

Pioneering spirit.
Annual and Sustainability Report
of Porsche AG
2019



About this report

Report design

Responsible interaction with people, the environment and wider society right along the value-added chain – from suppliers to the recycling of products – is of fundamental importance to Porsche and is firmly rooted in its core. The company also ensured minimal ecological impact with the design of the current Business and Sustainability Report: not only is the cover partly composed of residual materials from organic products featured in food manufacturing and other processes, the paper is FSC-certified and the CO₂ emissions generated during printing have been reduced or offset.

Report contents and period

→ GRI 102-46, 102-48

This documentation represents the fourth time that Dr. Ing. h.c. F. Porsche AG has published the Annual and Sustainability Report in combined format. The company published its first report in this format for the financial year 2016 on 17 March 2017. The report is published annually. This report covers the period from 1 January 2019 to 31 December 2019. Information dating from before this period is also included for completeness. Unless otherwise specified, the reporting date is 31 December 2019. The editorial deadline was in February 2020. Unless otherwise indicated, all information refers to Dr. Ing. h.c. F. Porsche AG. If content that had been previously published has since been corrected – for example, due to changes in collection methods for key figures and data – this is indicated. Financial analyses as well as key figures and data are given in compact form at the end of the report and in detailed form online in the Porsche Newsroom (newsroom.porsche.com). This site also contains further information on Porsche as a company and its sustainability work. Management approaches to major topics in this report are contained in the section entitled "Action areas".

Reporting standard and assurance

→ GRI 102-49

This report was prepared in accordance with the Core option of the GRI Standards. The GRI Content Index at the end of the report lists the information that has been reported on and the locations where this can be found in the print and online versions. Within the scope of the Materiality Disclosures Service, GRI Services has reviewed whether the GRI Content Index is clearly structured and whether the information specified for GRI 102-40 to 102-49 corresponds to the respective sections of the report. In addition to careful data collection and recording via internal reporting and processing systems, as well as detailed internal consolidation and inspection of the information and data contained therein, a business audit pursuant to ISEA 3000 (Revised) was conducted to obtain limited assurance against the relevant criteria and requirements of the GRI Standards. The information reviewed is marked accordingly in the report (✓). The statement from the independent auditor is featured on page 201.

Separate non-financial consolidated report

Dr. Ing. h.c. F. Porsche AG makes use of the exemption provision in sections 289b(2) and 315b(2) of the German Commercial Code (HGB), allowing it not to issue a non-financial report and a non-financial consolidated report, and refers to the separate non-financial report of Volkswagen AG for the financial year 2019, which will be available on the www.volkswagen.com website in German and English from 30 April 2020.

Pioneering spirit.

“Porsche has only been able to remain Porsche because it has always adapted.”

Oliver Blume, 2019

“If one does not fail at times, then one has not challenged himself.”

Ferry Porsche, 1969



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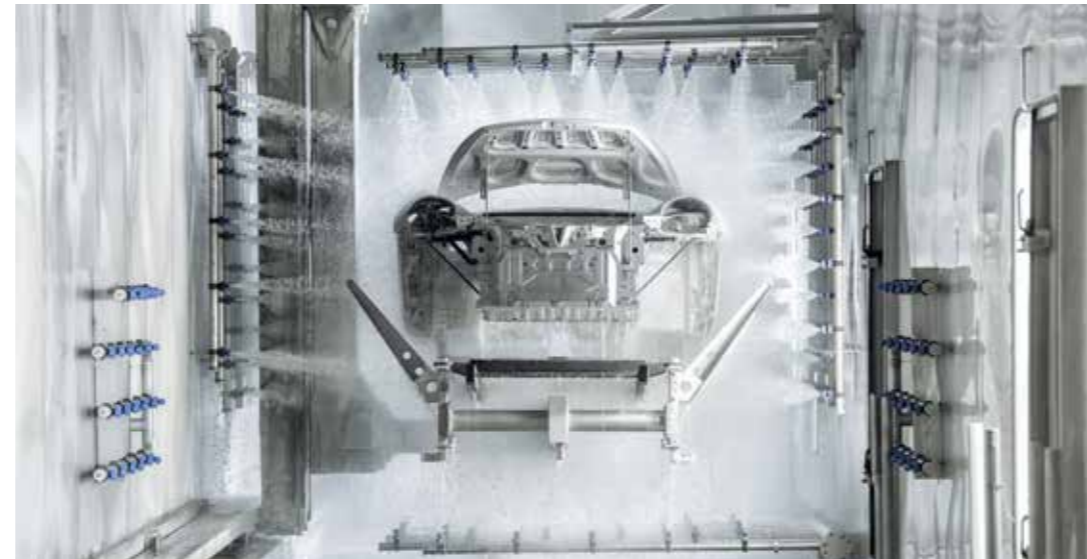
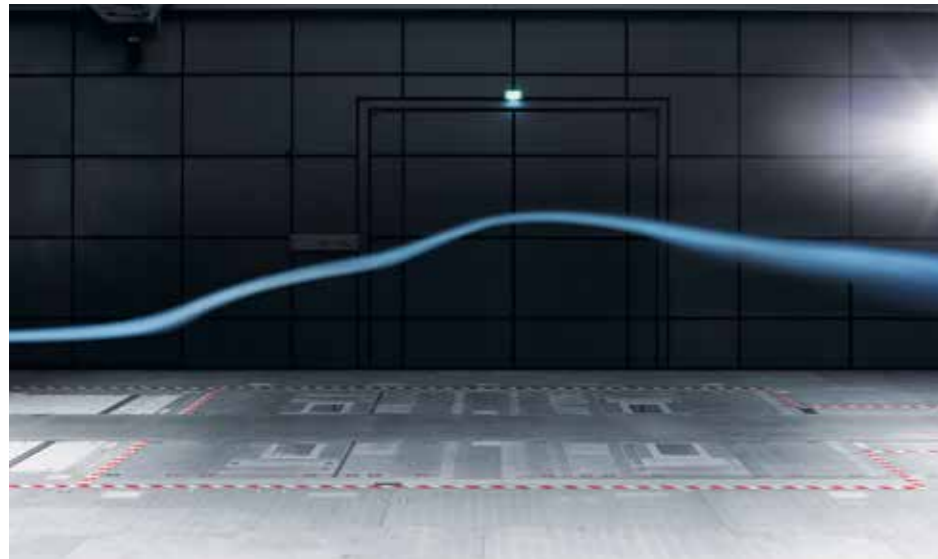
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Dear Reader,

The year 2019 marked the dawning of a new era for Porsche. At the start of September we unveiled the Taycan, our first fully electric sports car and the result of many years of strategic development work. We created around 2,000 new jobs for our sixth model and launched a comprehensive training offensive. We have invested in our Zuffenhausen site and commissioned a new production line, creating a factory within a factory that is consistently geared towards sustainability.

Operating results are equally positive. Deliveries have reached their highest point, 10 per cent higher than the previous year at more than 280,000 vehicles. Sales have also risen by 11 per cent to 28.52 billion euros. The operating income before special items was 4.40 billion euros, an increase of three per cent on the previous year.

Our employees have made this success possible – with passion, a pioneering spirit and strong power play in relation to new models. These include the 911 Cabriolet, the Cayenne Coupé, the 911 Speedster, the 935, the 718 Spyder, 718 Cayman GT4, the Macan Turbo and the Taycan Turbo, Turbo S and 4S. The Taycan completes our range of three different drive systems. We are pursuing a clear product strategy: emotional petrol models, dynamic plug-in hybrids and innovative electric sports cars.

Porsche is committed to innovation. Many of the technologies found in our production vehicles have their origins in motorsport. Last year proved to be one of the most successful in our motor racing history. In GT sport we won every title in the World Endurance Championship (WEC). We also secured overall victories in the North American IMSA racing series and triumphed in the highly competitive Intercontinental GT Challenge. In addition, we made our debut in the Formula E series last autumn with the Porsche 99X Electric – and immediately made it onto the podium in the first race.

Our Porsche Strategy 2025 is taking hold. It is the basis for our company's activities. Important decisions have already been taken in 2019 to set the course for the future development of the company. Furthermore, over the past two years we have been making good progress with an income programme aimed at ensuring the future economic stability of Porsche. It involves intelligent ideas that bolster our income. For instance, we are employing more digital methods, reducing our variety of versions, using more carry-over parts and developing new business ideas. We are confident that we will also be able to achieve the target yield of 15 per cent with these measures in the future.

Sustainability is a central pillar of the Porsche strategy. Here we are aware of every aspect of our corporate responsibility: economic, environmental and social. One good example is the Taycan factory, with which we have made the entire main factory in Zuffenhausen carbon-neutral. The new buildings are energy-efficient, while the power comes from regenerative sources. We generate the heat in our own

combined heat and power plants – powered by biogas, which we obtain from residual materials and waste products. All of these measures are important steps towards our aim of becoming a zero-impact company across all value-added processes. At the same time, we adhere to a clear principle that firstly involves avoiding a negative impact, then reducing it and only then offsetting it.

Porsche embraces its social responsibility. We support a wide range of charitable initiatives in the fields of culture, sport, education and science, the environment and various social projects. We do this primarily at our company locations. Whether improving the prospects of children and young people or supporting disadvantaged people, solidarity literally extends beyond our factory gates.

All of the things that were important in 2019 still apply as we embark on a new decade: Porsche is continuing to develop. We are linking our past to the future with our models. At the same time, the transformation of the automotive industry represents a challenge. We are thinking in terms of opportunities here. Together with our employees, we are continuously driving this transformation forward in a positive sense.

Porsche has only remained Porsche because it has constantly embraced change.

The Executive Board
of Porsche AG

Important events

Business performance

Outlook

Porsche is a pioneer of sustainable mobility. Sustainability is in our DNA. Our sustainability strategy is guided by a clear set of key figures and pursues measurable goals. Take the all-electric Taycan, for example: an emotionally appealing sports car that blends tradition and the future.





718 CAYMAN GT4 CLUBSPORT

718 Cayman GT4 Clubsport featuring organic fibre body parts

Three years after the debut of the first Cayman GT4 Clubsport, Porsche unveiled its successor in early January 2019. The new 718 Cayman GT4 Clubsport is a further development of the successful model from Weissach. For the first time, this mid-engine production racing car is available in two variants as standard: the "Trackday model" is pitched at ambitious amateur racing drivers, while the "Competition" model is intended for national and international events. The focus during its development was on the sustainable use of raw materials – in addition to improved handling and faster lap times. As the first series-produced racing car, it features body parts made from an organic fibre composite. The natural fibre mix featured in the driver's door, passenger door and the rear wing – which consists primarily of agricultural residue such as flax and hemp fibres – boasts similar properties to carbon fibre in terms of its weight and stiffness.

The focus during its development was on the sustainable use of raw materials – in addition to improved driving dynamics and faster lap times.

911 Cabriolet with high-tech top

Porsche kicked off the new year by introducing the new 911 Cabriolet as the latest open-top iteration in a decades-long tradition. Though it shares the modern styling of the Coupé, its convertible design is unmistakably that of a Porsche 911. The high-tech top, which boasts integrated panel bow magnesium elements that reliably prevent the roof from inflating at high speeds, can be opened or closed while driving at up to 50 km/h. The new roof hydraulics cut the opening time to around 12 seconds.

Investment in US start-up "Urgent.ly"

In January 2019 Porsche acquired a stake in the US start-up "Urgent.ly", which describes itself as the world's leading platform for mobility and roadside assistance. The total investment round amounted to 21 million dollars (18.5 million euros), with "BMW i Ventures" among others also acquiring shares in "Urgent.ly" in addition to Porsche Ventures. "Urgent.ly's" platform supports roadside assistance services in North America, Europe and Asia. It uses artificial intelligence and geolocation to connect drivers, service providers and automotive manufacturers in real time, thereby coordinating the best and fastest possible help. More than half of all roadside assistance providers in the US are linked to the platform, which serves around 45,000 connected vehicles.

On 30 January 2019, Walter Röhrl became the first rally driver and non-Formula One world champion to be inducted into the FIA Hall of Fame. Initially selected as a works driver in 1972, the Regensburg-born racer began assisting with the development of Porsche sports cars in the 1980s. He has also served as a Porsche brand ambassador for many years.

Walter Röhrl inducted into FIA Hall of Fame

The legendary German racer Walter Röhrl received a huge honour on 30 January 2019, becoming the first rally driver and non-Formula One world champion to be inducted into the FIA Hall of Fame. The ceremony took place at the headquarters of the Fédération Internationale de l'Automobile (FIA) in Paris. Born in Regensburg, Bavaria, Röhrl began his rally career in 1968 driving private cars. He became a works driver in 1972, instantly establishing himself among the world's elite. Röhrl won the Monte Carlo Rally four times in total, driving four different marques, and was world rally champion twice. He entered the 1981 German Rally Championship in a Porsche 924 and drove a Porsche 911 in the world championship race in San Remo that year. It was also during the 1980s that he began assisting with the development of Porsche sports cars, starting with the all-wheel drive Porsche 911 Carrera 4 (type 964). Highlights of Röhrl's involvement with development and fine-tuning included the Porsche 959, Carrera GT and 918 Spyder supercars. In addition, Röhrl has been active around the world as a Porsche brand ambassador since 1993.



911 CABRIOLET

Racetrack debut for the 911 GT2 RS Clubsport

Motor racing fans attending the opening round of the 2019 Intercontinental GT Challenge in Bathurst, Australia, on 2 February 2019 witnessed a very special premiere as the Porsche 911 GT2 RS Clubsport was driven on a racetrack in front of the public for the first time. At the wheel of the car with 515 kW (700 PS) was the Porsche brand ambassador Mark Webber. The Australian thrilled the home crowds at the famous Mount Panorama Circuit.



Testing autonomous driving in the workshop
Porsche is testing autonomous driving for workshops, and for this project, the sports car manufacturer is working with the start-up “Kopernikus Automotive” to install a test field on the company’s premises in Ludwigsburg. The fresh-faced outfit from Berlin specialises in technology for self-driven cars. The aim of the joint project is to enable cars to drive from their parking space to the lifting platform and back again in a fully autonomous process. This should enable staff to save time by automatically manoeuvring the sports cars to the correct position in the workshop using a tablet. This test project, which is part of a collaboration within the “Startup Autobahn” innovation platform, has been initiated by the Silicon Valley technology centre Plug and Play for the Stuttgart location. Porsche has partnered with the platform since 2017 for the purpose of networking with innovative start-ups from around the world.

Flexible mobility solution: “Porsche inFlow”
The “Porsche inFlow” launched by Porsche and Munich-based mobility and fintech company “Cluno” in late February 2019 offers exclusive and flexible use of various Porsche models in Germany at a monthly package price. All processing steps, from booking and contract conclusion through to car management, are performed digitally using the Cluno app. This represents a further expansion of Porsche’s portfolio of innovative mobility concepts.

Developer competition with Mission E Cross Turismo data
To mark the Mobile World Congress (MWC) in Barcelona, Porsche invited developers from around the world to work on future digital mobility solutions. The second edition of the “Porsche Next OI” developer competition began on 26 February 2019 in the form of another open innovation competition for digital development organised in collaboration with Berlin-based tech start-up “High Mobility”. Participants were able to work with the development data of the Porsche Mission E Cross Turismo electric study. They were invited to pitch applications relating to sports cars of the future. Porsche is particularly seeking apps that are relevant for customers in the three phases of the driving experience: home, driving and arrival. Submissions may involve such aspects as the connected home, the charging process, on-the-move productivity and smooth arrival at the airport.



DEVELOPMENT DATA FOR PORSCHE MISSION E CROSS TURISMO MADE AVAILABLE TO COMPETITION ENTRANTS



THE PORSCHE MACAN IS A TRUE LEIPZIG PRODUCT

Get electrified: the next Macan generation

In February 2019, the Supervisory Board of Porsche AG decided to manufacture the next generation of the Macan as a fully electric series. This will be the first all-electric compact SUV from Porsche and is due to roll off the assembly line at the start of the 2020s. The development represents a further expansion of the Porsche range in the field of electromobility following the Taycan and Taycan Cross Turismo.

New CEO for Porsche Middle East

Manfred Bräunl was appointed CEO of Porsche Middle East and Africa Free Zone Establishment (FZE) effective 1 March 2019. Previously, Bräunl spent five years as Vice President Marketing at Porsche China Motors. Additionally, he was the Global Head of Marketing at Maserati in Modena, Italy, and previously occupied senior management positions at BMW. Bräunl’s predecessor Deesch Papke assumed the position of Group Managing Director at Audi Volkswagen Middle East (AVME). Papke had managed the Dubai-based subsidiary since 2015 as well as between 2005 and 2010.



MANFRED BRÄUNL

50 years of the Porsche 917

The Porsche 917 marked its golden anniversary in 2019, 50 years after this most famous racing car of all time debuted at the Geneva Motor Show on 12 March 1969. Porsche enjoyed great success with the 917, winning, amongst others, the 1970 and 1971 24 Hours of Le Mans. The Porsche Museum celebrated this landmark by restoring the first 917 ever made to its original condition – just as it was when first unveiled. When restoring sports cars from the company's historic collection, the museum always places great importance on retaining original materials and accounting for the relevant history of its exhibits. Additional events to mark this occasion included a comprehensive special exhibition at the Porsche Museum. "Colours of Speed – 50 Years of the 917" ran from 14 May to 15 September 2019 and featured a total of 14 exhibits, including 10 917s boasting a combined 5,507 kW (7,490 PS).

The electrifying Porsche Taycan

Even before its world premiere in September 2019, the Porsche Taycan was already in great demand. In an announcement at the Geneva Motor Show, Porsche revealed that the car had attracted over 20,000 serious prospective customers by March 2019. This number had risen to 30,000 by the time of the IAA in September, resulting in 10,000 purchase agreements by the end of the year.



20 years of the Porsche 911 GT3

The unveiling of the first Porsche 911 GT3 at the Geneva Motor Show in March 1999 was the start of a new era for discerning sports car drivers. Like no other 911, the GT3 embodied the hallmarks of Porsche Motorsport. Developed by two-time World Rally Championship winner Walter Röhrl, race engineer Roland Kussmaul and the Porsche Motorsport specialists from Weissach, it brought racetrack agility to the road. Since then, this high-performance road-legal sports car has become even faster, more precise and more dynamic with every generation – and with a naturally aspirated engine, manual transmission and rear-wheel drive, it remains the most popular Porsche 911 among purists.



20 YEARS OF THE 911 GT3

Laying new foundations in Leipzig

The factory's fifth expansion project is now underway: Porsche is investing more than 600 million euros to upgrade its factory in Leipzig, with the foundation stone for a new body shop boasting a total area of 75,500 square metres having been laid on 12 March 2019. This will allow the company to set an important course for the future of its Saxony site and the production of upcoming models. The new generation of the Macan, which will be a fully electric series, is set to be manufactured there from the start of the 2020s.

Porsche is investing more than 600 million euros to upgrade its factory in Leipzig. This will allow the company to set an important course for the future of its Saxony site and the production of upcoming models.



LEIPZIG FACTORY

9,700-euro bonus

Profit sharing at Porsche: after record revenue, profits and deliveries in the financial year 2018, a special bonus of up to 9,700 euros before tax was paid to employees of the sports car manufacturer. This reward was issued in recognition of the extraordinary dedication and commitment of all staff at Porsche. The bonus itself was paid in two parts: 9,000 euros were paid to the Porsche workforce as a performance bonus for the financial year 2018, while 700 euros were set aside as a special contribution to the Porsche VarioRente pension scheme or a personal pension fund.

Cayenne Coupé extends SUV line

Porsche extended the third generation of its successful SUV range in late March 2019 with the world premiere of the Cayenne Coupé. Boasting particularly dynamic contours and new technical details, it has a very athletic appearance. Highlights include a sharper design with a totally unique rear end, an adaptive rear spoiler, a rear bench with the characteristics of two individual seats and two roof concepts: the standard panoramic fixed glass roof and the optional carbon roof. The roof line falls away much more steeply to the rear, making this car appear even more dynamic and positioning it as the sportiest-looking model in the segment.





CAR SHIPMENTS TO CHINA BY RAIL

China deliveries on track

Porsche has traditionally relied on trains for its logistics in Europe. Since April 2019, the sports car manufacturer has also been using rail transport for its transcontinental logistics. This change means that certain cars intended for the Chinese market will be exported via the New Silk Road. Thanks to the 20-day journey by rail, the car logistics process is up to three weeks shorter than with maritime freight.

New press plant in Halle an der Saale

Porsche and Schuler AG have chosen Halle an der Saale as the site for their joint press plant, which is to be built on a 13-hectare premises in the immediate catchment area of the Porsche Leipzig factory. The sports car manufacturer and the Göppingen-based forming specialist aim to incorporate greater flexibility and digitalisation into the production of car body parts. Their joint venture, Smart Press Shop GmbH & Co. KG, is investing more than 100 million euros in this project and creating 100 jobs in the process. Construction began in the second half of 2019 and the press plant is set to commence operations in 2021.



PRESS PLANT FOR BODY PARTS

Porsche Heritage Design strategy

The 911 Speedster with Heritage Design package as showcased in mid April 2019 at the New York Auto Show offered an initial outlook of the Porsche Heritage Design strategy. This approach was brought into being by Porsche Exclusive Manufaktur and the Style Porsche design department, with the partners reinterpreting exclusive 911 models featuring iconographic elements from Porsche cars dating from the 1950s through to the 1980s. Equipped with cutting-edge sports car technology, these special models introduce the lifestyle dimension – boasting particularly emotive concepts and references to history within Porsche’s product strategy. Additional special models will follow at certain intervals and in limited numbers. Selected elements from the corresponding decades will also be available as options for 911 models as part of Heritage Design packages.

The 911 Speedster featuring the Heritage Design package introduces the lifestyle dimension, including the most emotionally appealing concepts with a link to history.

Cooperation with Tongji University, Shanghai

With a new Chair of Intelligent Vehicle Concepts, several research projects on urbanisation trends in China, and other initiatives, Porsche and Tongji University in Shanghai have expressed a desire to strengthen their cooperation in the future. This saw both parties sign a memorandum of understanding on 17 April 2019. The driving force behind the partnership with Tongji University to date has been the subsidiary Porsche Engineering, which was set up to enable the engineering company and the School of Automotive Studies to cooperate on topics from the fields of science, research, theory, testing equipment and practice.



MATERIALS FEATURED IN THE HERITAGE DESIGN PACKAGE

10 years of the Porsche Panamera

In April 2009, Porsche entered a new market segment with the unveiling of the Panamera – its first grand tourer. This model combines typical sports car performance with the luxury and versatility of a touring saloon like no other car in the automotive luxury class. As a technology leader for innovations that have since been adopted in further models, the Panamera has made quite the mark on the brand's journey over the last 10 years and exceeded all expectations, with over 235,000 models delivered to date.



42nd Porsche Tennis Grand Prix

It was seventh time lucky for Czech star Petra Kvitová in April as she won the Porsche Tennis Grand Prix in front of a sell-out crowd of 4,400 at the Porsche Arena in Stuttgart. She defeated Estonia's Anett Kontaveit in an entertaining final, picking up not only prize money and ranking points, but also a Porsche 911 Carrera 4S Cabriolet.



PETRA KVITOVA

Original owner's manuals reprinted

Reprints of more than 700 original owner's manuals were issued by Porsche Classic starting in April 2019. This ensures access to first-hand documentation for virtually all early models, starting with the 356 from the model year 1952 right through to the 911 (type 996). The documents are now available for order and delivery from all Porsche Centres worldwide. In addition, a selection of the technical literature can be ordered directly from the Porsche Classic online shop. The documents for older classic Porsche cars in particular include not only the owner's manual itself, but also extensive technical information, settings and practical tips.

Porsche has added a virtual world championship to its family of one-make cups, with the Porsche Esports Supercup open to the globe's best sim racers.

Porsche Esports Supercup: the first virtual one-make cup

Porsche has expanded its one-make motor-sport series to include a virtual world championship: Porsche Esports Supercup. The term "Supercup" refers to the highest category of the one-make cup family, underscoring the internationality and relevance of this online race series organised by the sports car manufacturer together with iRacing. Its real-life equivalent has provided the battleground for the best drivers of the Porsche 911 GT3 Cup for the past 25 years. A total of 40 "sim racers" who successfully made their way through the global qualifying process competed in a series of 10 online races, with the first held on 13 April 2019 at the virtual version of Barber Motorsports Park in Alabama (US). The final contest took place on 28 September 2019 at the Monza circuit in Italy, with Josh Rogers (Australia) being crowned as the overall winner. The purse of the championship totalled 100,000 dollars.



PORSCHE ESPORTS SUPERCUP

Limited-edition 911 Speedster

In May 2019, Porsche brought the 911 Speedster to the road. This open-top two-seater combines the demands of a puristic, driver-oriented car with motorsport technology suitable for everyday use. The 911 R and 911 GT3 served as the basis for development. A 375 kW (510 PS) four-litre naturally aspirated boxer engine delivers an emotive sound experience in the cockpit and the six-speed GT transmission is shifted manually. Visually, the new Speedster establishes a bridge to its own history – to the forebear of all Porsche sports cars, the 356 “No. 1” Roadster from 1948. The limited-edition new 911 Speedster is also reminiscent of this car. Production of a run of exactly 1,948 units began in mid 2019 at the main plant in Zuffenhausen and continued to year’s end. As a concept car, the 911 Speedster celebrated its world premiere in 2018 at the 70 Years of Porsche Sports Cars ceremony.

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20 years of the Porsche product line

In May 1999, Porsche introduced an innovative structure for its car projects: product line organisation. It has long been regarded throughout the industry as a model of efficiency and flexibility. The product line coordinates a car family over its entire life cycle – from concept through to development, production, sales, production support and the end of production. What makes this approach special is that each product line operates like a company within a company, with each reporting directly to the Chair of the Executive Board. The concept set a precedent, as Volkswagen also introduced product line organisation in 2016; other companies have also adopted this principle. Maintaining efficient organisation along the value chain is a key success factor for Porsche.

Originally launched in 1969 as the first series-produced mid-engine sports car from a German manufacturer, the iconic Porsche 914 enjoyed a special Porsche Museum exhibition to mark its 50th anniversary.

Investment in Cetitec

Porsche acquired a majority stake in Pforzheim-based software company Cetitec. With this move, the sports car manufacturer has responded to the ever-increasing importance and growing complexity of software and electronics in cars. Cetitec was spun off from Karlsruhe-based K2L GmbH in 2012 and currently employs around 100 staff, specialising in platform software development in the automotive sector. Porsche and Cetitec already enjoy a long-standing partnership.

50 years of the Porsche 914

With the Porsche 914 turning 50 in 2019, Porsche celebrated this 1970s icon via a series of dedicated events. Originally launched in 1969 as the first series-produced mid-engine sports car from a German manufacturer, it was the subject of a major summer retrospective at the Porsche Museum featuring 12 spectacular exhibits. Porsche Classic also paid tribute to the 914 at classic car fairs and events throughout the year.



50 YEARS OF THE PORSCHE 914



NEW INFRASTRUCTURE IN WEISSACH

Conclusion of administrative offence proceedings

In May, the Stuttgart Public Prosecutor's Office comprehensively ends its administrative offence proceedings against Porsche in connection with deviations from regulatory requirements for certain cars by issuing a fine notice. The notice provided for a fine totalling 535 million euros, consisting of a penalty in the amount of four million euros for negligent breach of duty by Porsche AG and a levy on economic benefits in the amount of 531 million euros. The amount of the levy share depends largely on the profitability of the company.

According to the investigation results of the Stuttgart Public Prosecutor's Office, negligent

breaches of supervisory duties occurred in a department of the division for development several levels below the Executive Board in the exhaust gas-related testing of vehicles in relation to their regulatory conformity. According to the Stuttgart Public Prosecutor's Office, the violations of supervisory duties were contributory to partial deviations of Porsche vehicles from regulatory requirements in the period from 2009.

Porsche AG did not file appeal against the fine notice for negligent breach of duty. The procedure against Porsche AG was therefore concluded. This represents another important step towards the resolution of the diesel issue.

New infrastructure at the Development Centre

Following a construction period of 22 months, the north entrance of the Porsche Development Centre Weissach entered into operation on 4 June 2019. Covering 1,300 square metres across two storeys, this new building houses factory security, the visitor reception and the ID office under a single roof. It ensures easier access to the centre, particularly for suppliers and visitors. Access to the Development Centre is also easier thanks to three lanes for entering and exiting the site and large signs above the lanes to direct traffic.



718 Spyder and 718 Cayman GT4

The 718 family gained two members in mid June 2019 with the new 718 Spyder and the 718 Cayman GT4 – a pair of particularly emotive and powerful models. Their puristic character appeals to sports car enthusiasts who delight in unadulterated driving pleasure, appreciate a high level of agility and enjoy feeling the thrill of raw driving power. The perfectly balanced mid-engine layout offers all of this. For the first time ever, the open-top 718 Spyder and the hardtop 718 Cayman GT4 share the same technical base. This includes the newly developed four-litre, six-cylinder naturally aspirated engine, together with a six-speed manual gearbox. The boxer engine generates 309 kW (420 PS) in both models. While the GT4 represents the entry-level GT road car from Porsche, the Spyder lends itself to all kinds of curves. Both rely on highly efficient aerodynamics, a full GT chassis and powerful brakes.



The Project 1 customer squad won the GTE Am class while also claiming the drivers' and team championship titles. Now with 108 class wins, Porsche has cemented its position as the most successful manufacturer in the history of Le Mans.

Porsche wins all GT titles

Porsche works drivers Michael Christensen and Kévin Estre took the drivers' world crown at the FIA World Endurance Championship. This successful Danish and French duo shared driving duties in the no. 92 Porsche 911 RSR with Belgian Laurens Vanthoor at the final race of the season from 15 to 16 June 2019, scoring enough points in the 24 Hours of Le Mans to clinch the title. Porsche had already claimed the manufacturers' championship prior to the endurance classic. The Project 1 customer squad won the GTE Am class while also claiming the drivers' and team championship titles. Now with 108 class wins, Porsche has cemented its position as the most successful manufacturer in the history of Le Mans.



PORSCHE 935 (2019)

New drive testing facility in Weissach

In preparation for future developments in mobility, the Porsche Development Centre Weissach launched operations at one of the most cutting-edge drive-testing facilities in the automotive industry at the end of June 2019. The facility features test benches for conventional, hybrid and electric drives, underlining the sports car manufacturer's role as a pioneer in the development of highly efficient engines.

Produced in a small series of 77 units in 2019, the 515 kW (700 PS) Porsche 935 recalls the legendary 935/78.

New management at Porsche Engineering

Change at the top: Peter Schäfer became Chair of the Management Board of Porsche Engineering on 1 July 2019. The move was sparked by the retirement of his predecessor Malte Radmann, who had been Chair of the Management Board of the Weissach-based international engineering services provider since 2009 and significantly shaped the successful growth of the company. Despite his retirement, Radmann stayed on with the company in an advisory capacity.

Exclusive customer events

In September 2018, Porsche presented the new 935 during the Rennsport Reunion historic motorsport event at Laguna Seca Raceway in California. Produced in a small series of 77 units in 2019, this 515 kW (700 PS) racing car features a body that recalls the legendary Porsche 935/78. 44 customers received their Porsche 935s, some featuring highly customised designs, at a series of exclusive race track events from July 2019 onwards. The remaining cars are set to be delivered in the first quarter of 2020.



PETER SCHÄFER



Taycan: Porsche Triple Demo Runs

In July, a camouflaged Taycan made three appearances on three continents in a period of three weeks. The tour started on the demanding handling course at the Porsche Experience Centre (PEC) in Shanghai, where Chinese racing driver Li Chao demonstrated just what the new model is capable of. Porsche then celebrated its first all-electric entry at the Goodwood Festival of Speed (4 – 7 July) in the UK, with Mark Webber completing the famous Hill Climb in the Taycan. And last but not least, works driver Neel Jani took the wheel in the Taycan at the final race of the ABB FIA Formula E Championship in New York (13 – 14 July).



WORLD PREMIERE OF 911 RSR AT GOODWOOD FESTIVAL OF SPEED

World premiere at Goodwood Festival of Speed

The new 911 RSR enjoyed its world premiere in July 2019 at the Goodwood Festival of Speed. Porsche entrusted the model with defending its FIA World Endurance Championship title. This racing car complies with the FIA GTE regulations and represents a completely new development. Hailing from Weissach and boasting improvements in all areas, it was the replacement for the successful 911 RSR that took Porsche to a whole host of endurance racing victories in 2019, including the manufacturers' and drivers' titles, the 24 Hours of Le Mans in France and the IMSA races at Sebring and Road Atlanta (Petit Le Mans).

Renovated test tracks at Nardò Technical Center

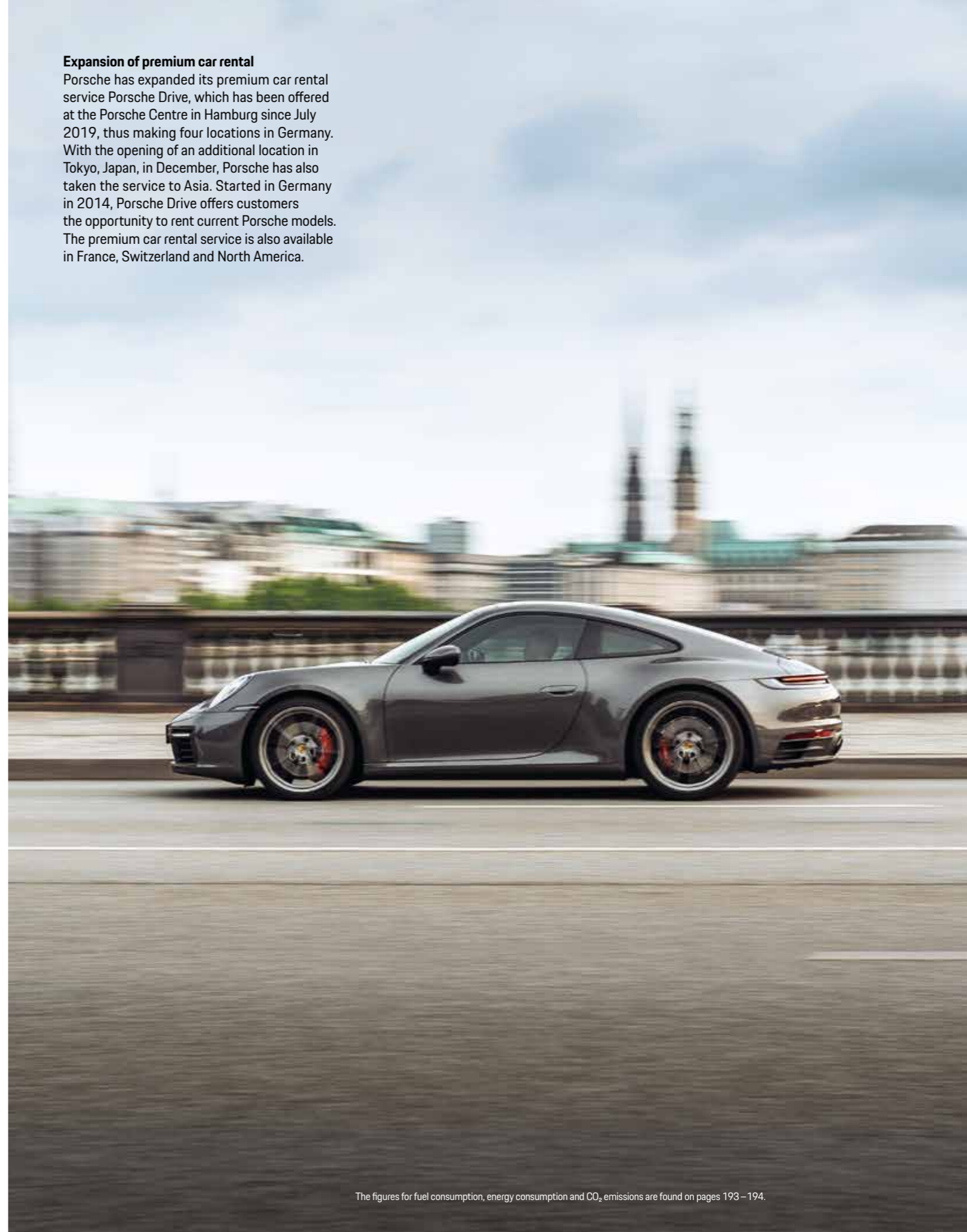
The opening of the renovated 12.6-kilometre circular high-speed track and dynamic platform at the Nardò Technical Center in Italy took place on 11 July 2019. This testing ground has been operated by the international engineering services provider Porsche Engineering Group GmbH since 2012. The renovation works with a total investment volume of 35 million euros lasted seven months and are part of the strategic development of the facility, which aims to ensure that customers are always provided with perfect conditions for testing the cars of tomorrow. Alongside the complex asphaltting of the renowned circular track, an innovative guard rail system specifically developed by Porsche Engineering for high-speed testing activities in Nardò was also installed.

Back-seat VR entertainment with holoride

At the Startup Autobahn "Expo Day" in Stuttgart on 16 July 2019, the sports car manufacturer teamed up with the start-up holoride to show possible future entertainment options for Porsche passengers. For this concept, a VR headset with sensors is linked to the car so that virtual content can be synchronised with driving movements in real time, resulting in a highly immersive experience that delivers a practical benefit as well: it significantly reduces the symptoms of motion sickness. In the future, the system will evaluate navigation data for a variety of purposes – such as adapting the length of a VR game to the calculated duration of the journey. The technology can also be used for additional integrated offerings for passengers such as films and virtual conferences.

Expansion of premium car rental

Porsche has expanded its premium car rental service Porsche Drive, which has been offered at the Porsche Centre in Hamburg since July 2019, thus making four locations in Germany. With the opening of an additional location in Tokyo, Japan, in December, Porsche has also taken the service to Asia. Started in Germany in 2014, Porsche Drive offers customers the opportunity to rent current Porsche models. The premium car rental service is also available in France, Switzerland and North America.



Legendary cars in action at Solitude Revival

The Porsche Museum attended the "Solitude Revival" showcase in late July 2019 with a fleet of legendary cars. Held on this former race-track close to Stuttgart, the event took place a mere 15 kilometres south-west from the main Porsche plant in Zuffenhausen. Porsche's entrants included a 550 A Spyder from 1956, which had also been driven by Hans Herrmann at the Solitude track that same year, and the 356 B Carrera GTL Abarth (1961) with rally legend Walter Röhrl at the wheel. As a nod to the first formula race held at this historic track, the 1960 718 Formula 2 that John Surtees took to second place in the 1960 Solitude Grand Prix was also in attendance. The Porsche 804 (1962) in which Don Gurney won the Formula One race two years later was entrusted to Neel Jani at the 2019 event. Jani's former teammate Marc Lieb was on the track in the 1970 917 KH featuring the Gulf team livery, sharing driving duties with motorsport icon Hans-Joachim Stuck.

New corporate architecture

Porsche and investor Hülpert Automobile teamed up in Dortmund in late July 2019 for the symbolic ground-breaking ceremony at the site of what will become a new Porsche Centre. This is the world's first pilot project featuring a new building in the new corporate architecture, with the structure at Dortmund Airport set for completion by the end of 2020. A prototype was previously opened in March 2019 in Palm Springs, California. Under the heading "Destination Porsche", the corporate architecture is intended to turn Porsche Centres all over the world into centralised meeting points for the Porsche Community.

Taycan: employee qualification drive

Electromobility is a real job creator at Porsche, with the company establishing some 1,500 additional positions by the end of 2019 to handle the company's first all-electric sports car in Zuffenhausen – the Taycan. By the second quarter of 2020, a total of 2,000 positions will have been created, as the manufacturing capacities have been increased to accommodate the high demand. The demanding recruiting process was accompanied by one of the largest qualification drives in Porsche's history. This saw employees involved in Taycan production receiving tailored training courses lasting up to six months, thus ensuring compliance with typical Porsche quality standards from the very start.



911 CARRERA

Quality management fit for electromobility and digitalisation

New technologies require new ways of thinking and working, not least in quality management. In summer 2019, Porsche created an extensive new qualification programme and adapted its processes in preparation for its entry into electromobility. Further drivers are digitalisation and smart mobility; alongside emotion, appearance and function, the aspects of content and software quality are also growing in importance.

The new 911 Carrera, which was launched as a coupé and cabriolet, delivers 283 kW (385 PS) via its biturbo three-litre six-cylinder boxer engine.

911 Carrera Coupé and Cabriolet

Porsche has expanded its eighth-generation range with the 911 Carrera. This new sports car, which was launched as a coupé and cabriolet, is the entry-level 911 model and generates 283 kW (385 PS) – 11 kW (15 PS) more than its predecessor – from its three-litre, six-cylinder boxer engine with twin-turbo charging. It retains the premium-quality standard features of the 911 Carrera S virtually unchanged.



PORSCHE IS CREATING OVER 2,000 ADDITIONAL JOBS TO HANDLE THE TAYCAN

New CEO at Porsche Japan

Michael Kirsch has been CEO of Porsche Japan since 1 August 2019. His predecessor Toshiyuki Shimegi had managed the Tokyo-based subsidiary since 2014, contributing significantly to Porsche's substantial growth in Japan over recent years. Kirsch had previously served as CEO of Porsche Korea for three years, achieving substantial success in areas such as car sales, and was formerly Chief Operating Officer at Porsche China.



MICHAEL KIRSCH

Porsche Mission E hits the big screen

The Porsche Mission E sports car played a key role in the Playmobil animated family film, which celebrated its German premiere in Munich in early August. This concept car was the prototype for the Taycan, which was launched in September. To mark the release of the film, which sees secret agent Rex Dasher driving a white Mission E, Playmobil released a matching playset and its first remote-controlled Porsche. The two companies have been jointly developing playsets and collaborating in the field of marketing since 2014.



MISSION E STARS IN ANIMATED FILM FROM PLAYMOBIL

Porsche Digital opens second US site

In early August 2019, Porsche Digital opened its second US site in Atlanta, thus extending the company's business portfolio for North America. Business experts, designers and software engineers develop and optimise new digital business models at this site. In addition to the "My Porsche" customer portal, this team is working on a central e-commerce platform and digital services. In Atlanta, Porsche Digital is using the facilities at the head office of Porsche Cars North America. The second US-based office is located in San José in Silicon Valley. There are plans to expand the Porsche Digital workforce in the US to as many as 45 employees during 2020. A wholly owned Porsche subsidiary, that now operates six sites worldwide.



“Technical Certificate” for Porsche classics

Porsche Classic has introduced the “Technical Certificate”, which is the first detailed documentation for all classic models from the brand. The certificate serves as an orientation aid for customers when assessing the technical condition of a car. While it does not replace any inspection reports, it is a sensible addition to car documentation that can help preserve value and promote longevity. It also involves comprehensive testing for the purpose of identifying technical weaknesses. The “Technical Certificate” is available from all 18 Porsche Classic partners in Germany.

Porsche has issued its green bond with extremely attractive conditions. The high level of demand reflects investors' trust in the company.

Porsche issues record-setting green bond

Porsche AG issued the largest green bonded loan to date in August 2019 in the amount of one billion euros. It was the first transaction of its kind by a car manufacturer, with the funds being used exclusively to finance sustainable projects. Porsche issued the green bonded loan in tranches with maturities of five, seven and 10 years, and offered fixed and variable interest rates. The huge demand resulted in the original order book volume having to be increased. Porsche succeeded in issuing this bonded loan with extremely attractive conditions, reflecting investors' firm trust in the long-term development of the company.

Cayenne: three new plug-in hybrid models

The Cayenne Turbo S E-Hybrid and the Cayenne Turbo S E-Hybrid Coupé are the new flagship cars in the model series. The system output of 500 kW (680 PS) and maximum system torque of 900 Nm enable acceleration from zero to 100 km/h in 3.8 seconds and a top speed of 295 km/h. A variety of innovative chassis systems, most of which are featured as standard, enable a perfect combination of sports car agility, long-distance comfort and off-road capability. On top of this, the hybrid range from Porsche now includes the new Cayenne E-Hybrid Coupé boasting a system output of 340 kW (462 PS), torque of 700 Nm and an electric range of up to 43 kilometres.

The Cayenne Turbo S E-Hybrid and the Cayenne Turbo S E-Hybrid Coupé are the new top models in their respective series. Their system output of 500 kW (680 PS) and maximum system torque of 900 Nm enable them to accelerate from zero to 100 km/h in 3.8 seconds and reach a top speed of 295 km/h.

Investment in Israeli start-up “TriEye”

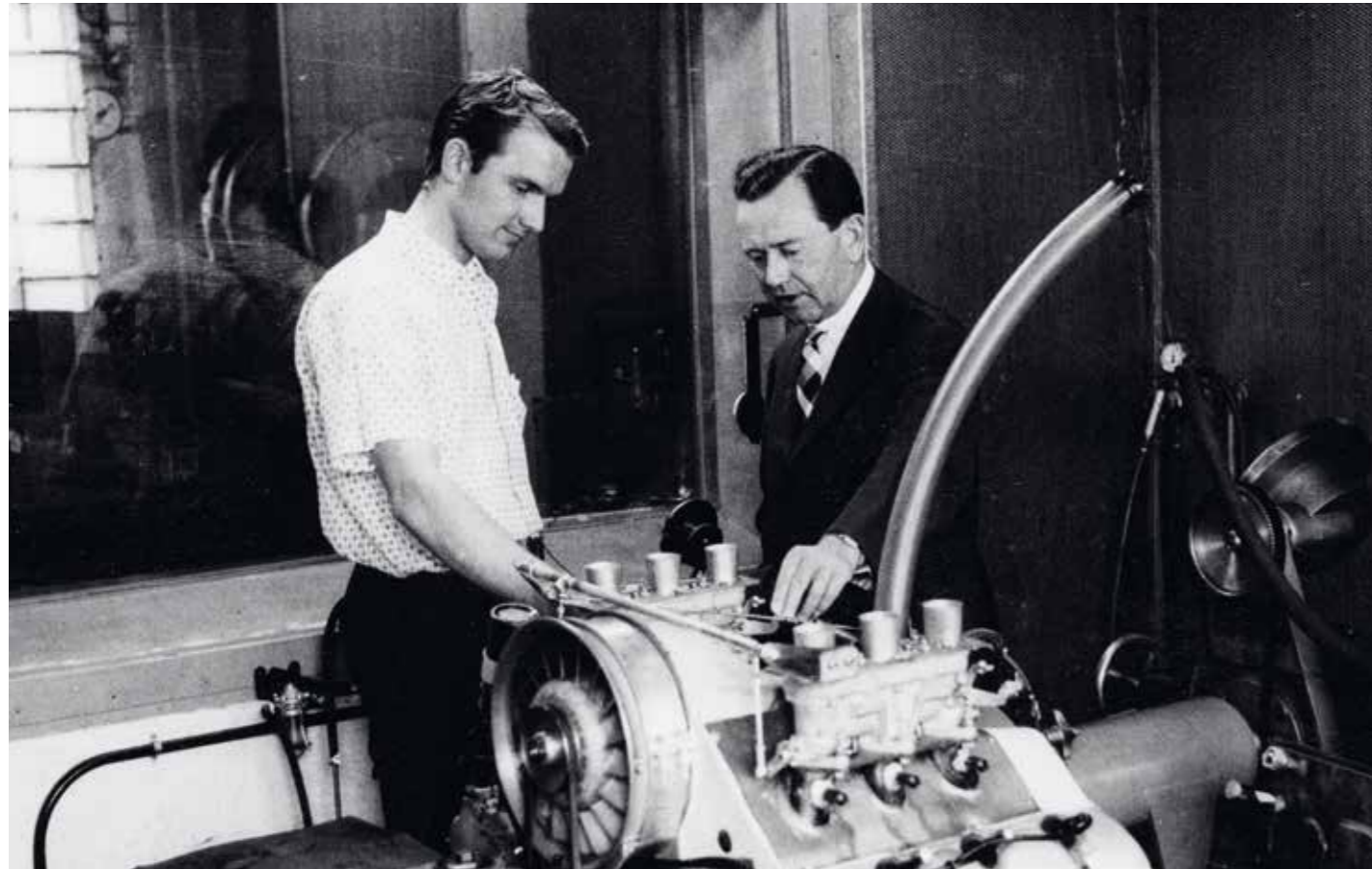
Porsche made a strategic investment in August with the acquisition of a minority stake in Israeli start-up “TriEye”. This newly established company has developed a sensor technology for short-wave infrared. It enhances safety in vehicles fitted with assistance systems or autonomous driving functions by improving the ability to see in darkness and in weather conditions where visibility is poor, such as dust, fog or rain. The company's unique semiconductor design, which features technology registered for patent, makes it possible to manufacture corresponding cameras at a fraction of their current cost.



PORSCHE EXCLUSIVELY USES ITS GREEN BOND TO FINANCE SUSTAINABLE PROJECTS



CAYENNE TURBO S E-HYBRID



FERDINAND PIËCH (LEFT) AND FERRY PORSCHE

Porsche mourns Ferdinand Piëch

Ferdinand Piëch, a former member of the Porsche AG Supervisory Board, died on 25 August 2019 at the age of 82. Oliver Blume paid tribute to this outstanding engineer and manager, noting how his love of cars, his constant desire to promote technical progress and his ability to seize the ideal moment saw him put in years of remarkable service as an engineering expert at Porsche. Piëch also took a number of key strategic decisions that laid the groundwork for the company's successful development.

TAG Heuer partners up with Porsche Formula E team

TAG Heuer and Porsche announced a long-term Formula E cooperation in late August 2019, with the Swiss luxury watchmaker being named Title and Timing Partner. The Porsche works entry in the 2019–20 ABB FIA Formula E Championship will bear the name TAG Heuer Porsche Formula E Team. Both brands can look back on a proud history of shared success in the world of motorsport. One highlight for Porsche is the TAG Turbo made by Porsche, which powered Formula One cars in the 1980s while taking two Constructors' World Championships in 1984 and 1985 as well as three Drivers' World Championships from 1984 to 1986.

Macan Turbo is the new flagship model

The new Macan Turbo now sits atop the Porsche compact SUV model range. This extensively reworked top model features a new 2.9-litre, six-cylinder, biturbo engine delivering 324 kW (440 PS), equating to 10 per cent more power output than its predecessor with 20 per cent less displacement. With the optional Sport Chrono package, the car can go from zero to 100 km/h in 4.3 seconds – three-10ths faster than before. Top speed is 270 km/h – an increase of 4 km/h. Braking performance has also been improved: the optimised chassis of the new Macan Turbo features the powerful Porsche Surface Coated Brake (PSCB) as standard.

Taycan takes North Loop record

Porsche set a new standard for four-door all-electric sports cars at the Nürburgring North Loop on 26 August 2019, with test driver Lars Kern taking a pre-series Taycan around this legendary track in a mere seven minutes and 42 seconds. This remarkable lap time, which covered the 20.6-kilometre course typically used for record attempts, underlines the Taycan's racetrack pedigree – which even the series model features.

First and second for 911 RSR on debut at Silverstone

The new Porsche 911 RSR (2019 model year) enjoyed a perfect start by securing first- and second-place finishes at its debut race in early September. At the season-opening round of the FIA World Endurance Championship in Silverstone, Italy's Gianmaria Bruni and Austria's Richard Lietz crossed the finish line first in the no. 91 car. Reigning world champions Michael Christensen (Denmark) and Kévin Estre (France) claimed second place in the no. 92 sister car. This double triumph was powered by perfect tactics from the world champion team, strong driving performances, swift pit stops and a reliable car.



TAYCAN ON THE NÜRBURGRING NORTH LOOP



911 RSR

99X Electric is Porsche's Formula E entry
Porsche's presentation of the 99X Electric on 28 August represented a further milestone on the path towards its works entry in the 2019–20 ABB FIA Formula E Championship. The company took a novel approach to this premiere, choosing a live video game as the virtual platform and including an international gaming community using the streaming service Twitch. Drivers André Lotterer and Neel Jani rounded off the event with the unveiling of the new racing car.





Punctual production start for Porsche Taycan
 On 9 September 2019, Porsche celebrated the opening of the new production facility for the Taycan in Zuffenhausen. The event, following a construction period of less than 48 months, was attended by guests from politics, business and the media. Customer cars are assembled in a factory of the future – flexibly, networked and using 4.0 production technology. It is a further step towards the zero-impact factory, which is free from any negative environmental impact. “We have a level of responsibility to the environment and society. Production of the Taycan is already carbon-neutral. At our main plant in Zuffenhausen, which is the heart of the brand, we combine our heritage with the future,” explained Oliver Blume, Chairman of the Executive Board of Porsche AG. This new Porsche plant reflects the brand’s tradition while also sending a clear signal about its new directions, as demonstrated by the production of the pioneering Taycan in the legendary surroundings of Zuffenhausen.

Andreas Scheuer, Federal Minister of Transport and Digital Infrastructure, was there in person: “Electromobility is creating around 1,500 new jobs in carbon-neutral production here in Zuffenhausen. Porsche is therefore making an important statement about electric driving and German engineering.” Winfried Kretschmann, Minister-President of Baden-Württemberg, added: “The Porsche Taycan shows that the mobility revolution is taking place right here, right now in Baden-Württemberg.” Fritz Kuhn, Mayor of Stuttgart, welcomed Porsche’s investment as a major positive for the city: “Where others just talk, Porsche acts.”

