Augmented reality makes the fascination of Porsche an even more intense experience. Simply download the Porsche Newsroom app from the App Store or Google Play, select the augmented reality function in the menu and look out for the labels SCAN THIS CHART and SCAN THIS PAGE. View the labelled tables, diagrams and pages on the screen of your smartphone or tablet — and bring the content to life.

Performance.

Annual and Sustainability Report of Porsche AG 2017
You have before you two volumes: Perspective is intended to inspire, stimulate and motivate you – to confront, challenge and familiarise you with the topics and theories that an automotive company like Porsche must address in times of industrial system upheaval.

What will identity mean in future? This is the overriding question which Porsche already has to consider today. Alongside inspiration is information – about Porsche’s philosophy in the interplay between digitalisation, connectivity and electrification.

Volume Two is entitled Performance. It contains all the events of the 2017 financial year. Here, you can find developments, summaries, explanations, key figures – and the documentation of Porsche’s overarching sustainability commitment in all its aspects.

As different as the two volumes are, they have one thing in common: communication on various levels. In keeping with this, some articles offer the possibility of augmented reality. You can find references to this on the relevant pages – as well as some surprises.

Living sustainably is an overarching strategic target for Porsche. For us, economic success, ecological awareness and social responsibility are not contradictions. On the contrary, when combined, they form a whole which defines the company’s attitude.

Economic success distinguishes Porsche – as does social compatibility. Precisely as a manufacturer of exclusive, high-performance sports cars, Porsche regards itself as being obliged to enhance the acceptance of the company and its products worldwide by means of socially and ecologically responsible action. Responsible action which benefits not only the company but also the environment and society is not just in line with the expectations of customers, business associates or investors; it also has great significance for ensuring competitiveness.

That’s why Porsche is combining the Financial and Sustainability Report. We are sending out a message by doing this – namely that the two topics are inseparably connected.

Economic power, innovative vehicles, customer orientation, environmental protection and employee responsibility – Porsche sets the highest standards, and aims at continual and long-term improvement in all these areas.
Dear Sir or Madam,

Porsche, once again, exceeded itself in the financial year just ended. The number of vehicles delivered beat 2016’s previous record number by four per cent. At the same time, the operating profit increased to 4.14 billion euros. Despite significant investments, our profit – at 17.6 per cent – continues to be among the best in the automotive industry. We have also never had as many people working for our company as now.

Seventy years after the first Porsche sports car was created, and at the threshold of a new era in automobile development, we are combining tradition with innovation. We are putting uncompromising sportiness onto the road, together with the benefits of new technology. We are adapting the power of our history to fulfill the requirements of future individual mobility.

In the last financial year, we continued to solidify our foundation for value-creating growth as part of the Porsche Strategy 2025. Our industry is reinventing itself. And, to a certain extent, so is Porsche. The electrification of our drive systems is just one dimension. The digital changeover goes much deeper than that. It affects the way in which cars will be used in the future, how we will control development and production, how we will work with suppliers, interact with customers and open up new business opportunities and markets.

Porsche is developing itself, from a manufacturer of exclusive sports cars into a leading provider of digital mobility solutions in the premium segment of automobile manufacture. With Porsche Digital, our lab in Berlin, and the innovation platform Startup Autobahn, for example, we are encouraging our employees to unleash their creativity and open ourselves up to new ideas from newly formed companies from around the world. The joint venture IONITY, which has Porsche and Audi as partners representing the Volkswagen Group, is working on putting in place a network of powerful quick-charging stations along Europe’s main traffic arteries by 2020.

Economic success is inseparable from ecological and social responsibility. We, too, must be measured by the effects of our activities on the entire value chain, the environment and society. In future, we want to set ourselves apart from the competition not only through more innovation, but with the benefits of new technology. We are adapting the power of our history to fulfill the requirements of future individual mobility.

Among the highlights of the last financial year were the millionth 911, which drove off the production line in May. The 911 is the epitome of a series-production sports car, a style icon and both the face and heart of the Porsche brand. New 911 GT3 variants, the pure driving machines 911 GT3 RS and 911 GT3, the 911 Turbo S Exclusive Series and the GTS models 718 Boxster and Cayman as well as the 911 Carrera T – all these powerful, uncompromising sports cars are the vibrant and ageless expression of the fascination that is Porsche. While the new Cayenne – now in its third generation and comprehensively digitalised and networked – is the epitome of a sporty and yet day-to-day SUV. With the new Panamera Sport Turismo, we are adding another body variant to the successful model line. And, with the Panamera Turbo S E-Hybrid, we are for the first time positioning a plug-in hybrid as the top model in a model line, thus underlining the key importance of electromobility.

Porsche and electromobility fit together perfectly. We are working consistently on the hybridisation of our fleet. And, in Zuffenhausen, we are preparing for production of the brand’s first purely battery-driven sports car. By 2019, around a billion euros will have been invested in the Mission E project. This project involves the emergence of a completely new plant at our headquarters in Zuffenhausen – a factory within the factory. Our goal is CO₂-neutral manufacturing. Derivatives of the Mission E are already conceivable, and we are also planning additional purely electric vehicles.

