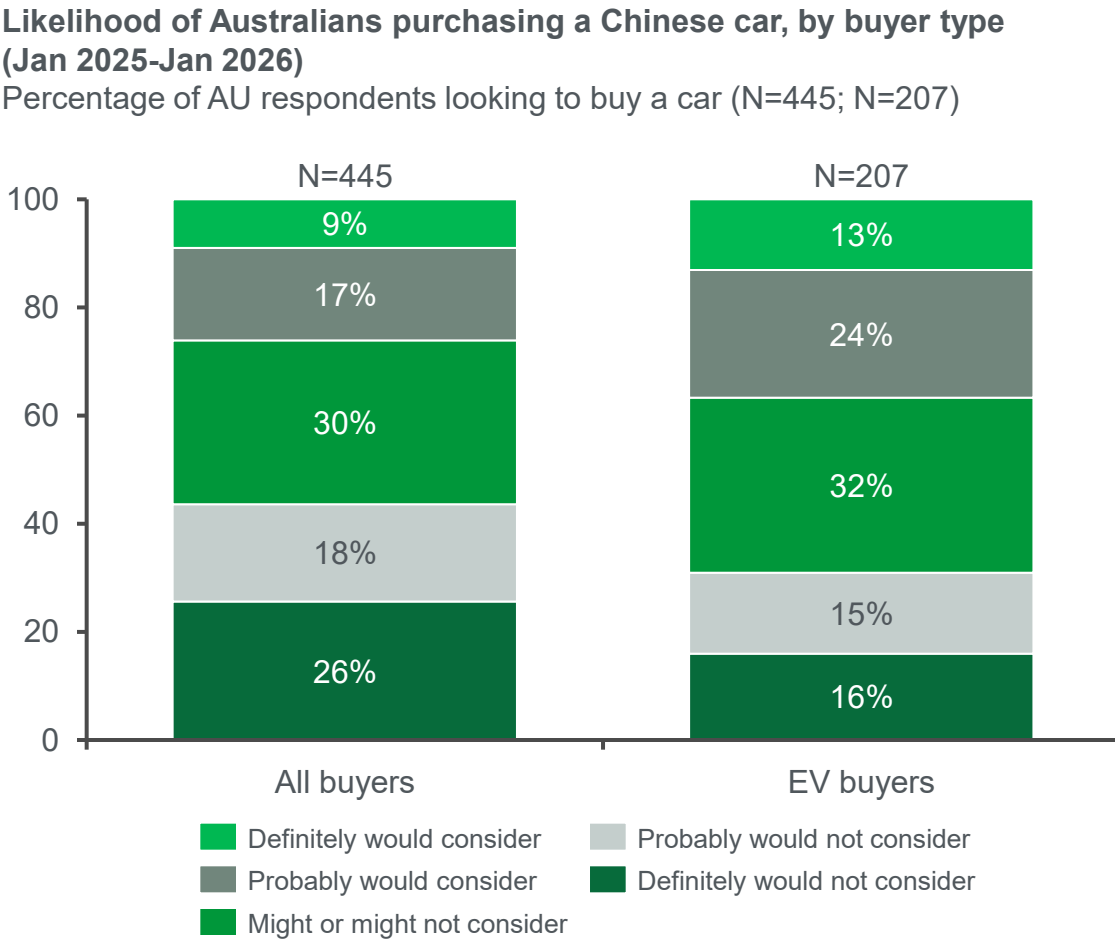
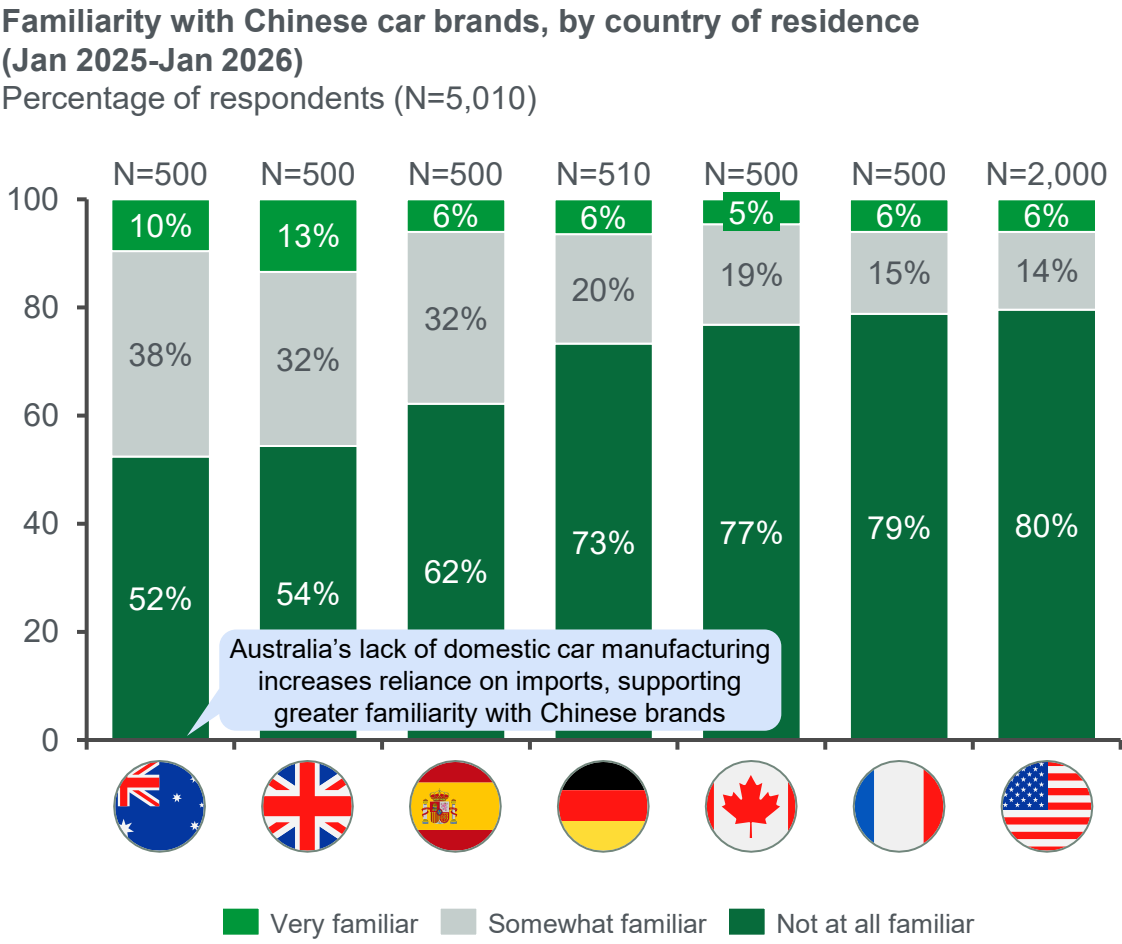
Note: EV=electric vehicle; ppt=percentage points
Source: L.E.K. Annual Mobility Study 2026; L.E.K. research and analysis