TAYCAN ENJOYS SIMULTANEOUS WORLD PREMIERE IN CHINA, EUROPE AND NORTH AMERICA

Porsche Taycan world premiere

Porsche presented its first all-electric sports car to the public in early September 2019 with a spectacular world premiere which took place simultaneously in North America, China and Europe. The Taycan links the brand’s heritage to its future. This four-door sports saloon is a unique package, combining typical Porsche performance and connectivity with everyday usability. At the same time, highly advanced production methods and the features of the Taycan set new standards in the fields of sustainability and digitalisation. The first two models are the Taycan Turbo S and Taycan Turbo. They are at the cutting edge of Porsche E-Performance and are amongst the most powerful production models offered by the sports car manufacturer. The Taycan 4S was subsequently introduced as the third version

Spectacular simultaneous world premiere in North America, China and Europe: in early September 2019, Porsche wowed the world with its first all-electric sports car. The Taycan links the brand’s heritage to its future.

of this sports saloon in mid October. The first derivative to be added will be the Taycan Cross Turismo, pegged for late 2020.

The three continents featured in the simultaneous world premiere are the most important sales markets for this new electric sports car. The venues also represent three approaches to sustainable energy management: Niagara Falls on the border between the US state of New York and the Canadian province of Ontario represents hydropower. The solar farm in Neuhausen near Berlin represents solar power. And the wind farm on Pingtan Island, around 150 kilometres from the Chinese city of Fuzhou in the province of Fujian, represents wind power. This unique triple event was broadcast worldwide via live stream on NewsTV.porsche.com.

“We have a level of responsibility to the environment and society. Production of the Taycan is already carbon-neutral. At our main plant in Zuffenhausen, which is the heart of the brand, we combine our heritage with the future,” said Oliver Blume.



Eight new cars at the IAA in Frankfurt

Porsche presented a total of eight new cars at the 68th International Motor Show (IAA) in Frankfurt am Main, Germany. The focus was on the debut of the brand's first all-electric sports car models, the Taycan Turbo and Turbo S. "The Taycan redefines Porsche," said Oliver Blume, Chair of the Executive Board of Porsche AG. "Our goal was to usher in the era of electromobility for Porsche with the sportiest, most innovative and most emotionally charged of cars. The Taycan embodies all our values and the experience we have gained from more than 70 years of manufacturing sports cars." At the time the IAA was held, 30,000 prospective customers has expressed their concrete interest in the Taycan. Of those, 10,000 had already resulted in purchase agreements by the end of 2019.

New additions to the 911 family were also announced at the start of the IAA, with the all-wheel drive 911 Carrera 4 Coupé and 911 Carrera 4 Cabriolet with 283 kW (385 PS) extending the product range of the model series. Other highlights included three new hybrid models in the Cayenne series: the Cayenne E-Hybrid Coupé with a system output of 340 kW (462 PS) plus the Cayenne Turbo S E-Hybrid as Cayenne and Cayenne Coupé featuring 500 kW (680 PS). The flagship model of the compact SUV line, the Macan Turbo, also made its motor show debut. In addition, Porsche presented the company's entry for the ABB FIA Formula E Championship starting in November 2019: the Porsche 99X Electric.

The new cars at the IAA reflected Porsche's product strategy, which focuses on three drive technologies: highly emotive petrol engines, powerful plug-in hybrids and all-electric drives.

The Taycan redefines Porsche while embodying all the brand values established through 70 years of sports car construction.

Aksel Lund Svindal becomes Porsche brand ambassador

As part of the Taycan media presentation in Oslo, Aksel Lund Svindal – the successful Norwegian ski racer – was announced as the new Porsche brand ambassador. The exceptional sportsman and athlete with two Olympic victories, five world championships and two overall world cup wins represents not only sporting performance at the highest level, but also endurance, hard work and driven performance. Svindal is beloved, down to earth and a huge fan of Porsche. He has also been a passionate advocate for sustainability and the environment since the end of his athletic career, which makes him a perfect brand ambassador for Porsche and its values.

Porsche increases stake in Rimac

In early September 2019, Porsche increased its stake in the technology and sports car company Rimac Automobili to 15.5 per cent. Croatia-based Rimac develops and manufactures electromobility components and also produces electrically powered supercars in-house. Porsche initiated a development partnership with the company in the wider context of its electromobility campaign and, in June 2018, acquired a 10 per cent shareholding in Rimac.



A TOTAL OF EIGHT NEW CARS AT THE IAA IN FRANKFURT



911 RSR IN COCA-COLA DESIGN

Spectacular cooperation of two global brands
Porsche ended the IMSA WeatherTech Sports-Car Championship with a bang by decorating its cars in a Coca-Cola livery for the final race of the season. The works team of the sports car manufacturer joined forces with the global drinks giant for the 10-hour Petit Le Mans race at Road Atlanta (US) in mid September 2019. The two Porsche 911 RSRs lined up on the grid sporting the red background and white lettering of the American beverage company. In this way, the two companies honoured their shared successes throughout motorsport history and added a special highlight to conclude the 50th anniversary year of the International Motor Sports Association (IMSA). Porsche racing cars featuring Coca-Cola designs have enjoyed an illustrious history in the North American motorsport scene dating back to the 1980s.

New CEO at Porsche Korea

Holger Gerrmann took over as CEO of Porsche Korea on 16 September 2019. Gerrmann had formerly spent two years as Financial Director at Porsche Design following nine years as Financial Director at Porsche Cars Great Britain and the Porsche Retail Group. A law graduate, he has also previously served in Porsche's financial department and as assistant to the CEO of Porsche AG.



HOLGER GERRMANN

Six-hour run raises 200,000 euros for Ferry Porsche Foundation

On 14 September 2019, some 3,200 Porsche employees took part in the fifth edition of the six-hour run at the company's Zuffenhausen facility. Porsche donated five euros per completed lap and generously rounded up the final total to 200,000 euros. The Porsche Six-hour run is a relay event, with employees forming teams and running laps at the company's main plant in Zuffenhausen on a special course measuring exactly 911 metres – as a nod to the iconic Porsche 911 sports car. Since its inception in 2015, this event has already raised 935,000 euros for good causes.

Porsche rounded off the IMSA WeatherTech Sports-Car Championship with a bang by decorating its cars in a Coca-Cola livery for the final race of the season. The works team of the sports car manufacturer joined forces with the global drinks giant for the 10-hour Petit Le Mans race at Road Atlanta (US) in mid September 2019.

Extended partnership with Polyphony Digital Inc.

Porsche and the Japanese video games development studio Polyphony Digital Inc. have furthered their collaboration. During the International Motor Show (IAA), the partners announced the launch of two new cars – the Taycan Turbo S and the design study 917 Living Legend – in the Gran Turismo Sport video game developed exclusively for the PlayStation 4 console. Porsche designers are also developing a study as part of the Vision Gran Turismo project, which will be realised as a virtually drivable car and is set for release by the end of 2020. Polyphony Digital Inc. is a subsidiary of Sony Interactive Entertainment.



PORSCHE AND BOEING TO COLLABORATE IN THE PREMIUM URBAN AIR MOBILITY MARKET

Cooperation with Boeing for urban air mobility

Porsche and Boeing have signed a memorandum of understanding to tap into the premium urban air mobility (UAM) market. This partnership will see both companies leverage their unique market strengths and insights to study the future of premium urban air mobility vehicles. Additionally – together with Aurora Flight Sciences, a subsidiary of Boeing – they are developing a concept for a fully electric vehicle boasting vertical take-off and landing. Engineers from both companies, as well as the Porsche subsidiaries Porsche Engineering Services GmbH and Studio F.A. Porsche, will implement and test a prototype.

Hockenheimring Porsche Experience Centre now open

Porsche opened its seventh Porsche Experience Centre (PEC) worldwide at the Hockenheimring as part of a "SportsCar Together Day" on 12 and 13 October 2019. Covering an area of around 170,000 square metres, the premises at the heart of the racetrack is a new hub for customers and fans from all over Europe. It boasts a Customer Experience Centre, handling course, driving dynamics areas and an off-road track. The opening weekend attracted around 70,000 visitors, 9,000 of whom arrived in their own Porsche cars. The eighth Porsche Experience Centre, which is being built alongside the racetrack in Franciacorta (Italy), will be the largest PEC to date. Under the stewardship of Porsche Italia, the renovation of the circuit and the construction of the new customer centre began in the reporting year. The opening is planned for early 2021.

Porsche wins all titles at the IMSA WeatherTech SportsCar Championship

At the IMSA WeatherTech SportsCar Championship, the Porsche GT Team came away with wins for manufacturer, driver and team. In the final race of the season at Road Atlanta (US) in mid October 2019, the two Porsche 911 RSRs featuring the Coca-Cola livery finished fifth and sixth. This marked the 50th and final works outing for the successful GT car from Stuttgart, which won six of the 11 rounds on the 2019 IMSA calendar. The Porsche works drivers Earl Bamber (New Zealand) and Laurens Vanthoor (Belgium) won the drivers' crown, with the team title going to the squad behind the no. 912 Porsche 911 RSR. In the GTD class, the Pfaff Motorsports customer team finished on the podium with the no. 9 Porsche 911 GT3 R.

Strategic partnership with SAP

Porsche and SAP entered into a strategic partnership in October 2019. The sports car manufacturer has successfully used products from the Walldorf-based software company for several decades now. With both partners looking to benefit even more from the expertise and experience of the other in future, the two companies aim to jointly develop new solutions for the digital transformation. This strategic partnership focuses on data-driven business models, artificial intelligence and an end-to-end process-driven architecture. It is not just about developing new ideas, however: existing projects will also be integrated into the collaboration.

Digitalised car sales on the German market

In late October 2019, the company teamed up with the 88 German Porsche Centres to open its own digital sales channel for immediately available new and pre-owned cars. The sports car manufacturer will develop this into a marketplace for Porsche-specific mobility products and services. Customers can now perform the most important steps for car purchase and leasing online – whenever and wherever. Only customer authentication and the final conclusion of the contract will initially still take place at the Porsche Centre.

Investment in Israeli start-up Tactile Mobility

Porsche has intensified its collaboration with technology company Tactile Mobility through a minority investment. Based in Haifa, Israel, this company is a leader in the field of tactile data. In addition to Porsche, Union Tech Ventures and existing investors are participating in the current investment round. Tactile data simulates a sense of touch, with an algorithm helping to process the data provided by various sensors. Beyond these measurements, the Tactile Mobility method helps collect additional information on the condition of vehicles and roads. It is set for integration into series production cars from the early 2020s. It also has potential for aspects such as predictive servicing and the optimisation of battery management.



SEBASTIAN RUDOLPH

Tradition, innovation, pioneering spirit, passion: these are the values through which Porsche communicates the transformation of the company, as characterised by the Taycan.

Sebastian Rudolph named Vice President Communications, Sustainability and Politics

Dr Sebastian Rudolph became Vice President of Communications at Porsche effective 1 November 2019, with two additional fields taking on greater importance at the same time: relationships with policymakers and associations as well as the topic of sustainability will now be given the same level of attention as traditional public and press relations work. Accordingly, the division now bears the title of Communications, Sustainability and Politics. Tradition, innovation, pioneering spirit, passion: as the interface between the company and the public, these are the values with which communications accompanies the transformation of Porsche, as characterised by the Taycan. The fully electric sports car marks the beginning of a new era for Porsche – it unites the history of the brand with its future and defines the company as a pioneer of sustainable mobility.

Rudolph came to Porsche from industrial service provider Bilfinger, where he was in charge of the Corporate Communications & Public Affairs division. Prior to that, he spent more than six years as head of communications at the Federal Ministry of Transport and Digital Infrastructure (formerly the Federal Ministry of Transport, Construction and Urban Development). After earning his PhD in political science, he began his professional journey with seven years as a TV journalist for ARD, Bayerischer Rundfunk and n-tv.

Insurance packages for electromobility

The Taycan has also heralded a new era for Porsche Financial Services: it now offers services for electric vehicles in addition to the established insurance for motor vehicles. The "Porsche CarPolicy" has been expanded to incorporate the "Taycan Policy", which includes special cover for batteries and charging stations. With a view to the Taycan launch, the digital insurance package "Porsche Shield" has also been expanded – now "E-Cover" can be booked to include additional insurance components to an existing car insurance policy. This makes it easier for customers to switch to an e-performance model. "E-Cover" is not only available for the new Taycan, but also for the plug-in hybrid models of the Cayenne and Panamera model series. Based in Bietigheim-Bissingen, Porsche Financial Services is a wholly owned subsidiary of the sports car manufacturer.

Porsche on the podium: second place at Formula E debut

Porsche made a successful start to its debut season in Formula E, with German works driver André Lotterer powering his way to second place at the first race of the 2019–20 ABB FIA Formula E Championship in Diriyah. Overall, this marked an encouraging debut for Porsche in the fully electric race series. Having immediately challenged the front runners with its race pace, the company gave itself much to build on at upcoming contests throughout 2020. Porsche was further buoyed by the Formula E Fanboost, with Lotterer voted into the top five on both days and thus receiving 100 kilojoules of additional energy in each race.

First and second at third WEC race

Porsche expanded its overall lead with first- and second-place finishes at round three of the FIA World Endurance Championship (WEC) in mid November 2019. Reigning world champions Kévin Estre (France) and Michael Christensen (Denmark) started on pole in the new Porsche 911 RSR, finishing second in the four-hour race at Shanghai International Circuit in November 2019 to retain the top spot in the drivers' standings. Italy's Gianmaria Bruni and Austria's Richard Lietz crossed the finish line in third place in their 911 RSR. When the winning Ferrari was subsequently disqualified, the Porsche GT Team was ultimately rewarded with first and second place.



SUCCESSFUL START IN FORMULA E

Porsche expands sales pop-up concept

Porsche has expanded sales efforts through the use of flexible sales pop-ups. Taiwan was the first market to feature the sales pop-up as a rolling concept. This time-limited outlet has operated in the busy centre of Taipei since early October 2019 under the name "Porsche NOW". In addition to the exhibited cars, visitors were able to sample the Porsche Drivers Selection, Exclusive Manufaktur Parts, Virtual Reality experiences and the private Configuration Lounge. Porsche has been using sales pop-ups since 2018, and the basic concept is made available to its local sales companies and therefore also the local dealers. Sales pop-ups are installed in high-traffic locations, flexibly and at short notice, in order to interact even more directly with the customer and to access new target groups.

Porsche becomes core member of value alliance

At Porsche, economic success and social responsibility go hand in hand, so the company always makes a conscious effort to always take on a leading role in areas such as sustainability. Together with the Volkswagen Group, Porsche has been a core member of the value balancing alliance e.V., headquartered in Frankfurt am Main, since 2019 – the first car manufacturer to do so. The objective of this alliance, which crosses several industries, is to develop a standard that makes value propositions of companies visible in a human, social and financial regard and that assesses the consequences for society and the environment.

Fantasy starship design with Lucasfilm

Designers from Porsche and Lucasfilm Ltd. joined forces to develop a fantasy starship design that unites the design DNAs of the two brands. Two months in the design studios in Weissach and San Francisco saw the teams working together to create the first ideas and prototypes and concluded with a concrete concept: a fantasy starship called the Tri-Wing S-91x Pegasus Starfighter. The fine details of this 1.5-metre-long model were presented at the premiere of Star Wars: The Rise of Skywalker in Los Angeles in December.

Porsche Studio opens in Taiwan

Taoyuan – Taiwan's aviation capital – is now home to an additional Porsche Studio, which opened in December 2019. The first of its kind in this market, and the fifth in Asia, it is located in the Taoyuan Art Plaza, an artistic neighbourhood where extraordinary works meet local art collectors. The sports car manufacturer had already opened Porsche Studios in Bangkok, Thailand, in March and in Seoul, South Korea, in June, making a total of nine Porsche Studios around the world. They are part of the Future Retail strategy of Porsche with their locations in city centres and at urban hotspots.

New brand ambassadors: Jörg Bergmeister and Timo Bernhard

Two successful motorsport enthusiasts as Porsche brand ambassadors: Timo Bernhard, Le Mans overall winner and two-time world champion, and "Mister 911", Jörg Bergmeister, both took up their new roles right after ending their careers as works drivers. During their extremely long careers as Porsche works drivers and with various racing cars, the two raked in countless podium finishes for the brand, thus playing a key role in shaping the public perception of Porsche. Jörg Bergmeister's successes include victories at the major endurance classics Le Mans, Daytona, Sebring, Nürburgring, Petit Le Mans and Spa. Timo Bernhard is the only works driver to date who, over the course of his long career, became a champion in all categories of the Porsche pyramid – even winning the world championship in the 919 Hybrid.

Porsche wins all titles in Intercontinental GT Challenge

Porsche has won the manufacturers' title for the first time in the Intercontinental GT Challenge. In November, at the final round of the world's most important championship for GT3 sports cars, the Porsche 911 GT3 R from Frikadelli Racing stormed to victory in Kyalami (South Africa). In a turbulent nine-hour race, works driver Nick Tandy (United Kingdom) and Porsche Young Professionals Dennis Olsen (Norway) and Mathieu Jaminet (France) dominated the action in the crucial moments. Porsche earned the crucial points via the third-place finish recorded by the GPX Racing squad and its drivers Kévin Estre (France), Michael Christensen (Denmark) and Richard Lietz (Austria). The Stuttgart-based sports car manufacturer also took the drivers' championship: Dennis Olsen secured the crown with his second victory of the season after winning the opening round at Bathurst in Australia.



JOINT PROJECT: DESIGNERS FROM PORSCHE AND LUCASFILM DEVELOP FANTASY STARSHIP

Firm commitment to GT sport and Formula E

The 2019 motorsport year was one of the most victorious in the history of the company, with titles in three of the world's most important GT racing series, many other victories in championships and individual events, and a productive start in Formula E. Porsche will power ahead with its GT offensive in the 2020 season, when it will once again enter four works cars at the 24 Hours of Le Mans. In North America, the new 911 RSR that enjoyed such a successful start in the WEC will also be battling for the title from 2020. The squad is made up of 18 works drivers, two Young Professionals and two Porsche Juniors. The company traditionally develops young drivers in-house and systematically trains new talents to become pro racers. Porsche also provides intensive support to its customer teams.



BUSINESS PERFORMANCE

Dynamic global economy

The global economy continued to record robust growth in 2019, albeit at a slightly reduced pace. Global gross domestic product (GDP) increased by 2.6 per cent (previously 3.2 per cent). Economic momentum in the advanced economies of the world and in the emerging markets was below the previous year. Interest rates remained low, while global energy, commodity and consumer prices all fell compared to 2018. Increasing trade distortions at an international level, such as the conflict between the US and China, combined with ongoing geopolitical tensions to generate much higher levels of economic uncertainty.

In Western Europe, growth in GDP slowed over the course of the year to 1.2 per cent (previously 1.8 per cent) and the rate of change fell in almost all countries across Northern and Southern Europe. The ongoing Brexit negotiations also created a mood of uncertainty as the future shape of the relationship between the UK and the European Union remained unclear. Unemployment fell within the eurozone, averaging 7.5 per cent (previously 8.1 per cent), although the rates in Greece and Spain remained considerably higher. GDP continued to grow in Germany in 2019, buoyed by the good situation on the labour market. It was noticeably less dynamic than the year before, however, at 0.5 per cent (previously 1.5 per cent). The mood in the corporate sector, along with consumer confidence, continued to deteriorate over the course of the year.

Growth in the US economy fell to 2.3 per cent (previously 2.9 per cent) and was supported primarily by domestic consumer demand. Unemployment was at 3.7 per cent (previously 3.9 per cent). The Federal Reserve cut key interest rates in response to global uncertainty, thus moving away from its previous tightened monetary policy coupled with relatively stable inflation. The US dollar gained in strength against the euro during 2019. In Canada, growth fell to 1.6 per cent (previously 2.0 per cent). While the Brazilian economy again recorded slight growth, expanding by 1.1 per cent (previously 1.3 per cent), the situation in South America's largest economy remained tense due to political uncertainty.

China's economy once more enjoyed significant growth in 2019 at a level of 6.2 per cent (previously 6.6 per cent). In light of its trade policy disagreements with the US, the country continued its programme of state support measures. India's GDP grew by 4.8 per cent (previously 6.8 per cent), while Japan recorded growth of 1.1 per cent (previously 0.3 per cent).

Car market

2019 was the second consecutive year in which the global automotive market contracted relative to the previous year's figures. In the reporting year, the market fell by four per cent to 79.6 million vehicles. While there was a minor uptick in new registrations in Europe, the markets in the Middle East, North America, South America and Asia-Pacific all shrank.

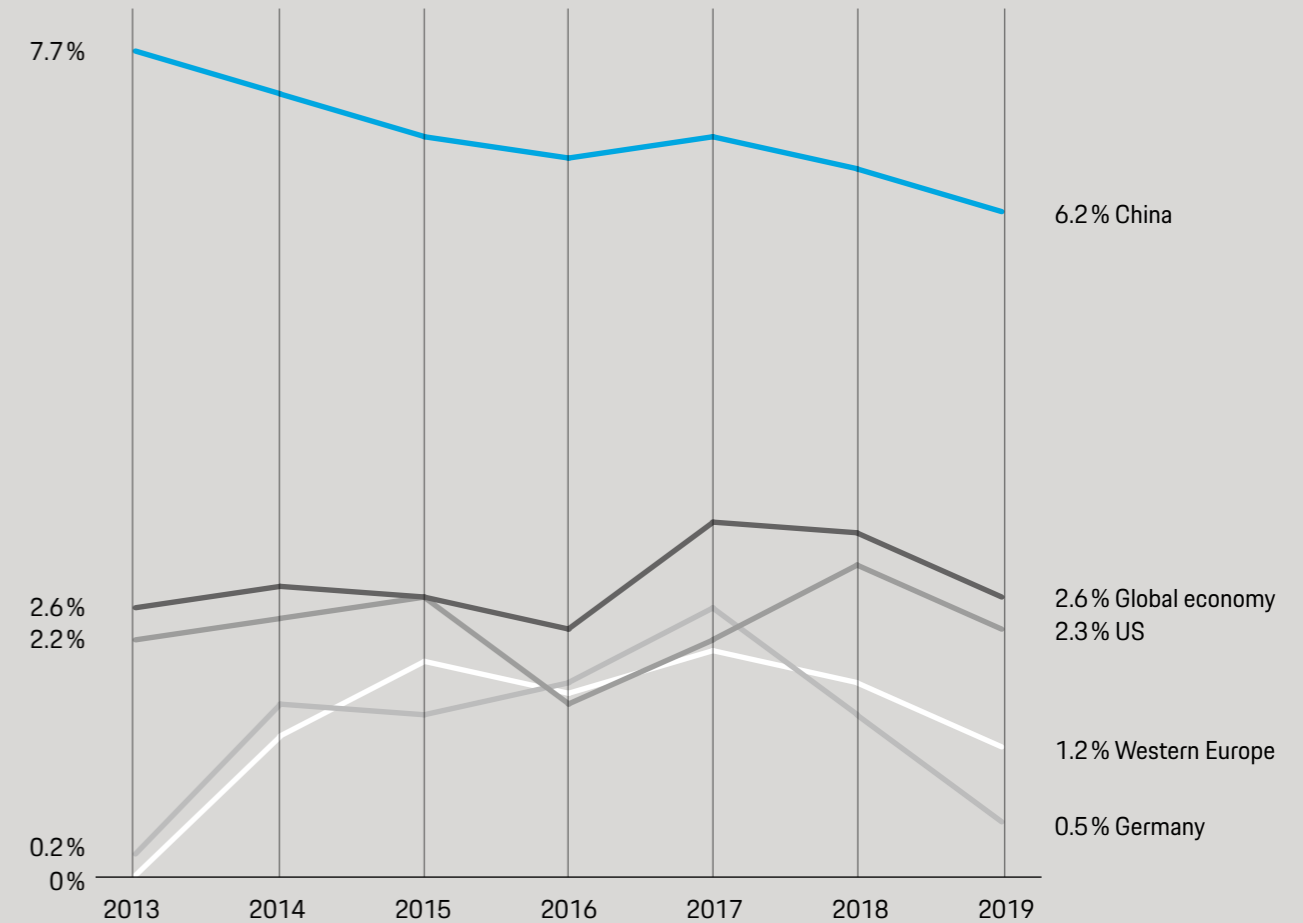
In Western Europe, the car market grew by 0.6 per cent in 2019 to 14.4 million vehicles. Growth figures varied from one major market to another, with Germany enjoying a five per cent upturn in new registrations that saw it reach 3.6 million vehicles. In addition to the robust labour market and higher commercial demand, sales support in the form of a scrapping bonus also had a positive impact. France enjoyed a 1.6 per cent increase on the previous year, while Italy stagnated and Spain recorded a significant drop of 4.7 per cent. On the UK car market, the negative trend of previous years continued – albeit at a milder level (down 2.4 per cent). In Western Europe, the proportion of diesel vehicles fell to 32 per cent in 2019 (previously 36.4 per cent).

In the North America region, sales of passenger cars and light commercial vehicles (up to 6.35 tonnes) dropped by 2.3 per cent to 20.2 million vehicles in the reporting year. The market volume in the US alone was also below that of the previous year, shrinking 1.6 per cent to 17.0 million units. The shift in demand from classic passenger cars (down 10.1 per cent) to light commercial vehicles, such as SUVs and pick-up trucks (up 2.6 per cent), was once again evident in the reporting year. Canada's automobile market continued the downward trend that began in 2018, experiencing a 4.3 per cent drop in the reporting year. On the South American markets, the volume of newly registered passenger cars and light commercial vehicles was down five per cent at 4.3 million units in 2019. However, demand for automobiles in Brazil continued to recover with a high growth rate of 7.7 per cent.

The global economy continued to record robust growth in 2019, albeit at a slightly reduced pace. Global gross domestic product (GDP) increased by 2.6 per cent (previously 3.2 per cent). In Western Europe, growth slowed over the course of the year to 1.2 per cent (previously 1.8 per cent). GDP continued to grow in Germany but was noticeably less dynamic than the year before, at 0.5 per cent (previously 1.5 per cent).

Economic growth

Percentage change in GDP



Following a minor dip in 2018, the volume of the passenger car market in the Asia-Pacific region experienced a notable six per cent drop in 2019 as it recorded 34.0 million vehicles. This was primarily driven by falling demand in China and India.

The trade war with the US placed particular strain on the Chinese market, which shrank by 6.4 per cent in the reporting year. Sales in India dropped by nearly 12 per cent over the second and third quarters of 2019. In Japan, the passenger car market volume fell by 2.4 per cent.

2019: deliveries up by 10 per cent

From a sales point of view, 2019 was extremely successful for Porsche. The sports car manufacturer was again able to significantly increase the number of deliveries worldwide despite economic and political uncertainties. Key factors were the attractive product range and the brand's strong appeal.

In the year under review, Porsche delivered 280,800 vehicles worldwide – the most ever. The growth rate compared with 2018 was 10 per cent. The Cayenne, with an increase of 29 per cent to 92,055 cars, was the greatest contributor to this growth. Approximately 15 per cent was contributed by the Coupé version launched in 2019. The Macan remained the most popular model with 99,944 vehicles delivered to customers. This corresponds to an increase of 16 per cent. The success of both models also highlights Porsche's strong position in this segment. 34,800 customers took delivery of their 911 models, and 32,721 Panamera vehicles were handed over to customers. 20,467 customers received their mid-engine sports car 718 Boxster or 718 Cayman.

The Taycan also already contributed to Porsche's success with its start of production in September 2019. The launch market was the United States with 130 cars handed over to customers in 2019. The Taycan will be launched in Germany, China and worldwide from the beginning of 2020.

The E-Hybrid models were popular for the Cayenne and Panamera. Approximately 26 per cent were delivered in this variant in the case of the Panamera and 17 per cent for the Cayenne. Particularly in Europe, many customers opted for a hybrid model. The share in this region (Germany excluded) is 60 per cent for the Panamera and 30 per cent for the Cayenne, of which the E-Hybrid was not available before autumn 2019.

China remains the highest-volume market for Porsche with a total of 86,752 vehicles delivered there. This represents an increase of eight per cent compared with the previous year.

America

US: 10th successive year of growth

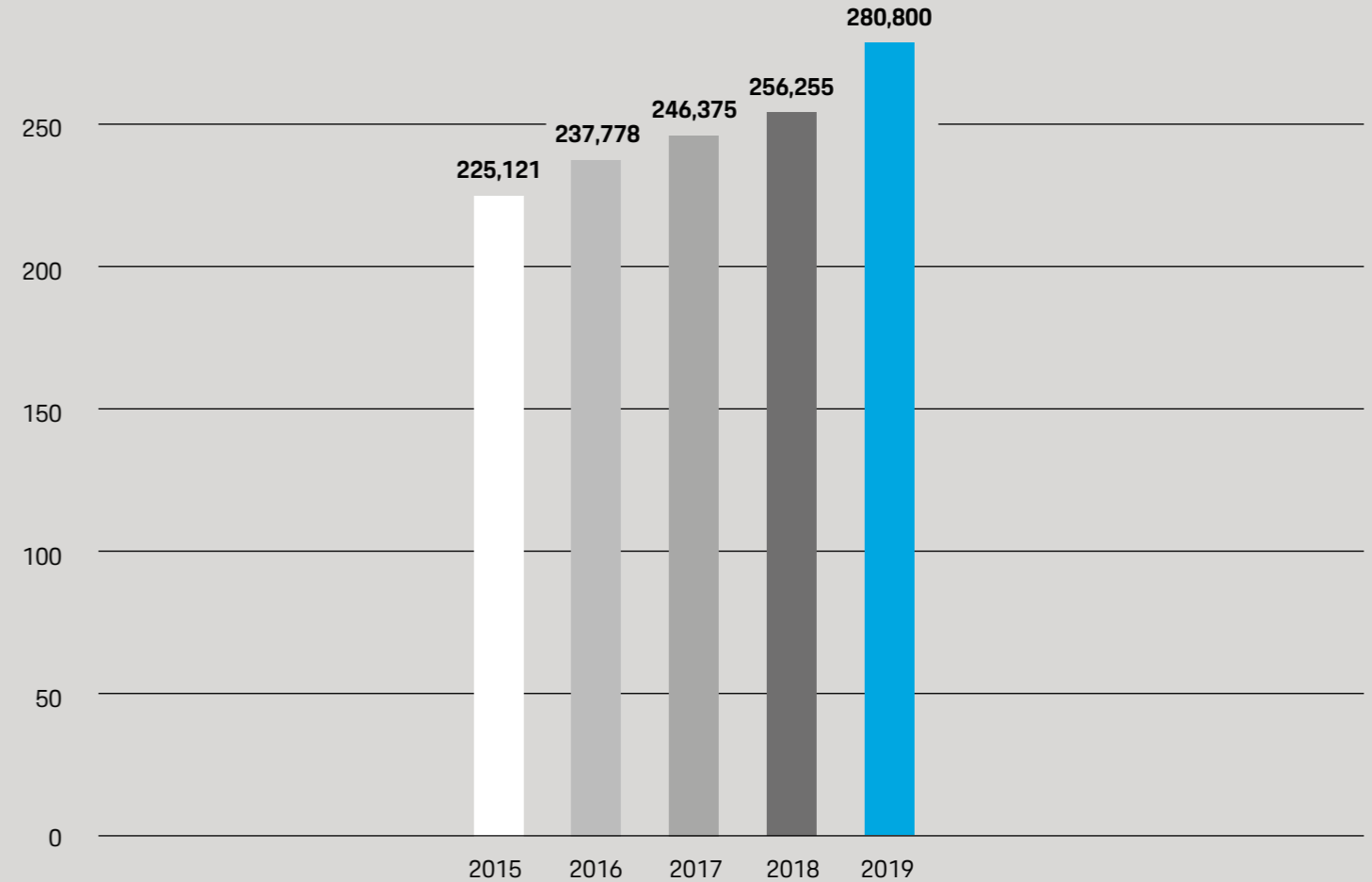
A total of 61,568 vehicles were handed over to customers in the United States in the year under review. This represents an increase of eight per cent compared with 2018. The previous year's figure was exceeded for the 10th time in succession and includes 130 Taycans that were delivered to customers. The most successful model in the US was again the Macan with 22,667 deliveries. This was followed by the Cayenne, which was handed over to customers 19,001 times. With an increase of 77 per cent, it achieved a large increase in deliveries in the US. A total of 6,625 Panamera vehicles and 9,265 Porsche 911 vehicles were handed over to customers. A total of 3,880 vehicles of the 718 Boxster and 718 Cayman were delivered in the US. Alongside the new vehicles, Porsche Approved sales also achieved a new record level. With more than 25,100 deliveries and an increase of nine per cent, pre-owned vehicles also enjoyed a high degree of popularity among American customers as well as new vehicles.

Canada: again sixth biggest market

In 2019, Porsche was able to deliver 9,025 new vehicles in Canada, an increase of one per cent over 2018. The Macan remained the most successful model with 3,487 vehicles sold. With growth of 49 per cent compared with the previous year, the demand for the Cayenne increased most strongly. 3,129 vehicles of this model were handed over to Canadian customers. This was followed by the 911 with 1,414 units representing an increase of one per cent. A total of 609 Panamera vehicles were handed over to customers. 386 vehicles were delivered in the case of the 718 Boxster and 718 Cayman models. The number of "Porsche Approved" vehicles increased by nine per cent – 2,796 Porsche vehicles were handed over to customers.

In the reporting year, Porsche delivered 280,800 cars worldwide – this all-time record represented a 10 per cent increase on 2018. On top of this, the 61,568 total cars handed over to customers in the United States marked an eight per cent increase on the previous year. This includes 130 Taycan units that have already been delivered.

Deliveries of new vehicles



Deliveries in 2019		Year-on-year comparison +10%
Europe	89,494	
America	75,367	
Asia-Pacific, Africa and Middle East	115,939	

Latin America: stability in a volatile region

In Latin America (excluding Brazil), Porsche was able to keep deliveries stable in spite of the volatile economic climate. A total of 2,925 vehicles were delivered throughout the region. At 20 per cent, the Cayenne recorded the strongest growth and was also the most successful model, with 1,382 vehicles handed over to customers. It was followed by the Macan with 17 per cent growth and 757 deliveries. Porsche delivered 467 of the 911 to customers in Mexico, Central and South America. There were 216 vehicles in the case of the 718 Boxster and 718 Cayman and 103 vehicles for the Panamera. The largest markets in the region continued to be Mexico, Chile and Puerto Rico, representing 66 per cent of the region with 1,938 vehicles delivered.

Brazil: growth of almost 30 per cent

Porsche's subsidiary in Brazil had a particularly strong year. All model ranges were growing. Deliveries rose again by 28 per cent to 1,849 in the year under review. The Cayenne was a particularly strong performer with 575 vehicles and an increase of 66 per cent. For the Macan, a total of 495 vehicles were delivered, representing an increase of 16 per cent. Other model series also produced impressive figures: Porsche delivered 352 vehicles of the 718 model series, corresponding to 28 per cent more than in the previous year. The demand for the 911 increased by 13 per cent to 238 vehicles. Last but not least, the Panamera was also well received by Brazilian customers with 189 units and an increase of two per cent.

Europe

Europe region (Germany excluded): strong increase in deliveries

In Europe, Porsche achieved particularly high growth in 2019: a total of 57,876 vehicles were delivered. This represents an increase of 15 per cent compared with the best result so far of the previous year. The Cayenne was a strong performer here with 18,025 vehicles handed over to customers, corresponding to an increase of 38 per cent compared with 2018. The Macan remained the most successful model with 19,807 vehicles delivered, representing an increase of 27 per cent. The number of Porsche 911 models handed over to customers rose by six per cent to 9,603 units. A total of 5,549 Panamera vehicles were delivered. Of this, 38 per cent was accounted for by the Sport Turismo. There were 4,892 deliveries of the 718 Boxster and 718 Cayman mid-engine sports cars. The plug-in hybrid vehicles were again especially popular.

Germany: an increase of 15 per cent

Porsche delivered a total of 31,618 vehicles in its domestic market, representing an increase of 15 per cent compared with the previous year. The increase for the Macan was particularly strong at 40 per cent to 9,027 vehicles. The sports car icon 911 followed in second place with 8,300 units. The Cayenne achieved particularly strong growth of 39 per cent to 7,124 vehicles. The Panamera was handed over to German customers a total of 3,403 times. A total of 3,081 units of 718 Boxster and 718 Cayman models were handed over to customers.

United Kingdom: significant growth

In 2019, the United Kingdom was Porsche's fourth-largest market. Deliveries to British customers in 2019 rose by 23 per cent to 15,365 vehicles. The 911 sports car icon achieved growth of 22 per cent, with 2,936 units delivered to customers. The Macan remained the most successful model with 4,988 vehicles delivered (an increase of 18 per cent). This was followed by the Cayenne with 4,070 units, representing an increase of 83 per cent. The 718 models also remained popular, with 2,422 units of the mid-engine sports car handed over to customers. A total of 949 Panamera vehicles were delivered.

France: Panamera with 80 per cent hybrid share

In France, deliveries rose by 17 per cent in 2019. Porsche delivered a total of 5,756 vehicles to customers. At 1,912 units, the Macan was again the most popular model, representing a 27 per cent increase over the previous year. This was followed by the Cayenne with 1,539 vehicles delivered (an increase of 53 per cent). The 911 again achieved growth of eight per cent to 1,217 vehicles. Among the four-door sports cars, the E-Hybrid versions were particularly popular. In the case of the Cayenne, 62 per cent opted for a hybrid, while for the Panamera this figure was 80 per cent.

Italy: Macan remains most popular model

In Italy, Porsche increased the number of its deliveries by 28 per cent to 6,710 vehicles in 2019. The Cayenne in particular enjoyed strong growth of 52 per cent to 1,596 vehicles. The Macan remains the most popular model in Italy. 2,917 units of this model were handed over to customers (an increase of 40 per cent). Demand for the 911 also remained strong: 1,177 vehicles were delivered. This corresponds to an increase of 20 per cent. A total of 541 Italian customers opted for a Panamera. 479 buyers received their 718-series mid-engine sports car. 79 per cent of Panamera customers chose the E-Hybrid. 54 per cent,

In Europe (excluding Germany), Porsche achieved particularly substantial growth in 2019: a total of 57,876 cars were delivered by the company, corresponding to a year-on-year increase of 15 per cent. Porsche delivered 31,618 cars in its home market of Germany (also up 15 per cent). Here, the Macan enjoyed a stunning 40 per cent increase to 9,027 units.

or more than half, were delivered as a Sport Turismo. The proportion of the E-Hybrid Cayenne models has doubled from 16 per cent in 2018 to 32 per cent in 2019.

Spain/Portugal: high growth rate for the Cayenne

The number of Porsche vehicles delivered in Spain and Portugal in 2019 amounted to 3,542 vehicles, representing growth of 19 per cent compared with the previous year. The most successful model was the Macan with 1,379 vehicles delivered, an increase of 15 per cent. Demand for the Cayenne was extremely positive, making it the most popular model in Portugal and the second most popular model in Spain. A total of 1,055 vehicles of this model and thus 64 per cent more than in 2018 were handed over to customers. The Panamera was delivered 509 times, and the 911 422 times. There were 177 deliveries of the 718 models.

Switzerland: Macan still popular

Porsche delivered 3,722 vehicles in Switzerland last year and thus rose by 11 per cent compared with the previous year. The most popular model was again the Macan with 1,415 vehicles. This corresponds to an increase of 32 per cent. A total of 897 Cayenne vehicles were delivered, representing a 33 per cent increase over the previous year. Of these, 33 per cent were plug-in hybrid models. Porsche Switzerland delivered 854 vehicles of the 911 sports car icon. 315 customers received a Panamera. Porsche handed over 241 of the 718 Boxster and 718 Cayman mid-engine sports cars to its Swiss customers, which represents a significant increase of 30 per cent.

Central and Eastern Europe: tenth consecutive year of growth

In the year under review, Porsche delivered 7,024 vehicles to customers in Central and Eastern Europe. This corresponds to an increase of 12 per cent. It is the tenth consecutive year of growth in the region. The most popular model in Central and Eastern Europe is the Cayenne with 2,587 units, representing an increase of 21 per cent. The Macan achieved growth of 33 per cent. A total of 2,550 customers opted for this model. The Panamera was delivered 873 times, while 684 units of the 911 and 330 units of the mid-engine sports cars 718 Boxster and 718 Cayman were handed over to customers.

Russia: Cayenne and Macan achieve double-digit growth

In Russia, Porsche also had a very successful year. In 2019, 6,023 vehicles were delivered to Russian customers – 18 per cent more than in the previous year. The Cayenne was particularly in demand with 3,666 units, representing an increase of 29 per cent. The Macan's share increased by 12 per cent with 1,622 vehicles. A total of 455 customers chose a Panamera. Of the 911 models, 204 vehicles were delivered. Some 76 customers received their 718 Boxster or 718 Cayman.

Northern Europe (including Benelux and Austria): E-Hybrids particularly in demand

In 2019, 9,734 vehicles were delivered in this market area, 1,376 in Austria alone. The strongest growth was recorded by the Macan with 3,024 units representing an increase of 40 per cent. Deliveries of the Cayenne also increased: 2,615 vehicles were handed over to customers. This corresponds to an increase of eight per cent. With 2,109 units, the Porsche 911 deliveries accounted for a strong 22 per cent of total sales in the market area. A total of 1,275 Panamera vehicles and 711 vehicles of the 718 Boxster and Cayman models were delivered. The share of E-Hybrid models is unusually high. For the Cayenne it is 58 per cent and 70 per cent for the Panamera. At 53 per cent, the Sport Turismo version of the Panamera was particularly popular.

Asia

China: remains highest-volume market

In 2019, China remained Porsche's highest-volume single market. A total of 86,752 vehicles were delivered, representing growth of eight per cent. The largest share was attributable to the Macan, of which 34,619 vehicles were delivered to customers. This corresponds to an increase of 26 per cent. A total of 32,683 Cayenne vehicles and 13,170 Panamera vehicles were delivered to customers (an increase of four per cent). The two-door sports cars were also well received by customers. 4,866 vehicles of the 718 Boxster and 718 Cayman models were delivered. A total of 1,414 units of the 911 were delivered.

Innovative drives are in great demand on a number of markets, with 80 per cent of Panamera customers in France and 79 per cent in Italy opting for an E-Hybrid. One-third of Cayenne customers in Switzerland also chose a plug-in hybrid model. The proportion of E-Hybrid models was high across Northern Europe, Benelux and Austria, accounting for 58 per cent of Cayenne units and 70 per cent of Panamera cars.

Japan: 911 extremely popular

Porsche delivered 7,085 vehicles in Japan in the year under review, marking the 10 consecutive years increase and highest number on record. Compared with the previous year, this corresponds to an increase of one per cent. The strongest growth was achieved with the 911. A total of 1,766 vehicles of the sports car icon were delivered – 26 per cent more than in the previous year. The Macan also contributed to growth with 2,232 units handed over to customers, an increase of nine per cent. A total of 1,049 Panamera vehicles were delivered, and almost as many Cayennes with 1,041 units. Some 997 Japanese customers took delivery of their 718-series mid-engine sports car.

Taiwan: Macan with strongest growth

The market in Taiwan grew by 10 per cent in 2019 to 3,732 vehicles delivered. The Macan recorded the strongest growth with 51 per cent more than in the previous year and a total of 1,475 vehicles handed over to customers. It almost caught up with the Cayenne which, with 1,556 units, remained the most popular model in Taiwan. Some 255 customers received their 718 Boxster or 718 Cayman and 250 their 911. A total of 196 customers took delivery of their Panamera.

South Korea: the Cayenne is the most popular model

In South Korea, Porsche almost maintained its number of vehicles delivered in 2019, with a total of 4,288 vehicles delivered. Significant growth was achieved by the Cayenne, of which 2,332 vehicles were handed over to customers. Other popular models in South Korea were the Panamera (1,124 vehicles), 718 Boxster and 718 Cayman (together 731 vehicles) and the iconic 911 sports car (100 vehicles).

Asia-Pacific: strongest market growth

The Asia-Pacific region that Porsche supports from Singapore was the highest-growth market for the sports car manufacturer in the previous year – also thanks to the integration of New Zealand, which was previously part of the Australian sales organisation. Deliveries increased by 41 per cent to 3,025 vehicles. The Cayenne recorded the strongest growth at 154 per cent and 1,070 vehicles. The Macan also achieved a high growth rate: 1,090 vehicles and thus 84 per cent more than in the previous year were handed over to customers. The 911 also recorded a solid 16 per cent increase, with 352 vehicles delivered. Customers received 312 vehicles of the Panamera and 201 vehicles of the 718 series.

Middle East, Africa and India: Macan with strong growth in demand

In the Middle East, Africa and India region, 6,891 vehicles were delivered in the reporting year, with Porsche achieving growth of seven per cent – despite continuing challenges for the regional automotive industry. The Macan was a particularly strong performer in the region with 2,278 new car deliveries and a growth of 74 per cent compared to the previous year, whilst the Cayenne maintained its position as the best-selling model with 2,785 vehicles sold to customers. Although the eighth generation of the iconic Porsche 911 was only introduced to the region mid-way through the year, sales surpassed previous year's deliveries. Porsche's regional office based in Dubai supports the brand's operations across 21 countries with 22 importers and 65 retail facilities spread across the Gulf Cooperation Council (GCC) countries, Levant, India and Africa. Accounting for 22 per cent of total regional sales, South Africa was the largest market for Porsche Middle East and Africa in 2019. The GCC countries remained a key contributor representing a 58 per cent share of new car deliveries.

Australia: slight decrease due to structural change

Despite organisational decoupling from New Zealand, the Australian sales region remains a high-volume market for Porsche with a slight decline of three per cent due to the separation. A total of 4,166 vehicles were delivered. This result was achieved in a challenging Australian automotive market, with the overall market declining around eight per cent in 2019. The Cayenne recorded growth of 14 per cent with an increase to 1,352 vehicles. The highest-volume model remains the Macan, which was chosen by 2,009 customers. The 911 was again popular: 508 vehicles were handed over to customers. 246 vehicles from the 718 series were delivered and 51 Panamera vehicles.

In 2019, China again boasted the highest volume of any individual Porsche market as it recorded 86,752 total cars (up eight per cent). The Porsche market with the highest level of growth was the Asia-Pacific region after allocating Australia there, which recorded a 41 per cent increase to 3,025 cars – and a 154 per cent increase in demand for the Cayenne (to 1,070 units).

Fiscal year 2019 in figures

Porsche AG Group

15.4 %



Operating return on sales before special items demonstrates healthy cost structure and lasting high profitability.

280,800

New vehicle deliveries
Overall, 10 per cent more Porsche vehicles were delivered than in the previous year.

€4.49 billion



Cash flows from operating activities.

99,944

Macan deliveries
The Macan was the best-selling Porsche model, recording growth of 16 per cent.

€28.52 billion

Revenue: an increase of 11 per cent in comparison with the previous year.

35,429

Employees
The global workforce grew by 10 per cent.



€4.40 billion

Operating profit: before special items.

86,752

Deliveries in China
China was Porsche's strongest market, growing by eight per cent on the previous year.

OUTLOOK

For the purpose of our planning, we expect global economic growth in 2020 to continue on the level of the previous year. We consider protectionist tendencies, turbulence on the financial markets and structural deficits in some countries to be a source of risk. At the same time, growth prospects are being kept in check by ongoing geopolitical conflicts. We therefore expect advanced nations and emerging markets to demonstrate a similar dynamic to 2019. The highest rates of growth are likely to be recorded in the emerging economies of Asia.

We are also anticipating continued growth in the world economy during the period from 2021 to 2024.

According to our forecasts, economic growth for 2020 in Western Europe will be slightly weaker than in the reporting year. Structural problems and the unknown impact of Brexit continue to pose major challenges. As far as Germany is concerned, we predict that gross domestic product (GDP) will rise less strongly in 2020. The situation on the labour market is forecast to remain stable and support private consumption.

We are expecting stable economic conditions in the US for 2020, although GDP growth is forecast to be lower than in the reporting year. The Federal Reserve may also reduce key interest rates further in 2020. Economic growth in Canada is anticipated to remain essentially steady. Looking to Brazil, the largest economy in South America, 2020 is predicted to deliver somewhat more dynamic growth than the reporting year.

With regard to China, we expect 2020 to feature a continuation of relatively high growth but a less dynamic economy than in previous years. A temporary agreement with the US on matters of trade and fiscal measures taken by the government may provide a stabilising effect. We predict that the rate of expansion in India will remain at the same level as in previous years. In Japan, however, we continue to anticipate weak economic growth.

Heterogeneous automotive markets

As far as the world's automobile markets are concerned, we expect to see a variety of developments across the different regions in 2020. According to our forecasts, the overall global demand volume for new vehicles will be comparable to that recorded in the reporting year. Looking at the period from 2021 to 2024, we anticipate growing demand for passenger vehicles worldwide. In 2020, the volume of the passenger car market in Western Europe is predicted to be noticeably below the level achieved in the reporting year. The unknown impact of Brexit may well add to ongoing consumer uncertainty and continue to stifle demand. Following positive overall growth in the German passenger car market over recent years, 2020 is forecast to feature a markedly lower level of demand than the previous year. The British and Italian markets are expected to demonstrate moderately weaker demand. In France and Spain, we are predicting considerably lower demand than in the reporting year.

Demand for passenger cars and light commercial vehicles (up to 6.35 tonnes) in 2020 will fall by a small amount in the US and in North America as a whole according to our forecasts. However, demand for vehicles in the SUV and pick-up segments can be expected to remain high. In Canada, the number of newly registered vehicles is also forecast to be slightly below that of 2019. Given their dependence on global demand for commodities, the South American passenger car and light commercial vehicle markets are highly influenced by the development of the global economy. For 2020, we are predicting moderate growth in new registrations in South America compared with the previous year. Following increased demand in 2019, Brazil is set to see further tangible growth in this regard during 2020.

In the Asia-Pacific region, we believe that market volumes in 2020 will remain at the level of the previous year. We also expect demand in China to pick up again slightly, with good-value, entry-level SUV models in particular predicted to remain very popular. The trade dispute between China and the US will continue to impact on business and consumer confidence, unless a solution emerges. As far as the Indian market is concerned, we are anticipating a slight drop on the previous year. Japan is expected to witness a considerable fall in market volume in 2020.

Porsche anticipates continued growth in the world economy over the coming years. The development of car markets around the world will be influenced by regional conditions. According to our forecasts, the global demand volume for new vehicles in 2020 will be comparable to that recorded in 2019. Looking at the period from 2021 to 2024, we expect growing demand for passenger vehicles worldwide.

Development of the world economy 2020 forecasts by Porsche AG

NORTH AMERICA

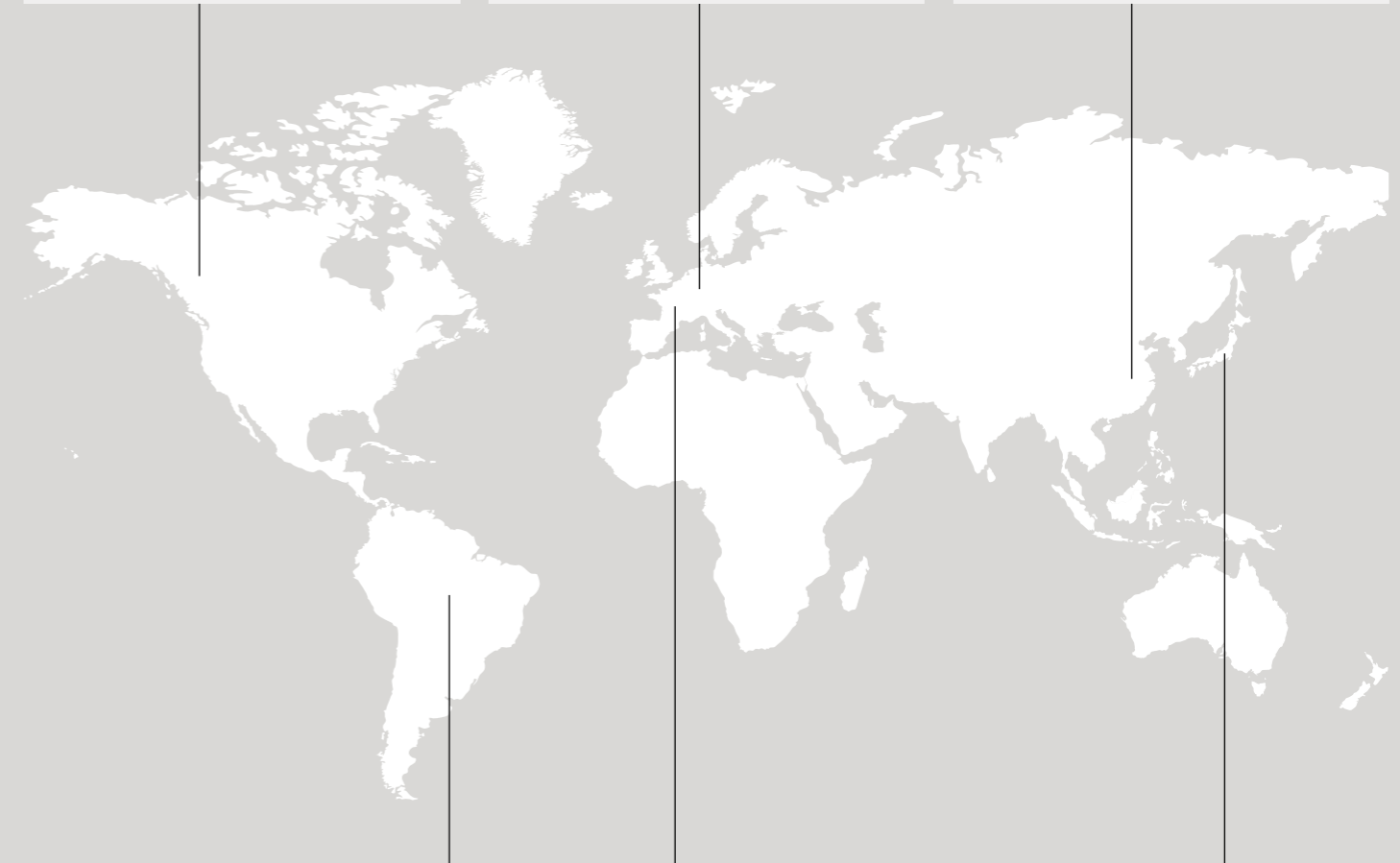
Economic conditions in the United States are forecast to be stable in 2020, although GDP growth may be lower than in the reporting year.