A reorganisation of motor racing is taking shape as a result. From 2019, Porsche will enter its own works team into Formula E. Conversely, we have ended our LMP1 involvement in the FIA World Endurance Championship after capturing our third manufacturer and driver titles in a row and our 19th overall victory in Le Mans. Formula E is, for us, the ultimate competitive environment in which to promote the development of high-performance vehicles with regard to environmental friendliness, efficiency and sustainability. At the same time, we are strengthening our involvement in the GT Class.

Motor racing is part of our identity. Sporting ambition is what has driven Porsche engineers right from the beginning. For seven decades, the race track has been the unforgiving test platform that sports-car technology needs. Electrification, digitalisation and connectivity determine how, when, where and with what means we will all get around in future. One thing remains: there is a racing car in every Porsche.

Yesterday. Today. Tomorrow.

The Executive Board of Porsche AG
Order of Merit for Uwe Hück

Uwe Hück, chairman of the general and Group Works Council, received the Order of Merit (Verdienstkreuz am Bande) of the Federal Republic of Germany in January for his outstanding commitment. He was congratulated by Winfried Kretschmann, Minister President of the Federal Republic of Germany in January for his outstanding commitment. He was congratulated by Winfried Kretschmann, Minister President of the Hesse, and by numerous representatives of the state government.

Uwe Hück embodied reliability – in words of Chairman of the Executive Board Oliver Blume, “Uwe Hück embodies reliability – a tough negotiator but always works for the good of the company and the employees.”

Contract with Lutz Meschke extended

At the close of 2016 the Supervisory Board re-appointed Lutz Meschke, Deputy Chairman of the Executive Board and Member of the Executive Board Finance and IT, for another five years. Meschke has been a member of the Porsche Executive Board since 2009, and its deputy chairman since 2015. Supervisory Board Chairman Dr Wolfgang Porsche praised Meschke’s work toward ensuring sustainably high profitability.

The figures for fuel consumption, energy consumption and CO₂ emissions are found on pages 128–129.

IMPORTANT EVENTS

NEW TRAINING CENTRE IN LEIPZIG

First Porsche site on Sylt

Porsche opened its first site on the island of Sylt in April. Part of a new sales strategy, it includes a showroom, the Porsche Drive rental service, products from Porsche Design and Porsche Driver’s Selection, automotive consulting and a small workshop. Part of the site’s 500 square-metre area will be used to present a changing series of exhibitions.

Trainees at the new training centre in Leipzig are being taught as mechatronics service specialists. A dual work-study program will also be offered in mechanical engineering for the first time.

Porsche Design Group

Porsche Design Group became a wholly owned subsidiary in April. Porsche AG acquired 95 per cent of the shares of Porsche Lizenz- und Handelsgesellschaft mbH & Co. KG (Porsche Design Group) from a holding company owned by the Porsche family. Porsche had already owned the remaining 5 per cent of shares. Porsche Design is a premium lifestyle brand founded in 1972 by Professor Ferdinand Alexander Porsche.

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The Panamera Sport Turismo, Panamera Turbo S E-Hybrid and the new 911 GT3 celebrated their world premieres at the Geneva Motor Show in March. The Panamera Turbo S E-Hybrid was another highlight and the first plug-in hybrid to be positioned at the top of a Porsche model line.

Performance – Important events

Porsche and Microsoft on the gamepad

Porsche entered into a six-year partnership with Microsoft in virtual racing and electronic games at the New York International Auto Show in April. It will give Porsche a higher profile in the “Forza Motorsport” and “Forza Horizon” series of racing games. This partnership centre around the growing field of eSports, which are contests played out in virtual settings.

Deciduous forests for clean drinking water

Promoting mixed forests over coniferous monocultures: some 5,000 sessile oak trees were planted on 1.5 hectares of land between Rutesheim and Weissach in April. These young trees replaced a spruce forest that had been damaged by storms. Deciduous forests generate an average of 600,000 litres more ground-water per hectare than coniferous monocultures – year after year, for generations. Porsche is thereby supporting a project from the Trinkwasser e.V. association. Another tree-planting event followed in Ludwigsburg in autumn.
Drama at the 24 Hours of Le Mans

Earl Bamber, Timo Bernhard and Brendon Hartley in the Porsche 919 Hybrid battled back from 56th place and 18 laps behind to win and claim Porsche’s 19th overall victory.

19th overall victory for Porsche in Le Mans

Dramatic finish to the 24 Hours of Le Mans in June: Earl Bamber, Timo Bernhard and Brendon Hartley battled back from 56th place and 18 laps behind to take first place overall in a Porsche 919 Hybrid. This is the 19th overall victory in Le Mans for record-holder Porsche, and the third in a row. And any team winning the toughest race in the world three times in succession is allowed to keep the challenge cup.

GT2 RS: world premiere in Goodwood

The 911 GT2 RS – the fastest and most powerful 911 of all time – entered the Festival of Speed in Goodwood (UK). This high-performance sports car has a bi-turbo flat engine that lets it accelerate from zero to 100 km/h in 2.8 seconds. It set a new record for road-authorised sports cars on the Nürburgring-Nordschleife (north loop) with a time of 6:47.3 minutes.

Gewandhaus Leipzig and Stuttgart Ballet

Porsche extended its contract with Gewandhaus Leipzig in June and will support the popular “Klassik aileiben” series of open-air concerts in Rosental for another three years. The company has been a “global partner” of the Gewandhaus Orchestra since 2011. It also extended its contract with the Stuttgart Ballet for three more years. Porsche has been the main sponsor of the Stuttgart Ballet since 2012.