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Australia shows the highest overall familiarity with Chinese EV brands; however, non-EV owners and EV owners display a very different willingness to purchase

The rise of Chinese EVs



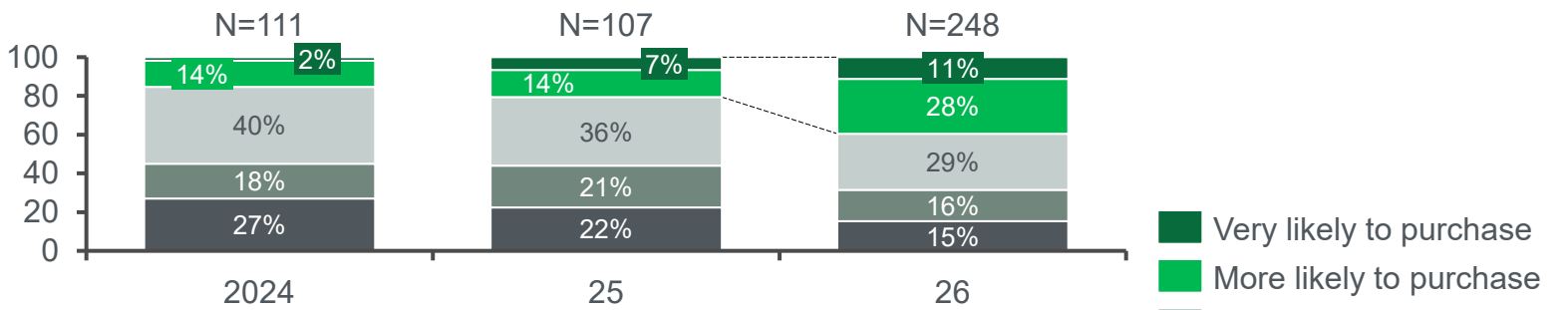
Note: EV=electric vehicle
Source: L.E.K. Annual Mobility Study 2026; L.E.K. research and analysis