GERMANY

Germany is predicted to record a low level of GDP growth in 2020.

CHINA

With regard to China, 2020 is expected to feature a continuation of relatively high growth but a less dynamic economy than in previous years.



BRAZIL

Looking to Brazil, the largest economy in South America, 2020 is predicted to deliver somewhat more dynamic growth than the reporting year.

WESTERN EUROPE

According to our forecasts, economic growth for 2020 in Western Europe will be slightly weaker than in the reporting year.

JAPAN

In Japan, however, we continue to anticipate weak economic growth.

Sustainability management

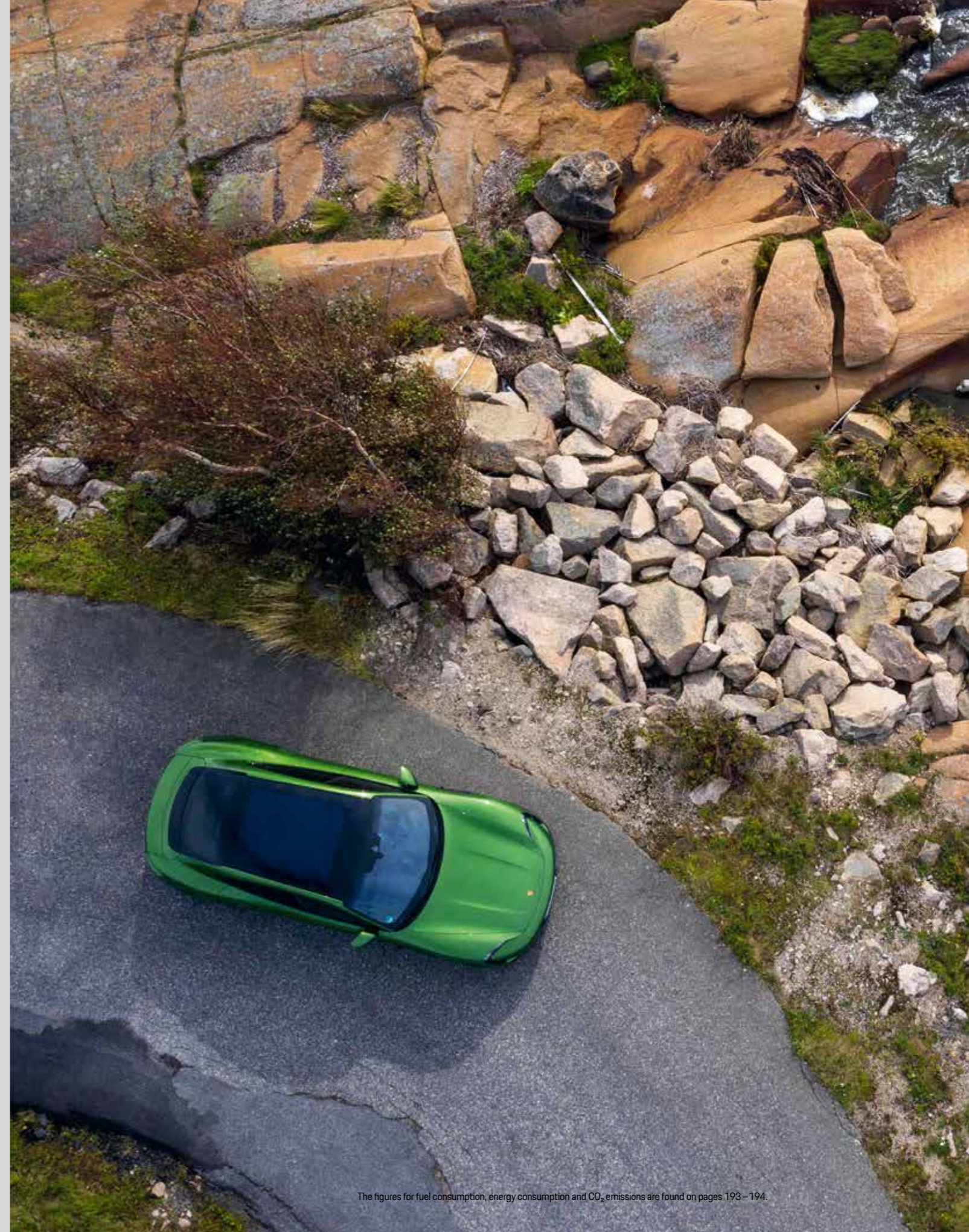
Sustainability strategy

Porsche Sustainability Index

Sustainability organisation

Sustainable Development Goals

Porsche stands for visions. Sets standards. Also in terms of sustainability. Across the entire value chain and on all levels of its corporate activities. Porsche is shaping the future of the sports car.



SUSTAINABILITY MANAGEMENT

Porsche revised its sustainability strategy in the reporting year 2019 with a focus on its long-term objective of achieving value-creating growth – for economic values and social responsibility – while simultaneously reducing the environmental impact of the company. It is taking action across the entire value chain to improve sustainability within its corporate activities on all levels. The Porsche Sustainability Index also defines clear goals to be reached by 2025.

Sustainability strategy


Every year, more resources are consumed than can be reproduced naturally. The global population will stand at more than eight billion by 2030, with the middle-class income group set to rise by a further two billion during this period. This points to constant growth in demand for resources at a time when worldwide reserves of raw materials are becoming increasingly scarce.


Global competition for resources and the impact of climate change may result in monumental changes to the market. Due to stricter political regulations, the defining trend of digitalisation, ever more frequent shifts in consumer demand, and changing perspectives and requirements on the part of various stakeholder groups in relation to sustainable economic activities, companies are being confronted by entirely new economic conditions. Simply put, the automotive industry is facing the biggest changes and challenges in its history.

For Porsche, these challenges also present new possibilities in terms of design and innovation. Through the development of groundbreaking products, technologies and services that consume fewer resources and raw materials, the sports car manufacturer is looking to establish future-proof solutions together with its suppliers, employees and customers. In this way, Porsche ensures that its operations are environmentally and socially compatible while also contributing to its own economic success.

This goal forms the core of the company's new sustainability strategy. As part of this drive, the strategic action areas that provide the framework for key issues of corporate sustainability have also been revised. Porsche's sustainability activities are now structured in the following three areas:

 INNOVATIVE MOBILITY

 RELIABLE PARTNER

 GO TO ZERO

These new strategic action areas underline Porsche's holistic commitment to corporate sustainability. In this context, the indirect impact of business activities – in the supply chain, for example – is as much a point of focus as the direct impact of commercial operations. Porsche thus acknowledges that its responsibility extends right along the entire value chain.

The ultimate goal of Porsche's sustainability strategy is for the company to continuously reduce its negative environmental impact while further reinforcing its positive influence on society. Porsche's clearly defined corporate vision demands that it becomes the most sustainable brand for exclusive and sporting mobility.

These new strategic action areas underline Porsche's holistic commitment to corporate sustainability. In this context, the indirect impact of business activities – in the supply chain, for example – is as much a point of focus as the direct impact of commercial operations. Porsche thus acknowledges that its responsibility extends right along the entire value chain.



Porsche Sustainability Index ✓

Porsche has defined suitably forward-looking goals based on the new action areas of Innovative Mobility, Reliable Partner and Go to Zero featuring a number of specific milestones. The company uses the Porsche Sustainability Index to set itself ambitious targets for the action areas, which must be reached by 2025.

Porsche developed its sustainability index in an effort to devise a tool for collectively measuring all of its key sustainability requirements. It was inspired to act by a series of cross-sector benchmark and best-practice analyses. At the behest of the Porsche Executive Board and with the support of the Porsche Sustainability Council, the index was subsequently defined via internal interdepartmental workshops and expert discussions in a process coordinated by the core sustainability team. Porsche will continue to record the development of the index's key figures.

The activities of the Porsche Sustainability Index are focused on three topics within each respective action area, which represent the central challenges for Porsche in terms of ensuring corporate sustainability both along the value chain and throughout the product life cycle. All topics comprise strategic

and representative parameters that reflect a quantifiable part of Porsche's sustainability activities. In this way, different key figures with various units are offset against each other in the sustainability index.

What method does Porsche use in this regard? The status per key figure is calculated based on the change between the current value and the value in the baseline year 2018. The key figures are thus standardised and weighted equally, and are totalled for each action area with the respective status ultimately expressed on a scale from zero to 100. Porsche is striving for 100 per cent achievement in all three action areas by the year 2025. This is also the target for the Porsche Sustainability Index as a whole, which is calculated as the average of the different action areas, with target achievement of all three areas given equal weight. This ensures that any negative results in a particular action area cannot be offset by better outcomes recorded elsewhere.

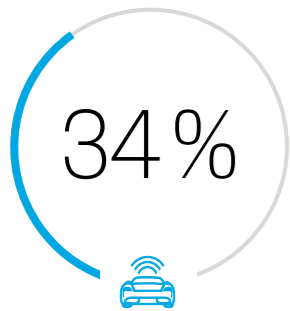
The Porsche Sustainability Index reinforces the core objective of its business sustainability strategy: achieving value-creating economic and social growth while simultaneously reducing the environmental impact of the company.

Status in the 2019 reporting year

During the reporting period, major gains were achieved in the action area Innovative Mobility. In addition to other factors, several top placements in customer satisfaction surveys contributed to the high target achievement level of 34 per cent. The decline in the action area Go to Zero can be attributed to the fact that the measures implemented in 2019 to reduce CO₂ emissions over the product life cycle have a more medium-term impact. These measures include, for example, the market launch of the fully electric Taycan and the requirement for suppliers to produce high-voltage batteries using electricity generated from renewable sources.

Improvements of the Porsche Sustainability Index in 2019 compared to the baseline year 2018

↑ 13%



INNOVATIVE MOBILITY

INNOVATIVE STRENGTH
FINANCIAL PERFORMANCE
VALUE FOR CUSTOMER

RELIABLE PARTNER

SUPPLY CHAIN TRANSPARENCY
ATTRACTIVE EMPLOYER
SOCIAL COMMITMENT

GO TO ZERO

CO₂ EMISSIONS – SUPPLY CHAIN
CO₂ EMISSIONS – COMPANY
CO₂ EMISSIONS – PRODUCTS

Targets for 2025 – overview ✓

INNOVATIVE MOBILITY	RELIABLE PARTNER	GO TO ZERO
 <p>INNOVATIVE STRENGTH Promotion of innovation projects, increase of patent applications and expansion of the active customer base to new services (e.g. in mobility and connected-car services).</p>	 <p>SUPPLY CHAIN TRANSPARENCY Introduction of the "sustainability rating" for all production material suppliers as a binding criterion for awarding contracts and an expansion of the suppliers eligible for awarding contracts in accordance with Porsche sustainability requirements.</p>	 <p>CO₂ EMISSIONS – SUPPLY CHAIN Reduction of emissions through the use of fewer CO₂-intensive materials, raw materials and the manufacturing processes of suppliers.</p>
<p>FINANCIAL PERFORMANCE Top figures for revenue and profit: ≥ 15% return on sales, > 21% return on investment</p>	<p>ATTRACTIVE EMPLOYER High level of employee satisfaction, top placement in employer ratings and increase the proportion of women in management positions.</p>	<p>CO₂ EMISSIONS – COMPANY Improvement of energy efficiency and transition of electricity and heating supply to renewable energies at Porsche locations. Reduction of emissions caused by business activities, for example for employee mobility and travel.</p>
<p>VALUE FOR CUSTOMER Top placement in customer satisfaction studies for both sales and service. Maintenance of vehicle longevity through the expansion of replacement parts inventory for Porsche Classic vehicles.</p>	<p>SOCIAL COMMITMENT Global expansion of specialist training centres and job profiles, improvement of the effectiveness of projects funded, high level of satisfaction with Porsche's sustainability performance according to the stakeholder survey.</p>	<p>CO₂ EMISSIONS – PRODUCTS Reduction of emissions through vehicle electrification, expanded use of green electricity and the development of reuse and recycling concepts.</p>

Sustainability organisation

→ GRI 102-43
Sustainability is embedded as a core interdisciplinary topic in the Porsche Strategy 2025 Plus. The Chairman of the Executive Board is directly responsible for this topic, with additional support from the Executive Board for Production and Logistics.

Porsche's sustainability organisation is implemented across the entire Group. A transparent internal structure with defined roles and responsibilities enables sustainability topics to be handled consistently and effectively throughout the business. In order to further reinforce the topic of sustainability, establish it more firmly in day-to-day operations and ensure that it is implemented more strictly, Porsche approved the Group Guideline on Sustainability during the course of the reporting year. This contains binding regulations pertaining to organisational processes, topic management, project implementation and the communication of all sustainability-related topics.

The Executive Board of Porsche AG acts as the highest authority on sustainability, meeting regularly as the Sustainability Board and setting the company's fundamental strategic direction. It also decides on the realisation of far-reaching sustainability measures and lighthouse projects.

The core team dedicated to sustainability within the Policy and External Relations department acts as an interface for all aspects of sustainability within the business. It is responsible for the coordination of all sustainability activities and projects, implementation of the strategy, and management of the sustainability committees. The team also ensures integration with the Volkswagen Group's sustainability activities and reporting. Additionally, it organises internal and external communications and the continual expansion of stakeholder dialogue.

The Sustainability Expert Group is responsible for developing the content of sustainability activities and submitting appropriate proposals to the Executive Board. It brings together members from all departments and meets four times per year. The permanent members of the Expert Group represent all of the relevant specialist departments in the company, where they act as multipliers. Group-wide collaboration within the Sustainability Expert Group was intensified in the reporting year through the inclusion of further representatives from the relevant subsidiaries. In addition, employees responsible for implementing the interdiscip-

linarity sustainability strategy are delegated to the Expert Group by each company department. In order to further reduce the complexity of sustainability management within the Porsche Group, the Expert Group is expanding on an ongoing basis and playing a more substantial role within the organisational structure.

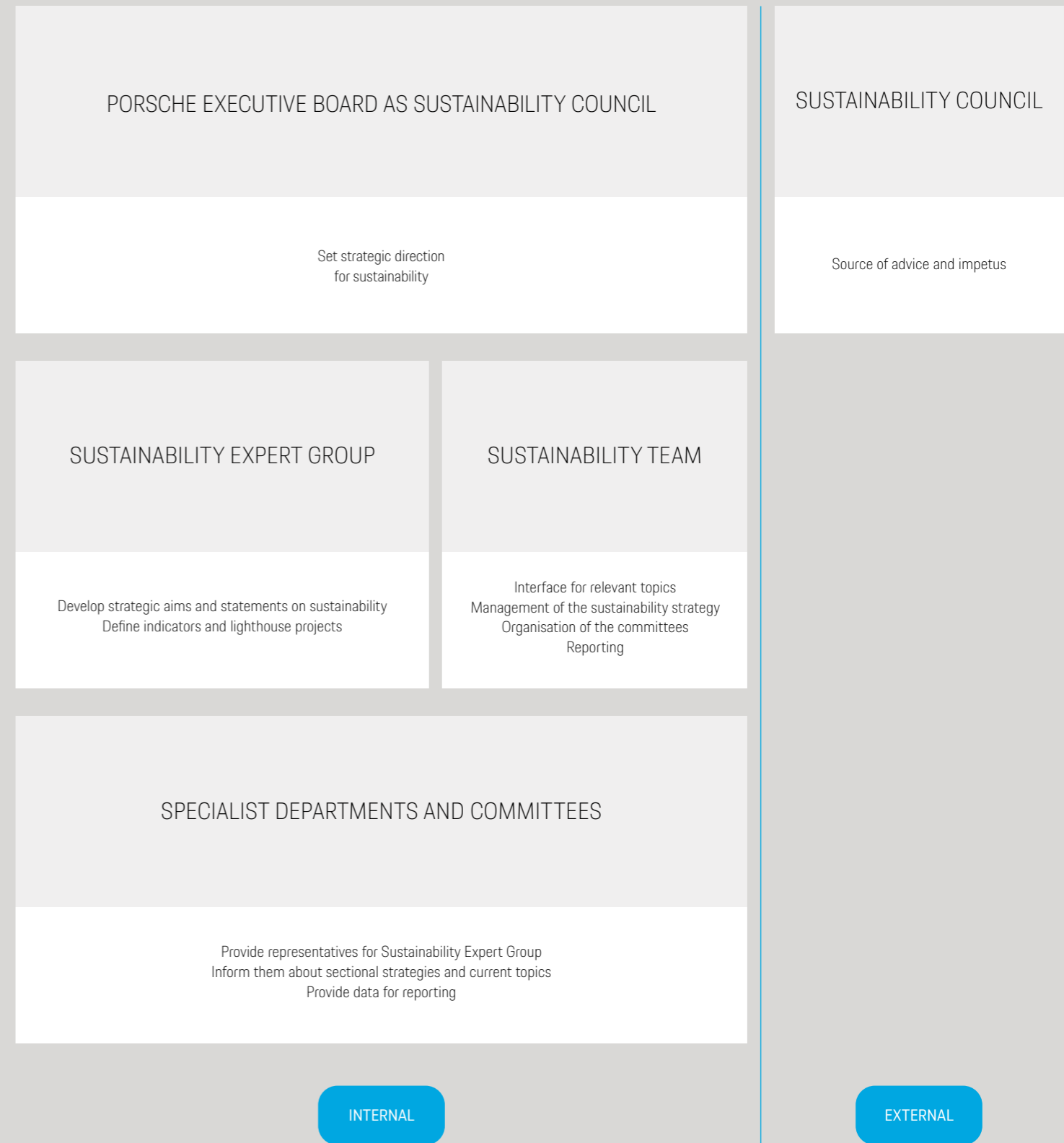
Porsche established its own Sustainability Council back in 2016, marking a key step forward in terms of expanding and enhancing corporate stakeholder dialogue. The Porsche Sustainability Council has been an important source of ideas and impetus for the Executive Board and the entire company ever since. It is composed of internationally renowned representatives from the scientific and public communities. The current members of the Porsche Sustainability Council are Prof. Sonja Peterson, Prof. Lucia Reisch, Prof. Maximilian Gege, Prof. Ortwin Renn and Prof. Klaus Töpfer. In the reporting year, the Sustainability Council held two consolidated meetings with the Porsche Executive Board. It also met twice with the Sustainability Council Coordination Office and technical experts and had a consultative meeting with the members of the Volkswagen Group Sustainability Council. Individual members of the Council were also given greater involvement in processes relevant to management, such as the verification of the Porsche Sustainability Index and the development of strategic sustainability management. The Liveable City of the Future project established by the Council also helped intensify stakeholder dialogue on the topic of future urban mobility. Cooperation with the Council is to be further expanded in 2020.



PORSCHE SUSTAINABILITY COUNCIL

A transparent internal structure with defined roles and responsibilities allows sustainability topics to be handled rigorously and effectively throughout the business. The Executive Board of Porsche AG acts as the highest authority on sustainability, meeting regularly as the Sustainability Board and setting the company's fundamental strategic direction.

Sustainability organisation – overview



Sustainable Development Goals

→ GRI 102-47

In autumn 2015, the General Assembly of the United Nations adopted its 17 Sustainable Development Goals (SDGs). The SDGs are at the heart of the 2030 Agenda for Sustainable Development, the aim of which is to reconcile economic progress, social justice and environmental compatibility.

While the SDGs are primarily aimed at states and governments, Porsche also wants to counter the ongoing depletion of natural resources and climate change and have a positive impact on social development. The company is focusing on those issues that its own business model and related value creation processes can materially influence.

Taking into account internal and external sources, there are seven SDGs for which Porsche is using its sustainability activities to make a real difference:

SDG 4 – Quality education

For Porsche, education is the key to sustainable development. This is why the company offers its trainees and staff an exceptionally diverse programme of vocational and professional training, giving all employees the opportunity to engage in systematic training tailored to their needs. Porsche is committed to the field of education and science in a variety of ways, particularly at its company sites and on an international level. Examples include the regional Ferry Porsche Educates initiative in Stuttgart and Leipzig as well as the international Porsche Aftersales Vocational Education (PAVE) programme, which promotes the needs-based implementation and expansion of local vocational education for Porsche dealer organisations worldwide.

SDG 8 – Decent work and economic growth

Creating jobs and respecting human rights along the entire supply chain are prerequisites for value-creating, sustainable growth. Porsche not only assumes responsibility for its employees and invests in their future, it also imposes strict, internationally recognised standards on its suppliers in the area of social and human rights. In this way, Porsche supports humane working conditions while categorically rejecting any form of forced or child labour.

SDG 9 – Industry, innovation and infrastructure

Porsche is synonymous with innovative products and services. By expanding a high-performance charging infrastructure for electric vehicles, permanently working to find innovative solutions, and trialling digital technologies and future trends, the company is playing an instrumental role in this field. As more can be achieved by working together, Porsche and its partners organised the “Mobility for a better world” competition in the reporting year to identify ideas and technologies for sustainable future mobility.

SDG 11 – Sustainable cities and communities

Sports car production at the main plant in Zuffenhausen is located in a mixed-use zone, surrounded by residential areas. Consequently, the company is directly confronted with the challenges posed by increasing urbanisation. This is another reason why Porsche feels a sense of duty to actively contribute to the sustainable development of cities by providing smart solutions. Resource-efficient production processes and products, as well as technological and social innovation, are the key factors for the company in this regard.

SDG 12 – Responsible consumption and production

As well as consistently working to create environmentally sound products that use fewer resources, Porsche is also constantly developing efficient, environmentally compatible production processes. Economic, ecological, sociocultural, functional and technical process qualities all play a central role. Meanwhile, the company sees it as equally important that internationally accepted rules governing health and safety and environmental protection are upheld. Ethical considerations and standards take precedence along the entire Porsche supply chain as the overriding sustainability requirements.

SDG 13 – Climate action

Porsche is embracing the challenge of pushing technological boundaries, reducing fuel consumption and developing innovative drive systems. The conservation of raw materials and energy is another huge priority. The company now uses 100 per cent green energy to supply the power needed for production. Porsche's first fully electric sports car, the Taycan, is being produced in Zuffenhausen as part of a completely carbon-neutral process. Meanwhile, the company is consistently cutting levels of CO₂ emissions from its own fleet and offsetting those from its vehicle pool. As its development of electric models

Porsche wants to counter the ongoing depletion of natural resources and climate change and have a positive impact on social development. The company is focusing on those issues that its own business model and related value creation processes can materially influence.

gathers pace, Porsche is contributing to global climate protection and to improving air quality in cities.

SDG 17 – Partnerships for the goals

Sustainable mobility solutions and a liveable world for the future can only be created by working together. This is why a process of permanent exchange with stakeholders and the strengthening of partnerships are two of the main goals of Porsche's sustainability strategy. The company is actively involved in a range of networks and is committed to sustainability initiatives. Through these collaborations, Porsche is supporting the transfer of knowledge for innovative and future-oriented approaches shaped around sustainability.



No poverty



Zero hunger



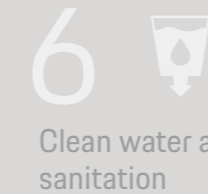
Good health and well-being



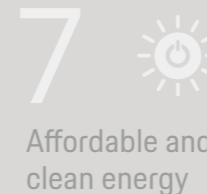
Quality education



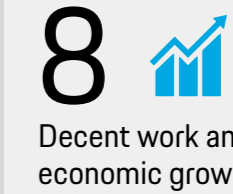
Gender equality



Clean water and sanitation



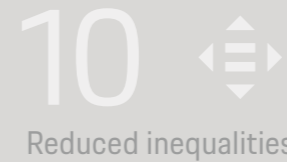
Affordable and clean energy



Decent work and economic growth



Industry, innovation and infrastructure



Reduced inequalities



Sustainable cities and communities



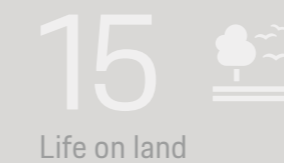
Responsible consumption and production



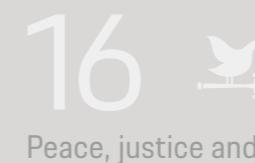
Climate action



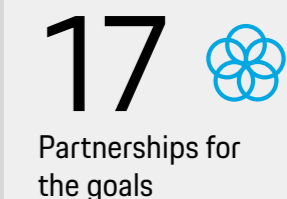
Life below water



Life on land



Peace, justice and strong institutions



Partnerships for the goals

Sustainability in figures

Porsche AG

> 10 %

own electric power generation for vehicle production

> 70 %



of all Porsche vehicles ever built are still on the road



€ 200,000

raised for good causes thanks to the six-hour employee run (3,200 runners)

50 %



One of every two Porsche vehicles will be electric by 2025



CARBON-NEUTRAL

Carbon-neutral production of the Taycan

< 1 %

staff turnover rate at Porsche



290 MEASURES

implemented to increase resource efficiency in production since 2014

+ 9.6 %



staff increase in 2019



5 GENERATIONS

work at Porsche

Ø 38 YEARS

average age of employees

- 44 %



TWO THOUSAND



Taycan as a job driver: 2,000 new employees

decrease in absolute CO₂ emissions (scope 1 and 2) since 2014 at the Stuttgart-Zuffenhausen location

Stakeholder management

External stakeholder dialogue

Internal stakeholder dialogue

Stakeholder survey and materiality

Porsche is a part of society. Engages in open dialogue. Ensures trust and acceptance. Generates revenue. Shapes innovations. Creates investments and excellence. Ensures well-being, work and training for young people.



STAKEHOLDER MANAGEMENT

Stakeholder communication and dialogue

→ GRI 102-42, 102-43, 102-44

Porsche's business activities have an impact on the interests of many people across the world. The company is particularly concerned with conducting and consistently building on a process of proactive exchange with its stakeholders. For Porsche, an open and transparent exchange of information and opinions lays the foundation for mutual understanding and social acceptance. With its holistic approach to stakeholder management, Porsche aims to systematically ascertain the expectations of individual stakeholders and use this feedback for critical reflection on strategic planning processes. This procedure is divided into internal and external dialogue depending on the target group in question.

External stakeholder dialogue

→ GRI 102-40, 102-42, 102-43, 102-44

An exchange that is beneficial for all sides must be based on trust. This is the core value of any long-term relationship between Porsche and its external dialogue partners. Credible exchange with the stakeholders must be geared towards the long term and be nurtured on an ongoing basis. Porsche considers it important for people to talk to one another, not over one another, so that they can understand other perspectives, break down barriers and develop long-term partnerships. This takes place via a diverse range of communication channels and dialogue formats.

The most important sources of information for thought leaders, decision makers and customers include the Porsche magazine Christophorus, which is published in 13 languages around the world, the online newsroom with its Twitter and Instagram channels, the Web-based TV channel 9:11 Magazin and the company website. The community newspaper targa – Nachrichten für die Nachbarn, which was launched in 2015, keeps local residents who live in proximity to Porsche's sites up to date with the latest news. Information letters are also used to keep neighbours abreast of issues such as plans for future construction work.

Porsche also seeks to address stakeholders personally through multi-stakeholder events such as the regular dialogue summits held at the company sites. Since 2016, this has given local residents the chance to raise specific questions directly with the experts. During the reporting year, the company used an event held at its Zuffenhausen site in Stuttgart to update its neighbours on the status of the construction work taking place there. Around 300 members of the public took up this

opportunity to learn about the project, ask questions, make suggestions or express their opinions.

Porsche highly values direct feedback from its interest groups and views one-to-one talks as an effective tool for gaining fresh inspiration. Through a dedicated email address (sustainability@porsche.com), the sports car manufacturer offers stakeholders a way of contacting the responsible department directly.

The stakeholder survey is carried out every two years as part of a systematic process to learn about groups' views and expectations in relation to the issue of sustainability. The issues identified in the online survey provide the basis for this sustainability report and for sustainability aspects which are closely linked to other aspects of the corporate strategy.

Cooperating in networks and engaging in sustainability initiatives and working groups also form part of Porsche's stakeholder dialogue as this works to drive forward economic, ecological and social issues. Porsche participates in a wide variety of specialist bodies – for example, the sports car manufacturer is a founder member of the Bündnis für Luftreinhaltung clean air alliance, a member of the Urban Mobility Platform and an active participant in the industry dialogue on the German national action plan for business and human rights. It has also been a member of the German Environmental Management Association (B.A.U.M.) since 2016. In 2017, the company joined the German Business Ethics Network (DNWE) and became a signatory to the state of Baden-Württemberg's WIN! charter for sustainable business, marking its commitment to entrepreneurial responsibility. Since 2018, Porsche has also been one of the cooperation partners involved in the nachhaltig.digital competence platform. The aim of the joint project of B.A.U.M. and the German Federal Environmental Foundation (DBU) is to use digitalisation as a tool for future-proof sustainable development.

Another approach involves engaging in dialogue as part of activities within economic and political associations. This enables the company to represent its interests and those of its employees while also contributing relevant expertise. All company activities in this area abide by the principles of openness, transparency and responsibility as well as the currently applicable statutory provisions. It goes without saying that Porsche remains neutral in its dealings with political parties and interest groups. The following list features a selection of associations and groups of which Porsche is a member:

- German Association of the Automotive Industry (VDA)
- The Industry Association of Baden-Württemberg (LVI)
- Südwestmetall (Baden-Württemberg employers' association for the metal and electrical industry)
- Chamber of Commerce and Industry of the Stuttgart Region (IHK)
- Society for the Advancement of the Kiel Institute for the World Economy
- American Chamber of Commerce in Germany (AmCham Germany)

Internal stakeholder dialogue

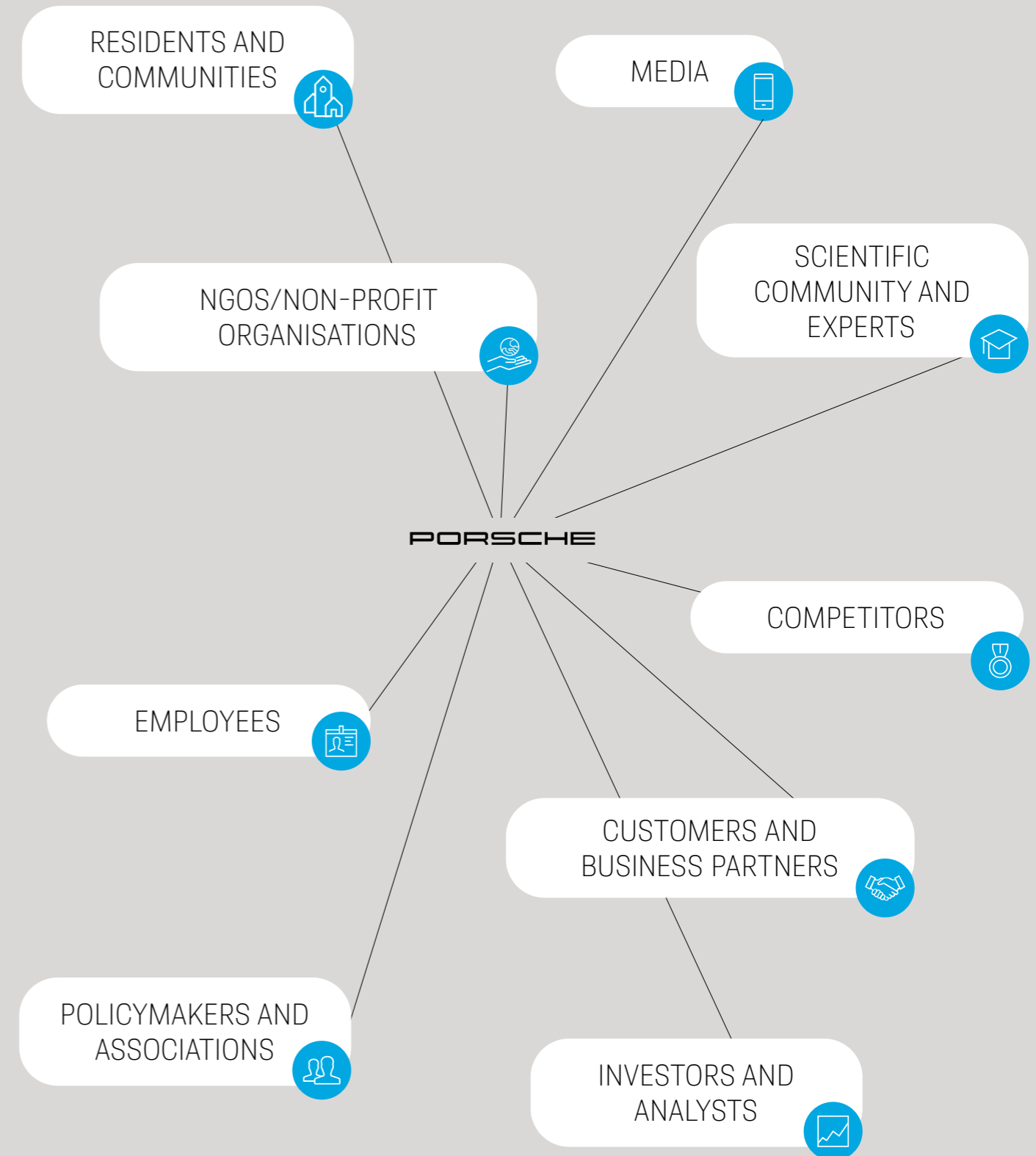
→ GRI 102-40, 102-42, 102-43, 102-44

Centrally coordinated, open and transparent internal dialogue is an essential component of Porsche's corporate culture. Employees have a wide range of opportunities to raise their own concerns and use direct interaction channels to keep themselves informed about sustainability-related topics. Potential sources of information include the local site newsletters and the in-house TV channel, while the intranet also provides up-to-the-minute news. In addition, an entire edition of the Carrera employee magazine published during the reporting year was dedicated to current sustainability topics at Porsche. Regular works and departmental meetings, employee information events and specific topic and innovation weeks also form part of the diverse programme of internal communications.

Our stakeholders

→ GRI 102-40, 102-42, 102-43, 102-44

The most important company stakeholders (internal and external) as determined by internal analyses.



Stakeholder survey and materiality ✓

→ GRI 102-40, 102-43, 102-44, 102-46, 102-47, 102-48

Since 2013, Porsche has conducted a survey every two years to gather the views and expectations of its stakeholders on the subject of sustainability and future challenges. In autumn 2019, various stakeholders were invited to evaluate Porsche's sustainability activities for the third time as part of an anonymous and international online survey. A total of 1,459 people from Europe and China completed the survey, with around 79 per cent of responses coming from European markets and approximately 21 per cent from China. Alongside customers, business partners, analysts/investors, politicians and representatives of public authorities, media outlets, and representatives from NGOs and academia, this survey was the first to feature Porsche employees on a wider scale. Owing to the large number of employee responses, the internal and external stakeholders were assessed using a 50:50 weighting. Furthermore, the responses from external stakeholder groups were weighted equally.

In coordination with internal and external experts, relevant sustainability aspects within the three action areas of Innovative Mobility, Reliable Partner and Go to Zero were identified prior to the online survey, and 18 key topics were put to a vote.

As well as completing a topic evaluation, the Porsche stakeholders demonstrated in their answers to the additional questions that they perceived climate and environmental impacts, changing mobility needs and the scarcity of energy and resources to be the greatest challenges facing the company both now and in the near future. These views are also reflected in the degree of relevance attributed to the topic by the stakeholders. The surveyed stakeholders also confirmed the view that there is no conflict in principle between sustainability and the manufacture of premium sports cars, with 81 per cent of respondents confirming that they do not see these aims as generally contradictory.

During individual expert interviews, members of the Sustainability Council also had the chance to provide detailed feedback on sustainability at Porsche, as well as on the potential opportunities and risks. They presented specific recommendations for action to further shape Porsche's engagement. Key areas of discussion included new mobility options, alternative drive systems and vehicle emissions, and stakeholder dialogue. During the reporting year, the members of the Sustainability Council discussed their ideas on these

issues with the Porsche Executive Board, using these talks as the basis for determining appropriate measures. Cooperation with the Council is to be stepped up even further in the future.

The next Porsche stakeholder survey is scheduled for 2021 and will be expanded to cover additional markets.

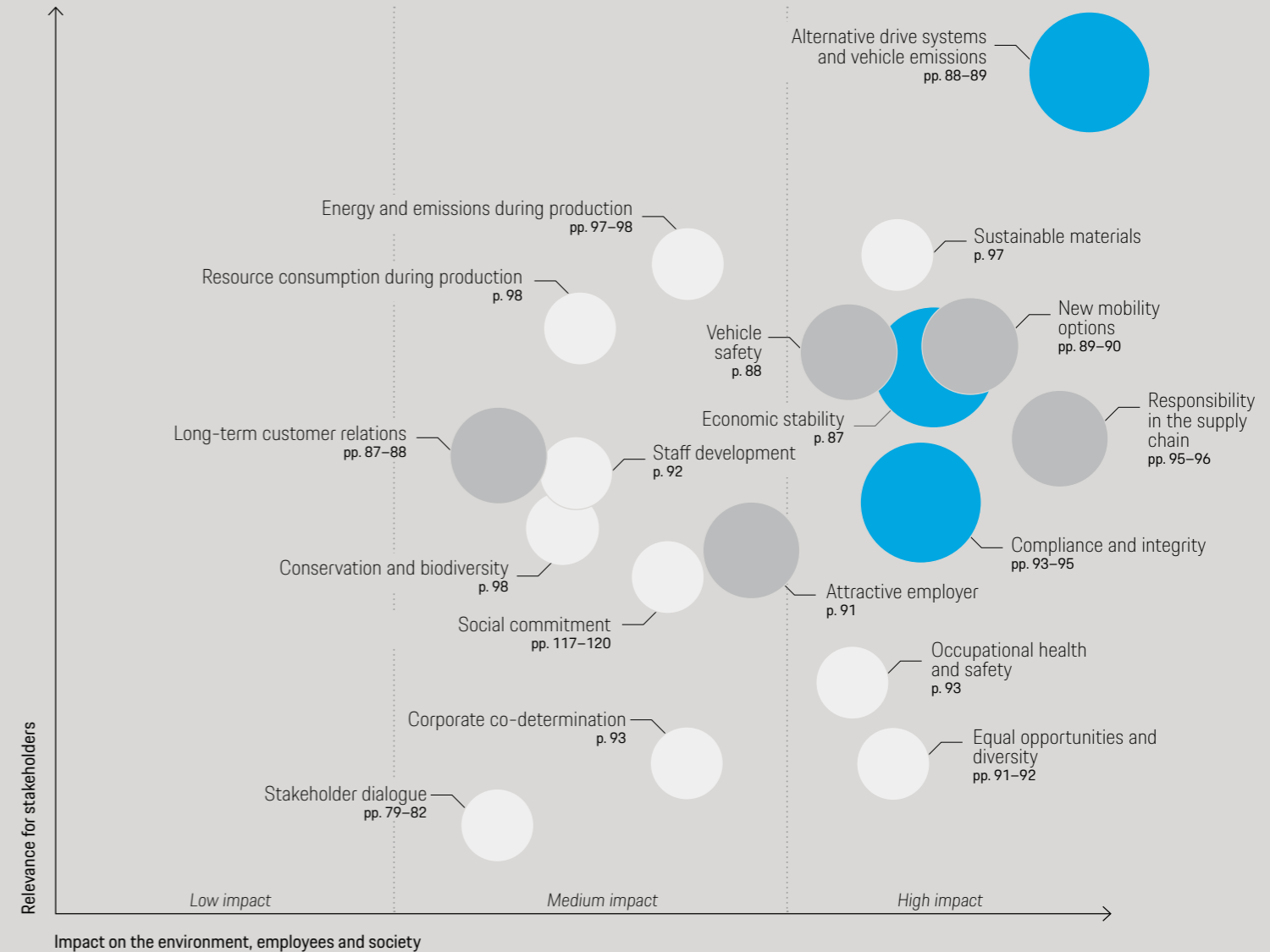
A workshop for members of the Sustainability Expert Group and representatives of the relevant departments at Porsche was held during the autumn of 2019. In the course of a multi-stage process, this workshop evaluated the impact of Porsche's business activities on the environment, employees and society in terms of the 18 defined topics. The importance of this topic to the business activity of a sports car manufacturer was also assessed during the workshop. During the reporting year, Porsche pooled the results in a materiality matrix, identified the most important issues and illustrated how these were linked. The resulting findings will be used for the ongoing development of the company's sustainability strategy. In this report, Porsche refers to all topics resulting from the company values, the Strategy 2025 Plus, the risks and opportunities for the company, and its corporate goals.

The materiality matrix links the results of the stakeholder survey with the views of the Sustainability Expert Group expressed during the workshop. It establishes a correlation between the direct impact that the business activities have on the environment, employees and society (x-axis) and their relevance for stakeholders (y-axis). As a third dimension to this analysis, Porsche rated the relevance of the 18 key topics to the company's business and illustrated the results of the assessment in differently sized, circular ideograms. The degree of business relevance of the individual topics is shown by means of four levels: none, low, medium and high.

The resulting findings will be used for the ongoing development of the company's sustainability strategy. In this report, Porsche refers to all topics resulting from the company values, the Strategy 2025 Plus, the risks and opportunities for the company, and its corporate goals.

Materiality matrix ✓

→ GRI 102-44, 102-46, 102-47



Stakeholder statements

→ GRI 102-43, 102-44

Porsche stakeholders comment on what they believe to be the main contributions that the company should make in respect of sustainability:

"Emissions-free mobility, full-scale closed-loop recycling and humane working conditions can only be ensured when manufacturers and suppliers stand shoulder to shoulder. Given its strong public image, Porsche should aim to be more of a pioneer than ever."

Business partner

"A powerful brand like Porsche can change social norms. The company must live up to its responsibility as an industry leader, motivate other manufacturers and appeal to customers' emotions by linking sustainability to driving pleasure, fun and the future."

Representative from academia and NGOs

"As a customer, I think Porsche's most important contribution to sustainability is the ongoing hybridisation and electrification of its cars – as well as the enhancement of existing petrol engines."

Customer

"In the future, Porsche should serve as a role model by demonstrating that ecological, social and financial goals can continue to be met even in the manufacture of premium products."

Representative from academia and NGOs

"Porsche needs to remain aware of its responsibility and be open to unconventional ideas without losing sight of its brand heritage."

Media representative

"The company stands for innovation, quality and exploring new horizons. This philosophy provides the basis for maintaining high levels of customer satisfaction, safeguarding existing jobs and retaining a competitive advantage in the long term."

Customer

"It is important to authentically promote the concept of sustainability both internally and externally so that employees can adopt a sustainable approach to topics and processes. Porsche should remain true to itself in this regard and go its own way."

Employee

Action areas

Innovative Mobility

Reliable Partner

Go to Zero

Fulfilling corporate responsibility.
Keeping sustainability in mind at all
times. Pursuing clear objectives.
Growing by creating value. Acting
with responsibility towards society
and the environment. Operating
comprehensively. Innovative Mobility.
Reliable Partner. Go to Zero.



Porsche shapes the mobility of tomorrow with innovative products, pioneering technologies and attractive services. Questioning the status quo is part of the company's identity and continuously ensures its future viability. The sports car manufacturer has set itself the demanding task of maintaining its customer relationships, furthering the allure of the brand and delivering a sporty driving experience, all while promoting environmentally friendly, resource-saving mobility. Porsche incorporates buyers, suppliers, service providers and its own workforce as part of these efforts. Honest collaboration with customers and partners creates trust, which in turn generates financial stability as well as the long-term retention and expansion of jobs – providing a boost to the regional and global economy alike. Porsche is all but unrivalled when it comes to power, dynamics and the appeal of individual mobility. This is further reinforced by the essential features of modern vehicle architecture, such as fuel efficiency, reduced emissions and light-weight construction. With the action area Innovative Mobility, the company unites pioneering, sustainable mobility with typical Porsche performance.

The action area Innovative Mobility covers the following topics identified in the 2019 materiality analysis: economic stability, long-term customer relations, vehicle safety, alternative drive systems, vehicle emissions and new mobility offerings.

Economic stability

Social and ecological sustainability does not run counter to corporate success but in fact contributes to this goal. Long-term economic success is likewise a fundamental requirement for effective sustainable operations.

The company enjoys excellent profitability and has set itself the strategic target of a minimum operating return on sales of 15 per cent. Porsche took a new approach to the refinancing of sustainable projects in the reporting year by posting a green bonded loan of one billion euros – the largest of its kind to date and the first to be issued by an automotive manufacturer. Over 100 institutional investors, including banks, pension funds and insurance providers, are participating in the scheme.

At the same time, Porsche is making major investments to ensure it retains its innovative capacity and can embrace the digital revolution. Digitalisation impacts all areas of the company – from internal processes to the interaction with customers to the development of new products and services. An innovation management system that extends across all of the company supports the generation of new impetus, driving the testing of technologies and trends and encouraging Porsche's employees to take the initiative to shape mobility in sustainable ways.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of "economic stability" contributes to the reporting requirements of GRI 201: Economic Performance. This information is measured and reported on the basis of the Porsche AG Group's financial analysis, financial data and calculations of added value.

Long-term customer relations ✓

In the field of customer relations, Porsche sets high standards with regard to maintaining long-term customer satisfaction and loyalty. "Inspiring customers with a unique product and brand experience" is therefore one of the four main aims of the Porsche Strategy 2025 Plus. A diverse collection of measures that are presented to customers as a uniform package help ensure that this objective is met. Consequently, the Sales and Marketing division uses a variety of measures to strengthen customer satisfaction and loyalty over the long term and to further optimise the customer journey at Porsche.

The sports car manufacturer sets great store by asking customers early and often about their requirements in relation to future car generations and mobility services so that

these can be taken into account during the product development process. Porsche also obtains regular feedback from its customers for the purpose of making ongoing improvements to existing cars and services. The company developed the Porsche Advisors Club in collaboration with Porsche drivers, thus offering the latter the chance to submit their opinions and suggestions on cars and concepts at any time, or upon specific developmental milestones being reached.

Personal dialogue with customers is a key element in the maintenance of long-term customer relations. Queries sent directly to Porsche are answered as quickly as possible by a team of highly qualified specialists. In the reporting year 2019, around 141,000 customer inquiries were processed at Porsche AG and the global sales subsidiaries alone. Over the same period, the international Customer Interaction Centre additionally answered around 665,000 questions on topics relating to all aspects of Porsche.

Thanks to digitalisation, the focus is now on the customer more than ever. Future technologies enable a more intensive and, above all, more interactive experience of the world of Porsche. Depending on the market, customers are offered a range of innovative communication channels such as apps, social media, live chats and messenger services that ensure easier and faster digital communication between them and the company. All these communication options are pooled on the My Porsche customer portal and the customer relationship management system in a user-friendly manner.

Direct contact in retail is a key element in generating customer satisfaction. Against this backdrop, the ongoing qualification of employees at the Porsche Centres takes on fundamental significance. The excite! programme specifically trains employees from the Porsche Centres, sales subsidiaries and Porsche AG to transform all contact with customers into a unique experience. This programme has been introduced to great effect in six markets with around 5,500 employees from over 220 Porsche Centres.

To prepare for the launch of the Porsche Taycan, "Customer Interaction" provided customers with advice on all aspects of electromobility. This campaign also helped support the dealer network in handling all technical and non-technical queries relating to the electrification of the product portfolio. In the reporting year, the specially developed training options within the Road to Taycan programme prepared Porsche dealers to answer

car-related questions and general inquiries concerning electromobility and corresponding services. Running for over 18 months and featuring digital training modules and media as well as classroom-based training, Road to Taycan ensured that all sales advisers worldwide had been professionally prepared for the Taycan by the end of the reporting year 2019.

In committees that meet regularly, Porsche AG and representatives of the sales subsidiaries vote on measures relating to consistent communication for ensuring long-term customer relations. At the Product and Customer Satisfaction Forum executive body, which meets every month, the responsible departments report on current and global developments concerning product quality and customer satisfaction.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of "long-term customer relations" corresponds to the reporting requirements of GRI 418: Customer Privacy. Porsche gives high priority to individual data privacy and the right of data subjects to determine what is done with their data. The Porsche Data Protection Management System establishes the framework conditions and the foundations for Porsche's data protection strategy. The right of data subjects to determine what is done with their data is thus permanently anchored by Porsche within its organisation. In addition, the company issues global guiding principles for ensuring modern data protection as a safeguard for, and a driver of, the digital transformation. In this way, data protection is integrated – independently and without instruction – into all relevant company processes. Porsche's data protection system and the relevant business processes are consistently designed to ensure that the statutory requirements are upheld at all times. Over and above the statutory requirements, Porsche has issued its own guidelines committing the company to further data protection principles, including data economy, purpose-based collection and confidentiality. Due to internal confidentiality guidelines, however, any reports received on specific data protection violations are not published.

Vehicle safety

Vehicle safety is of the utmost importance to Porsche, with the safety of the vehicle's occupants being the top priority. In addition, making sure that other road users are also kept safe is another key aim.

Vehicle safety is a decisive criterion from the outset in the development of innovative, state-of-the-art vehicles. Alongside accident prevention – for example by fitting cars with ABS, ESP and automatic emergency braking systems – one of the main goals is to reduce the effect of an accident on the car's occupants. With this in mind, during the development phase of a new model the deformation behaviour of the car body is precisely defined for a variety of frontal, lateral and rear-end impacts. Cars are also fitted with a smart restraint system consisting of airbags and seat belts. Crash tests are used to check the effectiveness of the safety systems. In a controlled crash, the impact of the entire vehicle slamming into an object, such as a wall, is investigated. Crash-test dummies with sensors are used, which enables the evaluation of the possible injuries of the occupants. Specific biomechanical limits must be adhered to, stipulating such parameters as maximum acceleration or deceleration of the head.

In addition to carrying out complete vehicle crash tests, component tests and computer simulations are used during development to tune the complete vehicle system and its behaviour in an impact and continuously improve it until it is ready for series production. The Porsche safety strategy defines the underlying guidelines, not only complying with statutory rules across the world but also meeting internal company requirements. The latter extend beyond the minimum required by law and involve a significantly broader load case portfolio. In this way, Porsche can ensure that, in the event of an accident, its drivers and their passengers, as well as other road users, benefit from the high level of protection synonymous with Porsche.

The ultimate vision for the topic of vehicle safety is the general avoidance of accidents. Porsche is therefore consistently working on the development of anticipatory systems. As a result, vehicle safety at Porsche will continue to make an important contribution to general road safety in the future.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of "vehicle safety" contributes to the reporting requirements of GRI 416: Customer Health and Safety.

Alternative drive systems and vehicle emissions

Porsche aims to continuously reduce greenhouse gas emissions across its entire value chain. The use phase of cars will have by far the largest impact on greenhouse gas emissions for the foreseeable future, which is why particular attention is being paid to the hybridisation and electrification of the product portfolio, the improvement of petrol engines and the use of carbon-neutral fuels. Continuous efficiency gains, the development of alternative drive technologies, the use of renewable energy sources and lower pollutant emissions – for Porsche, resource-saving and environmentally friendly mobility is a primary strategic target. The themes of electromobility and vehicle architecture of the future are cornerstones of the Porsche Strategy 2025 Plus.

Porsche's drive strategy aims to meet this objective, with the company adopting a three-pronged approach to drive concepts in the medium to long term. Porsche will simultaneously market cars with optimised petrol engines, powerful hybrid drives and all-electric sports cars. By 2025, electric drive is to be featured in 50 per cent of all new Porsche cars sold. Porsche will be investing more than six billion euros in electromobility by 2022 so as to further increase the proportion of electric cars in the long term.