Nardò Technical Centre

Fabio Barsotti became Managing Director of the Nardò Technical Centre in Apulia (Italy) in June. The testing and proving grounds have been operated since 2012 by the Porsche Engineering Group GmbH in Weissach, a wholly owned subsidiary of Porsche AG.

Porsche received top marks from the J.D. Power quality study in June once again, with honours for the 911, Macan and the Leipzig plant. The US-based market research institute’s “Initial Quality Study” gave the 911 the number-one ranking in its segment for the sixth time in a row. The Macan also built on previous successes to take the top position in its segment for the third successive time. In the factory category for Europe/Africa, Porsche’s Leipzig plant took first place and the Gold Award.

Innovation campaign in Israel

Porsche opened an “innovation office” in Tel Aviv in June to identify technological trends and recruit talent. Israel has more start-ups per capita than any other country in the world. Porsche is also investing an eight-figure sum in the Magma and Grove venture capital funds. Magma Ventures concentrates on artificial intelligence and the automotive sector. It is considered one of Israel’s leading funds, with investments in successful start-ups like Waze and a portfolio of 600 million US dollars. Grove Ventures is a capital company with a volume of 100 million US dollars. It focuses on early-stage technologies in the Internet of Things (IoT), the cloud and artificial intelligence.

Gerd Rupp now head of the Leipzig plant

Gerd Rupp became Chairman of the Executive Board of Porsche’s Leipzig plant on 1 July. He succeeds Siegfried Bölow, who built and developed the production site over the 17 years of his directorship. Before coming to Leipzig, Rupp spent seven years as the director responsible for tool construction for the Volkswagen brand in Wolfsburg after working for Audi AG in Ingolstadt and Barcelona. Siegfried Bölow stepped down due to reaching retirement age.

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Minister President tours production

Winfried Kretschmann, Minister President of the State of Baden-Württemberg, praised the new engine plant in Zuffenhausen on a visit in July. “The newly built engine plant is exemplary in many respects,” he said. “The prudent and forward-looking management of inner-city spaces fosters sustainability, and the involvement of nearby residents shows transparency. These are all important steps toward becoming a role model for climate-friendly mobility.” Kretschmann was also given his first view of pilot production for Porsche’s electric drives.

Things (IoT), the cloud and artificial intelligence.

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Porsche appeal for US customers

In July Porsche took first place in the overall rankings of the “Automotive Performance, Execution and Layout Study” (APEAL) from the US-based J.D. Power market research institute for the 13th time in a row. It remains the automotive brand with the greatest appeal for drivers in the US. The 911, Cayenne and Macan also took top honours in their categories. The survey asked more than 69,000 owners of new cars to evaluate 243 models from 33 carmakers in ten categories. In addition to driving dynamics and design, the criteria included everyday practicality and comfort.

Recall for around 21,500 Cayenne Diesels

In agreement with the German Federal Motor Transport Authority (KBA), Porsche recalled Cayenne 3.0-litre V6 diesel cars in the EU6 emissions class. During internal investigations, the company found irregularities in the engine control software and actively passed on these findings to the KBA. A software update in connection with a recall was agreed upon with the transport authority. This affects around 21,500 cars made from 2014 to 2017 in Europe, including 6,000 in Germany. Porsche is bringing the cars to workshops for the free software update.

Porsche plans to enter Formula E

In July Porsche announced plans to enter a factory team in the Formula E championship for the 2019/20 season. The entry is based on the company’s Strategy 2025: “Mission E”. Among other things, Porsche will focus on a combination of purist GT cars and fully electric sports cars like the first purely battery-powered Mission E.

New engines, a new chassis, an innovative operating concept and greater connectivity all feature in the new Cayenne presented by Porsche in Zuffenhausen in August. The third generation is a completely newly developed version of this successful car which boasts sales of over 770,000 since 2002. It will offer even greater typical Porsche performance and design, the criteria included everyday practicality and comfort.

World premiere of the new Cayenne

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Logistics of the future: fully electric

Porsche Leipzig launched the eJIT project in August. Its three-year pilot phase will test a logistics truck with a fully electric drive on the route between the logistics centre and the assembly supply centre. Porsche is the first carmaker in Europe to use this fully electric 40-tonne vehicle that can also run on motorways.

World premiere at the IAA: 911 GT3 with Touring Package

Two cars celebrated world premieres at the International Motor Show in Frankfurt am Main (IAA). The 911 GT3 with Touring Package joins the ranks of Porsche’s purist high-performance sports cars. It is designed for fans of high-calibre sports cars who have a strong predilection for understatement and classic driving pleasure. The new Cayenne Turbo is the flagship of its model line. This newly developed member of the Cayenne’s third generation raises the standard for sports-oriented performance in its segment even higher.

Porsche Financial Services

Holger Peters and Jörg Pape joined long-standing company heads Albert Moser and Konrad Riedl on the Management Board of Porsche Financial Services GmbH. Their appointments are the result of strong growth and as well as strategic challenges related to digitalisation and greater internationalisation.

Public transport pass to Weissach

Together with the Pforzheim-Enzkreis public transit authority (VPE) Porsche has developed a new “Jobticket” pass for employees at the Weissach Development Centre which is comparable to that for the Stuttgart public transit association (VVS). Introduced in September, the pass costs 46 euros a month and is valid for unlimited travel throughout the entire VPE network. Porsche pays a 10-euro subsidy per employee per month.