BYD purchase intent among Australian non-EV owners increased from c.16% in 2024 to c.39% in 2026, translating into accelerating sales and measurable share gains at the expense of incumbents

The rise of Chinese EVs

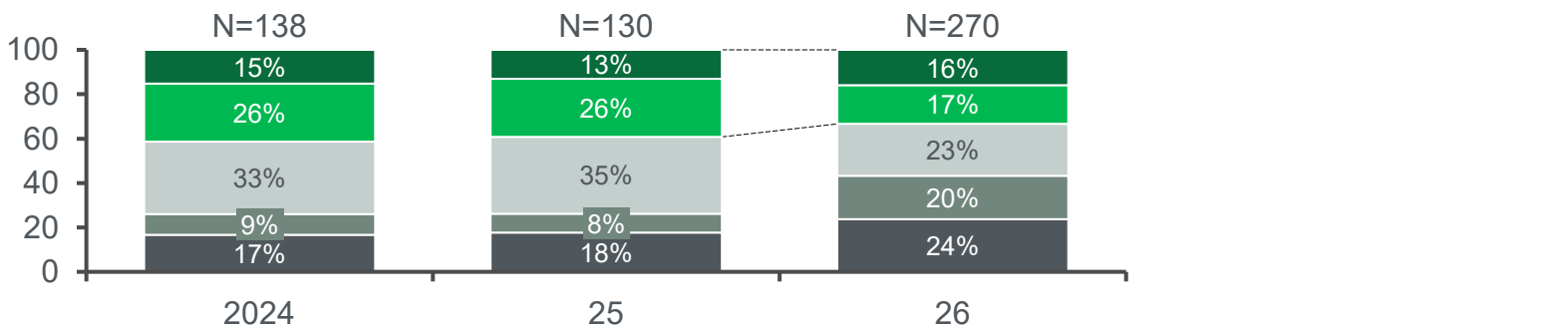
Likelihood of purchasing a BYD (Jan 2024-Jan 2026)

Percentage of AU non-EV owners likely to purchase a vehicle (N=466*)



Likelihood of purchasing a Tesla (Jan 2024-Jan 2026)

Percentage of AU non-EV owners likely to purchase a vehicle (N=538*)



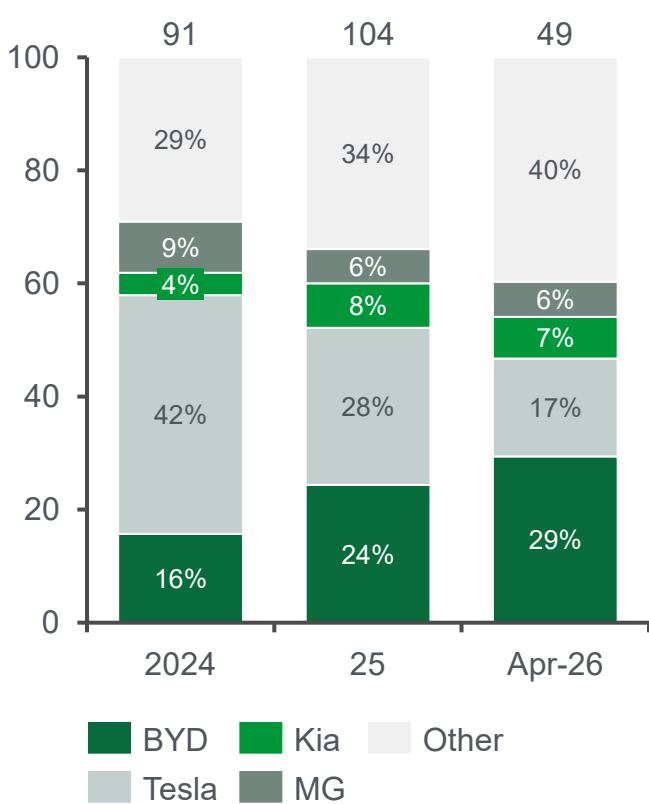
*Excludes respondents not familiar with the brand