In the reporting year, Porsche's all-electric Taycan redefined sports car construction in terms of performance, driving dynamics and range while also representing a major step towards the decarbonisation of private transport. With over 20,000 prospective customers, the car already enjoys great popularity. The technological heart of the Taycan is its 800 V architecture, which enables a sporty driving performance and short charging times. In addition, the relevant performance level can be reached multiple times in succession. Given the charging output of as much as 270 kW, five minutes of recharging equates to a range of up to 100 kilometres in accordance with the WLTP measuring procedure. The Taycan boasts a maximum recuperation output of up to 265 kW and a maximum range of up to 450 kilometres according to WLTP. Based on the same platform and featuring a flat-bottom battery, the Taycan Cross Turismo will be unveiled in late 2020 as the first derivative. And the next generation of compact SUVs under the Macan label will also be all-electric.

The ability of electromobility to make a breakthrough depends on a needs-based, accessible and available charging infrastructure as

well as on a customer-friendly charging process. Porsche is therefore adopting a holistic approach, working continuously on upgrading charging technologies and charging infrastructure. Using new products and services, it is looking to turn charging into a personalised customer experience that is both fast and attractive. The IONITY joint venture in which Porsche holds a stake is powering the expansion of a fast-charging infrastructure with 350 kW charging stations throughout Europe. This campaign aims to have over 400 charging parks enter operation by the end of 2020. For home charging purposes, Porsche has designed a wall box boasting an output of up to 11 kW, thus enabling customers to fully charge the Taycan overnight. When it comes to charging while on the move, the Porsche Charging Service offers users access to over 100,000 charging points in Europe plus the option of central billing.

Alongside electrification, Porsche is also pursuing further options beyond efficiency measures to reduce CO₂ emissions in the use phase of petrol cars and to render this phase almost entirely carbon-neutral. One of the key technologies in this context is reFuels, which is the name given to synthetic liquid fuels that can be produced solely from hydrogen recovered via renewable energy and from carbon dioxide drawn from the ambient air – or from organic and other forms of waste. As reFuels can be deployed in the entire existing fleet, their use results in a wide-ranging and immediate reduction in CO₂. In collaboration with its partners from science, industry and politics, the company is working intensively to develop these alternative fuels for series production. For example, Porsche is participating in the reFuels – rethinking fuels project, which forms part of the strategic dialogue for the automotive industry in Baden-Württemberg, which was initiated by the respective state government.

Porsche contributes to the achievement of the UN's long-term climate goals and strives to ensure the ongoing decarbonisation of private transport. Through its new electrification strategy and the continuous intensification of company activities relating to the global industrialisation of synthetically produced and climate-neutral fuel, Porsche is aiming to position itself as a technology leader in this regard.

The Porsche range has been diesel-free since February 2018, and the company plays an active role within the Group in tackling nitrogen oxide pollution in German cities. Prior to Porsche's decision to stop marketing diesel cars, Germany's Federal Motor Transport

Authority (KBA) ordered a recall of certain models for the purpose of performing software updates after irregularities were found in the engine control software.

In 2017, Porsche recalled the Cayenne 3.0-litre V6 diesel (Euro 6) in Germany as a result of individual technical properties of the engine control software. By mid October of that year, the KBA had approved Porsche's proposed software update. Porsche has since recalled the cars concerned for a free software update, and around 96 per cent of those affected in Germany have already been processed accordingly.

The KBA ordered a recall of the Macan 3.0-litre V6 diesel (Euro 6) in July 2018 for a corresponding update. On 1 August 2018, it approved Porsche's proposed solution. Since Porsche began this recall in October 2018, around 87 per cent of the affected cars in Germany have already received this free software update.

In addition, the KBA issued Porsche with recall notices for the Cayenne 4.2-litre V8 diesel (Euro 5 and Euro 6) and the Panamera 4.0-litre V8 diesel (Euro 6). It approved Porsche's proposed software update for the Panamera 4.0-litre V8 diesel (Euro 6) in August 2019, and the recall process began in November 2019. The KBA approvals for the software update for the Cayenne 4.2-litre V8 diesel (Euro 5 and Euro 6) are expected to be issued in the first quarter of 2020. As soon as the technical solutions have been approved, vehicle owners will be contacted accordingly by their Porsche dealers and the recall action will commence in the first half of 2020.

At the National Diesel Forum, Porsche also confirmed its willingness to create voluntary software updates for the Cayenne and Panamera (184 kW and 221 kW) 3.0-litre V6 diesels (Euro 5). Approval for this voluntary software update is expected in the first quarter of 2020, with the voluntary service campaign set to launch thereafter.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of "alternative drive systems" and "vehicle emissions" contributes to the reporting requirements of GRI 305: Emissions. However, the figures in this report that are required for this indicator refer solely to emissions that come from production and administrative operations. For this reason, the consumption and emissions figures for all car models are reported instead.

New mobility options

Urbanisation, increasing prosperity, growing global demand for mobility and the associated higher environmental pollution trigger innovation and market dynamics for the adaptation of the car and its use. These factors are leading to the diversification of drive concepts in a move towards highly efficient, alternative options, as well as towards innovative, flexible and needs-driven car usage models. Digitalisation, connectivity and customers' desire for more flexibility and sustainability are accelerating this change.

In order to make individual mobility sustainable and to turn smart cities into a reality, Porsche is developing innovative products and services to shape flexible and convenient mobility. These include pioneering parking solutions (such as intelligent parking space searches and convenient, ticketless car park usage, etc.), needs-driven car usage (such as flexible usage models and premium rental at Porsche hotspots), seamless integration with other forms of transport and the best possible use of electric cars thanks to optimised charging services and products (for charging at home and in public places). Agile interdisciplinary teams are developing concepts that take their lead from customers' latest requirements and putting them into action. This development is underpinned by close cooperation between the company's different departments, an open information policy, early piloting in different markets and stakeholder involvement.

Another key area involves Porsche's corporate mobility management options, which aim to ensure sustainable mobility behaviour on the part of employees. Interdepartmental projects have seen Porsche develop comprehensive measures at its sites in order to reduce the environmental and social impact of employees' mobility behaviour. The project is particularly relevant to the main plant in Zuffenhausen, which is located in an urban area. The employees based there and at the development site in Weissach receive a monthly subsidy for the company ticket for local public transport and the Job-Ticket offered by railway provider Deutsche Bahn. In addition, the Porsche plant ID card serves as a ticket for business travel on the local S-Bahn train route between the Weilimdorf and Zuffenhausen sites in Stuttgart. Porsche was also the first employer in the Stuttgart region to enable its staff to use the company ID card as a free public transport ticket when air pollution alerts are in effect.

In the reporting year, Porsche established a work bike programme, and offers attractive benefits for employees when purchasing a bicycle. The company also engaged in particular efforts to expand the bike parking spaces as well as the shower and changing facilities at its Zuffenhausen site. A dedicated carpooling app also helps employees to set up carpools for travelling to work and on business. Drivers and passengers can enter their departure location, destination and desired departure time, with the app then combining these requests to generate a personal itinerary.

In addition, the availability of parking at the plant and mobility around the site grounds are being continuously optimised. Considerable improvements have already been achieved through the installation of a digital, stationary parking and information system as well as through the launch of the Porsche parking space app, which displays free parking spaces with pinpoint accuracy. The company has also successfully reduced the amount of traffic between the plants by further expanding the frequent bus shuttle routes.

Charging stations for private electric cars as well as Porsche company and leasing cars are available to employees and visitors alike. The charging infrastructure within the plants is also being continually enhanced. To enable the cars to undertake carbon-neutral local journeys, the charging stations are supplied with 100 per cent certified green electricity. Porsche intends to significantly increase the proportion of electric-drive and hybrid-drive cars within the fleet of company and leasing cars.

Further measures to reduce traffic and actively shape sustainable employee mobility are also planned.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of "new mobility options" contributes to the reporting requirements of GRI 305: Emissions.





Sustainability is firmly embedded in the public consciousness and has developed into a defining element of competitiveness. Porsche sees it as a corporate duty to take the interests of its stakeholders into account: after all, environmentally and socially compatible actions can only be ensured by working together. It is a key plank of the company philosophy that Porsche demonstrates integrity and responsibility as an employer and business partner. At Porsche, the focus is on people – not only in terms of its employees, but also the wider society of which it forms a part. Ethical behaviour is therefore of paramount importance. The company promotes diversity and equal opportunities, is systematically opposed to corruption, and advocates for the upholding of internationally recognised human rights.

With the action area Reliable Partner, Porsche covers topics identified in the 2019 materiality analysis such as attractive employer, equal opportunities and diversity, staff development, corporate co-determination, occupational health and safety, compliance and integrity and responsibility in the supply chain.

Attractive employer ✓

The basis for successful HR work is Porsche's continual positioning as an attractive employer. Firmly anchored in Porsche's HR strategy, employer attractiveness is one of four central priorities enshrined in the overarching Porsche Strategy 2025 Plus. The benchmarks in this regard include five defined strategic fields as well as the corporate guidelines.

The continuous development of its corporate culture is exceptionally important to Porsche, particularly against the backdrop of the strong growth in staff numbers in recent years and the company's realignment in response to the digital transformation. Following the introduction of the Porsche code – which draws on the new culture guidelines comprising the four elements of dedication, pioneering spirit, sportiness and family – a series of dialogue events labelled "leadership labs" were held during the reporting year with the objective of developing and enhancing this code. These were attended by over 1,500 managers – from foremen to members of the Executive Board – who developed a common understanding of leadership over the course of the workshops.

Porsche strives to ensure that its staff can achieve a work-life balance. Employees receive support through a wide variety of different measures and options. In this way, local cooperation partners ensure that sufficient child-care places are available in nurseries close to the company's sites. In addition, employees' children can take part in a series of summer events covering the entire school holiday period. On top of this, the Porsche family service provides free personal advice and support relating to all aspects of family life. A collaboration with DHL also saw package delivery stations come into operation in the reporting year at the Weissach and Zuffenhausen sites, making it much easier for employees to collect or drop off their parcels and save valuable time in the process. These stations are, of course, also available to all other DHL customers.

Porsche considers employees' individual needs and promotes flexible working options with respect to workplace and working hours, thereby ensuring maximum flexibility whatever the situation. As a result, a works agreement has been put in place to enable mobile working. This grants employees the flexibility to decide where and to a certain extent when they complete their tasks away from the Porsche operating sites. Further options range from flexitime aligned to the employee's current phase of life through to care leave that enables them to support family members. Employees may also take voluntary sabbaticals or work

part-time. In addition, many opt to take parental leave. Porsche then helps these individuals make a smooth return to work, also informing them during their parental leave of further qualifications that could simplify the process of returning to work. The reporting year saw a total of 1,322 (2018: 1,205) employees taking parental leave, of which 243 (2018: 253) were women and 1,079 (2018: 952) were men.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of attractive employer in this report contributes to the reporting requirements of GRI 401: Employment. This is measured and reported on the basis of the following key figures: total workforce, employee structure, new hires and employee turnover, and parental leave claims.

Equal opportunities and diversity

Safeguarding and promoting equal opportunities and diversity is highly important to Porsche and is therefore anchored as a corporate principle. The company takes it as a given that all people should be offered the same chances and rejects all forms of discrimination. It is committed to diversity, takes an active approach to inclusion and creates an environment that promotes everyone's individuality in the interests of the company. As a member of the wider Group, Porsche has also signed up to the applicable standards for promoting and safeguarding diversity and equal opportunities within Volkswagen AG's Together4Integrity change programme.

By adding their signature to the "Charta der Vielfalt" (diversity charter) in the reporting year, the Executive Board and employee representatives clearly demonstrated their appreciation for the importance and added value of equal opportunities and diversity within the workforce and wider society. Respectful, tolerant interaction and a positive approach to a wide range of perspectives – such as different skills, experiences and viewpoints – both target the achievement of maximum productivity, competitiveness, innovative capacity, creativity and efficiency. At Porsche, employees are chosen, appointed and promoted on the basis of their qualifications and abilities.

A core success factor for promoting a corresponding corporate culture is to engage in sensitisation across the company, thereby creating awareness of the importance and added value of equal opportunities and diversity both at management level and within the overall workforce. The most senior levels of management should serve as a particular

point of focus, using their status as role models to have a positive influence on the behaviour of the workforce. Equal opportunities and diversity are promoted to ensure heterogeneity on all decision-making levels – for example, in terms of gender, age, skills, experience, internationality and other similar aspects. The importance of this topic is reflected in the equal opportunities target agreement that entered into force in 2013, is linked to the awarding of bonuses, and aims to boost the proportion of management positions occupied by women in accordance with equal opportunities. Leadership labs, diversity cockpits and special tools for identifying, implementing and expanding diversity are used to qualify and sensitise the management to dealing with a wide range of perspectives.

The Equal Opportunities department, which is anchored in the area of HR development and talent strategy, serves as a catalyst and expert partner for the long-term implementation and safeguarding of equal opportunities and diversity.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of equal opportunities and diversity contributes to the reporting requirements of GRI 401: Employment. This is measured and reported on the basis of the following key figures: total workforce, employee structure, new hires and employee turnover, and parental leave claims.

Staff development

To be optimally prepared for the challenges posed by the digital transformation, Porsche identifies and retains qualified professionals and managers. Key pillars of HR development at Porsche include training that focuses on future requirements, ongoing skills acquisition, and options and routes for internal development.

Staff development is founded on professional training as well as the support and qualification of students – for example, through dual-study programmes or the Porsche Trainee Programme. Another important component is hiring all apprentices who pass their final examination on permanent contracts. Throughout their careers, employees have access to a diverse range of programmes for their systematic professional development on all levels. These include the Warm-Up introduction programme, the Porsche Development Programme to prepare candidates to take on management roles, and specific qualification and talent promotion measures tailored to the target group in the field of production. To this

end, the Fit for the Shop Floor induction programme was introduced in the reporting year for first-level operational managers. The Porsche Professional Programme for newly appointed managers from the second reporting level has complemented the existing modular and international management qualification options since 2019.

Employee support and qualification is not only a central component of the Porsche culture and code but also firmly anchored in the Porsche Strategy 2025 Plus. The digital revolution in particular is placing new demands on the workforce. With this in mind, the Fit for Digit@l initiative launched in 2017 was rolled out at a series of additional company sites. In the reporting year, the primary focus was on the communication of external trends and the acquisition of in-depth knowledge within the Porsche action areas as part of the digitalisation strategy. The high level of interest across the workforce is reflected in the more than 12,800 completed digital learning modules on topics such as agile working at Porsche and automated driving as well as the 500-plus attendees at seminars and workshops on the digital transformation at Porsche.

The comprehensive range of training opportunities is continuously being expanded and optimised. Here, too, skills relating to the digital world and the digital mindset are crucial. In 2019, Porsche began realigning the content and didactics of its management training options while also expanding the existing training portfolio for all employees to include new courses featuring the blended learning approach, such as working in virtual teams. In this process, the annual qualification and development appraisal represent the key foundation for individual qualification and development planning. Core resources for digital learning are the Porsche learning platform introduced in 2017 and the media laboratory opened the following year. These enable the departments to design and produce their own digital learning formats with the help of HR development. The fact that there are now over 26,000 active user profiles illustrates how intensively employees use the platform and engage in self-managed learning to actively advance their skills.

The Porsche learning platform is also increasingly being used for qualification projects with a broader scope. For example, the digital learning module "High voltage instruction – vehicle technology basics" introduced at the start of the reporting year is intended for all employees of Porsche AG and its German subsidiaries. This module aims to familiarise

the workforce with the topic of high voltage in a legally sound manner while communicating basic knowledge of high-voltage applications and the fundamentals of electromobility. This departmental and HR development joint project won the ComeniusEduMedia Award.

Against the background of the Porsche Strategy 2025 Plus and the far-reaching changes in the automotive industry, the structured creation and expansion of future-oriented skills among all employees is a vital aspect of HR development activities. The strategic skills management methodology has been developed accordingly. Based on current and anticipated future roles, the required skills, job descriptions and requirements are qualitatively and quantitatively recorded and compared with one another in a systematic process. Any identified skill gaps can thus be addressed at an early stage through targeted retraining and further training, recruitment and new priorities in ongoing training. Strategic skills management enjoyed a successful roll-out in the technical development of Porsche AG during the reporting year and was transferred to regular operations. It is set to be implemented in all areas of Porsche AG from 2020.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of "staff development" contributes to the reporting requirements of GRI 404: Training and Education. This is measured and reported on the basis of the following key figures: the number of participants in training measures and the average training hours per employee.

Corporate co-determination

→ GRI 102-41

One of the key pillars of Porsche's corporate culture is corporate co-determination. Porsche benefits from continuous dialogue, even on critical issues, as well as open, direct communication across all levels of the organisation. The employer and the Works Council have traditionally engaged in a continuous exchange on all issues affecting the staff and the company. There are numerous ways for employees to bring their suggestions, problems or complaints to the attention of committees and decision-making bodies, be it openly or discreetly through special channels.

The exceptional role played by corporate co-determination is also reflected in the age of digitalisation. Employee representation at Porsche is incorporated early in the design process to ensure optimum and lawful coverage of areas with essential relevance to corporate co-determination, such as the introduction of IT systems that can monitor the behaviour or performance of employees, data protection measures and regulations pertaining to electronic communication media. Close cooperation between the employee representatives and the company itself is also crucial to the process of identifying corporate solutions for the new digital working environment. Internal media keep staff up to date on current issues – additionally and particularly from the perspective of employees and their elected representatives. In addition, the Works Council offers employees a platform for comprehensive information and open discussion with its works meetings, which take place at the individual Porsche sites in Germany. It is also established practice at Porsche to inform employees and their elected representatives about important operational changes, doing so in as timely and comprehensive a manner as possible. This is done in compliance with national laws, applicable collective bargaining agreements and works agreements. Adherence to this corporate practice is ensured in a number of other ways, including through a supervisory board with equal representation, the Works Council committees and the works agreement database on the intranet.

All company employees are covered by collective wage agreements and works agreements. At Porsche, it is the respective role based on the remuneration framework agreement that is used to determine equitable and fair pay. An additional package agreed in relation to the future labour market combines a variety of working time regulations such as flexitime, voluntary sabbaticals and care leave. As a member company of the Südwestmetall

employers' association, the company also participates actively in the social partnership between the metal and electrical industry and the IG Metall trade union.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of "corporate co-determination" in this report contributes to the reporting requirements of GRI 402: Labor/Management Relations and GRI 407: Freedom of Association and Collective Bargaining.

Occupational health and safety ✓

A motivated and capable workforce is Porsche's most important resource. Porsche health management has a key role to play in ensuring that the company can continue to develop, produce and sell exclusive cars in the future, too. Alongside the occupational healthcare provided to employees at the various sites, new occupational health promotion measures are now also available to certain areas. For example, Porsche employees may also arrange to have a thorough medical check-up and obtain preventive medical advice on any health issues. This voluntary health check is carried out by qualified doctors during working hours. The Porsche health management system also includes courses on optimum nutrition, relaxation techniques and effective self-management. Employees can also access individual physiotherapy advice at the workplace.

Occupational safety is a top priority for Porsche and its employees. An organised and structured system for occupational health and safety ensures a uniform approach and the implementation of legal provisions. This system helps to prevent accidents at work and occupational illnesses as far as possible.

The central processes are standardised and regulated by the Group guideline on occupational safety. This guideline represents an essential element of the company's compliance management system and applies to all employees. The managers ensure that their employees are familiar with and comply with the provisions of this guideline. Specialists in occupational safety and works doctors are available to all employees in an advisory capacity. All staff members are also represented through the legally defined representatives in the occupational safety committees in accordance with the Occupational Safety Act.

Safety experts design workstations, equipment and installations with the focus on prevention and safety. The observation and monitoring of construction and installation sites by special construction site experts exceeds the

statutory requirements, with the safety standards being permanently updated in the process.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of "occupational health and safety" contributes to the reporting requirements of GRI 403: Occupational Health and Safety. This is measured on the basis of the following key figures: number of accidents, workdays lost and cases of death, as well as injury rate. The key figures are currently being gathered for Porsche AG and Porsche Leipzig GmbH with an expansion to include the Porsche AG Group planned for the future.

Compliance and integrity

Compliance with applicable laws and acting with integrity are essential to responsible operations. The relevant guiding principles present integrity as an internal attitude, while compliance is framed as conforming to rules.

Compliance

The company has put in place a compliance structure based around its business model to ensure that it acts lawfully, with legally secure processes and preventive and reactive measures. The Porsche compliance management system encompasses six areas of compliance, such as anti-corruption measures and money laundering prevention. In order to avoid any infringements of the law and to help its employees act in accordance with legal and statutory provisions, Porsche has had a compliance system in place for many years now. This system includes a chief compliance officer, compliance officers at Porsche AG and local compliance officers at the Group member companies. The compliance programme encompasses a range of different preventive and reactive measures.

Regular risk analysis is carried out to define areas that require action and preventive measures. The company's business model, relevant environmental conditions and the relationships with business partners are all taken into account. Key preventive measures at Porsche include the adoption and communication of binding rules, while managers and employees have access to confidential advice as well as training and information on relevant compliance issues. Ultimately, the code of conduct sets out the most important rules to be applied at Porsche in accordance with the company's business model. This code documents the expectations of managers and staff in terms of the responsibility they must assume for compliance as a member of society, as a business partner and at the workplace. The rules are

also set out in guidelines, covering such areas as how to avoid corruption or violations of anti-trust law, how to handle conflicts of interest or the receipt of gifts, and how to prevent money laundering. To ensure and promote lawful behaviour over the long term, all managers and employees are given regular information and training tailored to the specific risks and target groups.

Porsche's central compliance help desk offers information and advice on compliance issues internally, providing expert answers to all questions from managers and employees alike. The help desk can also be contacted confidentially to report (possible) breaches of the rules, such as criminal acts or serious irregularities. Outside the company, Porsche managers, employees, customers and business partners, as well as public officials and other external individuals, can report legal violations anonymously to two ombudspersons. All of the information received is carefully examined according to the requirements of data protection law, and any violations found are responded to appropriately in line with the relevant provisions of employment and co-determination laws. This includes introducing suitable countermeasures and sanctioning cases of individual misconduct. The Executive Board of Porsche AG receives regular reports on actions taken by the compliance organisation and on preventive and reactive measures implemented in the Porsche Group.

The compliance officers for each area, together with the HR department, are responsible for compliance training. Most of the training currently being delivered takes the form of classroom-based sessions. In addition, digital learning modules on mandatory topics such as the code of conduct and voluntary options such as data protection are also available. The range of digital learning modules is to be gradually extended to include more compliance issues in the future.

The compliance managers deliver the training on the basis of a subject-specific plan, which uses risk analyses to identify target groups and key areas of content, and also defines organisational aspects such as the number and frequency of events and the capacities needed. A regular programme of set training events is in place for (new) managers and employees, as well as for junior managers and trainees. In addition, training courses are held on current or relevant topics, for the benefit of areas faced by specific risks, or on request.

For example, since the relaunch of Porsche's programme for junior managers in 2019, compliance training has been available in various formats, covering a range of issues through classroom-based and online modules. Participants can also gain an insight into the company's compliance culture, management and rules, including the code of conduct, via an online offering. As part of the presentation via Skype for Business, participants can get involved in a live multiple-choice session. The speaker can use the voting results to provide qualitative feedback and respond to any unanswered questions at the end. All compliance issues – including anti-corruption measures, money laundering prevention and antitrust law – are presented by compliance officers during the classroom-based sessions. As well as presentations and case studies, there are also workshop sessions involving group work where case studies and dilemmas are tackled with the help of a board game.

New employees are familiarised with the company's compliance culture during the Porsche Warm-Up event, an introductory training session generally held monthly. The event is based around the World Café, in which newly hired staff have the chance to look intensively at the code of conduct and basic rules on avoiding corruption, tackling specific cases before presenting their solutions to the full group. In addition, the compliance image film and a presentation of the most important requirements and expectations for employees round off the introduction to the topic of compliance.

All compliance training at Porsche is compulsory. The amount of training undertaken by compliance officers is monitored over the course of the year, with the final status being reported to the Compliance Council, the Executive Board and the Supervisory Board. Since 2018, attendance at compliance seminars has been recorded in compliance employees' training file.

Porsche employees can find further information on the courses offered by the compliance officers on the intranet. In addition to relevant Group and company guidelines, this information includes contact persons and ways to report concerns either internally or externally, along with a range of materials such as compliance videos, flyers, notecards and brochures.

The code of conduct was updated in 2019 to reflect the requirements of the Group guideline on compliance management. This code sets out all aspects of employees' responsibility for compliance:

- as members of society – human rights; equal opportunity and equal treatment; product conformity and product safety; environmental protection; donations, sponsorships and charity; communication and marketing; political lobbying

- as business partners – conflicts of interest; gifts, hospitality and invitations; prohibition of corruption; dealings with public officials and holders of political office; prohibition of money laundering and terrorism financing; accounting and financial reporting; taxes and customs; fair and free competition; procurement; export control; prohibition of insider trading

- Illustrative examples that employees might face on the job are provided for each topic in the workplace: occupational safety and healthcare; data protection; security and protection of information, knowledge and intellectual property; IT security; handling company assets

There is also a self-administered test designed to help employees make decisions in case of doubt. Porsche's code of conduct is implemented in a variety of ways, such as being published on the Internet and intranet, presented during training and information events, and addressed in the relevant digital learning module. All new employees are also provided with a hard copy in the form of a brochure at the welcome event on their first day.

Integrity

Integrity means acting responsibly, resolutely and with personal conviction in accordance with ethical principles. As a fixed component of the strategic guidelines of Porsche, a high value is placed on integrity within the scope of collaboration. Acting with integrity is also indispensable in retail, which is why it has been anchored in the Porsche service standards as the highest value. This high awareness of integrity is reflected in its successful implementation in the responsible committees and steering committees. Regular reporting to the Executive Board was also introduced in the reporting year.

An established catalogue of internal communication measures has been deployed in order to progressively sensitise the workforce to the topic of integrity. This is subject to regular improvements. Behavioural integrity within the company organisation is also featured as a topic in the annual Porsche employee survey, known as the mood barometer. In the event of any notable findings, the causes for these will be identified, and suitable measures may also be taken with the involvement of HR and the respective managers.

The topic of integrity is a key component of the personnel development programmes and was further expanded in 2019. Dialogue events relating to Porsche's values and culture have also been established in the corporate units to sensitise employees to matters of integrity. In addition, classroom-based sessions are used to remind managers of the crucial importance of this topic. These individuals must serve as role models, generate awareness among staff and create a working environment in which each employee can speak their mind openly and honestly.

Integrity management was expanded in almost all areas of the company during the reporting year. One example is the recruiting process, in which aspects of integrity are brought up during candidate interviews. New employees are also sensitised to the topic of integrity in the course of the introductory events. On top of this, the company has also set about establishing a multiplier network that facilitates the exchange of existing integrity initiatives and thus helps identify interfaces and opportunities for synergy.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of "compliance and integrity" contributes to the reporting requirements of GRI 205: Anti-corruption, GRI 206: Anti-competitive Behavior, GRI 307: Environmental Compliance and GRI 419: Socioeconomic Compliance.

Responsibility in the supply chain ✓

Economic success, the extension of the product portfolio and the use of new technologies are focusing ever more attention on the supply chain of companies. Two examples that illustrate this development are the higher delivery figures driving growth in supply parts and the responsible procurement of innovative components. Together with its suppliers and sub-suppliers, Porsche makes every effort to ensure its supply chain features maximum sustainability and added value.

When Porsche was incorporated into the Volkswagen Group, much of its Procurement division was integrated into the Group's organisational structure, and the existing structures and processes were adapted accordingly. This means that Porsche's procurement decisions are largely coordinated and agreed upon with the Volkswagen Group.

Trust-based cooperation between Porsche and its suppliers is based on shared values and strict compliance with the sustainability requirements defined in the Volkswagen Group.

The concept of sustainability in supplier relations and the code of conduct updated in the reporting year compel all parties to observe and comply with the high environmental, social and human rights standards in the International Chamber of Commerce's charter and the OECD's guidelines for long-term, sustainable development.

The relevant key labour standards from the International Labour Organization (ILO) serve as the foundation for the sustainability requirements. All suppliers are also expected to follow the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Porsche is active in this area in the context of the Group's Responsible Minerals Initiative activities. These sustainability requirements are enshrined in supply contracts, the violation of which can result in reviews, formal statements and, if necessary, the termination of the business relationship.

Porsche always conducts integrity checks before entering into business relations with new suppliers. Following the introduction of the sustainability rating (S rating) in July 2019, sustainability is now a binding award criterion for all suppliers of production material and in the context of general procurement. This means that sustainability is handled on the same level as costs, quality, technological expertise and logistics within the award process. Risks in the fields of social affairs, environment and compliance are audited – including ethically correct behaviour.

Suppliers must first complete a self-disclosure process addressing defined sustainability criteria and featuring a standardised questionnaire that is well established in the automotive industry. If the results of this self-disclosure are unsatisfactory, then an on-site check takes place. This second step is carried out by an independent sustainability auditor. Should the audit continue to return problematic findings, this results in a negative assessment of the supplier. Porsche then works together with the supplier to establish a corrective action plan for ensuring the prompt elimination of the identified risks. The implementation of the relevant measures is subject to centralised monitoring. The suppliers in question will not be considered during the award process until they have ensured compliance with the sustainability requirements. In the reporting year, 432 employees from the Porsche Procurement department received instruction on the S rating as part of a mandatory training module aimed at anchoring sustainability within operational procurement processes.

A digital learning module also enables employees from other company departments to inform themselves about the concept and the monitoring options afforded by the S rating.

In the reporting year, the Volkswagen Group defined high-risk raw materials and successively analysed these over the course of multiple projects. Porsche is undertaking analysis of two of the identified high-risk raw materials in close collaboration with selected suppliers. In this way, the entire supply chain is traced all the way back to the origin of the raw materials. All intermediary suppliers involved are also identified in order to enable early detection of human rights risks and to take measures accordingly. In addition, new approaches are continuously being developed within the Group for the purpose of guaranteeing responsible raw materials procurement.

Porsche is well aware of its supply chain responsibilities and thus rejects child labour, forced labour and compulsory labour as well as all forms of modern slavery and human trafficking. A transparent certificate of origin and contractually binding sustainability requirements are important steps in ensuring fair competition and preventing exploitation linked to raw materials.

As part of the Volkswagen Group, the company is an active participant in the industry dialogue on the German federal government's national action plan for business and human rights. These talks are aimed at safeguarding humane working conditions right across the supply chain. Via the Volkswagen Group, Porsche is also a member of the World Economic Forum's Global Battery Alliance. Featuring public and private partners along the entire battery supply chain, the Global Battery Alliance strives to ensure social and ecological sustainability throughout the whole value chain of the raw materials used in batteries. Within the scope of its sustainability requirements for suppliers, Porsche also demands that its battery cell suppliers only use power drawn from renewable energy sources for the production of batteries. Porsche derived a number of innovations from this initiative during the reporting year, including technological approaches to identify the origin of materials. This helped the company launch its first-ever pilot project featuring blockchain technology. Porsche uses this digital technology to enable full-scale traceability within its supply chain, such as for leather cockpit parts. The pilots specifically address the origin and processing of the natural product, which is then subject to further processing at the Porsche saddlery and turned

into individually configured interior fittings. These measures are intended to deliver complete transparency within the value chain.

A guideline established in 2017 by the Volkswagen Group to address sustainability within supplier management governs internal processes and responsibilities throughout the entire Group. Porsche applied the corresponding requirements in the reporting year through the adoption of its own brand-specific sustainability guideline, thereby also promoting the implementation of the sustainability requirements within its own supply chain.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of "responsibility in the supply chain" contributes to the reporting requirements of GRI 204: Procurement Practices, GRI 308/414: Supplier Environmental/Social Assessment, GRI 408/409: Child Labor/ Forced or Compulsory Labor and GRI 412: Human Rights Assessment.



Along the entire value chain, Porsche works to continuously reduce the environmental impact of all products and corporate activities. As part of the Volkswagen Group, the company has also committed to the two degrees Celsius target of the Paris Agreement. In this way, Porsche not only considers the emissions resulting directly from car use but also those generated throughout the entire life cycle of each car – from material procurement to recycling. The goal is to close material cycles and return used raw materials to a production process after the end of a car's useful life. When it comes to future production, Porsche pursues the vision of a zero-impact factory. This means that company production processes must have no negative impact on the environment wherever possible. Associated measures include continuously reducing resource consumption and waste, closing cycles and establishing technologies of the future.

The action area Go to Zero reflects the company's approach to the following topics identified in the 2019 materiality analysis: sustainable materials, energy and emissions during production, resource consumption during production and conservation and biodiversity.

Sustainable materials

Sustainable materials and the consideration of environmental effects are the building blocks of modern, future-ready vehicle architecture and are also reflected in the company strategy.

The long service life of Porsche sports cars, their high-quality workmanship and the use of low-wear materials are all part and parcel of the Porsche principle. The company focuses on the environmental effects of its cars at every step across their entire life cycle – from the acquisition of raw materials through to manufacture, use and disposal.

Electric cars do not cause environmental damage when they are being driven, which helps to improve air quality in built-up areas. The existing ecological impact involved in the production phase of electric cars, which results from the raw materials and production processes used, may be reduced even further in the future. Porsche therefore works continuously with its suppliers to achieve improvements in battery manufacture – for example, by using power drawn from renewable energy sources during the production of battery cells. It aims to reduce the deployment of the raw materials used in the traction battery while increasing the energy density and performance. Module-level repair concepts for performing necessary repair work on the traction battery can also help conserve resources. Porsche teams up with the Volkswagen Group and partners to enhance existing recycling procedures and to ensure that even more raw materials can be returned to circulation in the future. At the same time, the company is working on a pilot project in which used traction batteries are recycled as stationary energy stores as part of a second-life concept following the end of the electric car life cycle. This represents another significant contribution to the conservation of resources.

In order to manufacture the most environmentally friendly products possible, the relevant environmental aspects play a key role even in pre-development – for example, during the testing of renewable raw materials for interior trim and load-bearing components or as part of the project award process. In selected assemblies of the Porsche Taycan, renewable raw materials are already being used as standard for load-bearing assemblies in the interior. This further reduces the environmental impact and also the weight.

In addition to the ongoing development of technical solutions and the search for alternative materials, Porsche is intensifying efforts to sensitise its employees and suppliers to aspects of sustainability. Across the entire value chain,

this promotes the shared development of alternatives to ecologically or socially incompatible production processes and materials.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of “sustainable materials” contributes to the reporting requirements of GRI 301: Materials.

Energy and emissions during production ✓

Environmentally conscious and energy-efficient activity at all sites and across all levels is an essential element of Porsche's day-to-day business. A Group-wide environment and energy management policy continually checks all work processes along the entire value chain with regard to their ecological impact and any irregularities. Internal sets of rules and strategic guiding principles provide the relevant frame of reference. A dedicated Group guideline defines standardised procedures and responsibilities within the Porsche Group. This supports the Group companies in the systematic investigation, observance and checking of the regulatory environmental and energy requirements. Porsche's clear objective is a zero-impact factory, featuring production without any negative impact on the environment.

The energy and environment management policy covers emissions (air/noise) and soil protection, dealing with contaminated sites, hazardous materials and waste, water and nature conservation, and energy and resource efficiency. Responsibility for, and the systematic implementation of, the necessary steps lies with the Executive Board for Production and Logistics, supported by the Environment and Energy Management department. The fundamental aim is that every Porsche employee should be informed about the effects of his or her work on the environment. Every employee is called upon to observe the Group and company guidelines in order to minimise, or ideally avoid, any negative impact on the environment.

Within the scope of the Porsche Strategy 2025 Plus, the strategy field of sustainability in production defines short-term, medium-term and long-term measures. The environment and energy efficiency strategy and the company's own environmental policy are additional strategic guiding principles. In this way the company is implementing a requirement of the international standards for environmental and energy management, ISO 14001 and ISO 50001, around which Porsche's internal specifications and processes are based. At its Zuffenhausen site, the

sports car maker also complies with Eco-Management and Audit Scheme (EMAS) standards – a voluntary community environmental management and auditing instrument developed by the European Union. Porsche Zuffenhausen has been validated according to EMAS for more than 20 years, and has fulfilled the ISO 50001 standard since 2011. Since then, Porsche Leipzig GmbH, the Research and Development Centre in Weissach including its external locations, the central parts warehouse in Sachsenheim and Porsche Werkzeugbau GmbH have all been certified as compliant with this standard and with the ISO 14001 environmental management system.

In addition to the official certifications, Porsche also carries out internal reviews of compliance with environmental and energy legislation as part of its annual system and process audits. These audits are based on high standards and involve the hiring of external environment and energy auditors. The site results method records the impact that a site has on the environment: data and key figures are used to rate essential environmental aspects on a scale of high, medium and low relevance. On this basis, Porsche can determine all measures needed to ensure that potential negative impacts on the environment are reduced if not avoided altogether. The Environment and Energy steering committee carries out regular progress checks on the predefined goals and initiates appropriate steps. The steering committee works cross-departmentally.

Given the expansion of production, constant growth in employee numbers and comprehensive building work undertaken at the sites, Porsche's energy consumption is now higher than in previous years. By switching to power drawn from renewable energy sources, however, the company has succeeded in reducing on-site CO₂ emissions per vehicle produced.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of “energy and emissions during production” in this report contributes to the reporting requirements of GRI 302: Energy and GRI 305: Emissions. These are measured using the direct and indirect energy consumption values as well as the direct and indirect greenhouse gas emissions.

Resource consumption during production ✓

Porsche strives to achieve a balanced environmental performance. Important aspects in this regard are the use of water as efficiently as possible through circulation systems and multiple reuse and the careful handling of contaminated production waste water. Avoiding

waste, harnessing low-waste technologies and deploying sustainable disposal solutions are key elements of Porsche's waste management concept. The company's environmental protection resource regulation serves as an internal guideline and is also binding on suppliers.

In Logistics, too, sustainable planning and control were further advanced in 2019 as part of the green logistics strategy. The strategic approach is characterised by across-the-board optimisation. To minimise the effects on the environment and ensure that logistics processes are as sustainable as possible, further measures and potential improvements were identified, assessed and implemented in the reporting year.

Logistics is already using three natural gas trucks, one hybrid truck and two electric trucks as a result. A new small parts warehouse has also entered operation at the Leipzig site, featuring innovative shuttle technology that cuts its energy consumption by 50 per cent compared to conventional facilities. In 2019 further environmentally friendly measures in the area of vehicle transport were also introduced. The completed sports cars are transported away from the Zuffenhausen site in a newly developed long truck featuring a larger capacity as part of an innovative process that saves over 2,000 journeys per year.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of “resource consumption during production” contributes to the reporting requirements of GRI 303: Water, GRI 305: Emissions and GRI 306: Effluents and Waste. The data is measured using the water consumption, the direct and indirect greenhouse gas emissions and the amount of effluents and waste.

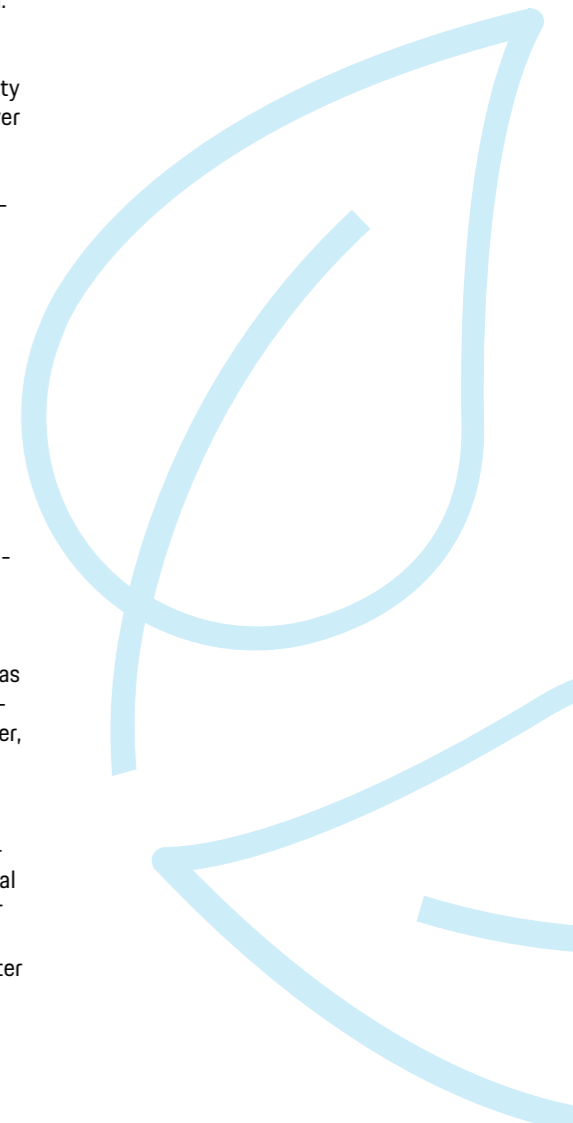
Conservation and biodiversity ✓

Porsche is committed to helping preserve biodiversity. These efforts are focused on the fundamental goals of conservation and landscape maintenance – supporting nature and landscapes in populated and unpopulated areas so that biological diversity, effective and functioning ecosystems, and the diversity, character, beauty and recreational value of nature and landscapes are safeguarded in the long term.

Generally, environmental and energy management staff are always at the disposal of internal and external company stakeholders to answer questions or listen to suggestions on the topic of environment and energy. The goal is to foster open and transparent dialogue. One example of this approach is the central complaints management system within the environment

and construction management structure. Porsche's neighbours may contact central contact persons with any complaints or suggested improvements. All issues raised are dealt with individually. This system enables Porsche to react as quickly as possible and to incorporate suggestions into its long-term planning for the improvement of its sites.

In accordance with the Global Reporting Initiative Standards, information provided on the topic of “conservation and biodiversity” contributes to the reporting requirements of GRI 304: Biodiversity.



Employees, Society, Sports, Communications

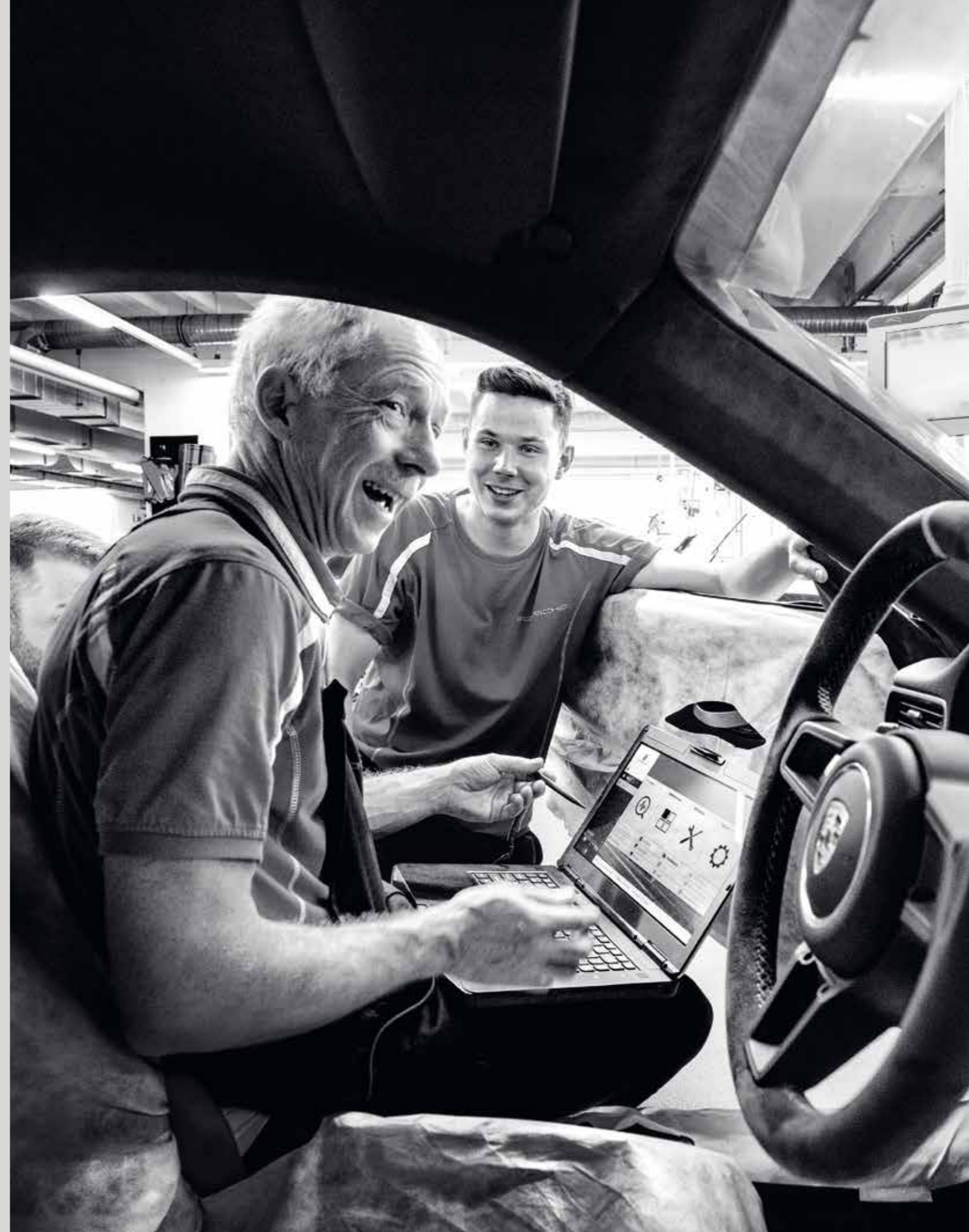
Employees

Society

Sports

Communications

At Porsche, we embody the idea of holding each other in high regard. But our solidarity goes beyond the factory walls: for us, economic success and social responsibility are inextricably linked.



EMPLOYEES

At Porsche, our focus is on people. That's why we're sticking to our existing personnel strategy in an age characterised by enormous change within the automotive industry and ever-advancing digital transformation.

On the reporting date, 31 December 2019, the company counted 35,429 employees, 9.6 per cent more than at the end of the previous year. A significant driver of jobs is the Taycan, which celebrated its world premiere in September 2019. During the reporting year, Porsche took the high level of demand as its cue to hire a further 500 staff for the production of this electric sports car at its Zuffenhausen site – in addition to the 1,500 new recruits that had already been announced.

The company's growth presents Porsche with big challenges, which can only be mastered if everyone involved pulls together. This means that constructive cooperation with the Works Council, its committees and IG Metall are another important success factor. Collective bargaining agreements and works agreements form the stable foundation for Porsche's long-term success, benefiting employees and shareholders in equal measure.

Personnel strategy and innovation management

The working world is already changing fast – and the pace of change will only increase over the coming years. In light of this, the role of HR must and will undergo fundamental adjustment. Managing the increasing level of complexity and making the right decisions even in the face of growing uncertainty are more crucial than ever to the clout and success of an organisation. In order to avoid being overtaken by change, it is necessary to specifically identify new developments at an early stage by means of systematic trend scouting. Major trends such as digitalisation are powering paradigm shifts and spurring change in the working world. These trends flow into the established tools of innovation management and personnel strategy, where they undergo further structured processing.

In the reporting year, the personnel strategy was adapted to meet the changing framework conditions and was systematically enhanced – resulting in the Personnel Strategy 2025 Plus. As regards content, strategically relevant issues are tackled on the basis of five clearly defined and needs-focused action areas. These strategic fields not only address personnel-related focal points, they are also directly linked to overarching interdisciplinary strategies on a company level.

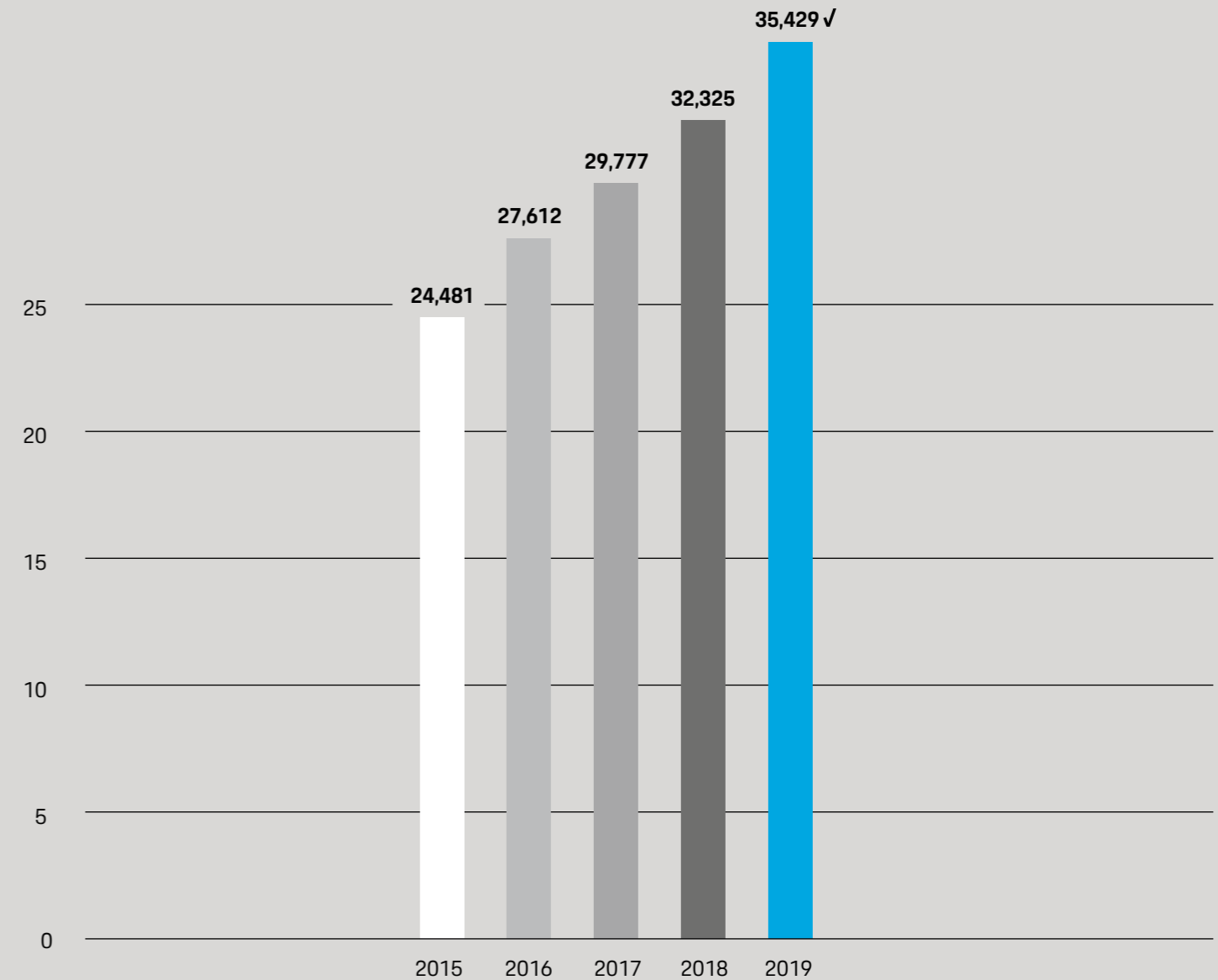
New working environments

A key strategic goal within the Personnel Strategy 2025 Plus is to further enhance the working environments at Porsche, which is the motivation behind the interdepartmental initiative "New working environments". This sees employees being actively integrated into the process of establishing future-oriented workplace surroundings in which they can adopt an activity-based approach to their work.

The initiative extends far beyond needs-based workplace design, however, and is ultimately a holistic concept for shaping the future of work and collaboration. Qualifying employees to prepare them for modern working methods such as agile project work thus represents another crucial component of this concept, as does the adaptation of roles, structures and responsibilities in order to ensure the necessary freedom to take decisions and act accordingly. In addition, increasingly optimised and digitised workflows plus the use of artificial intelligence and process automation will make a considerable contribution to further reducing the proportion of repetitive tasks. This helps create extra headroom for tackling relevant future plans in a more intensive manner.

At Porsche, our focus is on people. That's why we're sticking to our existing personnel strategy – especially in an age characterised by enormous change within the automotive industry and ever-advancing digital transformation.

Employees Porsche AG Group



Digitalisation of personnel processes

Digital personnel processes are key to enabling the continuous optimisation of processes. This relates not only to efficiency, such as through networking, integration and automation, but also to standardisation and ensuring adherence to regulations. The digitalisation of personnel processes always takes place in close cooperation with employee representatives and in strict compliance with requirements pertaining to data protection and data security.