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Porsche Cars North America is running a pilot programme to test the Porsche Passport. It offers flexible access to Porsche cars via a mobile app. With two membership packages, Porsche Passport makes first-class cars available to users in the Atlanta metropolitan area.

In November the BMW Group, Daimler AG, Ford Motor Company and the Volkswagen Group, through Audi and Porsche, launched the IONITY joint venture to build a high-power charging network for electric vehicles in Europe.

Porsche wins third successive world title
Porsche crowned the career of the 919 Hybrid in November with its third manufacturers’ title in a row. Second- and third-place finishes at the 6 Hours of Shanghai race enabled it to clinch the title after eight of the nine races in the FIA World Endurance Championship (WEC). Earlier in the season the car had won not only Le Mans but also the races on the Nürburgring, in Mexico City and in Austin.

Four-car world premiere in Los Angeles
Porsche celebrated world premieres for four sports cars at the Los Angeles Auto Show in late November. The Panamera Turbo S E-Hybrid Sport Turismo, 718 Boxster GTS and 718 Cayman GTS are now the flagships of their respective model lines, while the 911 Carrera T is a purist lightweight car. The new generation of the Cayenne was also introduced to the US in Los Angeles.

Contracts extended
In December the Porsche Supervisory Board reappointed Detlev von Platen, Member of the Executive Board for Sales and Marketing, and Andreas Haffner, Member of the Executive Board for Human Resources and Social Affairs, each for five years. Von Platen joined the Porsche Executive Board in November 2015, and Haffner in October 2015. Supervisory Board Chairman Dr Wolfgang Porsche praised their work in introducing the new generation of the Panamera onto international markets and ensuring the future of the Zuffenhausen site through the building of production facilities for Porsche’s first fully electric sports car.

Porsche mourns Peter W. Schutz
Former Chairman of the Porsche Executive Board Peter W. Schutz passed away on 29 October at the age of 87. He is remembered at Porsche not only for preserving the iconic 911 sports car but also for successfully introducing the 911 Cabriolet to the US-American market. The Porsche model range became more attractive under his leadership, and he also set the company on a new strategic course.

Porsche celebrates world premieres
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Performance – Important events

The figures for fuel consumption, energy consumption and CO₂ emissions are found on pages 128–129.

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In late October to adjust emissions for cars with 3.0-litre V6 TDI engines. This will enable more than 38,000 cars with “Generation 2.1” and “Generation 2.2” 3.0-litre V6 TDI engines to meet the emissions standards they were originally certified for. This involves 11,500 Porsche Cayenne V6 diesel cars in the US.

Porsche launches IONITY high-power charging network
In November the BMW Group, Daimler AG, Ford Motor Company and the Volkswagen Group, through Audi and Porsche, launched the IONITY joint venture to build a high-power charging network for electric vehicles in Europe.

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Porsche’s Zuffenhausen headquarters was transformed into a sport arena on 17 September. More than 3,000 employees ran a 911-metre circuit for six hours to raise money for charity. For each lap completed, Porsche AG donated five euros to charity organisations in the Stuttgart region. Employees completed 26,033 laps, which earned a total of 185,000 euros for the Ölgiä Foundation, the Stuttgart Children’s and Youth Hospice, Stuttgart’s Mobile Youth Services, Stuttgart Jugendhaus gGmbH and the Gustav Werner School in Zuffenhausen. The sum includes a generous contribution from the Porsche AG board.
The world economy recorded GDP growth of 3.2 per cent in 2017 (2016: 2.5 per cent).
Economic momentum picked up in both the advanced economies and in emerging markets.

BUSINESS PERFORMANCE

Dynamic global economy
The world economy recorded GDP growth of 3.2 per cent in 2017 (2016: 2.5 per cent). Economic momentum picked up in both the advanced economies and in emerging markets. In Western Europe, GDP growth rose slightly throughout the year compared with the previous year, hitting 2.1 per cent (2016: 1.8 per cent). Uncertainty was caused by the UK’s Brexit negotiations with the European Union, the outcome of which, as well as the future shape of the relationship between the UK and EU, remain unclear. In Germany, consumer optimism and a buoyant labour market helped push up growth in GDP compared with the previous year (2017: 2.5 per cent; 2016: 1.9 per cent).
The US economy grew by 2.2 per cent, also a sharper rise than in the previous year (1.5 per cent). This growth was largely driven by private consumption. The US dollar was somewhat weaker than in the previous year. In Brazil, the reporting year saw the economy climb out of its trough of the previous year. Economic output increased by 0.9 per cent after a 3.6 per cent decrease in 2016. Nevertheless, political uncertainty is one factor that continues to weigh heavily on what is South America’s largest national economy. The Chinese economy grew by 6.9 per cent in 2017 (2016: 6.7 per cent).
In 2017, the global automotive market expanded by 2.9 per cent to 93.5 million vehicles. While Asia-Pacific, South America and western and eastern Europe experienced greater demand, performance in North America was somewhat weaker than in the previous year. In Western Europe, new vehicle registrations increased by 2.5 per cent to 14.3 million vehicles, the highest level in a decade. In Germany, an additional 3.4 million units came on to the road, a rise of 2.7 per cent. Alongside the healthy economic situation as a whole, this increase can be attributed to price discounts in the form of a switching premium for older diesel models and an environmental bonus for electric vehicles. Demand in Italy (+6.1 per cent) and Spain (+7.7 per cent) benefitted from drivers seeking to replace older vehicles and from a significant expansion of sales to commercial customers. France recorded growth of 4.8 per cent while sales in the United Kingdom were 5.7 per cent down on the previous year.
Sales of 20.8 million passenger cars and light commercial vehicles up to 6.35 tonnes in North America equated to a 1.4 per cent fall compared with the record level of 2016.
Demand in the US market fell by 1.8 per cent to 17.2 million vehicles in 2017. A healthy employment situation and incentives offered by vendors were not enough to stem the downward trend. Nevertheless, SUVs and pick-ups proved very popular, recording growth of 5.7 per cent. Sales of traditional passenger cars shrank by 10.9 per cent. The Canadian automotive market expanded by 4.6 per cent to 2 million vehicles. In South America, there was a significant 12.6 per cent increase in demand for passenger vehicles and light commercial vehicles to 4.2 million units, albeit from a low base. The Brazilian market recorded growth again for the first time after four years of falling registrations, with an increase of 9.4 per cent to 2.2 million vehicles. The market volume in the Asia-Pacific region in 2017 grew by 4.7 per cent to 97 million units. The most important growth market was China which expanded by 4.5 per cent to 29.9 million vehicles.