Note: EV=electric vehicle

Source: L.E.K. Annual Mobility Studies 2024-2026; Federal Chamber of Automotive Industries; Electric Vehicle Council; L.E.K. research and analysis

EVs sold in Australia, by brand (Jan 2024-Apr 2026)

Thousands of EVs sold

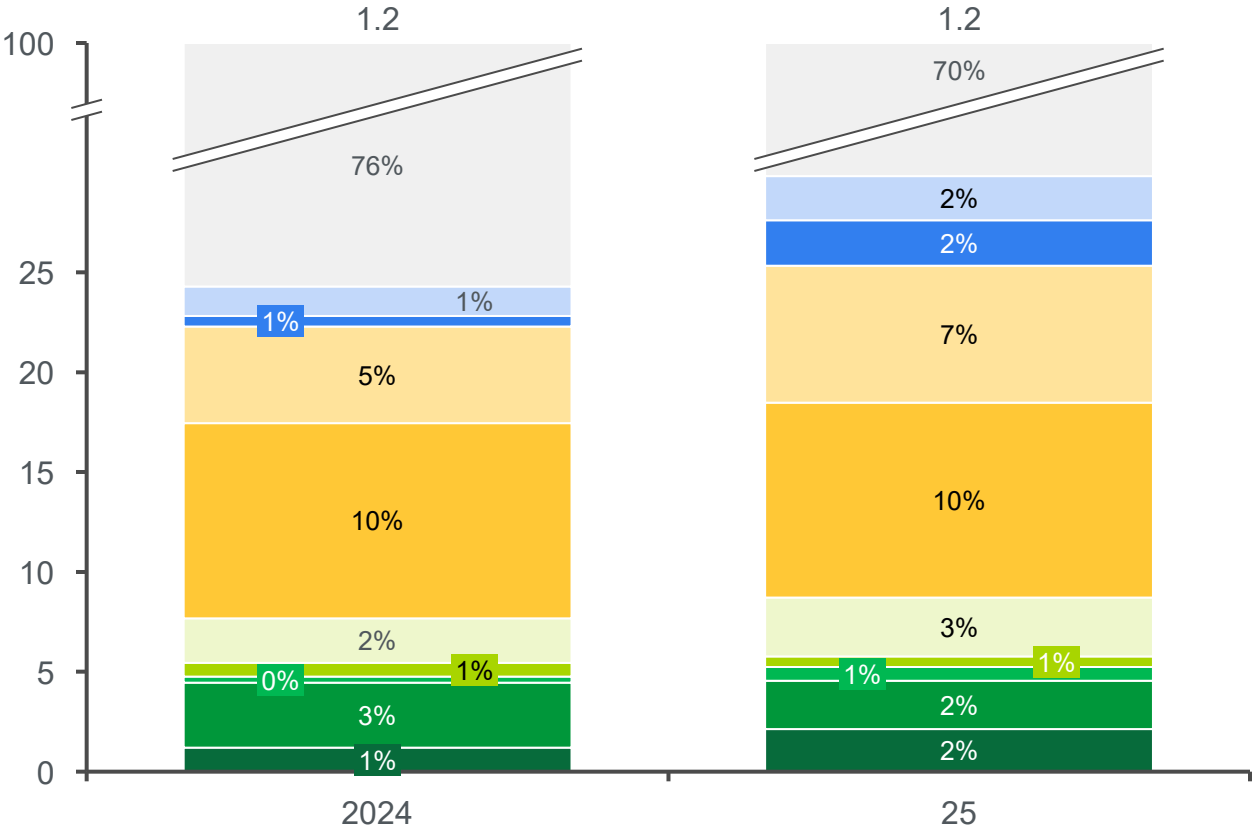


EVs, hybrids and PHEVs are gaining share in Australia, while ICE vehicles decline, reflecting rising demand for nontraditional cars