In the reporting year, the company-wide "My Porsche Cockpit" portal was again expanded to include various new digital processes such as making digital claims for a particular employee bonus. This portal is now available for Porsche employees to use on their mobile devices. The company continues to pursue an end-to-end digital process for job postings and placements, involving the digitalisation and integration of all steps from personnel requisition, job search and application through to master data transfer upon appointment. Alongside this, Porsche is proceeding with the introduction of SAP Success Factors as its standard HR IT application across the Group. This cloud-based personnel information system opens the door to a wide variety of new options in HR, such as quicker access to personnel information, greater transparency of data-based decisions and the implementation of full-scale talent management. And the use of HR analytics and new technologies, including artificial intelligence and process automation, will help ensure efficient HR work in the digital age over the long term.

Porsche ideas management

Porsche ideas management saw the introduction of a continuous digital process throughout the company in the reporting year, enabling nearly twice as many ideas to be submitted compared with the previous year. This also led to an increase in the number of employees contributing to the success of Porsche beyond their own range of duties. In addition, the quality of the ideas rose while the processing time fell. Further foundations were also laid for the coming financial year by means of a more flexible regulation incorporating new target groups into Porsche ideas management with attractive framework conditions.

New remuneration system for top management group

The remuneration system for the top management group at Porsche was reworked as of 1 January 2019. This move, which coincided with the standardisation of the remuneration system for brand Executive Board members and the top management group at the Volkswagen Group, aims to ensure suitable and attractive remuneration on a national and international level. Criteria include the tasks of the individual members of the top management group, economic conditions, success and the future prospects of the company. Also relevant is the appropriateness of the remuneration based on the respective peer group and the remuneration structure.

This new remuneration system for the top management group comprises fixed and variable components. Fixed basic remuneration is regularly checked and adjusted if necessary. Two-fifths of variable remuneration consists of an annual bonus with a one-year assessment period, while three-fifths comes from a long-term incentive (LTI) known as a performance share plan covering the following three years. Where the annual bonus is based on results in the relevant financial year, the performance share plan LTI – which is linked to the performance of virtual preference shares in the Volkswagen Group over the ensuing three years – has a multi-year future assessment period.

Fit and healthy with the Porsche job bike

In providing a quality company bike, Porsche promotes the health of its employees, protects the environment, expands its corporate mobility options and boosts its role as an attractive employer. Employees have been able to enjoy the benefits of this company bike since April 2019, also profiting from tax relief and attractive terms by paying directly from their gross salary. Eligible employees can obtain up to two (e-)bikes for unlimited use through the Porsche job bike programme.

HR Compliance organisation

The new corporate unit HR Compliance, which was created in the reporting year, is tasked with ensuring that compliance is sustainably established within strategic and operational HR work – as well as providing corresponding guidance. HR Compliance is entrusted with systematically promoting and furthering compliance and integrity in Porsche's personnel tools, measures and processes. It is also responsible for advising, informing, sensitising and qualifying HR employees, particularly within operational HR.

In addition to establishing worldwide HR compliance reporting and corresponding effectiveness monitoring, HR Compliance assumes the role of a personnel coordinator and serves as the interface to the whistleblower system in Human Resources and Social Affairs. As data protection coordinator for the department, HR Compliance also ensures greater implementation of and sensitisation to employee data protection with regard to HR processes and tools.

Within the scope of "Together4Integrity@Porsche", the integrity and compliance initiative of the Volkswagen Group, the HR Compliance division shares responsibility for implementing specific measures in various HR processes at all Porsche Group companies worldwide by the end of 2025.

Mobile working

Porsche introduced mobile working in 2019: this model offers even greater choice than working from home, as it enables flexible working hours at flexible locations for the benefit of the company and employees alike. Aimed at achieving even greater compatibility between work and personal lifestyles, it has been very well received in areas where mobile working is a feasible option.

Knowledge campaign "Fit for digit@l" significantly expanded

The digital transformation places new and significantly altered requirements on the workforce. It is therefore important to sensitise and motivate all employees for the transformation, encouraging them to help shape the change. The "Fit for digit@l" knowledge campaign, which started in 2017, focused on two key areas in 2019. Firstly, the range of content was expanded as the variety of activities involved in Mission D, innovation management and the action areas of Strategy 2025 Plus featured many tangible examples of digitalisation at Porsche. Short videos, digital learning modules and brief presentations were used to communicate specific aspects of added value and use cases that help give a face to the company's digital transformation. Secondly, new face-to-face training sessions supported by digital elements were introduced to the knowledge campaign in the flipped classroom format. While these resources are primarily intended for employees from Production, especially as part of the Taycan qualification drive, the 2019 Porsche Management Conference saw managers take part in an interactive beacon challenge to measure their knowledge of digitalisation. These wide-ranging activities have enjoyed a positive reception even outside of the company, with the HR Excellence Award nomination in the category of Change Management serving as further testament to the sheer innovativeness and effectiveness of this Porsche initiative.

Porsche learning platform, media laboratory and learning community

Core resources for digital learning are the Porsche learning platform introduced in late 2017 and the media laboratory opened in the reporting year. HR development and representatives from the various departments and subsidiaries are constantly expanding the scope of this platform. The fact that there are now over 30,000 active user profiles illustrates how Porsche Group employees use the platform, engaging in self-managed learning to actively advance their skills.

The platform is also increasingly being used for qualification projects with a broad scope. For example, the digital learning module "High voltage instruction – vehicle technology basics" introduced at the start of the year is intended for all employees of Porsche AG and its German subsidiaries. This departmental and HR development joint project has been honoured with the ComeniusEduMedia Award.

More than 400 hours' worth of virtual learning resources are now available on the Porsche



FIT FOR DIGIT@L: PORSCHE MANAGERS AT THE INTERACTIVE BEACON CHALLENGE

learning platform, comprising digital learning modules, learning videos and webinars – a threefold increase on 2018. Even classic non-digital qualification formats expanded by over 30 per cent during the reporting period, while qualification training addressing future-oriented topics grew by more than 45 per cent during the year.

The "Lernen@Porsche-Community" group has evolved into an established discussion platform boasting 400-plus members. Regular community meetings focus on trends and case studies for promoting sustainable learning, new functions on the Porsche learning platform and expert insight into the various qualification projects at the different departments. This open and interdepartmental exchange on aspects of best practice is already establishing synergies that will be used for subsequent qualification programmes.

The digital transformation places new and significantly altered requirements on the workforce. It is therefore important to sensitise and motivate all employees for the transformation, encouraging them to play an active role in shaping the change.

Employer attractiveness and encouraging young talents

Porsche's long-term positioning as an attractive employer is the basis for its successful HR work. To maintain this, the company supports numerous young talent initiatives, cooperates with universities and implements various communication measures. And this has brought success: in 2019, Porsche again occupied top positions among students in relevant employer rankings. The Universum Student Survey saw Porsche named the most attractive company in the automotive industry and the most attractive employer for engineers in 2019. And in Glassdoor's employer ranking, which is based on employee ratings, Porsche took top spot among leading employers for the first time. Porsche's strong employer attractiveness is also demonstrated by the rising number of applicants: the Porsche Group received more than 190,000 applications in 2019.

To promote young professional talents, Porsche relies on its partnership with relevant universities and organisations. A good example of this is "Formula Student Germany", an international design competition sponsored by the Association of German Engineers (VDI).

Cooperation with renowned universities is being further expanded, with a specific focus on the topic of digitalisation. This year, Porsche became a partner of the Business Information Technology study course at Karlsruhe Institute of Technology (KIT). The newly established partner network aims to ensure the close interaction of theory and practice in a study setting, with Business Information Technology students from KIT receiving exclusive insights into typical tasks and fields of activity pertaining to business IT specialists at Porsche.

Porsche is also stepping up its collaboration with CODE University in Berlin through a number of shared projects. As a result, CODE University students are currently tackling issues relating to the topic of "Machine learning using location-specific data". This format connects students even more closely with the Porsche experts and is part of the university campaign.

The latter also comprises the scholarship programme for IT students at RWTH Aachen University, which each year sponsors 15 students on Information Technology, Media Informatics, Software Systems Engineering and Data Science courses. The Porsche IT scholarships are awarded through the RWTH education fund and include a special framework programme in addition to financial support. Alongside specialist events, general



WITH ITS EMPLOYER BRANDING CAMPAIGN, PORSCHE SHOWS ITS EMPLOYER BRAND TO BE DOWN TO EARTH AND APPROACHABLE

support programmes from the education fund such as networking events and further training possibilities are on the agenda. International university contacts are also carefully maintained and continually developed: examples include the cooperation with the IT chair at Babes-Bolyai University in Cluj (Romania).

However, the support of young talents begins even before university. For the last 19 years, the best high-school leavers of their year in Baden-Württemberg have been awarded the Ferry Porsche Prize in the main subjects of mathematics and physics/technology. In 2019, the coveted award was presented to 220 young people. Six of them additionally received a one-year scholarship. The scholars are selected by drawing lots during the annual award ceremony at the Research and Development Centre in Weissach.

As Porsche's employer branding campaign shows, behind the exclusive products is an approachable employer that values factors such as camaraderie and work-life balance. While high-quality black and white pictures of employees convey an authentic impression of the working environment, central messages of the Porsche corporate culture – such as practicality, collegiality and innovation – are conveyed to the outside world. Not only was this campaign recognised with the audience award for "Best Cultural Fit Campaign" at the Trendence Awards, it also won the Grand Prix award for Best Film and the OttoCar award in the AutoVision category "Internal Communication, Human Resources" in 2019. In addition, the campaign has received a total of three honours from the Art Directors Club Germany.

Another focus in the reporting year was on addressing candidates for the manufacture of the Taycan electric sports car at the Zuffenhausen site. Communication with applicants is predominantly based around social media, an area in which personnel marketing has significantly expanded its activities. On Facebook and Instagram, which are particularly relevant to younger target groups, employees offer insights into their working lives and reach a wide audience. Porsche has also recorded a large increase in Instagram followers through its cooperation with the influencer Jean Pierre Kraemer ("JP Performance").

Porsche corporate culture

The significant increase in employee numbers and the digital transformation are crucially changing how we work together. The initiative launched back in 2017 to strengthen Porsche's corporate culture is therefore being continually expanded. As a result, the Porsche code was anchored in the relevant HR processes such as recruiting, HR development and target agreement during the reporting year. Key to this was the first wave of leadership labs, which saw 1,500 managers – from foremen to members of the Executive Board – attend 1.5-day workshops to develop a common understanding of leadership based on the Porsche code. The second wave will target individual leadership behaviour and is already at the planning stage.

In order to incorporate the entire workforce as multipliers for the topic of leadership and culture, a team dialogue on culture and values was also conducted in every corporate unit. The entire workforce was therefore divided into its respective teams, enabling employees to critically assess their own team's approach to culture and identify the cultural values that need to be reinforced within the team.



LEADERSHIP LABS TO DEVELOP COMMON UNDERSTANDING OF LEADERSHIP

Training

The pillars of Porsche's personnel policy include needs-based training that focuses on future requirements, ongoing skills acquisition and internal development. Porsche vocational training provides the basis for this. Learning contents and training places are adapted predictively to technological progress and social development.

In the reporting year, the Porsche Taycan became the company's first all-electric car to enter series production. This marks the dawn of a new era – and one requiring intensive preparation, most notably for the Taycan production staff. As a result, the vocational training unit organised a four-day Taycan training course as part of the qualification drive for this first-ever fully electric Porsche. The qualification centre is housed in two lightweight construction halls covering over 2,500 square metres, with the four-day face-to-face course providing comprehensive knowledge of the Taycan itself and the company's electromobility strategy. Going back to the historical roots of the company, these interactive workshops help participants discover how Porsche has come to enter the field of electromobility. Topics such as sustainability, charging infrastructure and charging services are discussed in an in-depth and open manner. Participants are also treated to a detailed look at all of the Taycan's technical features and functions. The training focuses on establishing a tangible and emotional link between the participants and the course content. Some 2,210 employees have been qualified since training began in February of the reporting year, including 1,355 front-line workers, 528 trainees and

an additional 327 interested employees. Given the high level of demand throughout the company, a two-day short course has also been offered since June 2019.

Electromobility and the issue of new car technologies in general have long formed key aspects of vocational training, which involves targeted preparation of trainees in these areas.

As part of the digitalisation drive and the development of new learning methods, the company has teamed up with the vocational school Wilhelm-Maybach-Schule. In the pilot phase of this collaboration, first-year trainees studying to become auto mechanics were equipped with Porsche tablet PCs. Both the teaching at the school and the transfer of knowledge at the training centre have been adapted to suit the various digital learning methods.

At the Zuffenhausen site, the company currently offers 150 training places in 10 technical and commercial training professions, as well as eight degree programmes in cooperation with the Baden-Württemberg Cooperative State University (DHBW).

A number of 106 young people began technical training in 2019, including auto mechanics with a focus on passenger car technology, auto mechanics with a focus on system and high-voltage technology, warehouse logistics specialists, body and vehicle construction mechanics, automotive painters, vehicle interior designers, industrial mechanics for automobile construction, and electronics engineers for operating technology. The number of dual study places remained unchanged at 34. As a response to ever-increasing digitalisation across all areas of automobile construction and electromobility, around 70 per cent of places are now on study courses with strong links to IT and electrical engineering. In addition to the existing focus on information technology and automotive information technology, the portfolio of IT-related study courses has been expanded to include the aspects of mobile informatics and IT security. Nine industrial salespersons also started their training in 2019. In the commercial field, the trainees are prepared for the new working world and learn digitised applications from the very first day.

Part of the future-oriented training comprises the promise to take on all graduates of the vocational training and the dual study programme as permanent employees. Thus, in the reporting year, 190 trainees and DHBW students started a permanent job after successfully completing their studies.

The internationalisation of vocational training also continued apace. This represents an important means of further qualifying young, highly motivated talents undergoing vocational training, thereby preparing them for the workplace of the future. The foreign postings encourage intercultural exchange, aid personality development and increase participants' flexibility and mobility.

In 2019, 21 technical trainees, 16 commercial trainees and 29 DHBW students gathered professional experience abroad. The postings lasted from two weeks to four months. There were five rotation assignments in technical vocational training between Porsche and Bentley, plus international assignments at Porsche Centre Great Britain and at Nardò Technical Centre. Once again, one trainee from the subsidiary Porsche Cars Australia was taken on at the Porsche AG training centre in order to gain insight into the German training system. A further 21 DHBW students undertook their international practical placement on-site at Bugatti, Bentley and Lamborghini. Porsche also expanded its collaboration with VW Slovakia and saw the brands engage in their first-ever exchange programme: this pilot gave DHBW students from Bratislava the chance to complete their practical phase at the Zuffenhausen plant.

The percentage of female trainees remained high in 2019 at 29 per cent. In the dual study programmes, the proportion of female students even reached 44 per cent. In order to obtain more applications from suitable female candidates in the next few years, Girls' Day was once again held at the training centre in 2019.

Another highlight was the filming of a series of videos by influencer Jean Pierre Kraemer ("JP Performance") at the training centre. These videos were uploaded to YouTube in early April and have since racked up over one million views, further boosting the appeal of vocational training at Porsche. This positive impact was also reflected by the huge spike in subscribers to our HR marketing channel on Instagram (@porschecareers) and by the applicant statistics drawn from this year's recruitment activities.

In July, Porsche held an InfoNight event at its training centre with the aim of encouraging young people to undertake training or dual study at the company. The event also marked the start of applications for the training and study places to be filled in 2020. Attendees were given the chance to experience the typical feel of training at Porsche while having all their questions answered in relation to training and dual study.



TO DATE, MORE THAN 2,000 PORSCHE EMPLOYEES HAVE COMPLETED TAYCAN TRAINING

Responses were provided by vocational training representatives and by employees from the various departments, who also offered detailed insights into the world of work after training. This year's event was also the first at which attendees were able to receive pointers on crafting the perfect application, as a dedicated presentation and four hands-on information stands provided full details on the application process plus a valuable range of insider tips.

Since many applicants have no prospect of a training place according to the general selection criteria, Porsche relies on an entry qualification known as the Year of Support. A number of 18 young adults completed a Year of Support in 2019, 14 of whom were able to qualify for subsequent training at Porsche. Porsche has also successfully continued the integration year for refugees. The project featured 11 young people, of whom almost all were successfully integrated into the training and job market in cooperation with handicraft businesses or have gone on to attend secondary school.

The vocational training of severely disabled candidates has been exemplary. Currently, 22 persons with a disability are completing training or a dual study programme with Porsche. If training in the company is not possible on the grounds of corresponding restrictions, the cooperative training model applies: the young people complete the theoretical part of their training at a vocational training centre which is appropriate to their individual support needs. For the practical part of the training, they are then deployed to the extent of their possibilities in the various departments of the company. Internship placements for young

people with a disability are also enabled individually in cooperation with various vocational training centres.

The after-school learning centre project was also continued. On two mornings of every week, pupils in years five to 10 at three partner schools attended technology classes taught by a dedicated teacher for the first time. Drawn from two integrated schools and an intermediate secondary school, the youngsters were provided with curriculum-based teaching featuring a direct link to Porsche. The teacher also received subject-specific support from various trainees and master trainers. A further focal point is vocational orientation, which aims to encourage more young people to enter technical vocational training: the teaching workshop helps pupils experience the reality of training in the eight technical occupations in which Porsche offers traineeships.

In 2018, the Porsche vocational training unit teamed up with the Works Council, the youth and trainee representatives, and Porsche health management to draft the new "Azubi fit" health programme for its trainees and DHBW students. This duly entered into operation in 2019, aimed at improving health-related behaviour among young people and motivating them to adopt a healthy lifestyle. The core aspects are physical activity, nutrition, mental fitness and prevention: alongside a fitness challenge, the programme addresses topics such as ergonomic work, healthy sleep, careful handling of personal resources and a healthy approach to digital media. Specialists are also ready and waiting to share their expertise. Given the very open, enthusiastic and grateful



EXPERIENCING TECHNOLOGY IN THE PORSCHE PUPILS' WORKSHOP IN LEIPZIG

response from trainees and DHBW students to date, the company plans to continue the programme into 2020 with an expanded scope.

In the last two years, Porsche was the main sponsor of the school entrepreneurship competition "Jugend gründet". The aim of the competition is for school pupils and trainees to gain a feel for entrepreneurial thought and action in order to use this in future as entrepreneurs and intrapreneurs. Since 2018, the national final has taken place in the training centre in Zuffenhausen. Porsche's special "Digital Future" prize also enjoyed a successful launch: the internal Porsche jury awarded first place to the "Blind Play" business idea received from six female school pupils under the team name "InteCreate". A plug-in for popular video games, their concept enables visually impaired people to play games on an equal footing with others thanks to a coordinated series of unique and easily distinguishable audio signals.

At Porsche's Leipzig site, the company was again very heavily involved in the vocational orientation and promotion of MINT professions in 2019. In cooperation with the VDI (Association of German Engineers) GaraGe, the Porsche school workshop in Leipzig Plagwitz offers schoolchildren the chance to experience technology and inspires them to train in a technical profession. At its Leipzig site, Porsche recruits around 10 per cent of each training year from participants of the courses in the VDI GaraGe. The range of courses offered by the Porsche pupils' workshop was expanded back in 2018 to include the topics of electromobility and connected car.

Porsche's long-term positioning as an attractive employer is the basis for its successful HR work. This includes needs-based training that focuses on future requirements, ongoing skills acquisition and internal development.



MEMBER OF THE EXECUTIVE BOARD FOR HUMAN RESOURCES ANDREAS HAFFNER PRESENTS THE SPECIAL "DIGITAL FUTURE" PRIZE FROM PORSCHE



INTERNATIONAL WARM-UP IN LEIPZIG

Staff development

As Porsche upgrades its Strategy 2025 to Strategy 2025 Plus, the focus continues to be on addressing the challenges of the digital transformation. In the reporting year, this once more proved a key influence on the thrust and work of personnel and management development. The aim is to build and develop competencies that are crucial to company success in all employees and managers in a structured and sustainable way. The high-quality and comprehensive range of training opportunities and individual and target-group-specific staff development programmes was again continuously expanded and optimised in consultation with the Works Council in 2019.

Porsche Warm-Up

Qualification and interdepartmental exchange begin on the first day at Porsche, with the Porsche Warm-Up serving to welcome all new employees. During the two-day event, fresh recruits are familiarised with aspects such as the Porsche strategy as well as the main core and support processes. They are also informed about topics such as equal opportunities, integrity and compliance principles. Porsche Warm-Up International, which gives new employees at the international subsidiaries an in-depth chance to discover Porsche in Leipzig and Zuffenhausen, also promotes the establishment of an international network. In the reporting year, a total of around 2,500 employees participated in the Porsche Warm-Up – a 25 per cent increase on 2018.

Expansion of the range of further training options

The reporting year saw Porsche upgrade its existing range of seminars to include extra topics and formats, all with the aim of providing optimum support to employees going about their day-to-day tasks. Successful collaboration in virtual teams, time management and work organisation were among the key themes. The company is also increasingly integrating blended learning formats alongside classic face-to-face sessions. This targeted expansion will continue in 2020 with the addition of options including mindfulness and effective self-management.

International trainee programme

Following the successful completion of the fourth wave of the trainee programme, a new trainee group started this 12-month international project in October 2019.

Fit for the Shop Floor

The new Fit for the Shop Floor qualification programme was introduced in the reporting year for first-level operational managers. This programme features a modular structure and is supported by an accompanying digital learning module. Over the course of 12 months, participants systematically complete 10 qualification modules as they expand their specialist and interdisciplinary skills. Particular emphasis is placed on employee management, integrity and Porsche culture. The basic modules can also be complemented by additional qualification options. A total of 100 foremen from Production and Logistics have joined this programme since it was launched in July 2019, and the company is already planning to incorporate foremen from other departments.

Porsche development programme

In the Porsche development programme, employees are qualified professionally and personally for assuming managerial tasks in the future. The wide-ranging content of the programme includes digitalisation, innovative strength, internationalisation and lifelong learning. The Porsche development programme was launched in January 2018, with its current wave featuring around 250 employees from Porsche AG and 25 participants from the subsidiaries.

Programmes at management level

Porsche is preparing managers for the challenges of the future with customised qualification offers and programmes. The reporting year witnessed the launch of the Porsche Professional Programme, which helps new managers from the second reporting level be more effective in tackling their new roles and responsibilities. In keeping with the concept of "Imagine, Deliver and Lead", participants complete three modules offering a range of stimuli and tools for the successful implementation of Strategy 2025 Plus.

The Porsche International Management Programme is tailored to the special requirements of experienced managers on the second reporting level. Under the banner of "A distinctive agility trip for Porsche leaders", the focal points are the systematic development of leadership competencies, the strengthening of the required mindset and the expansion of the methodological repertoire for shaping the transformation.

In an effort to ensure a lasting legacy, alumni events were held during the reporting year for all former participants on the management programme from the first and second reporting levels. As well as providing a forum for discussing the latest issues and strategically relevant topics, these gatherings are an important platform for engaging in an exchange and further boosting interdepartmental collaboration.

Strategic competency management

The transformation of the automotive industry poses a raft of new challenges, even for Porsche. This has led to the introduction of strategic competency management as a means of systematically identifying the qualifications set to be required across the entire company in the medium to long term. In this method, interdisciplinary teams record current tasks and skills before using a fit-gap analysis with future tasks so as to pinpoint the necessary skills that must be acquired. Any identified skill gaps can thus be addressed at an early stage through targeted retraining and further training, forward-looking recruitment and new priorities in ongoing training. This method was introduced throughout research and development in 2018 before being transferred to regular operations a year later. Over 300 employees have already participated in specific qualification programmes on topics such as electrification and mechatronics. Porsche extended the roll-out to three additional departments (Production, Procurement, and Finance & IT) in the reporting year and aims to compile its first company-wide skills atlas by the end of 2020.

Strategic competency management – Porsche is using this method to systematically identify the qualifications set to be required across the entire company in the medium to long term.

Porsche mood barometer

In 2019, all employees of Porsche AG and its subsidiaries were again asked to give an assessment of their current work situation using a mood barometer. More than 83 per cent of Porsche Group employees voluntarily participated in the online survey. The mood index at Porsche AG has improved by a further 1.5 per cent on top of what was already an extremely positive result for 2018. It is particularly pleasing to note that 93 per cent of employees view Porsche as a very attractive employer. After the questionnaires have been evaluated, the results in the respective corporate unit are discussed in detail. Managers and employees identify potential for improvement and jointly define specific measures in order to optimise processes or working conditions, for example.



INTERNATIONAL TRAINEE PROGRAMME

Integrity

Integrity means taking responsible and up-standing actions in accordance with ethical principles. It represents the prerequisite for honest and respectful cooperation, which constitutes the basis of the Porsche culture and is a fixed component of our strategic guidelines. Acting with integrity is also indis-pensable in retail, which is why it was included in the Porsche service standards as the high-est value. The crucial relevance of the issue of integrity is further demonstrated by the fact that it has been successfully implemented in the responsible committees and steering committees. Regular reporting to the Execu-tive Board was also established in 2019.

In order to inform the workforce of the high importance of integrity and to ensure ongoing sensitisation to this topic, Porsche makes use of a well-established catalogue of internal communication measures that is constantly being upgraded. A key tool in assessing behav-ioural integrity at Porsche is the annual employee survey – the aforementioned mood barometer. In the event that any notable find-ings raise doubts in relation to behavioural integrity, the causes are identified accordingly. If necessary, corresponding measures are then taken with the involvement of HR and the respective manager.

Integrity is also a fixed component of the ex-isting personnel development programmes and was further expanded in 2019. As a result, dialogue events relating to Porsche's values and culture are also conducted in the corpor-ate units to sensitise employees to matters of integrity. In addition, classroom-based sessions are used to inform disciplinary man-agers of the crucial importance of this topic. These individuals must serve as role models, generate awareness among staff and create a working environment in which each employee can speak their mind openly and honestly.

Integrity management was expanded in almost all areas at Porsche during 2019. One typical example is the recruiting process: not only are aspects of integrity discussed during inter-views with applicants, new employees are also sensitised to the topic in the course of the in-troductory events. On top of this, the company has also set about establishing a multiplier network that facilitates the exchange of exist-ing integrity initiatives and thus helps identify synergies and interfaces.

Work and family

Balancing work and family plays an important role for Porsche. There are numerous offers which can be used in the context of agree-ments made jointly with the Works Council. For example, at the various Porsche sites, childcare places are offered in nurseries in cooperation with local partners. In addition, children of employees are supervised at the sites around Stuttgart throughout the summer holidays – including a shuttle service. A "Code Camp" was offered for the second time in 2019, together with the "Code + Design Initiative". Here, young future programmers can expand their knowledge in exciting pro-jects. With the exception of the Christmas break, the children are also supervised during the remaining school holidays.

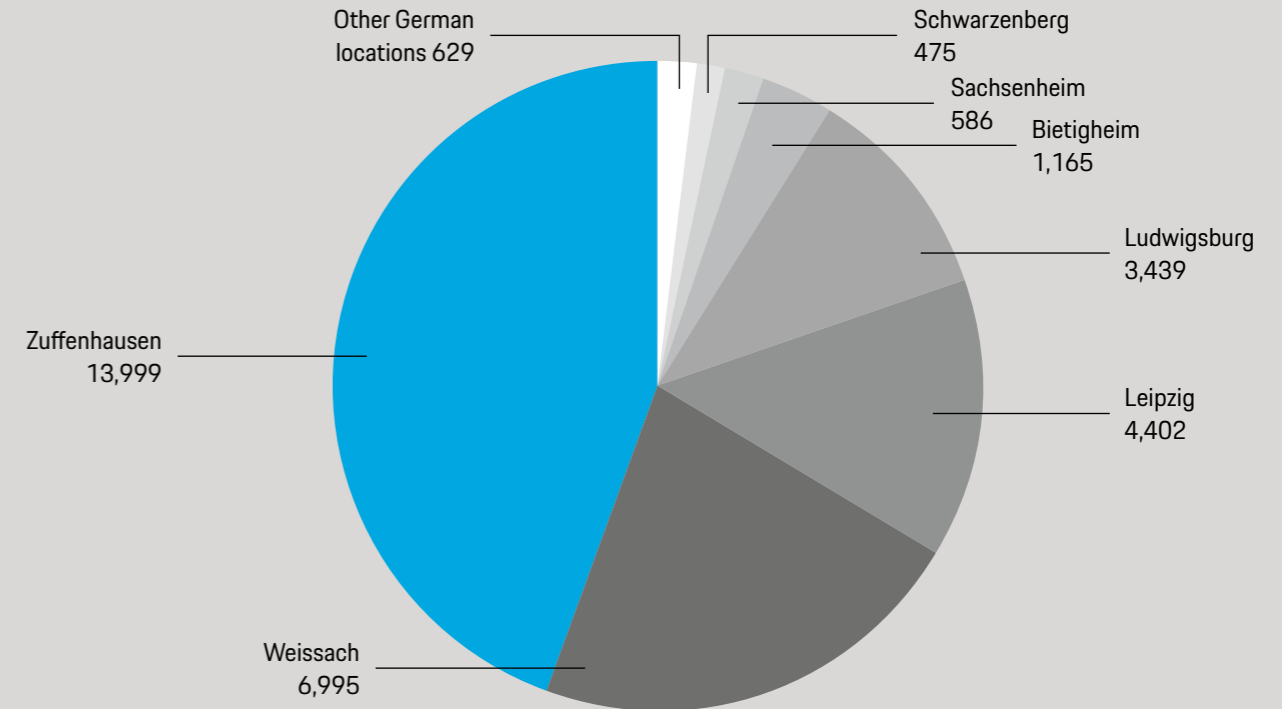
Through its family service, Porsche offers free, individualised and comprehensive advice and support for all family life situations. This ranges from advice for prospective parents to the selection and arrangement of qualified carers for children and seniors. The company also offers professional support in the search for and selection of appropriate care institu-tions for family members.

This commitment to reconciling career and family was again honoured in the reporting year by the magazine ELTERN: following a survey conducted across Germany, Porsche was honoured as one of the "Best companies for families".

Porsche also provides flexible working options with respect to place of work and working hours. Mobile working, life-phase-oriented flexible working hours and a voluntary personal sabbatical are just a few examples of this. A collaboration with DHL also saw package delivery stations enter operation in 2019 at the Weissach and Zuffenhausen sites, making it much easier for employees to collect or drop off their parcels and save valuable time in the process.

Honest and respectful cooperation is the basis of the Porsche culture and is therefore a fixed component of the strategic guidelines of the company.

Employees ✓ at locations in Germany



Total workforce in Germany		Compared to previous year
2019 ✓	31,690	
2018	28,764	
2017	26,506	

↑ +10%

Equal opportunities and diversity

The Porsche workforce is characterised by its diversity: employees from more than 80 nations and five generations, with the most diverse individual skills, ensure that Porsche is so successful today. It is anchored in the culture guideline, and the Porsche Code derived from it, that managers should actively promote diversity. In addition, equal opportunities and equal treatment for all employees are prescribed in the Porsche code of conduct. In order to support managers and employees at all levels in implementing equal opportunities and diversity, dialogue platforms and training components are being continually developed.

True to the concept of "Everyone is individual. As a group, we are diverse. Together, we are successful", the company kicked off the 3rd Porsche Diversity Days event in May. In an interactive exhibition entitled "Perspektivenvielfalt@Porsche", employees were able to experience the added value of diversity and the importance of different perspectives – not least as a key driver of commercial success. The exhibition also raised awareness of unconscious prejudice. In the presence of Annette Widmann-Mauz (Minister of State in the Federal Chancellery and Federal Government Commissioner for Migration, Refugees and Integration), Chairman of the Executive Board Oliver Blume, Member of the Executive Board for Human Resources Andreas Haffner and Chairman of the Works Council Werner Weresch signed the diversity charter and thus committed Porsche to establishing a working environment free from prejudice. This event was only the first in a series that toured various Porsche sites from May to September 2019 and provided ample opportunities for engaging in dialogue.

A number of training modules offer an in-depth look at opportunities, challenges and courses of action when addressing the topic of diversity, encompassing management and employees alike. The specially developed "perspectives check", a digital learning tool on the Porsche learning platform, helps managers identify and expand the range of perspectives within their team while deploying these to best effect. An employee game has also been developed: known as the "team check", it promotes equal opportunities and diversity within teams by encouraging employees to reflect on individual attitudes and behaviour in relation to these topics. Equal opportunities and diversity are also featured in the Porsche onboarding process as part of the "Warm-Up" introductory event.

A "sensitisation guided tour" was offered together with the Porsche Museum for managers and employees from all areas of the company. The tour gave an impression of life with a physical disability, for example by using a wheelchair, blindfolds or headphones. The active change of perspective resulting from this encourages sensitivity and understanding towards colleagues with disabilities. This enables inclusion to be promoted in the long term.

An important aim towards which Porsche is continuously working remains the increase in the percentage of women at all company levels. Since 2012, Porsche has increased the percentage of women in the company to 15.5 per cent. During the same period, the number of women in managerial positions has more than tripled. The percentage of women in management is now around 11 per cent.

The Porsche women's network was established in the reporting year and met with an enthusiastic response from the workforce. Some 600 women use this platform to provide mutual support and boost the female perspective within all processes at the company. This new network format is overseen by Director of Research and Development Michael Steiner. Another programme in this area is the Women Business Lunch, which facilitates networking among first- and second-level female managers.

Guaranteeing measurable and binding equal opportunities is a fixed component of the target agreements which are concluded individually with all the managers. For the promotion of women in management, as well as in the collective agreement areas, Porsche has set itself targets which go beyond the legal requirements. Qualification and further training measures, as well as mentoring offers, support female employees in their career planning.

In increasing the percentage of women, the promotion of young talent also plays an important role for Porsche. Thus, in 2019, 31 per cent of trainees and DHBW students were female, and the proportion of women among the interns and thesis applicants was also 27 per cent. In order to win female talented professionals for Porsche, the existing cooperation with Femtec, an international career platform for women in IT, engineering and natural sciences, was successfully enhanced. In the reporting year, various excursions provided insights into the working world at Porsche. At "Stuttgart Culture Day", for example, attendees were able to enjoy presentations on the topics of corporate culture and construction management before embarking on a tour of

the museum and plant. On top of this, the "Femtec Innovation Workshop" gave 35 female students enrolled on MINT study courses the chance to optimise development processes in car body production and present their results to an audience drawn from the department and the HR team.

At trade fairs and during formats specially for women, the company regularly gives information about entry opportunities. In 2019, Porsche attended events such as "women&work", Europe's leading trade fair for women in business, the "Future Day for Female Students" at RWTH Aachen University and the "Ladies Lounge" at Formula Student Germany. Porsche also took part in "PANDA Tech & <Software />", a network and recruiting event for women who are already experienced managers or aspire to a management position. The company also made its debut at STICKS & STONES, the largest LGBT careers fair in Europe. In addition to outlining the various ways to join its team, Porsche also demonstrated how it implements and supports diversity within its ranks.

Diversity 2019 in figures

Porsche AG

> 500



different degrees and qualifications

> 120

markets served by Porsche worldwide

3

Porsche training and recruitment centres for young people in Manila, Cape Town and Puebla

> 80



different countries work at Porsche

+100%

proportion of women in management since 2012



5

generations within the company

60%

of staff includes Generations Y and Z

31%

proportion of women in training programmes



29

young women and men in support year and integration year

EDUCATION
HABITS
ATTITUDE
SEXUAL ORIENTATION
KNOWLEDGE
PERSONALITY
EXPERIENCE
ABILITY
VALUES
HOBBIES
AND MANY MORE

immeasurable criteria that are still relevant

Targets for the percentage of women in the Supervisory Board, Executive Board and management

As part of the implementation of the law on the equal participation of women and men in management positions in the private economy, the following target figures for the percentage of women in the Supervisory Board, Executive Board and upper management levels by 31 December 2021 have been defined for Porsche AG: given the long-term commitments of its members, the Porsche Supervisory Board has confirmed the status quo of 10 per cent as a target figure. At the time of the resolution, the Executive Board positions for all departments were occupied exclusively by men; the respective contractual periods extend over several years. For this reason, the target figure for the Executive Board was set at the status quo (zero per cent). However, Porsche's Supervisory Board has set itself the target of increasing the percentage of women on the Executive Board in the long term. For the first and second management level beneath the Executive Board, the target percentage of women set by Porsche AG is 15 per cent by 31 December 2021.

Porsche's Supervisory Board has set itself the target of increasing the percentage of women on the Executive Board in the long term. For the first and second management levels beneath the Executive Board, the target percentage of women set by Porsche AG is 15 per cent by 31 December 2021.

Occupational health and safety

The most important resource of the company is a motivated and effective workforce. All health-related programmes fall under the remit of health management, including aspects such as statutory occupational safety, in-house emergency services, physiotherapy and occupational health promotion. Health management offers a variety of options to promote the long-term health of employees while they develop, produce and sell exclusive sports cars well into the future.

For example, employees may arrange to have a thorough medical check-up and obtain medical advice on any health issues. This health check is carried out by doctors qualified in preventive medicine. It is voluntary and takes place during working hours. In this way, Porsche once again demonstrates how seriously it takes the health of its workforce while also supporting a key aspect of employee health prevention. If necessary, physiotherapists also advise employees directly at the workplace. Their focus is on prevention, aiming to eliminate ergonomically unsuitable behavioural patterns at an early stage and stop health problems even occurring in the first place. Porsche's health management pursues a holistic approach. Courses on health

promotion therefore include such aspects as nutrition, physical activity and mental strategies.

Protection of employee health takes top priority for Porsche. An organised and structured system for occupational health and safety guarantees a targeted and uniform approach and supports the implementation of legal provisions. This system helps to prevent accidents at work and occupational illnesses as far as possible. The central processes of occupational safety are standardised and regulated by a Group guideline that applies to all Porsche employees. Occupational safety is an essential element of the compliance management system. It is the managers' responsibility that employees know and comply with the provisions of the guideline. Specialists in occupational safety and company physicians are available in an advisory capacity with regard to occupational safety. All staff members are represented through the legally defined representatives in committees in accordance with the Occupational Safety Act. Porsche employs qualified safety engineers and occupational health professionals who concentrate on preventive measures for accident and health protection. The design of workstations, machines and equipment is oriented towards the applicable high safety and ergonomic requirements. Training measures for employees and managers serve to sensitise the entire organisation, thus promoting constant improvements in occupational safety while preventing accidents.

In times of demographic change and a rapidly evolving working environment, it is more important than ever to focus on the health of the workforce. Dr Daniel Mauss, Head of Health Management at Porsche AG, has developed an early warning system intended to prevent chronic illnesses caused by excessive psychosocial stress. Named the "Allostatic Load Index", it uses a mere five variables to determine an indicator value for stress-related health problems. This practical index was awarded the 2019 Innovation Prize by the VDBW association for company doctors in Germany.



DANIEL MAUSS, HEAD OF HEALTH MANAGEMENT, AND BRAND AMBASSADOR JULIA GÖRGES FIRE THE OFFICIAL STARTER'S GUN FOR THE PORSCHE CHECK-UP FOR ALL

Health management takes a targeted approach to fostering Porsche's most important resource: motivated and high-performing employees.

Porsche Gastronomy

As our hard-working and successful employees deserve an outstanding range of catering options, Porsche Gastronomy represents an important element of the corporate culture. In the reporting year, it underwent further expansion to include an integrated sustainability concept encompassing the aspects of meal planning, food purchasing and sustainable packaging solutions. Single-use plastics have also been eliminated and the amount of energy used on catering has been reduced. Successful progress was recorded in all areas during 2019, with Porsche becoming the first major catering service in Germany to only use cleaning agents that are 100 per cent biodegradable. This move lessens the impact on the environment and significantly reduces the potential hazards for employees when handling cleaning agents. The economic deployment of cleaning agents also helps conserve resources.

In all that the Porsche Gastronomy does, it never takes the eyes off its core role: serving up a rich variety of healthy hot meals to Porsche employees across as many as three shifts every day – and providing snacks at all company sites. On top of this, Porsche Gastronomy once again ensured high-quality catering for guests and customers at a range of events in 2019 including the "Car Summit" at the Porsche Museum, the opening of the Taycan factory in Zuffenhausen, the "Night of Champions" at the Development Centre and the family day in Leipzig.



A GLIMPSE OF PORSCHE TRAINING

SOCIETY

For Porsche, economic success and social responsibility are inextricably linked. As such, the company makes social responsibility a priority – most notably at its various sites. Through its donations, CSR sponsoring and cultural sponsoring activities, the Porsche Group supported over 75 individual projects in a wide range of areas during 2019. Further donations were also made to the Ferry Porsche Foundation.

Donations

Youth and training support

Since 2011, the company has promoted the Porsche Junior social project aimed at improving young people's opportunities on the job market by helping them acquire practical experience through pre-vocational training. In 2019, Porsche also lent its support to the Joblinge programme that provided training places to around 700 disadvantaged young people from the Stuttgart region.

Funding of foundation chairs

Porsche works in close cooperation with universities in a number of fields, offering targeted support for academic training through the funding of foundation chairs. These efforts led to the establishment of the "Dr. Ing. h.c. F. Porsche AG Chair of Strategic Management and Digital Entrepreneurship" at the HHL Leipzig Graduate School of Management in July 2013. At Esslingen University of Applied Sciences, the company supports teaching, research and continuing academic development in the field of modularisation in vehicle development.

Charity run in Zuffenhausen

At the fifth edition of the six-hour run on 14 September 2019, around 3,200 Porsche AG employees completed thousands of laps of the 911-metre course at the main plant in Zuffenhausen. Porsche donated five euros per lap and generously rounded up the final total to 200,000 euros. The sports car manufacturer organises this charity relay run for the benefit of the Ferry Porsche Foundation. Since its inception in 2015, the event has already raised 935,000 euros for good causes (2018: 195,000 euros, 2017: 185,000 euros, 2016: 180,000 euros, 2015: 175,000 euros).



PORSCHE SIX-HOUR CHARITY RUN

Star prize in tombola at Leipzig Opera Ball

Porsche has served as a presenter at the Leipzig Opera Ball since 2013. When this key social event celebrated its 25th anniversary on 26 October 2019, the company maintained its tradition of providing a sports car as the star prize for the tombola. Last year, it was a Macan and thus the second time a car "made in Leipzig". The Leipzig Opera Ball is focused on supporting the greater good, with all proceeds being donated to associations in the Leipzig region that work with children and young people. The funds from the 2019 tombola alone reached 85,700 euros: Porsche then generously rounded up this amount to 100,000 euros before it was gratefully received by the local children's foundation "Leipzig hilft Kindern", which is led by Dr Claudia Nerius. "Every euro benefits children and young people who need our help. Charitable organisations are welcome to submit their projects to our foundation all year round," said Nerius.

German TV star and Porsche brand ambassador Richy Müller joined actress Melanie Marschke for the all-important tombola draw. One of the initiatives supported by this charity campaign in 2019 was the "Grünau moves!" project at Heizhaus Leipzig youth centre. Offering free dance, sports and nutrition courses, it encourages school-age children to be more active and adopt a healthier lifestyle.

Around 3,200 employees took part in the six-hour charity run. Porsche donated five euros per completed lap and rounded up the final total to 200,000 euros.

Leipziger Rasen Cup

Porsche Leipzig benefit football tournament kicked off on 8 September 2019 under a new name: the "Leipziger Rasen Cup". The event held at "soccerworld" at the Alte Messe welcomed 28 company teams from outfits such as Dell Technologies, Sachsenmilch and the University Hospital of Leipzig. First place went to Debeka Sachsen AG. With each team paying 500 euros to enter, this 14th edition of the tournament raised some 14,000 euros in donations.

Funds from the 2019 event were split equally and given to two regional institutions. The first of these, "Mitteldeutsche Kinderkrebsforschung", supports medical research projects tackling cancer in children and young people. This foundation has helped establish childhood cancer centres in Dresden, Leipzig, Halle, Magdeburg and Jena, each providing comprehensive top-quality care to young patients.

The second institution, the Arbeiter-Samariter-Bund Regionalverband Leipzig, is a special volunteer ambulance service which enables terminally ill patients to fulfil their last wish – such as a trip to the seaside or the stadium of their favourite football team.



"ACES FOR CHARITY" CHARITY TOURNAMENT AT THE LEIPZIGER RASEN CUP

"Aces for Charity" sees Porsche donate 100 euros for every ace served during the week-long tournament, with the world's top players racking up a remarkable 212 in 2019.

Aces for Charity

At the Porsche Tennis Grand Prix, the company serves up top-class tennis while also raising money for a range of good causes through its long-established "Aces for Charity" campaign. The funds from the 2019 edition of the tournament in late April were donated to the Agapedia Foundation, which was created by former footballer Jürgen Klinsmann for the benefit of children in need, and the Landes-sportverband Baden-Württemberg (LSV BW) sports association for its Integration through Sport project.

"Aces for Charity" sees Porsche donate 100 euros for every ace served during the week-long tournament. After the world's top players sent down some 212 aces during the 2019 event, Porsche generously rounded up the final sum to 30,000 euros. Andreas Haffner, Member of the Executive Board for Human Resources at Porsche AG, visited centre court on finals day to hand out the cheques. Both partners were represented by well-known charity ambassadors at the Porsche Arena, with former Germany player Kevin Kuranyi appearing on behalf of Agapedia and three-time wrestling world champion Frank Stäbler for LSV BW.



ACES FOR CHARITY

International

Porsche also takes action on an international level, as shown by the Dealer CSR Fund launched by Porsche China in 2019. This fund is intended to support local projects across China that are submitted by Porsche dealers and implemented in collaboration with charitable organisations. Beneficiaries in 2019 included the "Million Tree Project" and the "Deep-sea Waste Monitoring and Cleaning Programme".

The tree-planting project addresses the potential measures that individuals can take to minimise their negative impact on the world. Local communities are closely involved in the project and stand to gain at every step along the way, from the planting and care of trees through to the monitoring of measures.

The second project focuses on reducing plastic waste, particularly in the deeper regions of the oceans where experts estimate that around 70 per cent of such waste is to be found. Low temperatures and a lack of UV light in these regions mean that the waste is broken down extremely slowly, resulting in serious adverse effects on the health of people and animals. Porsche's donation supports six diving spots for the targeted removal of waste, helping to eliminate an estimated 250 to 300 kilograms of plastic. In addition, the data collected in the process is vital to ongoing research.

With the CSR campaign "Porsche Do Dream", Porsche Korea aims to open doors for disadvantaged children and young people so as to improve their opportunities and prospects. The programme not only includes the "Porsche Dream Up" scholarship programme supporting bright young talents in the fields of art and sport, but also the "Dream Playground" drive to establish playing facilities inside buildings. This latter campaign, which spurred the construction of two indoor playgrounds at Korean primary schools in 2019, is a response to the high levels of fine dust pollution that prevent outdoor play in many places throughout the country.



"KLASSIK AIRLEBEN" OPEN-AIR CONCERT

CSR sponsoring

As part of its CSR sponsoring activities in 2019, Porsche assisted the Code+Design initiative aimed at encouraging young people to enter digital technologies and professions. Its code camps are conducted across Germany for 50 to 150 young people at a time with the goal of raising interest in the field of programming. In addition to the hosting of a code camp in Stuttgart, the reporting year also saw the company support the 19th Stuttgart International Symposium on Automotive and Engine Technology: as one of the largest and most important specialist conferences for vehicle and engine technology in Europe, it is attended by around 1,000 experts each year.

On top of this, 4,000 trainees and school pupils in years 10 and up from all over Germany submitted their start-up proposals to the "Jugend gründet" entrepreneurship competition in 2019. Since 2016, Porsche has been the main sponsor of this business plan and simulation contest organised by the Steinbeis Innovation Center for Business Development at Pforzheim University. Porsche also awarded its special "Digital Future" prize for the second time at this event, honouring the InteCreate team comprising six female school pupils whose video game plug-in enables people with visual impairments to be part of the gamer community. As part of their reward, the successful entrants were invited to the Porsche Digital Lab in Berlin.

Cultural sponsoring

Sixth edition of open-air concert series

On 28 and 29 June 2019, Leipzig Gewandhaus Orchestra played a number of excerpts from major operas as part of the "Klassik airleben" summer concert series. Over 60,000 guests were treated to a free open-air classical music experience in the city's Rosental park. The event was dedicated entirely to Italian opera, with Gewandhaus conductor Andris Nelsons leading the orchestra through a variety of arias, duets and orchestral works by Verdi, Puccini and Rossini in its final event of the season. Soprano Kristine Opolais and baritone Thomas Hampson took on solo parts from works including La traviata ("The Fallen Woman") and Il barbiere di Siviglia ("The Barber of Seville"). This marked the sixth open-air event presented by Porsche under the "Klassik airleben" banner, with the sports car manufacturer having served as a Global Partner of the Gewandhaus Orchestra since 2011.

Latvian conductor Andris Nelsons also paid a visit to Porsche's Leipzig factory on 14 January 2019 – after all, rhythm and harmony are crucial to the fields of music and automotive manufacturing alike. Following a tour of the assembly department led by Gerd Rupp, Chairman of the Executive Board at Porsche Leipzig GmbH, Nelsons enjoyed a thrilling ride around the factory's very own FIA-certified circuit in a Porsche Panamera Turbo S E-Hybrid.

Stuttgart Ballet showpiece

On 20 and 21 July 2019, Porsche and the Stuttgart Ballet teamed up for the showpiece event Ballet in the Park. The performances from the opera house were broadcast live on a big screen at the Oberer Schlossgarten in central Stuttgart, giving thousands of ballet fans the chance to follow along free of charge. Viewers were treated to the Stuttgart Ballet's "Shades of White" evening on the Saturday, while the Sunday featured a matinee performance by the John Cranko School. Porsche has been the main sponsor of the Stuttgart Ballet since 2012 and has now collaborated on eight editions of Ballet in the Park. The company provided 10 million euros towards the rebuilding of the John Cranko School, thereby ensuring long-term support for future generations of ballet dancers.

Leipzig Gewandhaus Orchestra

The guest performance by Leipzig Gewandhaus Orchestra at the Liederhalle Stuttgart concert hall on 24 October 2019 was open to all, with Porsche streaming the event live to the Dorotheen Quarter using two Panamera cars that were fitted with Burmester sound systems. Guests at the Sansibar restaurant were also able to listen to the concert through Burmester systems. The programme was led by Gewandhaus conductor Andris Nelsons and featured pieces from Gustav Mahler, Robert Schumann, Richard Wagner and Felix Mendelssohn.

Ferry Porsche Foundation

Established in 2018, the Ferry Porsche Foundation also focuses on social responsibility in a wide variety of ways. Its activities are centred on assisting children and young people, especially in and around the company's factory sites.

Not only does this foundation support projects in the fields of science, research, training and education, it also promotes cultural and environmental initiatives while aiding people in challenging social situations.

The Ferry Porsche Foundation has also made a statement with its own dedicated campaigns, not least in donating the 200,000 euros raised by the 2019 six-hour run to half a dozen charitable organisations and associations – recognising them as "champions of everyday life". A sum of 33,333 euros each was awarded to the Olgäle Foundation for sick Children, the Stuttgart Hospice for Children and Young People, the Gustav Werner School in Zuffenhausen, the Frühstück für Kinder association that provides breakfasts to schoolchildren, and the Lebenshilfe Stuttgart organisation for the mentally disabled.

The "Ferry Porsche bildet" initiative sees the foundation provide approximately one million euros for gifted students at schools in disadvantaged areas around Stuttgart for

environmental education projects, for ensuring inclusion in sport and for the education of children and young people affected by social and health-related disadvantages. In addition to education and science, the foundation also provides support in the fields of sport, culture, the environment and social issues. Its new education initiative is also based around these focal points and is aimed at helping young talents from different backgrounds, spreading knowledge, and providing socially disadvantaged individuals with better access to qualification and training programmes.

The Ferry Porsche Foundation also launched the Ferry Porsche Challenge in 2019. This campaign has been established to promote social commitment at Porsche's various sites and honour those who undertake volunteer work, with the foundation insisting on sustainable, innovative and creative concepts. Around 600 associations and institutions have submitted their applications and must meet the key funding criteria of charitable status, local ties to Stuttgart or the Leipzig region, and a project focus within one of the five funding areas. After selecting the winners, the foundation will award 100,000 euros each to three first-place finishers, 50,000 euros each to six runners-up and 25,000 euros each to 10 third-place entrants in 2020. In addition, every project nominated for the final will receive at least 5,000 euros in funding and all nominated finalists will also be eligible for the special prize of 75,000 euros.



CHAMPIONS' BREAKFAST WITH HANDOVER OF CHEQUES

The Ferry Porsche Foundation focuses on social responsibility in a wide variety of ways, centred on assisting children and young people, especially in and around the company's factory sites.

SPORTS

As a manufacturer of sports cars, Porsche maintains close links to the sporting world with its products and its involvement in motor-sport. Furthermore, its diverse and sustainable commitment in this area is anchored in the sports sponsorship strategy. The company has promoted women's tennis since 1978, when it became a title partner at the inaugural Porsche Tennis Grand Prix in Filderstadt, Germany. Its involvement in tennis has grown from strength to strength around the world. Golf is also a traditional focus of Porsche's activities in the field, with the company having established the Porsche Golf Cup in Germany over 30 years ago. The international growth of this exclusive series of amateur tournaments for customers has demonstrated the relevance of golf to the target group, inspiring a move into the men's pro game with the Porsche European Open.