Record year
Porsche enjoyed another record year in 2017. Its success has been based on an attractive product range and excellent customer service. Porsche has the sportiest vehicles in every segment in which the brand is represented, and has added further highlights to its portfolio in the past year.
In total, 246,375 new vehicles were handed over to customers in 2017, more than in any other single year in Porsche’s history. Year-on-year growth amounted to four per cent. The major contributor was the new Panamera, sales of which almost doubled in 2017. The new mid-engine sports cars also left their mark – the 718 Boxster and Cayman models were very well received on the market with 25,114 deliveries worldwide, comfortably surpassing the previous year’s figures.
High demand for the Macan and Cayenne SUV models, which remained the two most popular model lines in 2017, once again shows Porsche’s strong position as a sports-car maker in this segment. 63,913 deliveries of the Cayenne were recorded. This very high level of deliveries was achieved despite the change in model. The Macan was once again Porsche’s most popular series in 2017, recording 97,202 deliveries. Hybrid models were also in high demand: the global share of hybrid vehicles performed well in comparison with the previous year. This success is primarily owed to the strong market demand for the sporty e-hybrid models of the new Panamera, the hybrid version of which more than doubled its share of global sales to 17 per cent.
For the second time in succession, China was the strongest sales region; the 71,508 vehicles sold there represented an increase of 10 per cent compared with the previous year.

**America**

**US: new record results**
Porsche delivered 65,240 vehicles to customers in the United States in the reporting year. This is the eighth year in a row that Porsche has beaten its previous year’s record. The growth from 2016 to 2017 was two per cent. The Macan once again claimed top spot among Porsche’s models, with 21,429 units sold. The Panamera sold 6,731 units, representing a hefty increase of 53 per cent. The 911 hit the previous year’s level of 8,970 units (actually up one per cent). And customers received the keys to 13,203 Cayenne cars. Deliveries of the 718 Boxster and Cayman mid-engine sports cars amounted to 5,087 units. In addition to demand for the sports cars, the US market showed great appreciation for the Porsche Experience Centres in Atlanta and in Los Angeles, which welcomed excellent combined visitor numbers of over 92,000 in 2017.

**Canada: 17 per cent up and 72 record months in a row**
In December 2017, Canada recorded the 72nd consecutive monthly improvement on the previous month’s delivery figures. Over 2017 as a whole, Porsche achieved 17 per cent growth year-on-year, delivering a record 8,249 vehicles for the year. The highest-selling model remained the Macan (3,767 units), followed by the Cayenne (2,958 units) and the 911 (1,124 vehicles). The largest volumes were achieved by the Macan (407 units) followed by the Cayenne (294 units). Strongest growth was recorded by the Panamera with 72 vehicles delivered and the 911, which sold 198 units, or 39 per cent more year-on-year. The 718 Boxster and Cayman recorded sales of 153 vehicles, largely on a par with the previous year.

**South America: 911 and Panamera rising stars**
During the reporting year, 2,921 new vehicles were delivered in Central and South America (excluding Brazil) and the Caribbean. The strongest market was Mexico, where 1,506 new vehicles were sold, recording sustained strong demand in an otherwise volatile region. The Macan was once again the top-selling Porsche model, with 949 units sold during the year. Demand for the Panamera rocketed by 156 per cent to 90 units, while the 911 sold 506 units for an increase of two per cent. The Cayenne recorded 921 sales, and the 718 Boxster and Cayman sold 333 units in all.

**Brazil’s stellar trajectory**
The Porsche subsidiary in Brazil once again exceeded its previous year’s performance, in its third year of operation. Deliveries rose by 11 per cent to 1,124 vehicles. The largest volumes were achieved by the Macan (407 units) followed by the Cayenne (294 units). Strongest growth was recorded by the Panamera with 72 vehicles delivered and the 911, which sold 198 units, or 39 per cent more year-on-year. The 718 Boxster and Cayman recorded sales of 153 vehicles, largely on a par with the previous year.