The rise of Chinese EVs

Vehicles sold in Australia, by type
(Jan 2024-Dec 2025)

Millions of vehicles sold



Note: EVs=electric vehicles; PHEVs=plug-in hybrid electric vehicles; ICE=internal combustion engine; ppt=percentage points
Source: Federal Chamber of Automotive Industries; L.E.K. research and analysis

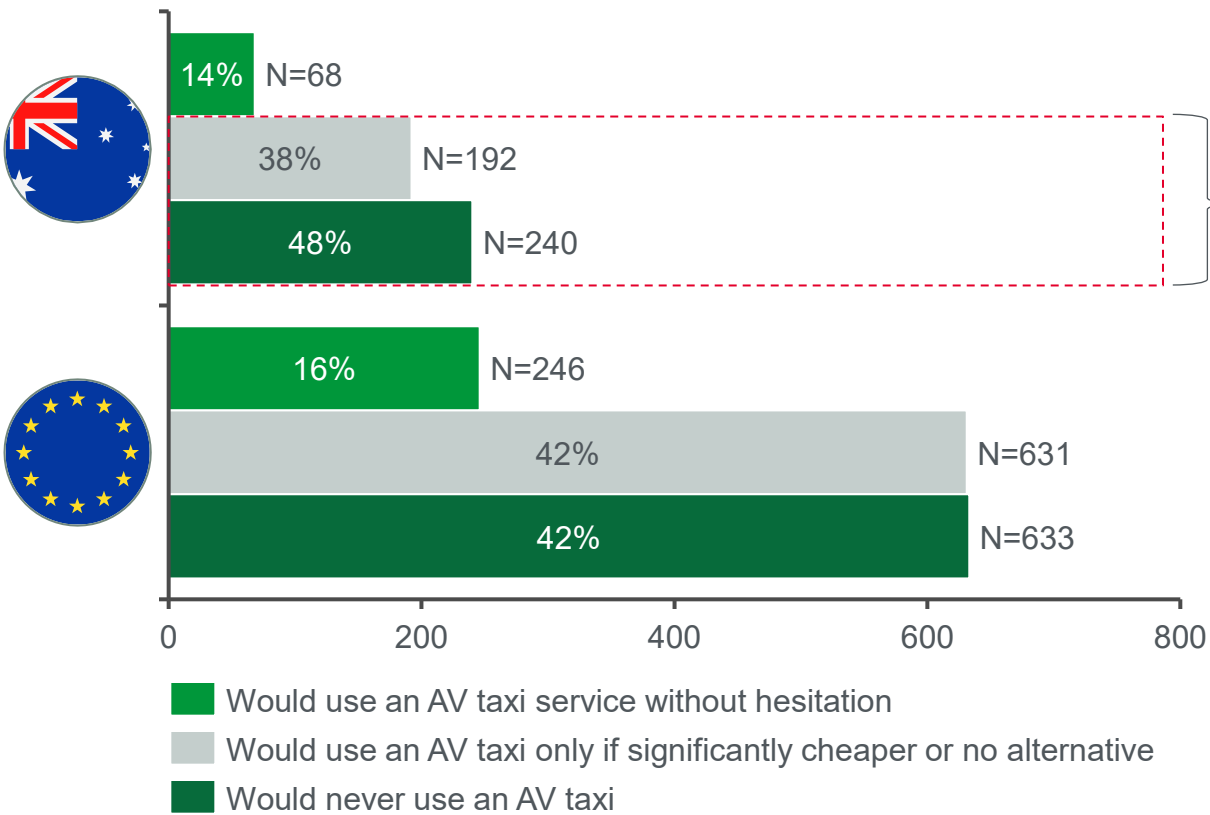
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Australia lags Europe in terms of interest in autonomous vehicles, with safety concerns and distrust in the technology acting as key barriers

Autonomous vehicles

Interest in autonomous taxis
(Jan 2025-Jan 2026)
Percentage of respondents (N=2,010)