Sami Khedira has been an ambassador for Porsche's youth support programme since 2018. A 2014 World Cup winner who played a number of seasons for VfB Stuttgart, Khedira makes appearances at a variety of events and provides important tips to help young players maintain the right attitude and behaviour both on and off the pitch.

Beyond the professional arena, another key pillar of the sports sponsorship strategy is to introduce young people to the social benefits of sport. Porsche therefore supports youth sport at its Stuttgart and Leipzig production sites as part of its wide-ranging Turbo for Talents programme. In addition to high-quality sports training, this programme also promotes the social and personal development of children and young people.

As a manufacturer of sports cars, Porsche maintains close links to the sporting world with its products and its involvement in motor-sport. Furthermore, its diverse and sustainable commitment to other sports is anchored in the sports sponsorship strategy.



TURBO FOR TALENTS

Sports funding in the Stuttgart region

For a number of years, Porsche has supported children and young people in the Stuttgart area at its partner clubs SG Sonnenhof Grossaspach (football), SV Stuttgarter Kickers (football) and SC Bietigheim-Bissingen Steelers (ice hockey), as well as at the Porsche Basketball Academy in Ludwigsburg. This collaboration aims to provide the next generation with sporting and social support through shared experiences while also preparing them for their subsequent work life.

In the reporting year, selected junior players at the partner clubs received the 2019 Turbo Awards. These honours were bestowed on 12 young talents from the four clubs whose outstanding sporting development, educational performance and social commitment ensure that they already serve as role models for their peers. Alongside sporting performance, significant emphasis is therefore placed on balancing sports training and schoolwork as well as social responsibilities within the club. As a special bonus, the winners also received a driving safety training course or a grant towards the cost of a driving licence.

The ADM Youth Days event run by Stuttgarter Kickers gives around 1,200 children the chance to participate in an exciting football tournament and a wide range of additional activities. With support from Porsche, this tournament welcomes over 100 youth teams from across the region in four age groups.

Another attraction at the ADM Youth Days is the Porsche Coaching Mobile: this Porsche

Cayenne with trailer was specially developed for youth support, featuring sporting equipment and training modules for measuring individual performance through play. In this way, young talents can better assess their sporting capabilities and adapt their approach to training accordingly. Age-specific reference values also make the results easy to compare. The Porsche Coaching Mobile was in action across Germany almost every weekend from April to October 2019. Its 34 days of appearances extended far beyond the five partner clubs in the Stuttgart and Leipzig regions, with nearly 4,000 children and young people taking part in the various events.

Sports funding in the Leipzig region

Porsche and the football club RB Leipzig have worked together in the field of youth support since 2014, encouraging children and young people to participate in team sports while nurturing their individual potential. This collaboration also makes it easier for children from socially disadvantaged families to access team sports and professional competition.

The Leipzig Quarter-Finals is a popular youth football tournament that has been run by Porsche and RB Leipzig since 2015. This event welcomes U11 and U14 youth teams each representing one of four Leipzig city districts. Over 1,000 children and young people again took part in the 2019 edition of this popular tournament, with the winning teams afforded the rare honour of receiving their trophies during the half-time break of a Bundesliga match at the Red Bull Arena – cheered on by thousands of fans. Regional football clubs also benefit from the "Leipzig Quarter-Finals":

in August 2019, four regional clubs once again received donations from Porsche as a thank you for hosting the preliminary rounds of this tournament in May. SG Olympia 1896 Leipzig, SV Lokomotive Engelsdorf, Leipziger Sport-Club 1901 and TSV Böhlitz-Ehrenberg 1990 were each awarded 2,000 euros towards their youth programmes.

A further aspect of this partnership with RB Leipzig is the Porsche Coaching Bench, which gives families with football-loving children the chance to experience live matches right on the touchline. The sports car manufacturer recruits children aged between five and 10 to accompany their heroes out on to the pitch. At the home match against TSG Hoffenheim on 7 December 2019, one of these 11 young football fans was the 911th. Having served as a mascot since the start of this campaign, number 911 was allowed to pick out their favourite RB Leipzig player and also received a football signed by the whole team. At the RB Leipzig training ground events, Porsche helps the Bundesliga team spot upcoming talents. Additionally at the football camp run by the RB Leipzig Football School, junior players can show off their skills and have lots of fun learning more about the game. Porsche supports socially disadvantaged children by paying the entrance fee on their behalf. On top of this, the inclusion camp at the football school helps children with and without disabilities learn from and with one another.

Each year, the best of RB Leipzig's youth teams is also crowned the Porsche Talent Team, with the U19 outfit taking this title in 2019.



PETRA KVITOVÁ

Employees, Society, Sports, Communications



LEIPZIG QUARTER-FINALS

Tennis

Petra Kvitová wins Porsche Tennis Grand Prix

It was seventh time lucky for Czech star Petra Kvitová as she won the Porsche Tennis Grand Prix in front of a sell-out crowd of 4,400 at the Porsche Arena on 28 April 2019. Kvitová was rewarded with a Porsche 911 Carrera 4S Cabriolet for this latest triumph in her highly successful career, having previously won the prestigious singles title at Wimbledon in 2011 and 2014, along with a total of six Fed Cup crowns as part of the Czech Republic team. While Kvitová has experienced a great many sporting highlights, she sustained career-threatening injuries to her dominant left hand during a knife attack in her flat in Prostějov on 20 December 2016. Following four hours of surgery and six months of not being able to use her hand, she made her way back to the top. "After an experience like that, every match I can play is like a gift," said Kvitová.

The crowd at the Porsche Arena surely had her remarkable recovery on their minds as they saluted the achievement of this 29-year-old, one of the most popular players on the WTA Tour, with a standing ovation lasting several minutes. Estonia's Anett Kontaveit proved a worthy opponent, with the favourite forced to draw on all her experience as she recorded a 6-3, 7-6 victory that saw her fulfil her dream of winning the Porsche Tennis Grand Prix.

"I love playing in front of this amazing crowd, and I'm overjoyed to have finally won this fantastic tournament," said Kvitová after taking match point. And as Chairman of the Executive

Board Oliver Blume presented the champion with the keys to her 911 Carrera 4S Cabriolet, she added with a wink: "This car is a wonderful bonus."

Two players from Porsche Team Germany also had reason to celebrate on finals day, as Mona Barthel and Anna-Lena Friedsam took a shock 2-6, 6-3, 10-6 victory in the doubles tournament over the highly favoured Czech-Russian pairing of Lucie Safarova and Anastasia Pavlyuchenkova. Remarkably, this was the first time they had ever competed together – quite a successful debut.

Porsche has sponsored the Porsche Tennis Grand Prix since 1978 and took over as event organiser in 2002. This tournament at the Porsche Arena in Stuttgart has developed into a WTA Tour showpiece. The players themselves have voted it the world's best tournament in its category no fewer than 10 times, with its most recent triumph coming in the reporting year.

Porsche Race to Shenzhen: Ashleigh Barty wins Cayenne Coupé

Porsche extended its successful global partnership with the Women's Tennis Association (WTA) in 2019, remaining the title partner of the Porsche Race to Shenzhen – the official qualification ranking for the WTA Finals. Players can collect ranking points at a total of 56 tournaments throughout the season (52 WTA events plus four Grand Slams). In a nod to Porsche's motorsport background, every tournament is symbolised with its own pit board. The partnership ensures that the company maintains a year-round presence on the global WTA tour.

The Porsche Race to Shenzhen was won by Ashleigh Barty of Australia in 2019. By heading the Porsche ranking, the world number one secured her place at the first edition of the WTA Finals to be held in the Chinese high-tech city of Shenzhen. This exclusive event is reserved for the eight most successful singles and doubles players of the season. Top-ranked Barty also received a Porsche Cayenne Coupé in honour of her achievement.

"We'd like to warmly congratulate Ashleigh Barty on winning the Porsche Race to Shenzhen. Her prize of the athletic Cayenne Coupé is the fitting reward for her magnificent tennis performances this season," said Detlev von Platen, Member of the Executive Board responsible for Sales and Marketing at Porsche AG. "The WTA Finals in China are another highlight in our successful partnership with the WTA and the perfect finale to a fantastic tennis year."

Bigger and better: successful partnerships with the WTA and DTB

Through its partnership with the WTA, Porsche is the title partner of the Porsche Race to Shenzhen and the exclusive automotive partner of both the WTA and the WTA Finals. The sports car manufacturer is further expanding its role as exclusive automotive partner of key WTA tournaments around the world – supported by the respective markets and Porsche Centres, its appearances in 2019 included St Petersburg (Russia), Dubai (UAE), Monterrey (Mexico), Birmingham (UK), San Jose (US), Cincinnati (US) and Linz (Austria).

In addition to this global partnership with the WTA and the Porsche Tennis Grand Prix, the company's close cooperation with the German Tennis Federation (DTB) represents another key pillar of its successful involvement in the world of women's tennis. Porsche has been a premium partner of the DTB since 2012,



PORSCHE RACE TO SHENZHEN

powering the development of women's tennis in Germany to a series of international triumphs including Angelique Kerber's singles victory at Wimbledon in 2018. These fantastic results also serve as extra encouragement for budding junior players throughout the country. Inspired by Porsche's successful nurturing of young motorsport talent, the Porsche Talent Team offers professional support to help the next generation fulfil their potential. And as young players always need role models to look up to, Porsche is establishing the necessary framework to support tomorrow's role models today.

Maria Sharapova, Angelique Kerber and Julia Görges are a trio of world-class players and the faces of Porsche's successful commitment to women's tennis. Boasting class and character both on and off the court, they represent Porsche and its philosophy around the world as brand ambassadors.



MARIA SHARAPOVA



ANGELIQUE KERBER



JULIA GÖRGES

Golf

Porsche European Open in Hamburg

Star players, the new Taycan and a thrilling battle – Porsche was the title partner of this prestigious European Tour event for the fifth time in September 2019, offering a fantastic brand experience to a crowd of over 39,000 as they enjoyed top-quality golf in Hamburg. In an exciting finale at the Porsche Nord Course run by Green Eagle Golf Courses, England's Paul Casey topped the leader board ahead of home favourite Bernd Ritthammer.

"As a fan of sports cars, I felt very much at home this week, and it certainly helped me. It really is a very special win," he said. Like Casey, the top US trio of Xander Schauffele, Patrick Reed and Matt Kuchar took their chance during the week of the tournament to escape the confines of this demanding course and make use of the many opportunities to experience Porsche sports cars up close in and around Hamburg.

"The third Porsche European Open at the Green Eagle Golf Courses venue was in many ways a very special tournament for us. We've seen world-class golf over the extremely challenging Porsche Nord Course and everything peaked with a spectacular weekend that included a record attendance, lovely weather and an enthralling battle for the title," said Andreas Haffner, Member of the Executive Board responsible for Human Resources at Porsche AG. "The event also enabled us to deliver an intensive brand experience, even away from the course."



PORSCHE EUROPEAN OPEN IN HAMBURG

Alongside the golfing elite, another star of the Porsche European Open 2019 was the new Porsche Taycan Turbo. Only one day after enjoying its world premiere, it was unveiled as the hole-in-one prize at the 17th tee of the Porsche Nord Course to the delight of players and spectators alike. Also in attendance were members of the Porsche Golf Circle and the South Korea team that won the World Trophy of the Porsche Golf Cup. Their participation in a variety of events including the Porsche European Pro-Am tournament underlined the close links between Porsche's activities in the world of golf.

Porsche also offered golfing experiences in the heart of Hamburg with the Porsche Urban Golf Challenge at Spielbudenplatz square in the St Pauli district, providing plenty of thrills and spills to kick off the tournament. The Porsche Urban Golf Club at the StrandPauli beach club also helped get the crowds in the mood for golf in the weeks leading up to the event.

Additional pro tournament partnerships

Porsche has served as automotive partner at events on the Asian Tour and the European Tour since 2019, presenting the brand at the SMBC Singapore Open, the Omega European Masters in Crans-Montana, Switzerland, and the Mutuaactivos Open de España in Madrid. This commitment to golf emphasises the brand's international outlook and its relevance to the markets.



MARCO LEONI

Porsche Golf Cup celebrates first hole-in-one

Porsche's exclusive series of amateur tournaments for customers was peppered with highlights in 2019. The top 80 male and female golfers from 20 countries successfully qualified for the sixth World Final in Mallorca, representing the very best of the 17,647 starters who entered a total of 261 qualification tournaments. These record entry figures further underline Porsche customers' real passion for golf. In addition, Italy's Marco Leoni recorded a hole-in-one at the last hole of the World Final in May. Not only was this the first of its kind in the history of the event, it happened at the very hole that qualified for a special bonus prize – a Porsche 911 Carrera S. South Korea were ultimately crowned the winners of the World Trophy event in Mallorca. Established in 1988, the Porsche Golf Cup is organised by Porsche AG together with the Porsche Centres and the Porsche sales subsidiaries.

Porsche Generations Open

The Porsche Generations Open, an innovative competition for amateur golfers, returned for its fourth edition in 2019. Having originated in Germany, this concept of a team event featuring players from two different generations with an age gap of at least 20 years has been an international hit.

Porsche Golf Circle hits new heights

The Porsche Golf Circle, an international app-based community reserved for golf-loving Porsche customers, continued to expand rapidly in its second year and now boasts 3,000 registered members. Not only does the Porsche Golf Circle enable members to interact with like-minded individuals across the globe and visit the editorial section for fascinating insights relating to golf, Porsche and the company's activities in the golfing world, it also organises a host of exclusive events. In 2019, community members travelled to the Porsche brand's Stuttgart home, marvelled at the spectacular city state of Singapore and enjoyed a behind-the-scenes look at a professional tournament – the Porsche European Open in Hamburg.

COMMUNICATIONS

The tasks of a professional communications department are wide-ranging: it informs the public and employees about the company, while at the same time maintaining positive relationships with stakeholders and multipliers. Additionally, it establishes a reputation, increases the value of the brand and fosters acceptance for the company and its products.

Since 1 November, Dr Sebastian Rudolph has been Vice President Communications at Porsche and, with his assumption of the position, two fields will take on greater importance: the topic of sustainability as well as relationships with policymakers and associations now have the same level of importance as traditional public and press relations work. The name of the division is also being expanded accordingly; it now bears the title of Communications, Sustainability and Politics.

The world premiere of the Taycan was the emotional climax of the reporting year. On 4 September 2019, Porsche introduced its first all-electric sports car, with the premiere taking place on three continents at the same time. Each of the three premiere locations symbolised a renewable energy source, and therefore also the natural energy with which the Taycan can be powered: Niagara Falls in Canada represented hydro-power, a wind turbine installation on the Chinese island of Pingtan represented wind power, and the solar installation in Neuhausen-berg, near Berlin, represented solar power.



PRESENTATION OF THE TAYCAN TO THE PRESS

More than 600 representatives of the media experienced the event in person, and 7.6 million people were also watching via live stream. International news coverage was correspondingly significant: in total, there were more than 1,500 reports with a total reach of 191 million.

The opening of the new Taycan production facility also stands out, with numerous representatives from the worlds of politics and society were on hand for the event in Zuffenhausen on 9 September 2019. Media resonance was significant here as well.

Porsche's first all-electric sports car: the world premiere of the Taycan was the emotional climax of the reporting year and marks the beginning of a new era.



TITLE PAGES OF PRESS ARTICLES ON THE TAYCAN (PRINT, ONLINE)

Porsche ran an intensive media campaign for the Taycan during the lead-up to the premiere: media representatives were on hand for vehicle testing and learned more about the electric-drive concept as part of technology workshops, for example.

In addition to the Taycan, the company launched a series of other new models during the reporting year – from the 911 Cabriolet and Cayenne Coupé, 911 Speedster, 718 Spyder and GT4, to the new Macan Turbo. Coordinated communications measures were taken for each new introduction, including not only premiere events and appearances at exhibitions, but also workshops and driving shows as well as press materials with all of the technical specifications.

For Porsche motorsports, 2019 was a very successful year: first- and second-place finishes at the 24 Hours of Le Mans and the successful start in Formula E were spectacular highlights. In their first race, the Porsche works team took the 99X Electric racing car straight to a second-place finish. Along the way, the brand's communications experts accompanied a total of 30 race events and issued some 340 press releases.



PRESENTATION OF THE 99X ELECTRIC

Tradition and future: with the 99X Electric (above), Porsche got off to a successful start in Formula E. The multi-time Le Mans winner 917 (right and below) celebrates its 50-year anniversary.



50 YEARS OF THE 917



GOODWOOD FESTIVAL OF SPEED

At the annual press conference in mid March, Porsche presented positive key figures for 2018, with some 100 representatives of the international media on hand. Porsche also broadcast this event live on the Internet. The resulting news coverage had a global reach of some 26.3 million.

The Heritage and Porsche Museum department is tasked with historical communication, the goal of which is to lead the tradition of the brand into the future in an authentic and lively way – via exhibitions in the museum in Zuffenhausen, for example. Porsche also uses its historical sports cars around the world as brand ambassadors on wheels. The collection consists of more than 650 cars, and the museum also is home to the company archives. As the memory of Porsche, it preserves all important information with economic, technical, social or cultural relevance to Porsche AG.

There were several anniversaries during the reporting year: the multi-time Le Mans winner 917 and the 914 – the first mid-engine series sports car – celebrated 50 years of existence. A new era began for discerning sports car drivers with the introduction of the first Porsche 911 GT3 20 years ago. And it has been 10 years since the Panamera made its way to the market. The museum celebrated the milestone anniversaries of the historic vehicles with, among other things, special exhibitions.

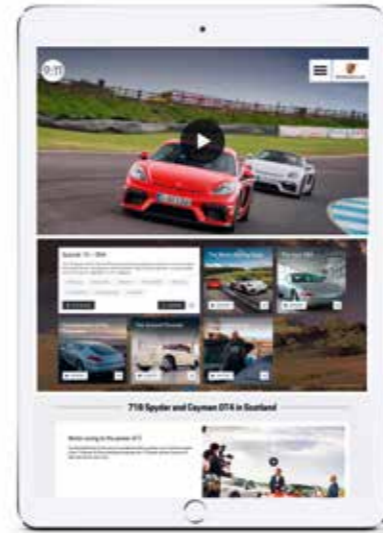
Communicators at Porsche make use of a wide range of modern instruments and channels, thereby reaching all stakeholders quickly and efficiently. The Porsche Newsroom has developed into a central point of contact for media representatives who are interested in topics related to Porsche. There are now five different languages available: German, English, Chinese, Spanish and Russian. The online magazine offers up-to-date information, data, reports and background reports on a daily basis. Photos, infographics and videos round off the broad-spectrum offer, making the Newsroom a helpful research instrument for both journalists and bloggers as well as fans of the brand.

Additionally, the digital agenda setting is flanked by the far-reaching social media channels – and with great success: since the start of the Porsche Newsroom in 2014, the number of page impressions has increased more than eightfold, having most recently reached some 5.5 million.

Porsche's own media once again received numerous awards in 2019: the Porsche Newsroom earned the top prize in the Digital category of the Automotive Brand Contest, and Porsche newsTV also received accolades. The video and live-stream channel of the Porsche Newsroom received top honours in the Website & Channel category. Additionally, the reporting year also featured the OttoCar and the Delphin trophy in the Web TV category of the Cannes Corporate Media & TV Awards.

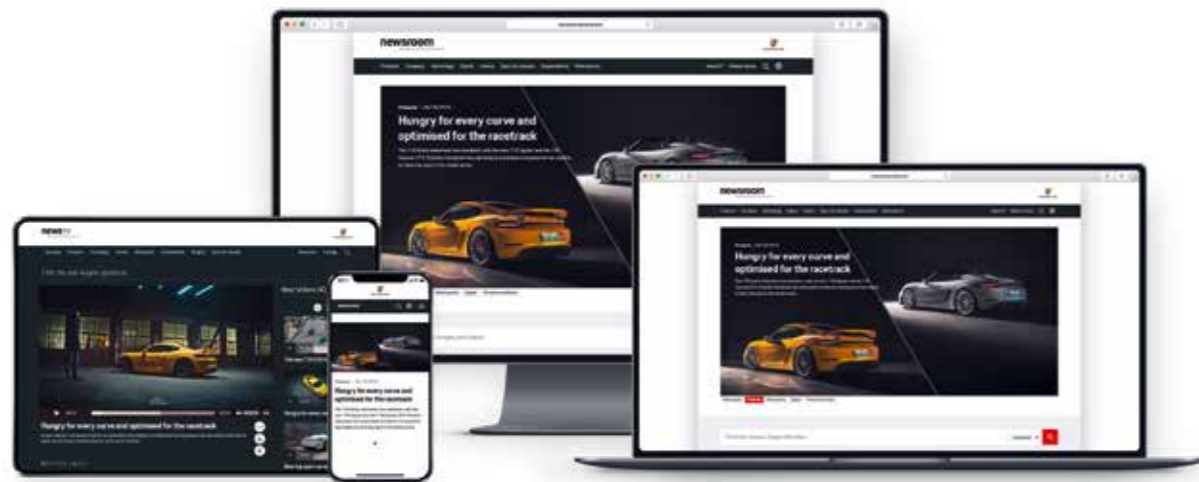
The 9:11 magazine brought home three OttoCar awards from the AutoVision festival in 2019, with prizes in the categories for reporting, online videos and motorsport. The 9:11 magazine is a video series which portrays the Porsche brand in online videos with running times of 9 minutes and 11 seconds. Additionally, online journalists and bloggers can use the videos or footage for their own channels.

Social media is becoming increasingly important as a means of communication. During the reporting year, the Twitter account of Porsche's PR department had some 1.8 million followers (an increase of 12.5 per cent compared to 2018) and 65 million impressions (up eight per cent). On Instagram, Porsche communicators reached some 525,000 followers (up 125 per cent), and the number of impressions increased by 99.2 per cent to a total of 141 million.

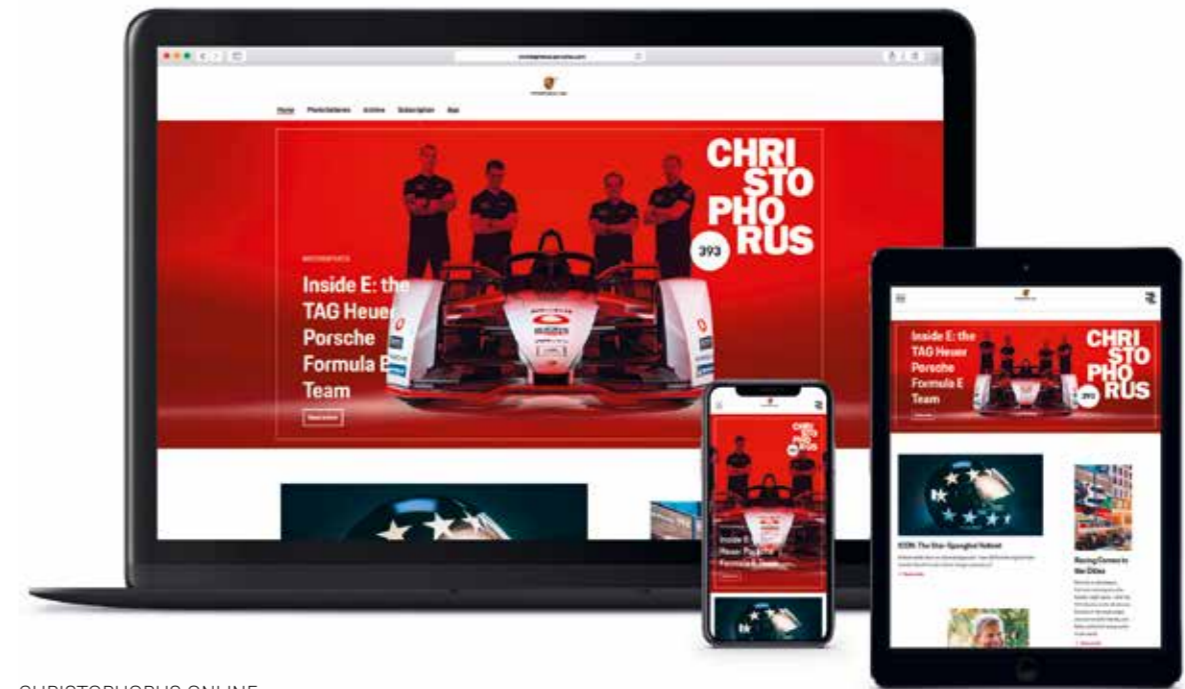


9:11 MAGAZINE

Online portal: the Porsche Newsroom is the central news and research source for interested journalists, online multipliers and stakeholders.



PORSCHE NEWSROOM



CHRISTOPHORUS ONLINE

With eight million impressions and 589,000 followers, the Porsche profile on the Drive Tribe Internet platform also continues to demonstrate significant success. In 2019, all social medial outlets together resulted in 214 million impressions and nearly three million followers.

Since 1952, the multi-award-winning magazine Christophorus has been geared towards customers and fans of the brand and is currently issued quarterly in 13 different languages. In addition to the print version with a global run of 600,000 copies, an online version is also available in all languages.

In the reporting year, the customer magazine was honoured with the German Design Award 2019, the 25th Communication Award, the Automotive Brand Contest and the OttoCar 2019. The Christophorus Edition – a book series for sports car enthusiasts interested in cultural and societal topics – has supplemented the magazine since the end of 2018.

The community newspaper targa – Nachrichten für die Nachbarn is geared towards residents of the three locations of the company, Zuffenhausen, Weissach and Leipzig, and

provides transparency with regard to important upcoming events such as construction plans. If necessary, the local residents can also be addressed by letter, and there are also regular dialogue events.

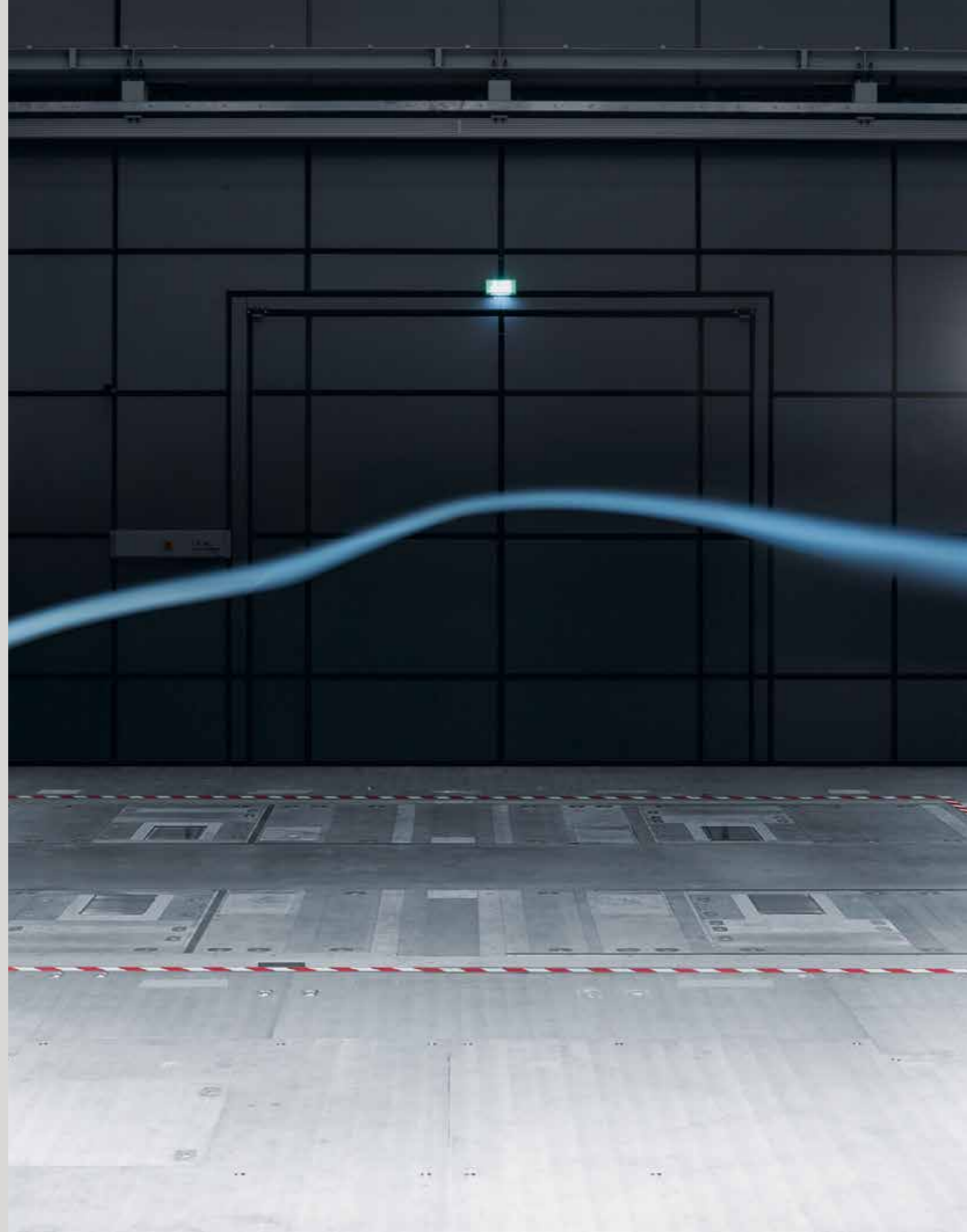
Porsche addresses its employees via the Carrera media family, which appears on the company intranet as Carrera Online, in an app for smartphones and tablets as Carrera Mobil and in video form as Carrera TV. Each day, the editorial office published up to three articles on current events from the world of Porsche. In addition, the Internal Communications department publishes the Carrera local site newspapers around once per month in three local editions (print run: 7,600 copies). The Carrera magazine is published four times per year (print run: 35,000 copies). In 2019, Carrera garnered three Fox Awards, the Astrid Award, the Mercury Excellence Award, the German Design Award and the Automotive Brand Contest.

Informed neighbours and employees: the community newspaper targa is geared towards residents of the different locations of the company. The Carrera media family provides relevant news and information to employees.



CARRERA ONLINE

Change is occurring at breakneck pace – and the Porsche Research and Development team gives it a structure. It fuses the brand's traditional roots with future technologies, creating fascinating and emotionally appealing products like the new Taycan.



RESEARCH AND DEVELOPMENT

For Porsche, the last year was all about the Taycan, the fully electric sports car that signalled the beginning of a new era for the sports car manufacturer. There were also a number of additional important introductions.

New Porsche 718 Cayman GT4 Clubsport with organic-fibre body parts

Three years after the debut of the first Cayman GT4 Clubsport, Porsche unveiled its successor. For the first time, this mid-engine production racing car is available in two variants as standard: the "Trackday" model is pitched at ambitious amateur racing drivers, while the "Competition" model is intended for national and international events.

The focus during its development was on the sustainable use of raw materials – in addition to improved handling and faster lap times. As the first series-produced racing car, it features body parts made from an organic fibre composite. The natural fibre mix featured in the driver and co-driver doors and the rear wing – are made of an organic fibre mix, which are sourced primarily from agricultural by-products such as flax or hemp fibres and feature similar properties to carbon fibre in terms of weight and stiffness.

Powering the 718 Cayman GT4 Clubsport is a 3.8-litre six-cylinder boxer engine with 313 kW (425 PS). Compared to its predecessor, this represents a 29 kW (40 PS) increase in performance. Power is transferred to the rear wheels via a Porsche dual-clutch 6-speed gearbox with six gears and mechanical rear-axle differential lock. At 1,320 kilograms, the 718 Cayman GT4 Clubsport is a real lightweight and comes with a welded-in safety cage, a racing bucket seat and a six-point harness as standard.

As the basic variant, the "Trackday" is aimed at amateur drivers who want to take part in private racetrack and Clubsport events without major effort or outlay. The non-road-homologated car can be serviced at all Porsche Centres. The "Competition" model features a raft of details relevant for racing, among them three-stage adjustable shock absorbers, an adjustable brake balance system, an integrated air jack system and the quick-release racing steering wheel from the 911 GT3 R.



NEW 718 CAYMAN GT4 CLUBSPORT FEATURING ORGANIC FIBRE BODY PARTS

Opening up: the Porsche 911 Cabriolet

Porsche unveiled the new 911 Cabriolet to the public in early January 2019. This open-top 911 was available as the 911 Carrera S with rear-wheel drive and as the 911 Carrera 4S with all-wheel drive upon its release. The new version of the iconic sports car includes all the innovative features of the coupé, along with cabriolet-specific advanced features such as new hydraulics which get the fully automatic soft top opened and closed more quickly than ever. This top, which boasts structurally integrated panel bow magnesium elements that reliably prevent the roof from raising at high speeds, can be opened or closed while driving at up to 50 km/h. The new roof hydraulics cut the opening time to around 12 seconds, while an electrically extendable wind deflector takes the edge off the breeze at the back.

Both cabriolets rely on a 2,981 cm³ charged six-cylinder boxer engine with 331 kW (450 PS) at 6,500 rpm and 530 Nm torque

between 2,300 and 5,000 rpm. Power transmission is handled by an 8-speed dual-clutch gearbox. The 911 Carrera S accelerates from zero to 100 km/h in 3.9 seconds (with optional Sport Chrono package: 3.7 seconds) and can reach a speed of up to 306 km/h. The 911 Carrera 4S attains a top speed of 304 km/h and goes from zero to 100 km/h in 3.8 seconds (with optional Sport Chrono package: 3.6 seconds).

For the first time, the Porsche Active Suspension Management (PASM) sport chassis is available for the 911 Cabriolet. The springs featured in this are harder and shorter, the front and rear anti-roll bars are more rigid and the overall chassis has been lowered by 10 millimetres. These adjustments give the 911 a more neutral feel on the road, with better weight distribution.



PORSCHE 911 CABRIOLET

Striking appearance: the Porsche Cayenne Coupé

In March 2019, an even sportier car was added to the third generation of the successful Cayenne range – the Cayenne Coupé. It includes all the technical highlights of the current Cayenne, but has a more dynamic design and new technical details that position it as more progressive, athletic and emotional. Highlights include a sharper design with a totally unique rear end, an adaptive rear spoiler, a rear bench with the characteristics of two individual seats and two roof concepts: the standard panoramic fixed-glass roof and the optional carbon roof.

With its adaptive roof spoiler, the current Cayenne Turbo was the first SUV to feature this type of active aerodynamics. The new Cayenne Coupé continues to lead the way in this respect: on each Cayenne Coupé, a fixed roof spoiler is combined with a new adaptive rear spoiler as part of Porsche Active Aerodynamics (PAA). The spoiler is harmoniously integrated into the model's silhouette and extends by 135 millimetres at speeds at or greater than 90 km/h, increasing the contact pressure on the rear axle while PAA simultaneously enhances efficiency.

Two high-performance engines were available to begin with at market launch. Featuring a six-cylinder turbocharged engine and 3.0-litre displacement, the Cayenne Coupé delivers 250 kW (340 PS) and a maximum torque of 450 Nm. The Sport Chrono package fitted in series-production cars achieves the standard sprint from zero to 100 km/h in 6.0 seconds, with the optional lightweight sports packages cutting this figure to 5.9 seconds. Top speed is 243 km/h. With a four-litre V8 engine featuring biturbo charging, 404 kW (550 PS) and maximum torque of 770 Nm, the Cayenne Turbo Coupé goes from zero to 100 km/h in 3.9 seconds from a standing start and has a top speed of 286 km/h.

In May 2019, Porsche unveiled the Cayenne S Coupé as a further variant featuring a 2.9-litre V6 engine with biturbo charging and 324 kW (440 PS). Its maximum torque of 550 Nm guarantees powerful acceleration. The SUV coupe accelerates from a standing start to 100 km/h in 5.0 seconds in combination with the standard Sport Chrono package. This figure drops to 4.9 seconds with the three optional lightweight sports packages. Top speed is 263 km/h.



PORSCHE CAYENNE COUPÉ

The Cayenne Turbo S E-Hybrid Coupé followed in August as the new flagship model. Its system output of 500 kW (680 PS) and maximum system torque of 900 Nm enable it to accelerate from zero to 100 km/h in 3.8 seconds and to reach a top speed of 295 km/h. On top of this, the hybrid range from Porsche now includes the new Cayenne E-Hybrid Coupé boasting a system output of 340 kW (462 PS), torque of 700 Nm and an electric range of up to 43 kilometres.

The new Cayenne Coupé includes all the technical highlights of the current Cayenne, but has a more dynamic design and new technical details that position it as more progressive, athletic and emotional.



PORSCHE CAYENNE COUPÉ

Limited-edition Porsche 911 Speedster with 375 kW (510 PS)

This new Speedster combines the demand of a puristic, driver-oriented car with motorsport technology suitable for everyday use. Many of its details are based on the 911 R (2016) and 911 GT3. Through its characteristic lightweight convertible top compartment lid featuring "double-bubble" streamliners, the Speedster establishes a visual bridge to its own history – to the forebear of all Porsche sports cars, the 356 "No. 1" Roadster from 1948. The limited-edition new 911 Speedster is also reminiscent of this car. Production of a run of exactly 1,948 units began in mid 2019 at the main plant in Zuffenhausen.

A weight-saving roof structure replaces the basic tonneau cover of the concept car, with the convertible top taking no effort to operate. Lightweight design also dictates other body components of the Speedster. The carbon-fibre composite bonnet – which weighs in two kilograms lighter than on the 911 GT3 – and the carbon-fibre composite wings originate from the 911 R. And while the front apron was borrowed from the GT3, the front spoiler lip is a completely new development. Instead of the Talbot mirrors used on the concept car, the production version of the new Speedster features electrically adjustable and heated Sport Design exterior mirrors. The extending, aerodynamically tuned rear spoiler and rear apron have been drawn from the 911 GT3 Touring for the Speedster.

The heart of the Speedster is adopted from the 911 GT3. The naturally aspirated six-cylinder boxer engine with four-litre displacement peak

power of 375 kW (510 PS) at 8,400 rpm, the 911 Speedster accelerates from zero to 100 km/h in 4.0 seconds and reaches a top speed of 310 km/h. Befitting its status as a driver's car, Porsche only offers the 911 with a manual six-speed sports gearbox. The GT philosophy behind the new Speedster is also reflected in its chassis. With its sporty rear-axle steering and dynamic engine mounts, the chassis is based on the technology of the 911 GT3 and 911 R. Control systems such as Porsche Torque Vectoring (PTV), Porsche Stability Management (PSM) and PASM with sports tuning – including lowering by 25 millimetres – have been precisely adapted to the new requirements.

The Porsche 911 Speedster combines the demands of a puristic, driver-oriented car with motorsport technology suitable for everyday use. Visually, it establishes a bridge to its own history – to the forebear of all Porsche sports cars, the 356 "No. 1" Roadster from 1948.



911 SPEEDSTER

High performance: the Porsche 718 Spyder and 718 Cayman GT4

In June, Porsche unveiled the new 718 Spyder and the 718 Cayman GT4 – a pair of particularly emotive and powerful flagship models at the very top of the line-up. At the heart of both models is the new four-litre six-cylinder boxer engine. The naturally aspirated engine is based on the same family as the turbo-charged engines in the current 911 Carrera series. This new high-revving unit generates 309 kW (420 PS) – 35 PS more than in the previous GT4. The third generation of the Spyder has 45 PS more than its predecessor. Peak torque of 420 Nm arrives between 5,000 and 6,800 rpm. Both sports cars are equipped with manual gearboxes and are capable of breaking the 300 km/h barrier: the 718 Spyder has a top speed of 301 km/h, while the 718 Cayman GT4 can reach 304 km/h. Each accelerates from zero to 100 km/h in 4.4 seconds, and engine speed maxes out at 8,000 rpm.

Among the striking features of the 718 Cayman GT4 is the comprehensively improved aerodynamics package. It produces up to 50 per cent more downforce without adversely affecting drag – proof of outstanding efficiency. The aerodynamics of both models benefit enormously from the newly designed single-chamber arch rear silencer: this creates space in the rear section for a functional diffuser, which accounts for a good 30 per cent of the downforce on the rear axle in the 718 Cayman GT4. The fixed rear wing is also marked by its greater efficiency, producing around 20 per cent more downforce than its predecessor. This corresponds to an additional 12 kilograms of downforce at 200 km/h. The front section, which is optimised in the GT style, maintains aerodynamic balance with a large front spoiler lip and air curtains.

The new 718 Spyder is a puristic machine for driving pleasure with a lightweight convertible top that can cope with high speeds. It continues the history of such famous roadsters as the Porsche 550 Spyder and the 718 RS 60 Spyder. Open or closed, it thrills with a captivating silhouette. The top is suitable for everyday use and can be stowed away under the boot lid in just a few steps. Unlike the GT4, the 718 Spyder has a rear spoiler that raises automatically at 120 km/h. Thanks to the functional diffuser, it is the first model in the Boxster family to generate aerodynamic downforce on the rear axle.

Both feature a high-performance GT chassis with superior cornering dynamics. The Porsche



718 SPYDER AND 718 CAYMAN GT4

Active Suspension Management (PASM) damping system with 30 millimetres lower suspension lowers the centre of gravity and improves lateral dynamics. Porsche Torque Vectoring (PTV) and a mechanical rear differential lock further enhance longitudinal and lateral dynamics, cornering performance and driving pleasure. The GT4 also comes with the option of a "Clubsport" package, which includes a rear steel roll bar, a handheld fire extinguisher and a six-point harness on the driver's side.

The new element of the overall package are the ultra-high-performance (UHP) tyres which are designed for the 718 Spyder and which make the 718 Cayman GT4 fly on the Nürburgring Nordschleife, setting new records: its lap time on this legendary 20.6-kilometre racetrack was over 10 seconds faster than its predecessor.

Entry-level models: Porsche 911 Carrera Coupé and 911 Carrera Cabriolet

Porsche expanded its eighth-generation range with the 911 Carrera at the end of July 2019. This new sports car, which was launched as a coupé and cabriolet, generates 283 kW (385 PS) from its 3.0-litre six-cylinder boxer engine with biturbo charging. The Carrera is the entry-level 911 model and delivers 11 kW (15 PS) more than its predecessor.

As with the 911 Carrera S, the engine, chassis and brakes are designed for exclusive sportiness. The 3.0-litre six-cylinder boxer engine of the 911 Carrera generates power largely through the smaller wheel diameters of the turbines and compressors that feature in the new turbochargers. Power transmission is handled by the new eight-speed dual-clutch gearbox (PDK). This enables the 911 Carrera Coupé to accelerate from zero to 100 km/h in 4.2 seconds, with a top speed of 293 km/h. The optional Sport Chrono package shaves a further 0.2 seconds off the sprint. Combined fuel consumption (NEDC-correlated) of the Coupé is 9.0 l/100 km, while the Cabriolet records 9.2 l/100 km. The driving dynamics set-up includes 235/40 ZR tyres on 19-inch alloy wheels on the front axle. The rear axle features 20-inch wheels with 295/35 ZR tyres. Deceleration is provided on both axles by 330-millimetre brake discs with black monobloc four-piston fixed callipers.



911 CARRERA COUPÉ

In at the top: Porsche Cayenne Turbo S E-Hybrid and Turbo S E-Hybrid Coupé

In late August 2019, the Cayenne Turbo S E-Hybrid and the Turbo S E-Hybrid Coupé were introduced as the new top models in the Cayenne series. They draw their system output of 500 kW (680 PS) from the intelligent interaction of a four-litre V8 engine (404 kW/550 PS) and an electric motor integrated into the eight-speed Tiptronic S gearbox (100 kW/136 PS). The maximum system torque of 900 Nm is already available just above the idling speed. Both models accelerate from zero to 100 km/h in 3.8 seconds and reach a top speed of 295 km/h. This exceptional performance is matched by a high level of efficiency: the Cayenne Turbo S E-Hybrid and Turbo S E-Hybrid Coupé can drive for up to 40 kilometres with zero emissions. The average NEDC consumption is 3.9 to 3.7 l/100 km (fuel) and 19.6 to 18.7 kWh/100 km (electric).

Like all Porsche plug-in hybrids, the new top-of-the-range model in the Cayenne family is also one of the sportiest cars in the premium segment. In the Cayenne Turbo S E-Hybrid models, the electric motor is located between the V8 engine and the eight-speed Tiptronic S gearbox. The two motors are interconnected via a separating clutch inside the hybrid module. In "E-Power" driving mode, the electric motor can single-handedly propel the car up to a maximum speed of 135 km/h. It can also be used in the other modes for an additional power boost. These modes can be selected via the standard Sport Chrono package ("Hybrid", "Auto", "Sport" and "Sport Plus"). Porsche has taken this boost strategy from the 918 Spyder supercar.

The lithium-ion battery is installed underneath the load compartment floor and has a capacity of 14.1 kWh. The high-voltage battery can be fully charged within 2.4 hours via the standard 7.2 kW on-board AC charger when using a 400-volt connection with a 16-amp fuse. Charging takes six hours from a conventional domestic socket with a rating of 230 volts and 10 amps.



CAYENNE TURBO S E-HYBRID

Porsche Macan Turbo: flagship model with higher output and lower consumption

The Porsche Macan Turbo has taken over the top spot among compact SUV sports cars. The new six-cylinder biturbo engine – which Porsche already uses for the Cayenne and Panamera models – delivers 324 kW (440 PS), equating to 10 per cent more power output than its predecessor with 20 per cent less displacement. With the optional Sport Chrono package, the car can go from zero to 100 km/h in 4.3 seconds – three-10ths faster than before. Top speed is 270 km/h – an increase of 4 km/h.

The 2.9-litre engine delivers 29 kW (40 PS) more than the 3.6-litre six-cylinder turbo in its predecessor plus maximum torque of 550 Nm between 1,800 and 5,600 rpm. Power transmission is provided by the seven-speed dual-clutch gearbox (PDK) and Porsche Traction Management (PTM) all-wheel drive. NEDC consumption stands at 9.8 l/100 km.

The new Macan Turbo comes with the Porsche Surface Coated Brake (PSCB) as standard to match the excellent driving dynamics. Optional height-adjustable air suspension with optimised rolling pistons and new shock absorber hydraulics, Porsche Torque Vectoring Plus (PTV Plus) and the Porsche Ceramic Composite Brake (PCCB) are available for a further increase in dynamics. The 20-inch Macan Turbo wheels come as standard.



MACAN TURBO

The Cayenne Turbo S E-Hybrid and the Cayenne Turbo S E-Hybrid Coupé are the new flagship cars in the model series. The drive combines with a variety of innovative chassis systems, most featured as standard, to enable a perfect blend of sports car agility, long-distance comfort and off-road capability.

Porsche Taycan: sustainably redesigned sports car

Porsche presented its first all-electric sports car – the Taycan – in September 2019, thus marking the start of a new era for the company and the continued expansion of its offering in terms of electromobility. This four-door sports saloon is a unique package, combining typical Porsche performance and connectivity with everyday usability. The first models in the new series are the Taycan Turbo S and Taycan Turbo. They are at the cutting edge of Porsche E-Performance and are among the most powerful production models currently offered by the sports car manufacturer. The Taycan 4S was subsequently introduced as the third version of this sports saloon in mid October 2019. In late 2020, the company plans to unveil the Taycan Cross Turismo as the first derivative.

The flagship Turbo S version of the Taycan generates up to 560 kW (761 PS) overboost power in combination with Launch Control, and the Taycan Turbo up to 500 kW (680 PS). The Taycan Turbo S accelerates from zero to 100 km/h in 2.8 seconds, while the Taycan Turbo completes this sprint in 3.2 seconds. In terms of range, the Turbo S can cover up to 412 kilometres and the Turbo as much as 450 kilometres (according to WLTP in each case). The top speed of both all-wheel drive models is 260 km/h.

The Taycan 4S is available with two battery sizes: the Performance Battery generates up to 390 kW (530 PS), while the Performance Battery Plus delivers up to 420 kW (571 PS). A single-deck Performance Battery with a total capacity of 79.2 kWh is standard, while the two-deck Performance Battery Plus (total capacity 93.4 kWh) – familiar from the Taycan Turbo S and Taycan Turbo – is available as an option. Power output and range vary accordingly. With the Performance Battery, the Taycan 4S generates up to 390 kW (530 PS) overboost power; equipped with the Performance Battery Plus, it delivers up to 420 kW (571 PS). Both variants of the Taycan 4S accelerate from zero to 100 km/h in 4.0 seconds. Top speed is also 250 km/h in both cases. The range is up to 407 kilometres with the Performance Battery, extending as high as 463 kilometres with the Performance Battery Plus (in accordance with WLTP in each case). Maximum charging power (peak) is 225 kW (Performance Battery) and 270 kW (Performance Battery Plus).

The Taycan is the first production car with a system voltage of 800 volts instead of the usual 400 volts for electric models. This is a

particular advantage for Taycan drivers on the road: in just over five minutes, the battery can be recharged using direct current (DC) from the high-power charging network for a range of up to 100 kilometres (according to WLTP). The charging time for 5 to 80 per cent SoC (state of charge) is 22.5 minutes for charging under ideal conditions and the maximum charging power (peak) is up to 270 kW. The overall capacity of the Performance Battery Plus is 93.4 kWh. Taycan drivers can comfortably charge their cars with up to 11 kW of alternating current (AC) at home.

With its clean, puristic design, the Taycan signals the beginning of a new era. And with a Cd value from 0.22, the aerodynamically optimised basic shape makes a decisive contribution to low energy consumption and thus long range.

The role of the Taycan as a technology leader is reflected in almost every detail, even including the interior. All user interfaces have been completely redesigned for the Taycan. The number of traditional hardware controls, such as switches and buttons, has been greatly reduced. Instead, control is intelligent and intuitive – via touch operation or the voice control function that responds to the command "Hey Porsche". With the Taycan, Porsche offers an entirely leather-free interior for the first time. Interiors made from innovative recycled materials underscore the sustainable concept of this electric sports car. "Foot garages" – recesses in the battery in the rear footwell – ensure sitting comfort in the rear and enable the low vehicle height typical of sports cars.

All three Taycan models feature two exceptionally efficient electric motors, one on the front axle and one on the rear axle, thus making the cars all-wheel drive. Both the range and the continuous power of the drive benefit from the high efficiency of the permanently excited synchronous machines. The gearbox and pulse-controlled inverter are each combined into a compact drive module. The modules have the highest power density (kW per litre of package space) of all electric power trains currently on the market. A special feature of the electric motors is the hairpin winding of the stator coils. This technology makes it possible to incorporate more copper in the stator, increasing power output and torque while maintaining the same component volume.

The two-speed gearbox installed on the rear axle is an innovation developed by Porsche. First gear gives the Taycan even more acceleration from a standing start, while

The Porsche Taycan links the brand's heritage to its future. This four-door sports saloon is a unique package, combining performance and connectivity with everyday usability.

second gear features a long gear ratio to ensure high efficiency and equally high power reserves – even at very high speeds.

Porsche uses a centrally networked control system for the Taycan chassis. Integrated Porsche 4D Chassis Control analyses and synchronises all chassis systems in real time. The innovative chassis systems include adaptive air suspension with three-chamber technology featuring Porsche Active Suspension Management (PASM) electronic damper control and the Porsche Dynamic Chassis Control Sport (PDCC Sport) electromechanical roll stabilisation system featuring Porsche Torque Vectoring Plus (PTV Plus). The all-wheel drive control with two electric motors and the recuperation system are unique. At up to 265 kW, the potential recuperation power is significantly higher than that of competitors. Driving tests have shown that around 90 per cent of everyday braking is performed by the electric motors alone – without the hydraulic wheel brakes being activated.

The profile of the different driving modes essentially follows the same philosophy as in other Porsche model series. This is supplemented by special settings which enable optimum use of the purely electric drive. Four driving modes are available: "Range", "Normal", "Sport" and "Sport Plus". In addition, individual systems can be configured as required in "Individual" mode.

New addition: the 911 Carrera with all-wheel drive

The Coupé and Cabriolet models were added to the eighth-generation 911 Carrera 4 range in September 2019. Like the rear-wheel drive 911 Carrera models, the new 911 Carrera 4 Coupé and 911 Carrera 4 Cabriolet are powered by a biturbo three-litre six-cylinder boxer engine that generates 283 kW (385 PS) at 6,500 rpm. The maximum torque of 450 Nm is available across a broad speed range from 1,950 to 5,000 rpm, thereby boosting both performance and everyday suitability.

Featuring an eight-speed dual-clutch gearbox (PDK), the 911 Carrera 4 Coupé accelerates from zero to 100 km/h in 4.2 seconds. The 911 Carrera 4 Cabriolet completes the sprint in 4.4 seconds, with the optional Sport Chrono package shaving a further 0.2 seconds off this time. All acceleration values are thus 0.1 seconds better than in the predecessor. Top speed is 291 km/h for the all-wheel drive Coupé and 289 km/h for the all-wheel drive Cabriolet.

As with the 911 Carrera 4S models, the improved performance of the 911 Carrera 4 models is down to enhanced front-axle drive. The clutch and differential unit is now water-cooled and features reinforced clutch plates to increase durability and load capacity. Increased actuating torques at the clutch improve the latter's adjustment accuracy and thus the capability of the driven front axle. The enhanced front-axle drive with Porsche Traction Management (PTM) promotes increased traction for all road conditions.