**Europe**

**Strong European demand for hybrid models**
On the European market, Porsche achieved a solid result, recording slight growth in deliveries of two per cent. A significant contribution to this result was made by the Panamera, new vehicle deliveries of which rocketed from 3,831 in the previous year to 11,529 units in 2017. The introduction of the new Panamera 4 PHEV and Panamera Turbo S E-Hybrid in June 2017 means that now more than half of the Panamera models delivered are powered by a hybrid power train. The Macan series emphasised its position as the brand’s best seller in the year under review: the 29,575 vehicles delivered equates to growth of six per cent. Customers took receipt of 15,721 units of the 911 and 14,547 of the Cayenne, while the mid-engine 718 Boxster and Cayman sold 8,880 units in total.

**Germany: Macan popularity continues**
Porsche supplied 28,317 new vehicles in its home market in 2017. With 8,414 units and growth of four per cent, the Macan was once again the most popular model, followed by the 911 with 7,581 vehicles and the Cayenne (5,000 units). The mid-engine 718 Boxster and Cayman sports cars sold 3,664 units. Deliveries of the Panamera more than doubled to 3,958 units, of which 1,002 were hybrid vehicles. In April 2017, Porsche opened a new showroom format on the up-market North Sea holiday island of Sylt, offering a special brand experience. The aim of the concept is to reach existing and new target groups more effectively and to encounter them in their own world. The “Porsche on Sylt” offer includes a showroom with changing models on show, the Porsche Drive car rental option, products from Porsche Design and Porsche Driver’s Selection, a vehicle advisory service and a small workshop. In addition, new digitalisation and

**Porsche delivered 246,375 vehicles to customers around the world in 2017, exceeding the record achieved in 2016 by another four per cent.**
The new Panamera has made a significant contribution here with some 28,000 units sold, a year-on-year increase of 83 per cent.
The two-door 911 sports car recorded deliveries in July 2017, more than two-thirds of the 5,822 vehicles. As in the previous year, this equates to a new record. The Macan is the highest-selling range here, with 2,536 units representing growth of four per cent.

Central and Eastern Europe: 11 per cent growth
In a mixed market environment characterised by geopolitical risks, Porsche delivered 6,165 vehicles to customers, registering growth of 11 per cent to achieve its eighth consecutive annual record. The biggest markets continue to be Poland (1,535 deliveries) and Turkey (567 deliveries). The best-selling model was the Macan, the 2,617 units of which represented growth of three per cent. In second place in the popularity ranking was the Cayenne, which sold 1,603 units. The Panamera came next with 1,048 vehicles – a significant increase. Demand for the 718 Boxster and Cayman models grew strongly, up 18 per cent to 350 vehicles. The 911 delivered record of 567 units (+3 per cent).

Russia: Macan remains popular
Porsche supplied 4,578 new vehicles in the Russian market in 2017. The best-selling model was the Macan, its 1,923 units representing growth of 11 per cent. 1,703 deliveries of the Cayenne were recorded. The Panamera achieved the greatest growth, with 633 units. And the 911’s 195 units put it ahead of the 718 Boxster and Cayman (124 vehicles, +5 per cent).

Northern Europe: record result for new Panamera
In Scandinavia the positive development of recent years was continued in 2017 with a 12 per cent increase. The major contributor was the new Panamera, with triple-digit growth resulting in a record figure of 747 vehicles delivered. The best-selling model remains the Macan, with 1,062 units. The iconic 911 sports car also achieved a new annual record of 448 vehicles. Customers took receipt of 456 units of the Cayenne, while the 718 Boxster and Cayman sold 203 units.

Asia: China: up ten per cent
For the second year in a row, China is Porsche’s biggest sales region in the world. Deliveries grew ten per cent, from 65,246 vehicles in the previous year to 71,508 vehicles in 2017. The 718 Boxster and Cayman mid-engine sports cars also achieved a new annual record of 6,998 vehicles. The Panamera sold 6,258 units (+22 per cent), while the Cayenne Great Britain. The 718 Boxster and Cayman model delivered 1,259 vehicles in the year. The best-selling model on the Chinese market remains the Macan, with 9,180 units. In November, the first Porsche Studio was opened in Guangzhou, the 100th sales point in the People’s Republic of China. The Porsche Studio is a digital showroom concept that will feature increasingly in city-centre locations in the future.

Japan: stable performance
Porsche stabilised its previous year’s record growth in 2017, with 6,808 deliveries (2016: 6,745 vehicles). Of these, the Panamera contributed 868 vehicles, or 12 per cent growth, while the 911 increased by nine per cent to 1,543 units. The 718 Boxster and Cayman also maintained their popularity of the previous year with a total of 1,374 vehicles sold. The best-selling model remains the Macan, with 2,378 units. And customers also received the keys to 864 units of the Cayenne.

South Korea: high demand for the 718 Boxster and Cayman
Porsche delivered 2,600 cars in South Korea in 2017. Sales of the 718 Boxster and Cayman rose by 19 per cent to 26,398 units. The 718 Boxster and Cayman each recorded 1,027 sales units in the year. The high-growth contributor to demand was the Cayenne, with 31,180 units. In addition, the 718 Boxster and Cayman sold 203 units.