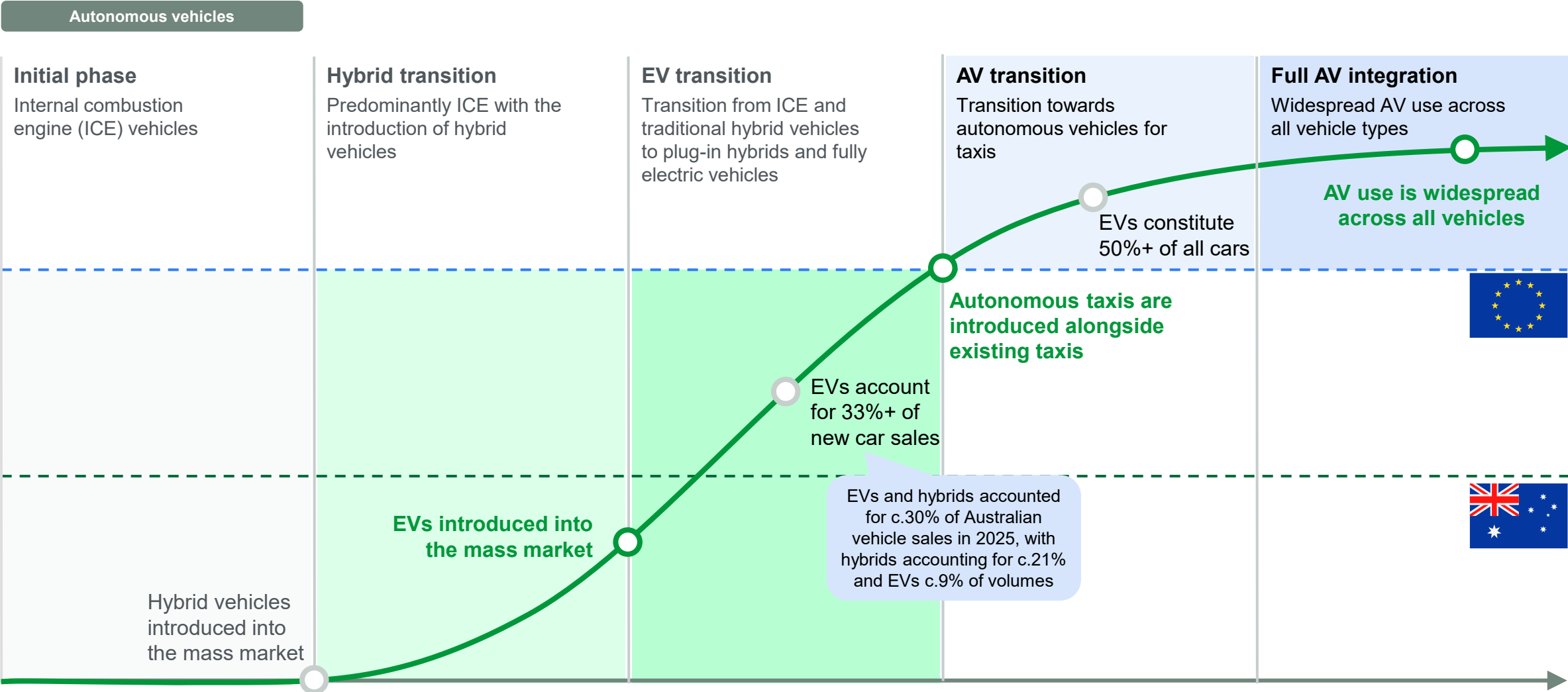


Key barriers for Australians preventing AV taxi use
AU respondents who said would use if cheaper and would never use (N=432)

Concern	Percentage of respondents that share concern
1 Safety	70%
2 Distrust in technology	48%
3 Fear of connectivity issues or misinterpretation of GPS data	43%
4 Collection of sensitive data	31%
5 Job loss for taxi drivers	30%

Note: AV=autonomous vehicle; GPS=global positioning system
Source: L.E.K. Annual Mobility Study 2026; L.E.K. research and analysis

Mobility evolves along a staged adoption curve where EVs scale before AVs; Australia remains in early EV transition, trailing Europe, which has begun AV deployment despite EVs not yet dominating fleet



Note: EV=electric vehicle; AV=autonomous vehicle; ICE=internal combustion engine
Source: L.E.K. research and analysis

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