PORSCHE CARRERA 4



PANAMERA 10 YEARS EDITION

Special anniversary model: Porsche Panamera 10 Years Edition

Porsche celebrated the 10th anniversary of the Panamera with a special model. The Panamera 10 Years Edition features particularly extensive standard equipment in terms of comfort and the chassis, and has also been enhanced with exclusive design highlights. For example, the new 21-inch Panamera Sport Design wheels in satin-gloss White Gold Metallic and the "Panamera 10" logo on the front doors, also in White Gold Metallic, are exclusive to the special edition models. The anniversary logo can also be found in the interior on the front-passenger trim panel and on the door entry guards. The interior is designed in black partial leather, with decorative stitching in White Gold creating a particularly high-quality impression.

New Porsche GTS model: the sportiest Macan

Porsche has supplemented the Macan line with an emphatically sporty model: the new Macan GTS was launched with a powerful engine, performance-oriented chassis, characteristic design and upgraded equipment. The 2.9-litre V6 biturbo engine delivers 280 kW (380 PS) – 15 kW (20 PS) more than its predecessor. Combined with the newly calibrated dual-clutch gearbox PDK and the optional Sport Chrono package, the Macan GTS sprints from zero to 100 km/h in 4.7 seconds – making it three-10ths faster than before. It has a top speed of 261 km/h.

In combination with the specially designed Porsche Active Suspension Management (PASM) electronic damper control, the chassis – which has been lowered by 15 millimetres – provides even greater lateral dynamics. The optional adaptive air suspension lowers the chassis a further 10 millimetres. Together with the standard 20-inch RS Spyder Design wheels and the impressive brake system, the new Macan GTS makes an impression with the agility and suddenness of a true sports car. The Porsche Surface Coated Brake (PSCB) with tungsten carbide coating and the Porsche Ceramic Composite Brake (PCCB) are available as options. The new Macan GTS also underscores its unique sportiness with numerous striking chassis elements which, true to the GTS style, are painted black or darkened.

Special limited-edition model featuring a racing design: the Porsche 718 Cayman GT4 Sports Cup Edition, which was designed by the sports car manufacturer together with the experts from Style Porsche and the Porsche Exclusive Manufaktur.

Exclusive special model: 718 Cayman GT4 Cup Edition

To mark the 15th anniversary of the customer and Clubsport series "Porsche Sports Cup" Germany, Porsche offered a special limited-edition model featuring a racing design. Designated the 718 Cayman GT4 Sports Cup Edition, it was only available for a brief period. The sporty and exclusive model celebrated its debut at the "Sportscar Together Day" held at the Hockenheimring on 12 and 13 October 2019. This spectacular event for Porsche fans celebrated both the opening of the new Porsche Experience Centre Hockenheimring and the season finale of the Porsche Sports Cup.



718 CAYMAN GT4 CUP EDITION

End of production: the last 991-generation Porsche 911 rolls off the production line

One of the biggest upgrades in the history of the 911 was unveiled in 2011: for the 991, nearly 90 per cent of all components were newly constructed or underwent significant development. Thanks to the lightweight body in the novel aluminium-and-steel composite construction, this iteration of the 911 weighed less than its predecessor for the first time. The chassis – with a wheelbase 100 millimetres longer and new Porsche Dynamic Chassis Control (PDCC) roll stabilisation as an option – set new standards in terms of driving dynamics. In spring 2012, the cabriolet followed up with another innovation: when closed, the panel bow top with magnesium elements gave the roof the curvature of a coupé to an extent not seen before. The silhouette remained intact even at high speeds. The introduction of the new 911 Targa in late 2012 was equally impressive: just like the legendary original, the new Targa model featured the wide panel in place of the B-pillars. But now, at the push of a button, the front part of the roof could be automatically moved and placed in the rear.

The first active aerodynamics of the 911 Turbo and the introduction of turbo engines with particulate filters for the 911 Carrera models continued the eruption of innovations in the 991 generation. Further highlights came in 2013 with the exclusively equipped 50th-anniversary edition limited to 1,963 models; the 911 R with aspirated engine (368 kW/500 PS) in 2016; and the sportily trimmed 911 T, the high-performance 911 GT3 sports car with touring package and the one millionth 911 in 2017. That same year, Porsche Exclusive Manufaktur introduced the 911 Turbo S Exclusive Series.

In summer 2017, the most powerful and fastest 911 with racing technology to date – the 911 GT2 RS – took its 515 kW (700 PS) to the streets. Its naturally aspirated counterpart followed a few months later in the form of the 911 GT3 RS with racing chassis and 4.0-litre engine delivering 382 kW (520 PS).

Right on time for the 70th birthday of Porsche sports cars, the 911 Speedster – introduced as a concept car in 2018 and available from 2019 – embodied the original virtues of the company: lightweight construction, efficiency, purism and driving pleasure. Each of these virtues were represented by the 4.0-litre 375 kW (510 PS) engine, the six-speed manual gearbox and a high-performance sports chassis. The two-seater was not only the last derivative of the 991 generation but also, in 2019, was the last of the model series to be produced. Like its forbear and prototype – the Porsche 356 "No. 1" Roadster of 1948 – it will become an ambassador of the rolling museum.

Sales, Production, Procurement

Sales

Production

Procurement

At Porsche, our focus is on people. For us, enthusiastic customers and job security are what matters. We collaborate at eye level with all partners. The Taycan factory is a commitment to the long-standing location Zuffenhausen, which is home to the heart and soul of the brand.



SALES

High levels of customer satisfaction

A focus on customers and customer satisfaction are significant requirements of sustainable growth, which makes them an integral part of the Porsche Strategy 2025 Plus. To this end, the company regularly surveys more than 250,000 customers regarding their satisfaction. Additionally, independent third-party studies also offer analysis – carried out, for example, by market research institutes that assess Porsche also compared with its competitors. A team from the Sales, Aftersales, Marketing, Customer Relations and Product Quality departments evaluates all results. If necessary, the steering committee for customer satisfaction – which also includes the Executive Board – takes measures aimed at improving quality. Porsche continuously communicates to all employees the importance of customer satisfaction, for instance as part of days dedicated to the topic.



718 BOXSTER

In the “Automotive Performance, Execution and Layout Study” (APEAL) of J.D. Power, Porsche took the top spot in the overall evaluation.



PANAMERA 4S EXECUTIVE



MACAN GTS

Recognition and awards

Porsche customers are extremely satisfied – this is regularly confirmed by numerous technical magazines and independent studies from the United States, the United Kingdom and Germany, and it also demonstrates the success of the optimisation programme for customer service. In 2019, the well-known US advice magazine *Kelley Blue Book* bestowed several awards upon the sports car brand, with Porsche claiming not only the “Brand Image Award for Best Performance Luxury Brand”, but also the awards for “Best Resale Value for a Luxury Brand” and “Best Car Styling for a Luxury Brand”. In addition, the company also managed to crack the “10 Most Awarded Brands”. The Macan and Panamera models also received awards in their respective categories for the best resale value as well. The Porsche 718 Boxster and the 718 Cayman were named among the 10 best vehicles in a reader survey conducted by the US magazine *Car and Driver*, with the 718, 911, Macan and Cayenne model series also receiving “Editor’s Choice” awards. In 2019, *Popular Mechanics* – a US magazine for science and technology – recognised the Porsche 911 with the “Automotive Excellence Award” in the “Redesign of the Year” category. The US automotive magazine *Motorweek* named the Panamera the “Best Dream Machine”.

In the “Automotive Performance, Execution and Layout Study” (APEAL) of the renowned US market research company J.D. Power, Porsche took the top spot in the overall evaluation. The study determines the attractiveness of vehicles on the US market and conducts surveys once a year of people who purchased new vehicles. Porsche managed several wins

in this regard: the sports car brand took first place in the “Sales Satisfaction Index” (SSI), which is also determined each year by J.D. Power in the United States. The “SSI” assesses the level of satisfaction of new-vehicle purchasers with their purchase. Representative surveys of new-vehicle owners serve as the basis, in which purchasers and those who chose not to make a purchase share their experiences with dealers. Porsche also took top brand honours in this year’s “Customer Satisfaction Index” (CSI) of J.D. Power in the category of aftersales.

Porsche was also ranked number one by news magazine *U.S. News & World Report*, with the 718 Boxster in the categories of “Luxury Sports Car” and “Luxury Convertibles”. The magazine evaluates vehicles and brands based on data from studies and expert analyses from the automotive industry.

The all-electric Taycan also won awards in the year of its debut, having been crowned the “best premium electric car” in 2019 by the British motorsport magazine *Autocar*. Porsche also took a top spot with the 718 Boxster in the ranking of the “top 10 best convertibles and cabriolets”. The Porsche 911 GT3 managed to secure the number-one spot in the ranking for the “top 10 best hardcore cars in 2019”. The category for “sports car of the year” was topped by the 911 Carrera in 2019. In the category of the “top 10 best grand tourers of 2019”, the Panamera left all other cars in the dust.



TAYCAN 4S

In Germany, more than 100,000 readers of *auto motor und sport* voted the 911 and Panamera model ranges into the top spot of the “Best Cars of 2019” in three categories.



911 CARRERA CABRIOLET



911 GT3 RS

In Germany, more than 100,000 readers of *auto motor und sport* voted the 911 and Panamera model ranges into the top spot of the “Best Cars of 2019” in three categories. The 911 was victorious in the category for “sports cars” as in the previous year, and the 911 Cabrio and 911 Targa also won in the category for “convertibles”. The Panamera once again was honoured at the top of the “luxury-class” category.

The Porsche 911 was the overall winner of the *Autobild TÜV-Report 2019*, a publication that is considered one of the most important sources of advice for drivers and pre-owned-vehicle buyers. In the current ranking of the technical inspection association, Porsche secured the top spot with the lowest rate of severe defaults in all vehicle age groups. The 911 made it to the top position for the first time in all vehicle age groups.

Taycan preparation in the retail organisation

Professional service and maintenance for customer vehicles is one of the core services provided by Porsche. With its first plug-in hybrid in 2013, the retail organisation laid the foundation for electromobility. However, the launch of the first all-electric Porsche was one of the greatest challenges of recent years. The intense preparation efforts of Porsche and its dealers included, for example, the development of fast-charging infrastructure with 800-volt technology that was set up at many Porsche Centres in 54 markets. At the same time, this makes a significant contribution to the expansion of the public charging infrastructure. The objective is to install some 1,000 charging points by the end of 2020. Each dealer will invest more than a quarter of a million euros by the end of 2020 in the expansion of the charging infrastructure as well as hardware.

More than 30,000 employees from Sales and Aftersales care for customers around the world. To account for the high degree of expertise in the field of electromobility required, they received comprehensive knowledge via in-person training sessions and online courses as part of a broad scope qualification initiative. The main topics included dealing with charging installations for electric vehicles as well as digital services and additional vehicle functions as part of Porsche Smart Mobility. In 2019, some 140 employees became qualified high-voltage experts and underwent successive preparation for their new tasks in the workshops. In consideration of the increasing complexity of advice due to electromobility, smart mobility and digitalisation, Porsche defined 12 new job roles in retail.

Sustainable energy generation

Porsche is already using photovoltaics at many locations to produce electricity from solar radiation. The Shams Dubai Initiative is one example of how renewable sources of energy can also be used to charge electric vehicles. Together with the company TerraStruc, Porsche Middle East and Africa (PME) constructed a photovoltaic installation for its headquarters in Dubai. Each year, it can produce up to 478,500 kWh of electricity, thereby covering some 60 per cent of PME's energy needs, and the charging stations for electric vehicles are also connected.



PUBLIC CHARGING VIA THE JOINT VENTURE IONITY

Charging offers for electric cars

Porsche offers its customers ideal solutions for charging their sports car with hybrid or all-electric drive. Analyses show that around 80 per cent of charging takes place at home. Porsche offers several intelligent charging solutions for this purpose. All Taycan models are delivered with Mobile Charger Connect as standard, with a charging power of up to 11 kW (or 9.6 kW for the United States). To this end, the Porsche Charging Dock is available upon request to be installed on the wall or on an existing charging station, and the Porsche compact charging station is available for free-standing installation. As an option, Porsche also offers the Home Energy Manager, which optimises charging with regard to output, time and costs. In particular, it controls and manages the charging performance in such a way that the home grid is not overloaded during charging. The Porsche partners and/or the cooperating service workshops analyse the individual customer circumstances and offer advice on the right equipment.

In the public sector, electric cars in Europe can already use the Porsche Charging Service at more than 100,000 public charging stations, with more being added on an ongoing basis. The offer also includes fast-charging stations with an output of up to 350 kW from IONITY, the joint venture of the car manufacturers of the BMW Group, Daimler AG, Ford Motor Company and the Volkswagen Group with Porsche and Audi. Some 400 fast-charging stations are expected to be operational by the end of 2020. Using the Porsche Charging Service app, Taycan drivers can charge their vehicles at a particularly low price. In the United States and Canada, customers can use the fast-



CHARGING OFFERS FOR AT HOME

charging networks of Electrify America and Electrify Canada.

An additional option is Porsche Destination Charging, which offers charging solutions at numerous selected premium locations such as hotels, golf courses and restaurants. This service is free of charge for Porsche customers. Expansion is scheduled to increase the worldwide charging stations to 1,800 by the end of 2020.

Global sales network

The year 2019 marked the beginning of the transformation of the "corporate architecture" of the Porsche Centres around the world – from the well-known appearance of the past 20 years to the advanced concept of

"Destination Porsche". This concept is the sports car manufacturer's response to the challenges that arise from future expectations of customers and the constantly changing competitive environment. Vehicles are presented in an expanded thematic environment with flexible hospitality and experience offers.

A prototype of this approach was ceremoniously inaugurated in March 2019 in Palm Springs, California (USA), followed by the world's first conversion of a Porsche Centre in Hangzhou, China, in December 2019. The next step involves the first new-build pilot project in Dortmund, Germany, which will be completed by the end of 2020.

"Destination Porsche" goes far beyond pure architecture: physical space is united with the digital world. This results in new IT processes and job roles, which ends in a seamless experience for the customer. All visitors are offered individual opportunities to be a part of the brand – from prospective buyers to existing customers. The Porsche Centre becomes a place of inspiration, communication, experiences and participation.

The development expands upon the tried-and-tested architecture of today, which means that the changes can be implemented effectively – both for new builds as well as when transforming the existing dealer network of 850 Porsche Centres around the world over the coming decade. In addition to the Porsche Centre as the primary format, other sales and contact points will be added in the future that make the brand more and more an experience.



PORSCHEPLATZ AT THE PALM SPRINGS PROTOTYPE



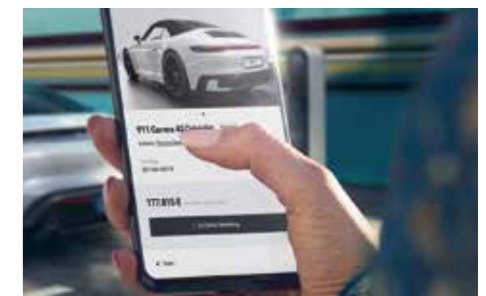
"DESTINATION PORSCHE" PROTOTYPE IN PALM SPRINGS

"Destination Porsche" goes far beyond pure architecture: physical space is united with the digital world. This results in new IT processes and job roles, which ends in a seamless experience for the customer.

Online car sales

Nowadays, it is a matter of course that customers navigate between the digital world and the world of physical retail. In October 2019, Porsche teamed up with the 88 German Porsche Centres to open a new digital sales channel as a virtual marketplace for immediately available new and pre-owned cars. It will also include additional Porsche products and services in the future, with the launch in Germany being followed by Europe-wide roll-out in 2020.

Customers can perform the most important steps for car purchase and leasing online – whenever and wherever. Only customer authentication and the final conclusion of the contract will still initially take place at the Porsche Centre. The final conclusion of the contract at the dealer can then be taken care of much more quickly and simply.



ONLINE CAR SALES

New Porsche Studios in Asia

The company continued expanding its global network of Porsche Studios in 2019, opening the Porsche Studio Bangkok in Thailand in March 2019. It offers customers and fans of the brand new possibilities to interact with Porsche and invites visitors to stay for a while with its atmosphere that has the feel of a boutique. The Porsche Studio Cheongdam followed in June, which is located directly in the vibrant Gangnam district of Seoul, South Korea, and stands out with its futuristic showroom concept. The Porsche Studio unites tradition and innovation, and invites Porsche customers as well as fans to experience the brand in a whole new way. Then came the Porsche Studio Taoyuan in December – the fifth Porsche Studio in Asia – located in the Taoyuan Art Plaza, an art district of the metropolis.

The new Porsche Studios take advantage of different digital elements and large screens to address customers. In a relaxing atmosphere, fans of the brand can dive into the world of “E-Performance”, for example. Visitors can customise cars in the “Porsche Exclusive Manufaktur” and they can learn a lot about the history of Porsche across more than seven decades on the “Heritage Wall”. Additionally, the locations can be used to host events geared towards specific target groups. The Porsche Studios are an important pillar of the “Future Retail” strategy with their presence at the centre of vibrant cities in order to reach new target groups.



PORSCHE SALES POP-UP IN TAIPEI

Sales pop-ups and studios are a modern possibility for reaching out to existing customers and for quickly introducing new target groups to the brand in attractive and market-specific ways.

Sales pop-up: Porsche NOW

With its temporary nature, the Porsche sales pop-up is another of the new sales formats through which the Porsche offer is brought closer to the urban lifestyle of customers and new target groups. A total of five locations were opened in 2019 under the core concept of “Porsche NOW” – and “NOW” is a call to seize the moment.

In Taiwan, Porsche NOW is used as a rolling concept at multiple locations, the first of which is the Xinyi district in Taipei since October 2019. “Porsche NOW” will be there for a limited time at a well-known shopping centre and stands out with its modern and cosy atmosphere. In addition to the exhibited cars, visitors there are able to experience virtual-reality applications and the private configuration lounge. After Taipei, the sales pop-up will make a two-year journey around to the other major cities of Taiwan.

Porsche has experienced increasing interest from dealers around the world in these new retail formats. Sales pop-ups and studios are a modern possibility for reaching out to existing customers and for quickly introducing new target groups to the brand in attractive and market-specific ways – and ultimately to make contact with these new target groups. This also leads to the opening of new markets. The company makes the fundamental concept available, and the dealers implement it in their markets with a targeted thematic focus. This ensures a high degree of relevance for the brand with the respective target groups while also ensuring brand recognition.



PORSCHE STUDIO TAOYUAN



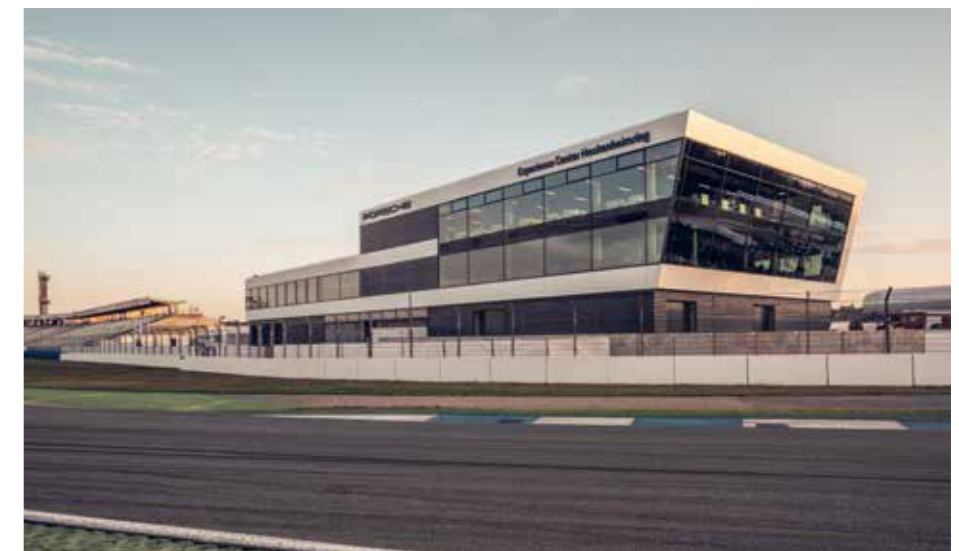
“SCOPES” IN BERLIN



PEC HHR SPORTSCAR TOGETHER DAY

New Porsche Experience Centre

Porsche opened its seventh “Porsche Experience Centre” (PEC) worldwide at the Hockenheimring as part of a “Sportscar Together Day” in mid October 2019. Covering an area of around 170,000 square metres, the premises at the heart of the racetrack is a new hub for customers and fans from all over Europe. It includes a Customer Experience Centre, handling course, driving dynamics areas and an off-road track. The festivities of the opening weekend attracted around 70,000 visitors, 9,000 of whom arrived in their own Porsche cars. The eighth Porsche Experience Centre is being built alongside the racetrack in Franciacorta, Italy. Porsche Italia began renovating the circuit and building the customer centre in 2019. The opening is planned for early 2021.



NEW PORSCHE EXPERIENCE CENTRE, HOCKENHEIMRING

SCOPES as an urban event format

A place for encounters, knowledge and personal interaction: with “SCOPES driven by Porsche”, the sports car manufacturer has created a live-event format for young, urban target groups in metropolises around the world. Following Berlin in 2018 and Amsterdam, the Netherlands, in May 2019, the format also launched in Tokyo, Japan, in November 2019. “SCOPES driven by Porsche” stands for a pioneering spirit, innovative design and the coming together of a creative community. Over a period of more than two weeks, Porsche presents itself at an extraordinary location that represents the culture of the respective city. In doing so, the sports car brand acts as a curator: young, creative companies and partners put on exhibitions, panels, debates and workshops and present themselves through art, technology, live music or fashion. The mixture and the direction are determined in the respective cities by the characteristics of the people who design the content. Also included are brand-typical topics such as innovation and design that are organised by Porsche experts.

With “SCOPES driven by Porsche”, the sports car manufacturer has created a live-event format for young, urban target groups in metropolises around the world.

Expansion of mobility services

Porsche pursues the vision of being the most successful brand for sporting and exclusive mobility. In order to account for the diverse range of needs of its customers with the fitting offer, the company develops various new mobility concepts.

“Porsche Passport” offers an extremely flexible vehicle subscription. Following its debut in Atlanta in late 2017, the service has been available in four other cities in the United States and Canada since September 2019: Las Vegas, Phoenix, San Diego and Toronto. Using an app, customers can switch vehicles flexibly to meet their needs, with a selection of up to 20 different models. The vehicle is delivered to any location within the contractual territory and handed over personally by the concierge.

The premium car rental service “Porsche Drive” offers customers the ability to rent Porsche cars from all six model series – for a few hours and up to 28 days. Upon request, the car can be delivered and picked up. With the expansion into further cities, the range of the offer has increased significantly to a total of 19 locations in Germany, the United States, Canada, Switzerland and France. Additionally, the first Porsche Drive location in Asia opened in December 2019 in Tokyo, Japan. In addition to “Passport” and “Drive”, Porsche has introduced Porsche Host in the United States in collaboration with car-sharing platform provider Turo. Since October 2018, private individuals have been able to use the Turo peer-to-peer sharing platform for short-term access to Porsche vehicles of other private individuals.

Additional services such as the flexible use of pre-owned vehicles at a fixed monthly package price were piloted in the reporting year.



CURRENT PORSCHE MODEL RANGE



PORSCHE PASSPORT

Porsche Passport offers an extremely flexible vehicle subscription. Using an app, customers can switch vehicles flexibly to meet their needs, with a selection of up to 20 different models.

Cooperation with Boeing

Porsche and Boeing signed a memorandum of understanding to explore the premium urban air mobility (UAM) market. This partnership will see both companies leverage their unique market strengths and insights to study the future of premium urban air mobility vehicles. As part of the collaboration, an international team is dealing with various aspects of urban air mobility, including analysing the market potential for premium products and determining possible areas of application. Boeing, Porsche and Aurora Flight Sciences, a subsidiary of Boeing, are also developing a concept for a fully electric vertical take-off and landing vehicle. Engineers from both companies, as well as the Porsche subsidiaries Porsche Engineering Services GmbH and Studio F.A. Porsche, will implement and test a prototype.

Porsche Heritage Design strategy

In 2019, Porsche Exclusive Manufaktur began working together with the Style Porsche design department on an extraordinary concept. Within the framework of the Heritage Design strategy, the partners reinterpret exclusive 911 models featuring iconographic elements from Porsche cars dating from the 1950s through to the 1980s. Equipped with cutting-edge sports car technology, these special models introduce the lifestyle dimension – boasting particularly emotive concepts and references to history within Porsche’s product strategy. Last year, the 911 Speedster with Heritage Design package offered an initial outlook. Additional special models are to follow at certain intervals and in limited numbers. Selected elements from the corresponding decades will also be available as options for 911 models as part of Heritage Design packages. The Heritage Design models take the brand values into the future and complement today’s hybrid and electric vehicles, where the main focus is on technical innovations. At the same time, the project brings back iconic looks from various epochs that shaped Porsche vehicles.

The focus is on special colours and materials that, in addition to special paintwork and foil graphics, shape the appearance of the special models. For this, the designers sought inspiration from the old colour and equipment cards, museum cars and design elements from various other decades. The textile materials in the interior play a significant role. Key stylistic elements – cord velvet and patterns like houndstooth, pasha or tartan, for example – are redesigned with modern materials for the special models as well as thoroughly tested and produced.

The Heritage Design models take the brand values into the future. At the same time, the project brings back iconic looks from various epochs that shaped Porsche vehicles.



PORSCHE HERITAGE DESIGN STRATEGY

PRODUCTION

In financial year 2019, Porsche produced a total of 274,463 vehicles, representing an increase of roughly three per cent over the previous year.

A total of 53,719 sports cars from the 911 (37,585 units), 718 Boxster (9,642 units) and 718 Cayman (9,621 units) model ranges were manufactured in Zuffenhausen, as well as 1,386 units from the Taycan range. In addition, a further 3,129 units of the 718 Cayman were produced at the Volkswagen facility in Osnabrück.

At the Leipzig production site, a total of 120,936 vehicles of the Macan (89,744 units) and Panamera (31,192 units) model ranges were built. A total of 95,293 units of the Cayenne were also produced at the Bratislava multi-brand site (Slovakia).

In 2019, Porsche successfully managed numerous production runs for new models: Taycan, 911 Cabriolet, 911 Carrera S, 911 Carrera 4S, 911 Carrera, Carrera S, 911 Speedster, 911 GT2 RS Clubsport, 718 Spyder, 718 Cayman GT4, 718 Cayman GT4 Clubsport, Cayenne Coupé, Macan Turbo and Macan GTS.



MATRIMONY IN TAYCAN ASSEMBLY: ELECTRIC DRIVE AND BODY ARE JOINED TOGETHER

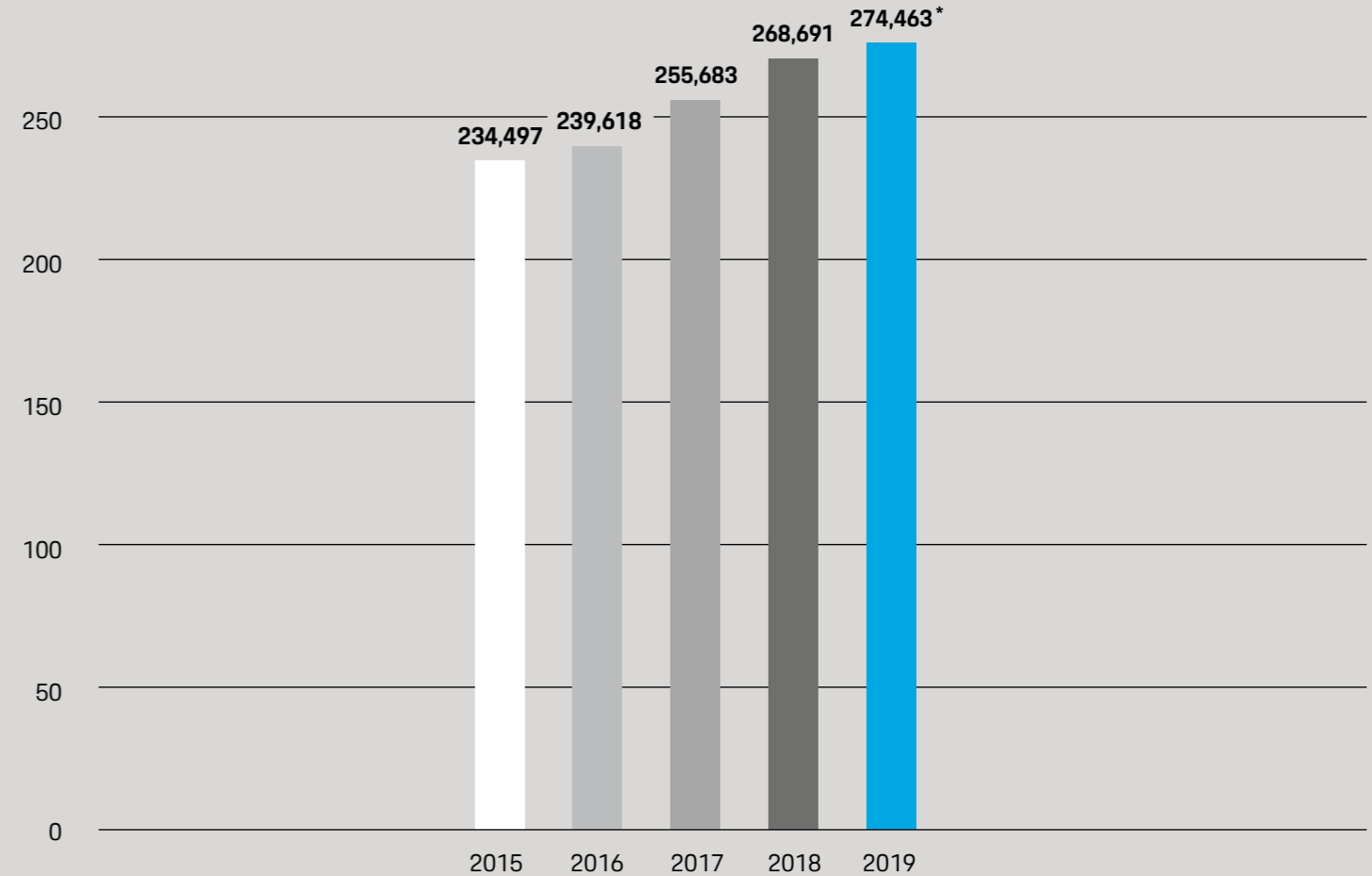
PRODUCTION IN ZUFFENHAUSEN

The company's main plant in Zuffenhausen produced around 250 cars every day – more than ever before. A sophisticated control and production principle enables the assembly of all two-door sports cars – including the 911, 718 Boxster and 718 Cayman model series – on a single production line. This highly flexible system ensures that many individual customer requests can be realised within the scope of series production.

The core challenge in the reporting year was the commissioning of the new factory for the Taycan during regular production. This was opened as scheduled on 9 September 2019, which meant that fewer than 48 months separated the presentation of the Mission E concept car in September 2015, the world premiere of the Taycan production model in early September 2019 and the start of series production a few days afterwards.

In 2019, Porsche once again increased production, with a total of 274,463 vehicles made. One core challenge was the commissioning of the new factory for the Taycan.

Production volume Vehicles



* Production figures from 2019 without pre-production vehicles; including pre-production vehicles until 2018.

A factory of the future

Zuffenhausen represents the brand's heart and soul, with the new factory located there acknowledging Porsche's history while clearly pointing to the future. Over 700 million of the six billion euros that Porsche is set to invest in electromobility by 2022 have been dedicated to the construction of the new production facilities. If the body shop that entered into service with the launch of the eighth-generation 911 is also included, this figure rose to around one billion euros.

The Taycan is being assembled in a so-called factory of the future – flexible, networked and with pioneering production technology. The company describes this as Porsche Production 4.0, featuring the comprehensive and inter-linked implementation of smart, lean and green aspects through modern production methods. In addition to transparency and networking (smart), Porsche Production 4.0 is characterised by its responsible and efficient use of resources (lean) as well as by ecological factors (green). People remain at the heart of production, with modern technologies lightening their load and supporting them in their work.

This building project comprised a number of large individual projects: a new body shop, a new paint shop, a factory extension for the production of electric motors and components, a new car assembly area and the approximately 900-metre-long conveyor technology that connects the paint shop to the final assembly. The new buildings feature a gross floor area of 170,000 square metres, making this the largest construction project since the Zuffenhausen plant was first established.

The rigid yet lightweight material-mix bodies with 100 per cent aluminium exterior are produced in the 30-metre-high body shop. From there, they are delivered to the paint shop, for which the company took an exemplary approach to environmental protection and energy efficiency when planning the building. For example, the body driers are heated via direct heating in the individual process steps, and the exhaust air from the driers is cleaned together with the exhaust air from the paint booths. The top floor houses automated process areas such as the immersion baths for cathodic dip coating and the paint booths. Manual workstations are located on the ground floor, and the accessible layout promotes communication and interaction among colleagues.

Instead of a traditional fixed production line, the assembly process for the Taycan features a flexi-line with driverless transport systems that move independently from station to station. As specific driverless transport systems can be flexibly removed from and returned to the production line, this delivers numerous benefits such as easier implementation of individual customer requests. Boasting 62,000 square metres of production, logistics, testing and employee recreation areas spread across four storeys, the building complex in Zuffenhausen measures 38 metres from foundations to roof.

The new electric motor and component production areas, which house Porsche's first-ever series production of electric drives, are located in the immediate vicinity of the traditional engine factory where all of the Volkswagen Group's V8 combustion engines are manufactured. This new facility handles the production of the electric motors plus



CATHODIC DIP COATING IN THE NEW PAINT SHOP



QUALITY ASSURANCE IN THE TAYCAN BODY SHOP

the assembly of the gearbox and axles: these combine to form the drive units for the all-electric four-door all-wheel drive sports car. The building also features efficient logistics with modern storage technology. Driverless transport systems are additionally used for automated material provision.

This factory within a factory was constructed in the middle of a city, within a very small area and at a blistering pace. One of the key logistical feats involved coordinating the construction site traffic so as not to impede the ongoing production of the two-door sports cars. Another decisive factor behind the smooth implementation of the project was the intensive open dialogue with authorities and neighbours, who were kept informed at all times throughout the entire project.

PRODUCTION IN LEIPZIG

Porsche's Leipzig factory continues to record positive growth, and in 2019 the company set an important course for the future of this site in Saxony and the production of new models. Over 600 million euros are being invested in the ongoing expansion of this facility, with the foundation stone for a new body shop boasting a total area of 75,500 square metres having been laid on 12 March 2019. This new factory extension gave Porsche the opportunity to produce all-electric cars on the existing production line alongside petrol and hybrid models, starting with the next generation of the Macan. As a fully electric car based on Premium Platform Electric (PPE) architecture, the new Macan is set to be produced in Leipzig from the early 2020s.

Leipzig to produce axles for electric cars

In April 2019, Porsche Leipzig GmbH decided in favour of integrated axle assembly at its facility in Saxony for the production of the upcoming all-electric Macan. The factory had previously outsourced this work step to a system supplier that continues to assist with the current Panamera and Macan models. The in-house manufacturing of axles for electric cars will make on-site production even more flexible and efficient. On top of this, Porsche Leipzig will also create over 100 high-skilled jobs.

STEPS TOWARDS THE ZERO-IMPACT FACTORY

Porsche's factory of the future concept contains a variety of measures at all sites for achieving the goal of the zero-impact factory – namely, production without any negative impact on the environment. The new production facilities at the Zuffenhausen plant represent a particularly decisive step in this direction, hosting the carbon-neutral production of the Taycan and helping Porsche set new standards in terms of ecological sustainability. For example, Porsche has reduced CO₂ emissions at the production sites by 75 per cent per car produced since 2014. Additionally, the sports car manufacturer lowered the energy and water consumption in its facilities by 20 per cent per car produced. It also slashed its use of solvents by a third during this period. In addition, the increasing use of electric logistics vehicles and rail transport powered by green electricity helps reduce CO₂ emissions in logistics.

Porsche has signed up to the climate goals agreed in Paris in December 2015 and takes responsibility for reducing environmentally harmful emissions. As its aims extend far beyond mere decarbonisation, the vision of the zero-impact factory includes 12 action areas: environmental management and organisation, technology and processes, perception of the factory, efficient water use, planning, energy efficiency and climate protection, resource and material efficiency, pollutants, soil, logistics, biodiversity and operational disruptions.

Since 2017, the company has exclusively used electricity from renewable energy sources. The new factory for the Taycan in Zuffenhausen also used certified biogas as an energy source for heat and power. The highly efficient combined heat and power plant (CHP) plants next to the production and office buildings provide heat and a portion of the electrical energy, thereby expanding the environmentally friendly energy mix at the site. They boast an overall efficiency of more than 83 per cent and are most effective when operated in the vicinity of a constant heat demand such as at a paint shop, where the immersion baths and drying areas require a continuous supply of process heat. Around 90 per cent of the generated heat is intended for supplying heat and hot water to the production and office buildings. These new CHP plants are operated exclusively using certified biogas drawn from organic waste and residue. In the future, Porsche will also use biogas generated from waste by the city of Stuttgart.

The new energy-efficient buildings go far beyond the minimum statutory requirements, requiring 15 per cent less energy on average than the previous construction standard. The use of waste heat in the paint shop also helps save even more energy.

Porsche has hugely expanded the scope of several sustainability requirements issued by the city of Stuttgart. For example, the material from the demolished former halls was immediately processed on-site and reused for the new buildings.

As the new factory is located at the northern edge of Stuttgart's dense city centre, the building height is limited to 38 metres in order to ensure that fresh air from the north can still reach the heart of the city. The construction trench therefore extended 25 metres underground, with 240,000 cubic metres of earth being moved to make way for the multistorey assembly building.

The green roofs on all the new buildings cover some 42,000 square metres, ensuring a lower degree of sealing than at the former industrial facility. Measuring 900 metres, the longest green roof is located on top of the new transport bridge that connects the paint shop in the west to the assembly building in the east.



PORSCHE PRODUCTION 4.0: DRIVERLESS TRANSPORT SYSTEMS IN TAYCAN ASSEMBLY

Porsche's factory of the future concept contains a variety of measures at all sites for achieving the goal of the zero-impact factory – namely, production without any negative impact on the environment. The new factory in Zuffenhausen represents a decisive step in this direction: it hosts the carbon-neutral production of the Taycan.



A GLIMPSE OF THE TAYCAN ASSEMBLY PROCESS

Platinum award from the German Sustainable Building Council

Back in 2017, the German Sustainable Building Council (DGNB) bestowed its platinum certificate – the highest possible – on the new engine plant in Zuffenhausen. This prestigious honour, which is reserved for particularly sustainable industrial sites, was subsequently granted to the 427-hectare Leipzig factory in 2019. The evaluation process featured 167 criteria in 28 categories: in addition to environmental protection, biodiversity and energy life cycle assessments, the DGNB also considered the handling of resources, the design of the site, the impact on urban climate and infrastructure, ecological construction monitoring, life cycle costs and value stability, and the corresponding planning and processes. The DGNB was particularly impressed by aspects such as the energy management life cycle assessment and the site's capacity for change.

The highly efficient combined heat and power plant plants next to the production and office buildings provide heat and a portion of the electrical energy, thereby expanding the environmentally friendly energy mix at the site. They boast an overall efficiency of more than 83 per cent.



GENERATOR IN CHP PLANT

PROCUREMENT

In 2019, Porsche had another successful financial year. A total of 280,800 cars were delivered by the company, representing an increase of 10 per cent on the previous year. The Procurement department made a significant contribution to this success, working in very close partnership with suppliers to ensure a reliable supply of high-quality components for the long term. Alongside multiple model start-ups, the production launch of the Taycan was a key challenge in the reporting year. After all, this first all-electric sports car from Porsche represented uncharted territory for the company in a number of respects. Procurement also explored a number of options for optimising value chains, intensifying its networking efforts with suppliers and identifying new partners.

The changing framework conditions in the automotive industry, the pressure to innovate and the ever-shortening development cycles have triggered a new understanding of roles within Procurement. In keeping with the corporate strategy, the sports car manufacturer is constantly on the lookout for new inspirations and solutions. These are then developed at an early stage in tandem with suppliers, start-ups and partners. The Porsche Procurement department takes Group-wide proactive approach to innovation management encompassing all the brands. The company engages in close cooperation with its strategic stakeholders to ensure early detection of trends and developments.

Procurement of production material and non-production material

Procurement continuously optimised the material cost per car throughout the reporting year, with Porsche involving its strategic partners in the process at an early stage as part of their trust-based collaboration. This approach made it possible to achieve improvements.

In 2019, Porsche's material outlay amounted to 4,345 million euros (financial year 2018: 4,201 million euros). Procurement also played a decisive role in helping the company meet its objectives in terms of services and non-production material. The total investment volume in the reporting year amounted to 1,992 million euros. The increase on 2018 (1,858 million euros) was due primarily to large infrastructure projects, which additionally reflects Porsche's policy of continued and sustainable growth to ensure the future competitiveness of the company.

Model start-ups

The Procurement department focused its efforts on a number of production start-ups throughout the reporting year, with the Taycan an obvious priority. Not only was production of the new 911 ramped up, but the 911 Cabriolet was added to the 911 Coupé, the 911 Carrera and Carrera 4 were added to the 911 Carrera S and 911 Carrera 4S. The 911 Speedster, 911 GT2 RS Clubsport, 718 Spyder, 718 Cayman GT4 and 718 Cayman GT4 Clubsport also made their production debuts. The Cayenne Coupé, Macan Turbo and Macan GTS all enjoyed successful start-ups. Procurement also purchased a multitude of parts for all products and worked hand in hand with Development, Quality Assurance, Production and suppliers to ready the cars for series production.

The Taycan, which represented Porsche's entry into the all-electric field, played a key role in the reporting year. Series production began in September 2019 at a dedicated new factory. The new technologies and processes that are integral to electromobility have taken the company in entirely new directions in a number of areas. For the production of the Taycan, Porsche works with 350 suppliers from a number of different countries, who deliver over 15,000 purchased parts in total. Among the trailblazing innovations are 800 V technology, battery capacity of up to 93.4 kWh and electric drives featuring permanent synchronous motors and dual-clutch gearboxes. For Porsche, ensuring effective cooperation with all partners and identifying suitable new partners who share its commitment to sustainable operations is key to fostering innovations, introducing these to series production and further enhancing them.

Porsche Strategy 2025 Plus

In 2019, Procurement also took the opportunity to realign its strategy and build on the existing Porsche Strategy 2025. This includes new goals that have been collectively crafted by the departmental management. Procurement's strategy focuses on five areas: software as a product, flexible organisation, shaping products and services, operational excellence, and culture and expertise. It is also aimed at intensifying cooperation between the different departments and brands. Employees were selected for the new strategy teams at a series of pitch days: over 70 candidates were invited to deliver a three-minute pitch, with the top 20 making the cut.

In 2019, Porsche once again increased the number of new cars delivered to a total of more than 280,800 vehicles. The Procurement department made an important contribution to this success: on the basis of close partnership with industry suppliers, it ensured the reliable supply of high-quality components for the long term.



718 CAYMAN GT4

Innovation Management

In response to changing framework conditions in the automotive industry and ever-shortening innovation cycles, Innovation Management has refreshed the concepts behind its various tools and processes over the last few years so as to remain a preferred partner for start-ups and suppliers.

Here are the tools at a glance:

- At each of the Porsche Supplier Tech Days, one of the company's suppliers presents its innovative portfolio and selected pre-development projects.
- The Porsche Supplier Innovation Day provides the framework for integrating groundbreaking concepts from suppliers into the company's operations at an early stage. In this way, suppliers can submit and pitch new concepts and innovative ideas relating to a specific topic.
- Under the stewardship of the Procurement department, Innovation Management successfully conducted two Open Innovation formats within the scope of the digital developer competition "Porsche NEXT OI". "NEXT OI" is an innovation platform that is available 24/7 to start-ups and suppliers around the world for the purpose of developing digital applications. Similar "Open Innovation" formats are also being promoted for production-related aspects such as driverless transport systems.
- The "Start-up Autobahn" format enables fast, collaborative testing of new technologies with fresh-faced companies in the automotive sector. Since late 2019, Innovation Management in this format has led these efforts together with additional partners.

These successful innovation tools from the Procurement department will be further expanded in the future. Its focus for the year 2020 will be on scouting new partners. In this way, Procurement will be able to establish further suitable collaborations and help a wide variety of innovations find their way to Porsche.

"Sustainability rating" for suppliers

Since 1 July 2019, the Volkswagen Group has used a sustainability rating for suppliers (of production and non-production materials) as a binding award criterion in the procurement process. In addition to the existing ratings for quality, development and logistics, the evaluation now extends to aspects of sustainability such as the attitude of business partners with regard to risks involving human rights, environmental protection, ethics and corruption. Orders will only be awarded to, and work will only be done with, suppliers who act sustainably



SALES TEAM PUTS LEATHER TO THE TEST

and meet the sustainability requirements of Porsche. The "sustainability rating" is undergoing a step-by-step roll-out across all brands and regions. Suppliers must first complete a self-disclosure process addressing defined sustainability criteria and featuring a standardised questionnaire that is well established in the automotive industry. If the results of the self-disclosure are unsatisfactory, an on-site check of the production site ensues, which is carried out by an independent sustainability auditor. Should the audit result in sustainability risks being observed, this results in a negative assessment of the supplier and to the exclusion for future awards. The supplier can improve its sustainability performance at any time in order to fulfil the sustainability requirements and to qualify for future nominations.

Supply chain transparency

Together with suppliers, the Procurement department continuously analyses selected supply chains all the way back to the origin of the raw materials to identify all intermediary suppliers involved as well as to detect human rights risks and take measures accordingly. To this end, a number of workshops were held with tier 1 suppliers in 2019, with efforts focused on pinpointing the key sources of emissions and potential areas for reducing CO₂ emissions along the supply chain as well as the creation of transparency in the entire value chain. The participants worked together to define objectives, road maps and measures that would lead to improvements with regard to sustainability, as well as establish mechanisms to monitor the progress.

For the first time, blockchain technology was used to conduct a pilot project for identifying

potential sustainability risks within the supply chains. This technology enables transparency to be increased along the entire value chain. The digital technology was tested using the example of leather cockpit parts, with the pilot project comprising the origin and processing of the natural leather product through to Porsche's own saddlery. This enabled comprehensive transparency to be generated regarding the value-creation partners involved and the potential supply chain risks. Following the successful conclusion of the pilot project, the procedure is set to undergo an initial practical test in collaboration with selected partners.

Risk management

Given the technological change within the automotive industry as well as the increasing complexity and highly dynamic nature of all processes, it is necessary to make adjustments to risk management. This is a significant challenge for small and medium-sized companies in particular. Together with suppliers, the flexibility of the supply chain needs to be increased in order to address the increasingly dynamic nature. Additionally, the robustness of all partners must be ensured in order to take on the changes taking place in the sector. So-called supply chain risk management is implemented by Procurement in all supply chains with the goal of ensuring a reliable supply of production and non-production materials, as over two-thirds of value creation takes place at external partners.

Financial analysis

Net assets

Financial position

Results of operations

NET ASSETS

As of 31 December 2019, the total assets of the Porsche AG Group stood at € 42,366 million, 11 per cent higher than on the prior-year reporting date.

Non-current assets increased by € 2,699 million to € 29,707 million. The increase relates mainly to fixed assets and to deferred tax assets.

Non-current assets expressed as a percentage of total assets amounted to 70 per cent (prior year: 71 per cent).

At the end of the reporting period, the fixed assets of the Porsche AG Group – i.e. the intangible assets, property, plant and equipment, leased assets, equity-accounted investments and other financial assets – amounted to € 17,982 million, compared with € 16,099 million in the previous fiscal year. Of this increase, a substantial amount (€ 902 million) is attributable to right-of-use assets that must be recognized for the first time on initial application of new accounting standard IFRS 16 – Leases. The effect of transitioning to IFRS 16 amounted to € 831 million.

Fixed assets expressed as a percentage of total assets amounted to 42 per cent (prior year: 42 per cent). Intangible assets increased from € 4,929 million to € 5,085 million. The increase mainly resulted from additions to acquired licenses and advance payments made. Property, plant and equipment increased by € 1,696 million year-on-year to € 8,624 million, which was due primarily to additions and reclassifications relating to advance payments made and assets under construction and to buildings and land, right-of-use assets relating to buildings and land due to the initial application of IFRS 16, technical equipment and machinery, and other equipment, furniture and fixtures. The additions not relating to IFRS 16 consist mainly of production systems, tools and construction work for the new generations of vehicles. By contrast, the launch of production for the new Taycan series caused a decline in advance payments made and assets under construction due to the reclassification as property, plant and equipment subject to wear and tear. Leased assets increased by € 53 million in comparison with the prior year, to € 3,829 million. This item contains vehicles leased to customers under operating leases.

Non-current other financial assets decreased by € 48 million to € 8,350 million. The decrease was due to the marking-to-market of derivative financial instruments.

Deferred income tax assets amounted to € 1,355 million as against € 730 million in the prior year.

As a percentage of total assets, current assets amounted to 30 per cent compared with 29 per cent in the prior year. Inventories increased from € 3,889 million in the prior year to € 4,013 million at the end of the reporting period.

Non-current and current receivables from financial services rose from € 2,386 million to € 2,683 million. This item mainly comprises receivables from finance leases and receivables from customer and dealer financing.

Current other financial assets increased by € 123 million to € 2,415 million. The increase mainly relates to the clearing account with Porsche Holding Stuttgart GmbH and receivables from loans to VW Group companies in the amount of € 261 million. By contrast, the marking-to-market of derivative financial instruments resulted in a decrease of € 148 million.

Cash, cash equivalents and time deposits increased by € 876 million year-on-year to € 3,511 million.

The equity of the Porsche AG Group increased by € 951 million to € 17,428 million compared with the prior-year reporting date. The profit after tax, profit transfer and dividends of € 999 million together with currency translation differences of € 92 million and a capital contribution by Porsche Holding Stuttgart GmbH amounting to € 1,273 million generated increases in equity.

By contrast, the € 866 million remeasurement from pension plans net of tax, the € 528 million change after tax in the hedge reserve, and the € 19 million acquisition of non-controlling interests generated decreases in equity.

Non-current liabilities relate to pension provisions, other provisions, deferred tax liabilities, other financial liabilities, and other liabilities. They rose by € 3,974 million to € 13,639 million in comparison with the prior year. Non-current liabilities expressed as a percentage of total capital increased from 26 per cent in the prior year to 32 per cent at the end of the fiscal year. Non-current financial liabilities rose by € 1,731 million.

Provisions for pensions and similar obligations increased by € 1,646 million. This was due primarily to actuarial adjustments of present values amounting to € 1,230 million. There was also a significant rise in the number of eligible employees.

Non-current other financial liabilities recorded growth of € 258 million. This increase relates mainly to the market-to-market of derivative financial instruments.

Deferred income tax liabilities amounted to € 681 million compared with € 650 million in the prior year.

Current liabilities decreased from € 12,017 million to € 11,299 million, while expressed as a percentage of total capital they decreased from 31 per cent to 27 per cent as of the end of the past fiscal year.

Non-current and current financial liabilities rose from € 5,859 million to € 7,614 million. The primary reasons for the increase were twofold. Firstly, a € 1,000 million bond was placed in August 2019. The tranches maturing were refinanced by means of existing bonds in the amount of € 339 million. Secondly, it was necessary to recognize € 910 million in lease liabilities in connection with the right-of-use assets recognized in property, plant and equipment due to the initial application of IFRS 16. There was also growth in refinancing the financial services business in the form of asset-backed securities and bank loans.

Trade payables decreased to € 2,582 million from € 3,134 million in the previous year due to payment processing in line with standard business practice.

Current other financial liabilities amounted to € 3,082 million (prior year: € 3,441 million). The decline primarily relates to the € 492 million decrease in the liability for transferring profit after taxes to Porsche Holding Stuttgart GmbH. This was offset by a € 138 million increase in the market-to-market of derivative financial instruments.