Italy: strong growth
Political and economic uncertainty continued to dominate Italy in 2017. Nevertheless, Porsche was unaffected, repeating its year-on-year growth. With deliveries of 5,534 new vehicles, the brand achieved an increase of seven per cent. The Macan was the highest-selling model, registering three per cent growth to 2,640 deliveries in the year. The Macan line recorded the 911 with 938 deliveries (+3 per cent). 848 units of the Cayenne were sold, while mid-engine 718 Boxster and Cayman sports cars also performed strongly, with deliveries of these vehicles growing by 59 per cent. Demand for the Panamera rose to 651 units.

Spain/Portugal: Panamera in second place
The Spanish market, Porsche’s second-biggest, saw a 12 per cent increase. The strongest-growing model was the Panamera, with triple-digit growth in sales of 488 vehicles. The best-selling model was the Cayenne, which sold 1,062 units. The Panamera achieved the greatest growth, with 633 units. And the 911’s 195 units put it ahead of the 718 Boxster and Cayman (124 vehicles, +5 per cent).

The figures for fuel consumption, energy consumption and CO₂ emissions are found on pages 128–129.
The Group’s healthy cost base and sustained high profit capability are reflected in the key earnings indicators. As a result, the Porsche AG Group achieved an operating profit margin of 17.6 per cent in the reporting year (2016: 17.4 per cent).

Operating profit margin
The profit margin rose from 17.4 per cent in the previous year to 17.6 per cent.

Operating profit
Operating profit rose by 7 per cent.

Porsche financial year 2016 in figures
Figures relate to Porsche AG Group

Employees
Our global workforce expanded by some 8 per cent.

Capital expenditure (TK Auto)
Capital expenditure (vehicles business) grew by 19 per cent.

Group sales revenue
Increase of 5 per cent compared to previous year.

Research and development costs
Our R&D costs climbed by 5 per cent.

Deliveries of new vehicles
Overall, we delivered 4 per cent more Porsche vehicles than in the previous year.

Panamera deliveries
We delivered around 83 per cent more units of the Panamera model compared with the previous year.

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OUTLOOK

Possibility of lower growth
In our plans we have allowed for a slight slowdown in growth in the world economy in 2018. Protectionist tendencies, volatility in the financial markets and structural deficits in some countries are all potential sources of risk, while geopolitical tensions and conflicts will further impact the prospects for growth. We therefore anticipate that both developed economies and emerging markets will experience somewhat weaker levels of growth than in 2017. We expect the highest growth rates to be recorded in the emerging national economies of Asia.

Our forecasts indicate that economic growth will slow down in western Europe in 2018, compared with the year under review. The question of how to resolve structural problems, not to mention the uncertain outcome and impact of Brexit negotiations, will present major challenges. In Germany we expect GDP growth in 2018 to be lower than in the reporting year. The labour market looks set to remain stable, continuing to support private consumption. We anticipate a continued improvement in the economic situation in the US in 2018, and we expect the US Federal Reserve to announce further interest rate hikes over the course of the year. In Brazil, our forecasts show the economy should stabilise further in 2018, with somewhat higher growth than in the year under review. The Chinese economy will continue to grow at a relatively high level in the coming year, although our plans anticipate that this growth will be less dynamic than in previous years.

Mixed fortunes on the automobile markets
We are expecting to see differences in how the world’s regional markets for passenger vehicles perform in 2018. Our plans for western Europe assume that market volume in 2018 will be slightly down on the level achieved in the year under review. Following a positive performance in recent years we expect the German passenger car market to stabilise at last year’s level in 2018. Demand for passenger cars and light commercial vehicles up to 6.35 tonnes will fall slightly in the US and in North America as a whole according to our forecasts. However, demand for models in the SUV and pick-up segments can be expected to remain high. In the largest South American market, Brazil, forecasts point to a significant increase in volumes in 2018 following the already strong performance of the past year. The passenger car markets of the Asia-Pacific region will continue to grow in 2018, but, we predict, at a weaker rate. Demand in China will increase further in line with the rising demand for individual mobility. However, we anticipate a slight weakening in growth rates compared with the previous year. Entry-level SUV models in particular are expected to remain very popular.

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Development forecast
In 2018 Porsche AG expects the high levels of deliveries and revenue to stabilise compared with the 2017 financial year. This expectation is based on Porsche’s attractive product range, in particular the new-generation Cayenne, which will be introduced to all markets around the world in 2018, and the Panamera. Despite the very high investment in vehicle projects and innovative technologies, as well as in the expansion and renovation of sites, measures are in place to ensure that Porsche AG’s lofty revenue requirements will continue to be met. These measures comprise making continual improvements to productivity, enforcing strict cost management and tapping new revenue sources from innovative future technologies.

Automotive market development
Porsche AG forecast 2018

North America
Demand for passenger cars and light commercial vehicles is expected to stabilise at the level of the previous year.

Germany
Following the positive development of recent years, the German passenger car market will stabilise at last year’s level.

China
Growth in China will persist in comparison with the previous year, albeit slightly weaker. Entry-level SUV models are expected to remain very popular.

Western Europe
The market volume in Western Europe will be slightly below the reporting year’s figure.

Brazil
In Brazil, volumes are anticipated to increase noticeably again in 2018, after a strong improvement in the reporting year.

Asia-Pacific
The passenger car markets of the Asia-Pacific region will continue to grow in 2018, albeit at a lower rate.