Net assets

of the Porsche AG Group

€ million	Dec. 31, 2019	in %	Dec. 31, 2018	in %
Assets				
Intangible assets	5,085	12	4,929	13
Property, plant and equipment	8,624	20	6,928	18
Leased assets	3,829	9	3,776	10
Equity-accounted investments	298	1	368	1
Other equity investments	146	0	98	0
Financial services receivables	1,841	5	1,656	5
Other financial assets	8,350	20	8,398	22
Other receivables	179	0	125	0
Deferred tax assets	1,355	3	730	2
Non-current assets	29,707	70	27,008	71
Inventories	4,013	10	3,889	10
Trade receivables	842	2	759	2
Financial services receivables	842	3	730	2
Other financial assets	2,415	6	2,292	6
Other receivables	490	1	468	1
Tax receivables	95	0	81	0
Securities	451	1	297	1
Cash, cash equivalents and time deposits	3,511	8	2,635	7
Current assets	12,659	30	11,151	29
	42,366	100	38,159	100
Equity and Liabilities				
Equity	17,428	41	16,477	43
Provisions for pensions and similar obligations	5,438	13	3,792	10
Other provisions	996	2	778	2
Deferred tax liabilities	681	2	650	2
Financial liabilities ¹⁾	5,375	13	3,644	10
Other financial liabilities ¹⁾	657	1	399	1
Other liabilities	492	1	402	1
Non-current liabilities	13,639	32	9,665	26
Provisions for taxes	129	0	96	0
Other provisions	2,118	5	1,951	5
Financial liabilities	2,239	5	2,215	6
Trade payables	2,582	6	3,134	8
Other financial assets	3,082	8	3,441	9
Other liabilities	1,077	3	1,087	3
Tax payables	72	0	93	0
Current liabilities	11,299	27	12,017	31
	42,366	100	38,159	100

¹⁾ The prior-year figures were restated.

FINANCIAL POSITION

Cash flows from operating activities amounted to € 4,486 million in the 2019 reporting period following € 3,845 million in the prior year. The material effects resulted from higher depreciation, amortization and write-downs, lower outflows for inventories and a decrease in profit before tax.

The cash flows from investing activities resulted in a cash outflow of € 3,617 million in the reporting period following € 3,566 million in the prior year. Investments in intangible assets (excluding capitalized development costs) and property, plant and equipment decreased from € 2,093 million in the previous year to € 2,044 million in the period under review. Additions to capitalized development costs amounted to € 949 million following € 1,064 million in fiscal year 2018. The cash outflows from investments in loans and time deposits amounted to € 427 million (previous year: € 111 million).

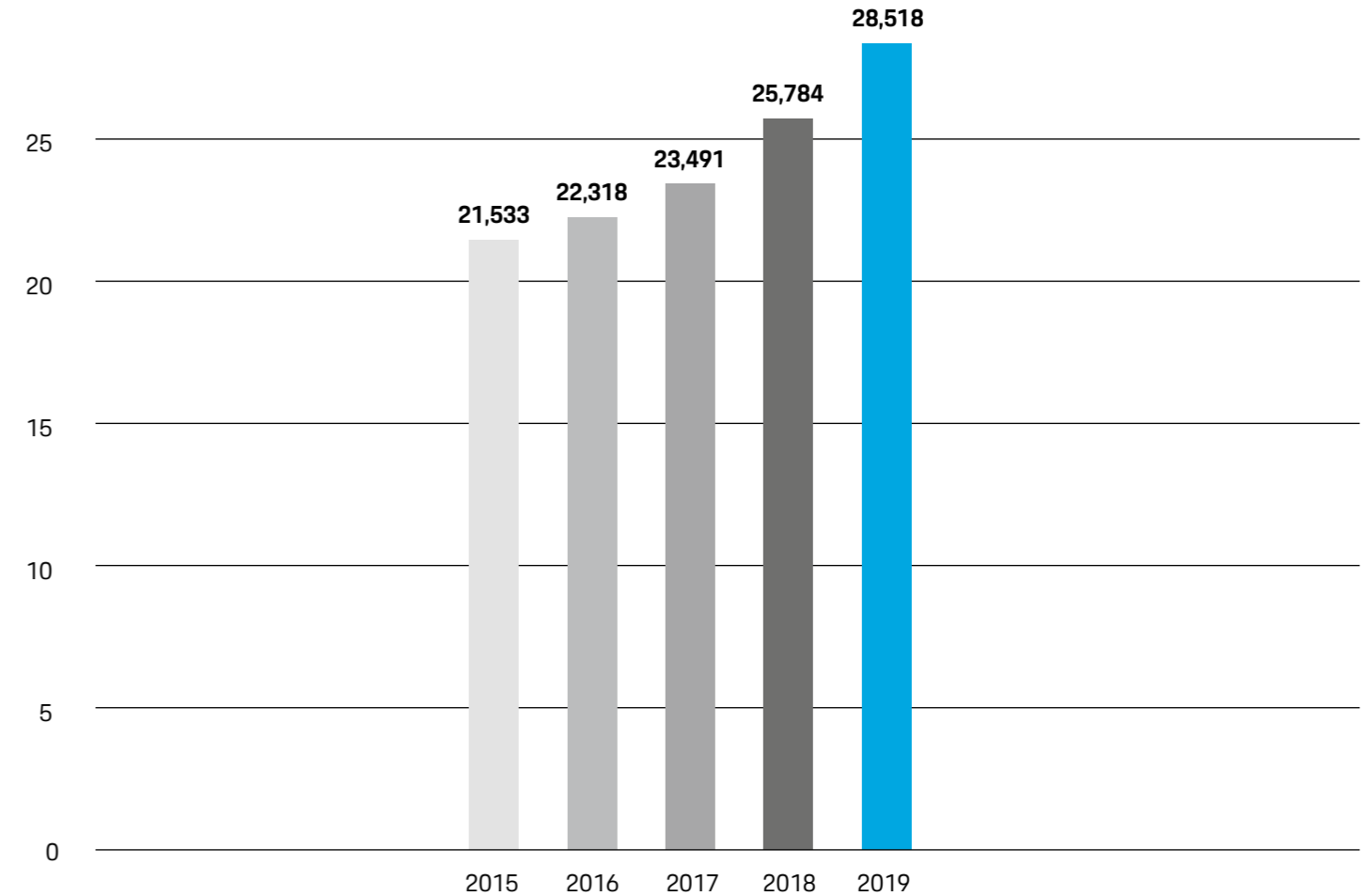
Cash flows from financing activities amounted to € – 353 million in the current fiscal year after € – 606 million in the prior year.

Payments made in respect of profit transfer and dividends resulted in a cash outflow of € 2,294 million (prior year: € 2,157 million). This was partly offset by capital contributions amounting to € 1,273 million (prior year: € 1,208 million) made by Porsche Holding Stuttgart GmbH.

The net available liquidity of the automotive division – i.e. its gross liquidity less financial liabilities and excluding the financial services division in each case – declined from € 2,306 million as of 31 December 2018 to € 1,785 million as of 31 December 2019.

Consolidated revenue at the Porsche AG Group for the current reporting period amounted to € 28,518 million, following € 25,784 million in the prior year.

Sales revenue
€ million



RESULTS OF OPERATIONS

The Porsche AG Group's profit after tax decreased by € 317 million from € 3,118 million in the corresponding prior-year period to € 2,801 million in the current fiscal year. The tax rate in the reporting period was 31 per cent (prior year: 32 per cent).

Consolidated revenue at the Porsche AG Group amounted to € 28,518 million in the reporting period (prior year: € 25,784 million). The Porsche AG group sold 268,363 new vehicles in the past fiscal year. This corresponds to an increase in unit sales of 10 per cent compared with the prior year. The primary contribution to the growth in sales volume and revenue was made by the Cayenne model line, which recorded an increase of 22,318 to 92,464 new vehicles. The Macan remains the bestselling model line, with 94,388 new vehicles sold – up 12,144 on the prior-year figure. In regional terms, China remained the largest market, with new vehicle sales totalling 87,644 units. Unit sales grew by 10 per cent there in the fiscal year. In addition, the European market (excluding Germany) recorded particularly strong growth this year, with unit sales of 58,505. This corresponds to 24 per cent growth in unit sales. In Germany, unit sales increased by 23 per cent to 22,878 new vehicles.

The cost of sales increased in line with revenue to € 21,256 million (prior year: € 18,629 million), which represents 75 per cent of sales revenue (prior year: 72 per cent). In absolute terms, the cost of sales rose by € 2,627 million or 14 per cent. This slightly disproportionate increase is due on the one hand to higher research and development costs recognized in the income statement. The capitalization ratio for research and development costs amounted to 44 per cent (prior year: 49 per cent). On the other hand, mix and volume improvements were partly offset by negative currency effects and cost increases. This caused the gross margin to decrease from 28 per cent to 25 per cent.

Distribution expenses rose from € 1,901 million to € 2,044 million due to the higher unit sales. Administrative expenses also declined, from € 1,103 million to € 1,029 million. In relation to sales revenue, distribution expenses remained level at 7 per cent (prior year: 7 per cent), while administrative expenses decreased slightly to 3 per cent (prior year: 4 per cent).

The personnel expenses across all functions of the Porsche AG Group increased from € 3,613 million to € 4,003 million. The growth in personnel expenses is primarily due to the rise in

the average number of employees during the year by 2,919 to 34,010.

Depreciation, amortization and impairment across the functions increased to € 3,044 million compared with € 2,567 million in the prior year. This primarily relates to the depreciation, amortization and impairment of capitalized development costs and property, plant and equipment. Depreciation of the right-of-use assets recognized in accordance with IFRS 16 was included for the first time in the fiscal year. This amounted to € 96 million.

Other operating income rose from € 813 million to € 846 million. The increase was due primarily to income from instruments used in currency hedges. Other operating expenses declined from € 675 million to € 628 million before special items. Not adjusted for special items, they increased to € 1,173 million. The special items for the diesel issue relate to the € 535 million fine imposed in the administrative offense proceedings instigated by the public prosecutor's office in Stuttgart.

The operating return on sales before special items amounts to 15.4 per cent and is thus above the strategic target of 15 per cent.

Results of operations of the Porsche AG Group

€ million	2019	in %	2018	in %
Sales revenue	28,518	100	25,784	100
Cost of sales	-21,256	-75	-18,629	-72
Gross profit	7,262	25	7,155	28
Distribution expenses	-2,044	-7	-1,901	-7
Administrative expenses	-1,029	-3	-1,103	-4
Other operating income	846	3	813	3
Other operating expenses	-1,173	-4	-675	-3
Operating profit	3,862	14	4,289	17
Financial result	192	0	263	1
Profit before tax	4,054	14	4,552	18
Income tax income/expense	-1,253	-4	-1,434	-6
Profit after tax	2,801	10	3,118	12
Special items Diesel issue	-535	-2	-	-
Operating profit before special items	4,397	15	4,289	17
Profit before tax before special items	4,589	16	4,552	18

Operating profit amounted to € 3,862 million. Adjusted for special items, it increased by € 108 million to € 4,397 million.

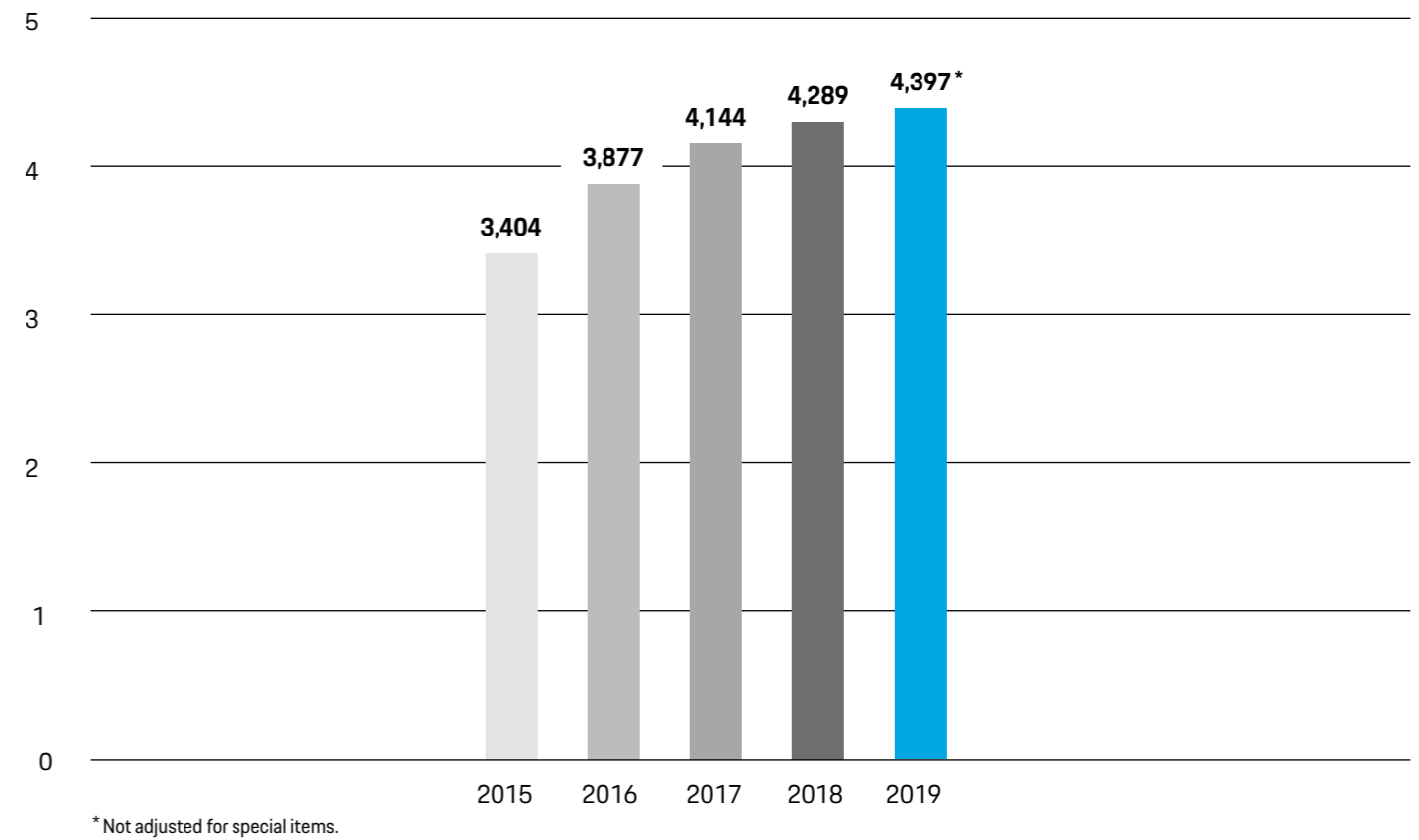
The financial result amounted to € 192 million (prior year: € 263 million). The decline in the financial result was mainly caused by the € 83 million write-down on the equity-accounted investment in Bertrandt AG. The interest expense on the lease liability in accordance with IFRS 16 was included in the financial result for the first time. This amounted to € 29 million.

Profit before tax amounted to € 4,589 million before special items and € 4,054 million not adjusted for special items (previous year: € 4,552 million).

The healthy cost structure and the sustainably high earnings power of the group are also reflected in the key performance indicators. The Porsche AG Group generated an operating return on sales of 15.4 per cent before special items (13.5 per cent not adjusted for special items) in the past financial year (previous year: 16.6 per cent). The pre-tax return on sales amounted to 16.1 per cent before special items and 14.2 per cent not adjusted for special items (previous year: 17.7 per cent). The return on capital, defined as the ratio of the operating result after tax to the average invested assets of the automotive division, amounted to 21.2 per cent before special items and 18.5 per cent not adjusted for special items (previous year: 24.5 per cent). The return on equity after tax was 16.5 per cent (previous year: 19.7 per cent).

The operating profit before special items increased by € 108 million to € 4,397 million.

Operating profit (EBIT)
€ million



Financial data

Consolidated income statement

Consolidated statement of comprehensive income

Consolidated statement of financial position

Consolidated statement of cash flows

Consolidated statement of changes in equity

Value added statement

Consolidated income statement

of Porsche AG for the period 1 January to 31 December 2019

€ million	2019	2018
Sales revenue	28,518	25,784
Cost of sales	-21,256	-18,629
Gross profit	7,262	7,155
Distribution expenses	-2,044	-1,901
Administrative expenses	-1,029	-1,103
Other operating income	846	813
Other operating expenses	-1,173	-675
Operating profit	3,862	4,289
Share of profit or loss of equity-accounted investments	-1	3
Interest income	416	408
Interest expenses	-148	-92
Other financial result	-75	-56
Financial result	192	263
Profit before tax	4,054	4,552
Income tax income/expense	-1,253	-1,434
Current	-1,268	-1,427
Deferred	15	-7
Profit after tax	2,801	3,118
thereof profit attributable to shareholders	2,796	3,113
thereof profit attributable to non-controlling interests	5	5
Profit transferred to Porsche Holding Stuttgart GmbH	-1,798	-2,290

€ million	2019	2018
Profit after tax	2,801	3,118
Pension plan remeasurements recognized in other comprehensive income		
Pension plan remeasurements recognized in other comprehensive income, before tax	-1,230	46
Deferred taxes relating to pension plan remeasurements recognized in other comprehensive income	364	-12
Pension plan remeasurements recognized in other comprehensive income, net of tax	-866	34
Fair value valuation of other participations and securities (equity instruments) that will not be reclassified to profit or loss, net of tax	-	-
Share of other comprehensive income of equity-accounted investments that will not be reclassified to profit or loss, net of tax	-0	0
Items that will not be reclassified to profit or loss	-866	34
Foreign exchange differences		
Unrealized currency translation gains/losses	92	68
Transferred to profit or loss	0	-0
Exchange differences on translating foreign operations, before tax	92	68
Deferred taxes relating to exchange differences on translating foreign operations	-	-
Exchange differences on translating foreign operations, net of tax	92	68
Hedging		
Fair value changes recognized in other comprehensive income (OCI I)	-397	-283
Transferred to profit or loss (OCI I)	-76	-458
Cash flow hedges (OCI I), before tax	-473	-741
Deferred taxes relating to cash flow hedges (OCI I)	141	223
Cash flow hedges (OCI I), net of tax	-332	-518
Fair value changes recognized in other comprehensive income (OCI II)	-680	-664
Transferred to profit or loss (OCI II)	401	184
Cash flow hedges (OCI II), before tax	-279	-480
Deferred taxes relating to cash flow hedges (OCI II)	83	143
Cash flow hedges (OCI II), net of tax	-196	-337
Fair value valuation of securities and receivables (debt instruments) that may be reclassified to profit or loss		
Fair value changes recognized in other comprehensive income	-	-
Transferred to profit or loss	-	-
Fair value valuation of securities and receivables (debt instruments) that may be reclassified to profit or loss, before tax	-	-
Deferred taxes relating to fair value evaluation of securities and receivables (debt instruments) recognized on other comprehensive income	-	-
Fair value valuation of securities and receivables (debt instruments) that may be reclassified to profit or loss, net of tax	-	-
Share of other comprehensive income of equity-accounted investments that may be reclassified subsequently to profit or loss, net of tax	-0	0
Items that may be reclassified subsequently to profit or loss	-436	-787
Other comprehensive income, before tax	-1,890	-1,107
Deferred taxes relating to other comprehensive income	588	354
Other comprehensive income, net of tax	-1,302	-753
Total comprehensive income	1,499	2,365
thereof profit attributable to shareholders	1,494	2,360
thereof profit attributable to non-controlling interests	5	5

€ million	Dec. 31, 2019	Dec. 31, 2018
Assets		
Intangible assets	5,085	4,929
Property, plant and equipment	8,624	6,928
Leased assets	3,829	3,776
Equity-accounted investments	298	368
Other equity investments	146	98
Financial services receivables	1,841	1,656
Other financial assets	8,350	8,398
Other receivables	179	125
Deferred tax assets	1,355	730
Non-current assets	29,707	27,008
Inventories	4,013	3,889
Trade receivables	842	759
Financial services receivables	842	730
Other financial assets	2,415	2,292
Other receivables	490	468
Tax receivables	95	81
Securities	451	297
Cash, cash equivalents and time deposits	3,511	2,635
Current assets	12,659	11,151
	42,366	38,159
Equity and Liabilities		
Subscribed capital	45	45
Capital reserves	12,726	11,453
Retained earnings	4,991	4,876
Other reserves	-339	97
Equity before non-controlling interests	17,423	16,471
Non-controlling interests	5	6
Equity	17,428	16,477
Provisions for pensions and similar obligations	5,438	3,792
Other provisions	996	778
Deferred tax liabilities	681	650
Financial liabilities ¹⁾	5,375	3,644
Other financial liabilities ¹⁾	657	399
Other liabilities	492	402
Non-current liabilities	13,639	9,665
Provisions for taxes	129	96
Other provisions	2,118	1,951
Financial liabilities	2,239	2,215
Trade payables	2,582	3,134
Other financial assets	3,082	3,441
Other liabilities	1,077	1,087
Tax payables	72	93
Current liabilities	11,299	12,017
	42,366	38,159

¹⁾ The prior year figures were restated.

Consolidated statement of cash flows

of Porsche AG for the period 1 January to 31 December 2019

€ million	2019	2018
Cash and cash equivalents at beginning of period	2,635	2,960
Profit before tax	4,054	4,552
Income taxes paid	-1,310	-1,531
Depreciation, amortization and impairment losses	3,044	2,567
Gain/loss on disposal of non-current assets	10	46
Share of profit or loss of equity-accounted investments	7	4
Other non-cash expense/income	-127	-214
Change in inventories	-86	-851
Change in receivables (excluding financial services)	-372	-505
Change in liabilities (excluding financial liabilities)	-456	504
Change in pension provisions	417	371
Change in other provisions	378	81
Change in leased assets	-807	-940
Change in financial services receivables	-266	-239
Cash flows from operating activities	4,486	3,845
Investments in intangible assets (excluding capitalized development costs), and property, plant and equipment	-2,044	-2,093
Additions to capitalized development costs	-949	-1,064
Change in equity investments	-65	-71
Cash received from disposal of intangible assets and property, plant and equipment	13	10
Change in investments in securities	-146	-237
Change in loans and time deposits	-427	-111
Cash flows from investing activities	-3,617	-3,566
Capital contributions	1,273	1,208
Profit transfer and dividends	-2,294	-2,157
Capital transactions with non-controlling interest shareholders	-19	-
Proceeds from issuance of bonds	2,410	2,727
Repayment of bonds	-2,369	-2,422
Change in other financial liabilities	723	38
Repayments of lease liabilities	-77	-
Cash flows from financing activities	-353	-606
Effect of exchange rate changes on cash and cash equivalents	23	2
Net change in cash and cash equivalents	516	-327
Cash and cash equivalents at end of period	3,174	2,635
Cash and cash equivalents at end of period	3,174	2,635
Securities, loans and time deposits	1,360	775
Gross liquidity	4,534	3,410

Consolidated statement of changes in equity
of Porsche AG for the period 1 January to 31 December 2019

€ million	Subscribed capital	Capital reserves	Retained earnings	Other reserves						Total equity
				Hedging			Equity and debt instruments	Equity-accounted investments	Non-controlling interests	
				Currency translation	Cash flow hedges (OCI I)	Deferred costs of hedging (OCI II)				
Unadjusted balance at 1 Jan. 2018	45	10,245	4,096	7	804	–	3	0	–0	15,200
Changes in accounting policy to reflect IFRS 9	–	–	–77	–	27	46	–3	–	0	–7
Balance at 1 Jan. 2018	45	10,245	4,019	7	831	46	–	0	0	15,193
Profit after tax	–	–	3,113	–	–	–	–	–	5	3,118
Other comprehensive income, net of tax	–	–	34	68	–518	–337	–	0	0	–753
Total comprehensive income	–	–	3,147	68	–518	–337	–	0	5	2,365
Disposal of equity instruments	–	–	–	–	–	–	–	–	–	–
Capital increases/decreases	–	1,208	–	–	–	–	–	–	–	1,208
Profit transfer and dividends payment	–	–	–2,290	–	–	–	–	–	–	–2,290
Other changes	–	–	0	–	–	–	–	–	1	1
Balance at 31 Dec. 2018	45	11,453	4,876	75	313	–291	–	0	6	16,477
Balance at Jan. 1, 2019	45	11,453	4,876	75	313	–291	–	0	6	16,477
Profit after tax	–	–	2,796	–	–	–	–	–	5	2,801
Other comprehensive income, net of tax	–	–	–866	92	–332	–196	–	0	0	–1,302
Total comprehensive income	–	–	1,930	92	–332	–196	–	0	5	1,499
Disposal of equity instruments	–	–	–	–	–	–	–	–	–	–
Capital increases/decreases	–	1,273	–	–	–	–	–	–	–	1,273
Profit transfer and dividends payment	–	–	–1,798	–	–	–	–	–	–4	–1,802
Capital transactions involving a change in ownership interest	–	–	–17	–	–	–	–	–	–2	–19
Other changes	–	–	–	–	–	–	–	–	–	–
Balance at 31 Dec. 2019	45	12,726	4,991	167	–19	–487	–	0	5	17,428

Value added statement

of Porsche AG for the period 1 January to 31 December 2019

Source of funds in € million	2019	2018 ¹⁾	2017 ²⁾
Sales revenue	28,518	25,784	23,491
Other income	828	823	942
Cost of materials	-15,956	-14,844	-13,665
Depreciation and amortisation	-3,044	-2,567	-2,276
Other upfront expenditures	-2,128	-855	-1,301
Value added	8,218	8,341	7,191

Appropriation of funds in € million	2019		2018		2017 ²⁾	
to shareholders (profit transfer)	1,802	21.9%	2,290	27.4%	2,157	30.0%
to employees (wages, salaries, benefits)	4,003	48.7%	3,613	43.3%	3,200	44.5%
to the state (taxes, duties)	1,311	15.9%	1,473	17.7%	1,298	18.1%
to creditors (interest expense)	136	1.7%	123	1.5%	87	1.2%
to the company (reserves)	966	11.8%	842	10.1%	449	6.2%
Value added	8,218	100%	8,341	100%	7,191	100%

¹⁾ 2018 was adjusted.²⁾ The prior-year figures were restated due to the initial application of new accounting standards "IFRS 9 – Financial Instruments" and "IFRS 15 – Revenue from Contracts with Customers".

Key figures

Key economic figures

Key figures for environment and energy

Key figures for personnel and social matters

Key economic figures

The key figures concerning deliveries and production relate to the Porsche Group (including subsidiaries).

The key supplier figures relate exclusively to Porsche AG.

A detailed description of the key figures can be found in the Porsche Newsroom: <https://newsroom.porsche.com/reports>.

Deliveries		2019	2018	2017
Total	Vehicles	280,800	256,255	246,375
911	Vehicles	34,800	35,573	32,204 ¹⁾
718 Boxster/Cayman	Vehicles	20,467	24,750	25,114
Macan	Vehicles	99,944	86,031	97,202
Cayenne	Vehicles	92,055	71,458	63,913
Panamera	Vehicles	32,721	38,443	27,942
Taycan	Vehicles	813	–	–

¹⁾ Including the 918 Spyder.

Production ¹⁾		2019	2018	2017
Total	Vehicles	274,463	268,691	255,683
911	Vehicles	37,585	36,236	33,820
718 Boxster/Cayman	Vehicles	19,263	23,658	26,427
Macan	Vehicles	89,744	93,953	98,763
Cayenne	Vehicles	95,293	79,111	59,068
Panamera	Vehicles	31,192	35,493	37,605
Taycan	Vehicles	1,386	240	–

¹⁾ As of financial year 2019, figures do not include pre-production vehicles.

Basis of consolidation

→ GRI 102-45

Volkswagen AG has been the sole shareholder in Porsche Holding Stuttgart GmbH – which holds 100 per cent of the shares in Porsche AG – since 1 August 2012. There are control and profit transfer agreements in place between Porsche Holding Stuttgart GmbH and Porsche AG, as well as between Porsche AG and its major domestic subsidiaries. The group of companies consolidated under Porsche AG comprises a total of 110 fully consolidated companies, of which 27 have their headquarters in Germany and 83 in a foreign country.

Supplier origin 2019¹⁾

Suppliers of production materials



Suppliers of non-production materials



¹⁾ Based on the creditor's billing address.

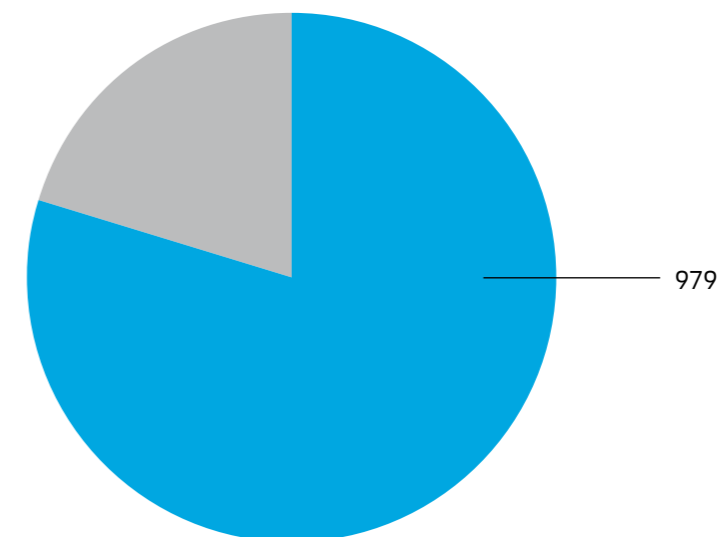
Expenditure for local suppliers at main business sites¹⁾

	2019	2018	2017
Proportion of allocated purchasing budget spent on local suppliers	97.5%	97%	98%

¹⁾ Suppliers are considered to be local if they are based in the EU. Zuffenhausen and Leipzig are considered the main business sites.

Production material suppliers with positive S rating in 2019 ✓

Number of suppliers of production material with positive S rating: 979 of 1,228



Key figures for environment and energy

Listed key figures relate to Porsche AG and Porsche Leipzig GmbH. The categorisation of "production sites" (Zuffenhausen and Leipzig including production-related external sites), "development sites" (Weissach including development-related external sites) and "other sites" (all additional sites) corresponds to the internal reporting relevant for control. A detailed description of the key figures can be found in the Porsche Newsroom: <https://newsroom.porsche.com/reports>.

Direct energy consumption according to primary energy sources in MWh ¹⁾	2019 ✓	2018	2017
Total	327,119	306,692	304,111
Production sites	248,820	229,354	225,218
Development site	64,437	61,926	62,556
Other sites	1,757	1,649	3,054
Fuel ²⁾	12,105	13,763	13,283

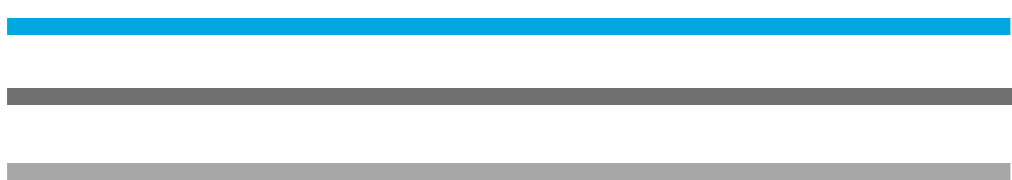
¹⁾ The direct energy consumption is comprised of gas, combustible gas for manufacturing processes, heating oil, special energy products and fuel.

²⁾ Conversion factor from litres to MWh: petrol \approx 8.72 kWh/l; diesel \approx 9.91 kWh/l.

Indirect energy consumption according to primary energy sources in MWh ¹⁾	2019 ✓	2018	2017
Total	380,428	353,726	339,200
Production sites	301,608	277,188	268,346
Development site	66,476	64,424	59,418
Other sites	12,344	12,114	11,436

¹⁾ The indirect energy consumption is comprised of electrical energy (featuring 100 per cent natural energy since 1 January 2019), distance heating, block heating stations and photovoltaic installations.

CO₂ emissions in t per car ¹⁾

2019		239
2018		246
2017		239

¹⁾ Energy consumption relates to the production sites.

Emissions in t of CO ₂ equivalent and significant air emissions in t	2019 ✓	2018	2017
Direct and indirect GHG emissions in t of CO₂ equivalent			
Total ✓	57,685	63,203	63,522
Production sites	42,123	45,548	45,557
Development site	14,412	14,500	14,752
Other sites	1,150	3,155	3,213
Direct (Scope 1) GHG emissions ✓	56,267	56,862	57,117
Indirect (Scope 2) GHG emissions ¹⁾ ✓	1,418	6,342	6,405
Other indirect GHG emissions in t of CO₂ equivalent			
Other indirect (Scope 3) GHG emissions ²⁾	64,513	58,491	54,338
Significant air emissions in t			
NO _x emissions ³⁾	42.67	38.96	39.25
SO _x emissions	0.45	0.41	0.41
Weight of volatile organic compounds (VOC) ✓	115.40	124.33	125.29
Weight of dust emissions	0.14	0.12	0.11

¹⁾ Significant drop in indirect GHG emissions as a result of switching to power drawn from renewable energy sources.

²⁾ The reported emissions figures refer to business travel, i.e. local rail transport, rental cars and planes.

³⁾ The reported NO_x emissions refer exclusively to production processes, not to Porsche vehicles.

Fresh water and waste water in m ³	2019 ✓	2018	2017
Water consumption (drinking water)	694,992	684,832	644,173
Volume of waste water	603,759	606,175	561,332

Volume of waste in t	2019 ✓	2018	2017
Total	23,995	23,154	22,788
Waste for recycling	22,220	21,573	21,088
Waste for disposal	1,775	1,581	1,690

Investments in environmental protection in €	2019	2018	2017
Total ¹⁾	35,640,000 ²⁾	40,427,000	39,092,000
Waste disposal	4,270,000	4,635,000	2,845,000
Emissions control	5,847,000	7,119,000	6,265,000
Remedy costs	2,070,000	2,943,000	4,266,000
Prevention	23,453,000	25,730,000	25,716,000

¹⁾ Investments made at the Stuttgart-Zuffenhausen, Weissach and Leipzig sites are factored into the calculation.

²⁾ Reduced total investment in environmental protection measures as a result of new or upgraded production facilities in the preceding years.

Key figures for personnel and social matters

Unless specified otherwise, the listed key figures relate to the Porsche AG Group (including subsidiaries).

A detailed description of the key figures can be found in the Porsche Newsroom: <https://newsroom.porsche.com/reports>.

Total workforce	2019 ✓	2018	2017
Total	35,429	32,325	29,777
of which Porsche AG ¹⁾	21,371	19,032	17,549
of which Porsche Leipzig GmbH ¹⁾	4,260	4,252	4,148
Region: Germany	31,690	28,764	26,506
Region: Europe (excluding Germany)	1,581	1,494	1,403
Region: North America	834	814	741
Region: Asia	1,021	974	868
Other regions (Australia, Latin America)	303	279	259

¹⁾ The employee figures presented correspond to reporting by regions within Germany (Porsche AG = Baden-Württemberg, Porsche Leipzig GmbH = Saxony).

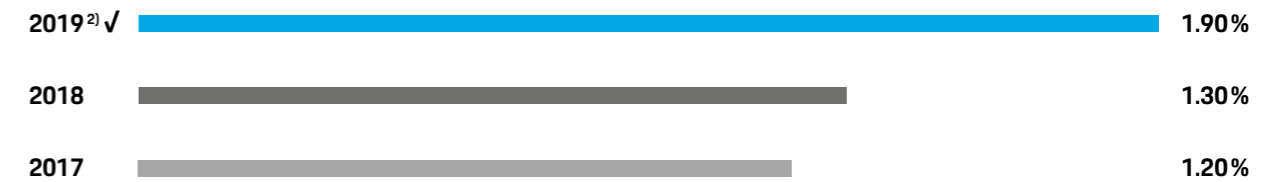
Employee structure	2019 ✓	2018	2017
Employees by gender			
Female	6,450	5,944	5,317
Male	28,979	26,381	24,460
Employees by type of employment ¹⁾			
Employees subject to wage agreements	31,075	28,220	25,911
Employees exempt from wage agreements and executive employees	4,354	4,105	3,866

¹⁾ Due to the equal payment and attractive framework conditions, the number of temporary employees has not been reported separately.

Proportion of foreign employees ¹⁾	2019	2018	2017
Porsche AG	13.7%	12.9%	12.7%
Porsche Leipzig GmbH	0.6%	0.6%	0.7%

¹⁾ We do not report on minorities, as we are not permitted to collect this data due to personality rights.

Employee turnover ¹⁾



¹⁾ Porsche's reporting on employee turnover is not broken down by age group, gender and region: this data is not of a material nature for the company, as it is not relevant for control. The reported figure does not include temporary employment contracts, retirements and partial retirements.

²⁾ Significant increase resulting from Group member companies.

Training programme participants	2019 ²⁾	2018 ¹⁾²⁾	2017 ¹⁾
Total number of participants	107,294	40,920	19,909
Female	20,056	7,809	3,458
Male	87,238	33,111	16,451
Distribution of participants by employee category			
Employees subject to wage agreements	87.3%	85.4%	93.1%
Employees exempt from wage agreements and executive employees	12.7%	14.6%	6.9%

¹⁾ The key figures relate to Porsche AG and Porsche Leipzig GmbH.

²⁾ The considerable increase in the number of participants is due to the introduction of the digital learning platform in 2018 and the intensification of digital learning modules.

Number of accidents, lost days and fatalities ¹⁾	2019 ✓	2018	2017
Accidents ²⁾	218	202	177
Lost days ³⁾	2,556	2,578	1,708
Fatalities	2	0	0

¹⁾ The key figures do not report data on employees from temporary employment agencies, third-party companies and independent contractors.

²⁾ List only includes accidents that were reported. Non-serious injuries resulting from minor accidents are not included in the report. Accidents not resulting in lost days (calendar days) count as minor accidents.

³⁾ Missed working days resulting from accidents reported in the reporting period are counted as lost days (usually Monday to Friday); the day of the accident is not included (≥ one lost calendar day).

Injury rates ¹⁾	2019 ✓	2018	2017
Porsche AG	6.1	5.8	5.1
Porsche Leipzig GmbH	4.6	5.9	6.7

¹⁾ Injury rate = accident frequency index: provides information on how frequently reported accidents have occurred within the company relative to the total of all hours worked. The calculation formula used as the basis is the number of reported work-related accidents times one million hours, divided by actual hours worked.

Donations made in € million	2019	2018 ¹⁾²⁾	2017 ¹⁾
	Approx. 4.6	Approx. 27.5	Approx. 4.8

¹⁾ The key figures relate to Porsche AG.

²⁾ Of this, external donations totalling 22 million euros in foundation assets for the Ferry Porsche Foundation, which was established in 2018.

Further information

The Supervisory Board

Emission and consumption information

GRI Content Index

Porsche AG Group – Brief overview

Independent Practitioner's Report

Shareholders

Dr Wolfgang Porsche

Diplom-Kaufmann
Chairman of the Supervisory Board

Dr Hans Michel Piëch

Lawyer

Hans-Peter Porsche

Engineer

Dr Ferdinand Oliver Porsche

Member of the Board of Management of Familie Porsche AG Beteiligungsgesellschaft

Dr Hans Peter Schützinger

Member of the Board of Management of Porsche Holding GmbH

Hans Dieter Pötsch

Chairman of the Executive Board of Porsche Automobil Holding SE
Chairman of the Supervisory Board of Volkswagen AG

Hiltrud Werner

Member of the Executive Board of Volkswagen AG
Functional Responsibility Integrity and Legal

Frank Witter

Member of the Executive Board of Volkswagen AG
Functional Responsibility Finance and IT

Gunnar Kilian

Member of the Executive Board of Volkswagen AG
Functional Responsibility Human Resources

Andreas Renschler

Member of the Executive Board of Volkswagen AG
Brand Group Truck & Bus
CEO Traton SE

Employee representatives

Werner Weresch

Deputy Chairman of the Supervisory Board
Chairman of the Works Council Zuffenhausen/Ludwigsburg/Sachsenheim
Chairman of the General and Group Works Councils of Porsche AG

Harald Buck

Member of the Works Council Zuffenhausen
Member of the General and Group Works Councils of Porsche AG

Wolfgang von Dühren

Head of International VIP & Special Sales Porsche AG

Akan Isik

Member of the Works Council Zuffenhausen
Member of the Group Works Council of Porsche AG

Björn Kallis

Trade Union Secretary of IG Metall Stuttgart

Knut Lofski

Chairman of the Works Council Porsche Leipzig
Member of the Group Works Council of Porsche AG

Carsten Schumacher

Chairman of the Works Council Weissach
Member of the General and Group Works Councils of Porsche AG

Jordana Vogiatzi

Director of Members and Finances of IG Metall Stuttgart

Barbara Vollert

Vice President Sales Europe Porsche AG

Sabine Zach

Trade Union Secretary of IG Metall
District management Berlin – Brandenburg – Saxony

Emission and consumption information

Model	Power output [kW]	Power [PS]	Fuel consumption (urban) [l/100 km]	Fuel consumption (extra-urban) [l/100 km]	Fuel consumption (combined) [l/100 km]	CO ₂ emissions (combined) [g/km]
718						
718 Cayman	220	300	11.3	6.2	8.1	186
718 Cayman PDK	220	300	10.8	6.2	7.9	180
718 Cayman T	220	300	11.3	6.3	8.1	186
718 Cayman T PDK	220	300	10.8	6.2	7.9	180
718 Cayman S	257	350	12.7	7.1	9.2	210
718 Cayman S PDK	257	350	11.8	6.5	8.5	193
718 Cayman GTS	269	365	12.8	7.1	9.2	210
718 Cayman GTS PDK	269	365	12.0	6.5	8.5	194
718 Cayman GTS 4.0	294	400	15.4	8.1	10.8	246
718 Cayman GT4	309	420	15.6	8.1	10.9	249
718 Boxster	220	300	11.3	6.3	8.1	186
718 Boxster PDK	220	300	10.8	6.2	7.9	180
718 Boxster T	220	300	11.3	6.3	8.2	187
718 Boxster T PDK	220	300	10.8	6.2	7.9	181
718 Boxster S	257	350	12.7	7.1	9.2	210
718 Boxster S PDK	257	350	11.8	6.5	8.5	194
718 Boxster GTS	269	365	12.8	7.1	9.2	210
718 Boxster GTS PDK	269	365	12.0	6.5	8.5	195
718 Boxster GTS 4.0	294	400	15.4	8.1	10.8	246
718 Spyder	309	420	15.6	8.1	10.9	249
911 (992)						
911 Carrera	283	385	11.2	7.7	9.0	206
911 Carrera 4	283	385	13.2	6.8	9.2	210
911 Carrera Cabriolet	283	385	11.4	7.9	9.2	210
911 Carrera 4 Cabriolet	283	385	13.2	6.9	9.2	211
911 Carrera S	331	450	10.7	7.9	8.9	205
911 Carrera 4S	331	450	11.1	7.8	9.0	206
911 Carrera S Cabriolet	331	450	11.6	7.6	9.1	208
911 Carrera 4S Cabriolet	331	450	11.1	7.8	9.0	207
911 (991 II)						
911 Carrera GTS PDK	331	450	11.2	7.4	8.8	201
911 Carrera GTS Cabriolet PDK	331	450	11.2	7.5	8.8	202
911 Carrera 4 GTS PDK	331	450	11.7	7.2	8.9	203
911 Carrera 4 GTS Cabriolet PDK	331	450	12.3	7.2	9.1	207
911 Targa 4 GTS PDK	331	450	12.3	7.2	9.1	207
911 Speedster	375	510	20.6	9.9	13.8	317
911 GT3 RS	383	520	19.0	9.8	13.2	303
Macan PA						
Macan	180	245	9.5	7.3	8.1	185
Macan GTS	280	380	12.1	8.0	9.6	218
Macan S	260	354	11.3	7.5	8.9	204
Macan Turbo	324	440	12.2	8.4	9.8	224
Panamera (G2)						
Panamera 4	243	330	11.1–11.0*	6.9	8.4	194–192*
Panamera 4 Executive	243	330	11.3	7.1	8.7–8.6*	199–197*
Panamera 4 Sport Turismo	243	330	11.4–11.3*	7.3–7.2*	8.8–8.7*	201–200*
Panamera 4S	324	440	10.8	6.9	8.3	191–190*
Panamera 4S Executive	324	440	10.9	7.1	8.5	196–194*
Panamera 4S Sport Turismo	324	440	11.0–10.9*	7.4–7.3*	8.7–8.6*	199–198*
Panamera GTS	338	460	14.6	7.8	10.3	235
Panamera GTS Sport Turismo	338	460	14.6	8.2	10.6	242
Panamera Turbo	404	550	14.4	8.1	10.4	238
Panamera Turbo Executive	404	550	14.7	8.2	10.6	242
Panamera Turbo Sport Turismo	404	550	14.7	8.3	10.6	243

Model	Power output [kW]	Power [PS]	Fuel consumption (urban) [l/100 km]	Fuel consumption (extra-urban) [l/100 km]	Fuel consumption (combined) [l/100 km]	CO ₂ emissions (combined) [g/km]
Cayenne (E3)						
Cayenne	250	340	11.4–11.3*	7.9–7.8*	9.2–9.1*	210–207*
Cayenne Coupé	250	340	11.7–11.6*	8.0–7.9*	9.4–9.3*	215–212*
Cayenne S	324	440	11.5–11.3*	8.1–8.0*	9.4–9.2*	215–211*
Cayenne S Coupé	324	440	11.5–11.4*	8.2–8.0*	9.4–9.2*	216–212*
Cayenne Turbo	404	550	15.3–14.8*	9.4–8.9*	11.4–11.3*	261–258*
Cayenne Turbo Coupé	404	550	15.3–14.8*	9.4–9.0*	11.4–11.3*	261–258*

Plug-in hybrids

Model	Power output [kW]**	Power [PS]**	Power consumption [kWh/100 km]	Fuel consumption (combined) [l/100 km]	CO ₂ emissions combined [g/km]
Panamera (G2)					
Panamera 4 E-Hybrid	340	462	16.1–16.0*	2.7–2.6*	62–60*
Panamera 4 E-Hybrid Executive	340	462	16.1–16.0*	2.7–2.6*	62–61*
Panamera 4 E-Hybrid Sport Turismo	340	462	16.2–16.1*	2.9–2.8*	66–64*
Panamera Turbo S E-Hybrid	500	680	16.0	3.3	74
Panamera Turbo S E-Hybrid Executive	500	680	16.0	3.3	74
Panamera Turbo S E-Hybrid Sport Turismo	500	680	18.1	3.3	76
Cayenne (E3)					
Cayenne E-Hybrid	340	462	18.5–17.6*	3.2–3.1*	74–70*
Cayenne E-Hybrid Coupé	340	462	18.7–17.7*	3.2–3.1*	75–72*
Cayenne Turbo S E-Hybrid	500	680	19.6–18.7*	3.9–3.7*	90–85*
Cayenne Turbo S E-Hybrid Coupé	500	680	19.6–18.7*	3.9–3.7*	90–85*

BEV

Model	Power output [kW]**	Power [PS]**	Power consumption [kWh/100 km]	CO ₂ emissions combined [g/km]
Taycan				
Taycan 4S	320	435	24.6	0
Taycan 4S with Performance battery Plus	360	490	25.6	0
Taycan Turbo	460	625	26.0	0
Taycan Turbo S	460	625	26.9	0

*Range depending on the tyre set used.

**Overall system performance.

Current consumption values can be found at <https://www.porsche.com/germany/verbrauchsinformationen/>



This report was prepared in accordance with the Core option of the GRI Standards. The report was available to the GRI Services Team for the performance of the GRI Materiality Disclosures Service, which confirmed the correct presentation of the materiality-related disclosures (102-40 to 102-49). The service was performed on the German language version of the report.

A detailed version of the GRI Content Index is available in the Porsche Newsroom: www.newsroom.porsche.com/reports.

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		FY 2019	FY 2018	FY 2017
Deliveries	Units	280,800	256,255	246,375
911	Units	34,800	35,573	32,204 ¹⁾
718 Boxster/Cayman	Units	20,467	24,750	25,114
Macan	Units	99,944	86,031	97,202
Cayenne	Units	92,055	71,458	63,913
Panamera	Units	32,721	38,443	27,942
Taycan	Units	813	–	–
Production ²⁾	Units	274,463	268,691	255,683
911	Units	37,585	36,236	33,820
718 Boxster/Cayman	Units	19,263	23,658	26,427
Macan	Units	89,744	93,953	98,763
Cayenne	Units	95,293	79,111	59,068
Panamera	Units	31,192	35,493	37,605
Taycan	Units	1,386	240	–
Employees ³⁾	number	35,429	32,325	29,777
Personnel expenses	€ million	4,003	3,613	3,200
Financials				
Sales revenue	€ million	28,518	25,784	23,491
Total assets	€ million	42,366	38,159	35,019
Equity	€ million	17,428	16,477	15,200
Fixed assets	€ million	17,982	16,099	14,404
Investment ⁴⁾	€ million	2,993	3,157	3,099
Cost of materials	€ million	15,956	14,844 ⁵⁾	13,665
Depreciation, amortization and impairment losses	€ million	3,044	2,567	2,276
Cash flows from operating activities	€ million	4,486	3,845	4,069
Operating profit (EBIT)	€ million	3,862	4,289	4,144
Operating profit (EBIT) before special items	€ million	4,397	4,289	4,144
Profit before tax ⁶⁾	€ million	4,054	4,552	4,046
Profit after tax ⁶⁾	€ million	2,801	3,118	3,016

¹⁾ Including the 918 Spyder.

²⁾ From FY 2019 onwards without pre-production vehicles.

³⁾ As of 31 December.

⁴⁾ Relates to investments in intangible assets and property, plant and equipment without additions to right of use assets according to the new accounting standard "IFRS 16 – Leases".

⁵⁾ Prior year was adjusted.

⁶⁾ The prior-year figures (FY 2017) were restated due to the initial application of new accounting standard "IFRS 9 – Financial Instruments".

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Independent Practitioner's Report on a Limited Assurance Engagement on Sustainability Information¹⁾

To Dr. Ing. h.c. F. Porsche AG, Stuttgart

We have performed a limited assurance engagement on the disclosures denoted with "✓" in the Annual and Sustainability Report of Dr. Ing. h.c. F. Porsche AG, Stuttgart (hereinafter: "the Company"), for the period from 1 January 2019 to 31 December 2019 (hereinafter: "Report"). Our engagement in this context relates solely to the disclosures denoted with the symbol "✓".

Responsibilities of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Report in accordance with the principles stated in the Sustainability Reporting Standards of the Global Reporting Initiative (hereinafter: "GRI-Criteria") and for the selection of the disclosures to be evaluated.

This responsibility of Company's executive directors includes the selection and application of appropriate methods of sustainability reporting as well as making assumptions and estimates related to individual sustainability disclosures, which are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal control as they have considered necessary to enable the preparation of a Report that is free from material misstatement whether due to fraud or error.

Independence and Quality Control of the Audit Firm

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the Standard on Quality Control 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality control for audit firms (IDW Qualitätssicherungsstandard 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis - IDW QS 1) – and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibility

Our responsibility is to express a limited assurance conclusion on the disclosures denoted with "✓" in the Report based on the assurance engagement we have performed.

Within the scope of our engagement we did not perform an audit on external sources of information or expert opinions, referred to in the Report.

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to allow us to conclude with limited assurance that nothing has come to our attention that causes us to believe that the disclosures denoted with "✓" in the Company's Report for the period from 1 January 2019 to 31 December 2019 has not been prepared, in all material aspects, in accordance with the relevant GRI-Criteria.

In a limited assurance engagement, the assurance procedures are less in extent than for a reasonable assurance engagement and therefore a substantially lower level of assurance is obtained. The assurance procedures selected depend on the practitioner's judgment.

Within the scope of our assurance engagement, we performed amongst others the following assurance procedures and further activities:

- Obtaining an understanding of the structure of the sustainability organization and of the stakeholder engagement
- Inquiries of personnel involved in the preparation of the Report regarding the preparation process, the internal control system relating to this process and selected disclosures in the Report
- Identification of the likely risks of material misstatement of the Report under consideration of the GRI-Criteria
- Inspection of relevant documents and inquiries of personnel regarding the materiality process and the preparation of the materiality matrix, the selected management approaches as well as the data collection and consolidation processes of the selected indicators as well as the internal control system relating to these processes

- Evaluation of the implementation of central management requirements, processes and specifications regarding data collection through on-site visits at selected sites of the Company:
 - Dr. Ing. h.c. F. Porsche AG, Stuttgart
 - Porsche Leipzig GmbH, Leipzig
 - Dr. Ing. h.c. F. Porsche AG, Rutesheim
- Inspection of additional documents and related systems
- Analytical evaluation of selected disclosures in the Report
- Evaluation of the presentation of the selected disclosures regarding sustainability performance

Assurance Conclusion

Based on the assurance procedures performed and assurance evidence obtained, nothing has come to our attention that causes us to believe that the disclosures denoted with "✓" in the Company's Report for the period from 1 January 2019 to 31 December 2019 have not been prepared, in all material aspects, in accordance with the relevant GRI-Criteria.

Intended Use of the Assurance Report

We issue this report on the basis of the engagement agreed with the Company. The assurance engagement has been performed for purposes of the Company and the report is solely intended to inform the Company as to the results of the assurance engagement. The report is not intended to provide third parties with support in making (financial) decisions. Our responsibility lies solely toward the Company. We do not assume any responsibility towards third parties.

Frankfurt, 28 February 2020

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Nicolette Behncke, Wirtschaftsprüferin
(German Public Auditor)
ppa. Mirjam Kolmar

¹⁾ PricewaterhouseCoopers GmbH has performed a limited assurance engagement on the German version of the Annual and Sustainability Report 2019 of Dr. Ing. h.c. F. Porsche AG and issued an independent assurance report in German language, which is authoritative. The following text is a translation of the independent assurance report.

Legal notice

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