Performance – Important events

The figures for fuel consumption, energy consumption and CO₂ emissions are found on pages 128–129.
Sustainability strategy and sustainability management
Strategy and organisation
Stakeholder management
Our way – management approaches in our action areas
Performance – Sustainability strategy and sustainability management

Porsche Strategy 2025

Sustainability action areas

STRATEGY AND ORGANISATION

(GRI 102-46)

Sustainability is an entrepreneurial duty. Society as a whole, our customers, investors, the media and politicians all expect us to do business responsibly, for the good of the environment and the community. Doing business sustainably is also becoming increasingly important to our remaining competitive in our business environment. Social responsibility, economic success and efficiency are not conflicting ideals. These tenets form the basic components of successful, forward-looking business leadership.

Sustainability is a top priority for Porsche when it comes to strategic perspectives. The Chairman of the Executive Board holds direct responsibility for sustainability, underscoring the importance that Porsche attaches to it. Since 2016, sustainable action in combination with strengthening our capacity for innovation has been a core objective of the Porsche Strategy 2025. Porsche demands that all the parts of its business act sustainably and responsibly. Sustainability is a theme that is relevant across all departments. It is anchored permanently in processes and projects, structured in the four core action areas “Business & Customers”, “Product Responsibility”, “Environment & Energy” and “Employees & Society”.

Since the start of 2017, Porsche AG and its subsidiaries Porsche Logistik GmbH and Porsche Leipzig GmbH have been using 100 per cent green energy.

Porsche consolidated its own system of directives and committees. The Porsche Environment and Energy Cockpit became a steering committee. In addition, the first steps have been taken towards organizing the pan-company “Sustainability Expert Group”, which will be expanded to cover the relevant German subsidiary companies. The Group Sustainability Directive is being revised for publication in spring 2018. It will provide group-wide, binding rules on the fundamental processes underlying organizational structure, topic management, project implementation, and communication and reporting for all sustainability topics. In this way, Porsche is seeking to achieve even broader and more rigorous sustainability implementation within the company.

Details on the organisation and content of sustainability efforts at Porsche, and on the principles and directives, can be found online in the “Sustainability” section of the Porsche Newsroom website: newsroom.porsche.com.
The company wants to further cement its reputation as an excellent employer and business partner that fulfills its social and environmental responsibilities. Profitability, efficiency and social responsibility are not conflicting aims for Porsche.

Throughout their activities, all of the company’s departments, from Development to Sales, will pay close attention to sustainability and ensure that it is driven forward. Consequently, all departmental strategies will incorporate sustainability in relation to both targets and projects. Examples of this include specific measures to increase sustainability in the supply chain, to improve products’ environmental credentials throughout the life cycle and to further integrate sustainability into key company processes such as risk management. All corresponding topics are structured in accordance with the four central sustainability action areas at Porsche, as well as in the additional work packages “Integration in Processes” and “Communication and Stakeholder Dialogue”. The sustainability team in the Policy and External Relations department is responsible for the further definition and measurement of content and ongoing implementation of the cross-cutting issue of sustainability, working alongside the individual managers in the specialist company units.
Porsche engages in two-way conversation with relevant stakeholder groups and continuously strengthens this dialogue. In addition, in 2017 the company expanded its stakeholder management in relation to sustainability themes and added a further international dimension to it. For example, the regular stakeholder surveys were extended to take in the Chinese and British markets, and direct dialogue with key suppliers was strengthened through the organisation of workshops.

**Dialogue with external stakeholders**

A range of communication channels and event formats support Porsche’s engagement with external stakeholders. The Porsche magazine Christophorus is published in eleven languages around the world. The community newspaper targa – Nachrichten für die Nachbarn (targa, the residents’ journal) addresses local residents who live in proximity to Porsche’s sites. The online newsroom with its Twitter and Instagram channels, the web-based TV channel 911 Magazin and the Porsche website are all examples of key sources of information for thought leaders, decision makers and customers. Porsche also seeks to address stakeholders personally. Three events in 2017 provided progress updates on construction projects at Porsche sites. For the first time these included the communities of Weissach and Mönsheim in the immediate vicinity of the Porsche Development Centre. More than 500 interested locals took the opportunity to find out about how work was progressing, ask questions, make suggestions and voice their opinions.

Cooperating in networks and engagement in sustainability initiatives also form part of our stakeholder dialogue. Since 2016, Porsche has been a member of the Bundedesdeutscher Arbeitskreis für Umweltbewusstes Management e.V. (B.A.U.M. – German Environmental Management Association). In 2017, Porsche joined the German Business Ethics Network and became a signatory to the state of Baden-Württemberg’s WIN! charter for sustainable business, marking its commitment to economic, environmental and social responsibility. The company engages in dialogue with local politicians through an “inter-municipal working group”. In 2017, Porsche organised sustainability workshops for selected suppliers for the first time. Participants in these events discussed new approaches to collaboration on sustainability aspects.

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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 twice annually as the Sustainability Board. These meetings set the basic strategic direction and also decide on the realisation of lighthouse projects and far-reaching sustainability measures. The sustainability team of the Policy and External Relations department acts as an interface for all aspects of sustainability within the business. It is delegated with the coordination of all sustainability activities, implementation of the sustainability strategy, reporting, and integration with the Volkswagen Group’s group-wide sustainability activities. Furthermore, it ensures 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 making appropriate proposals to the Executive Board. It encompasses members from all departments across the company and meets four times each year. The standing members of the Expert Group represent specialist sustainability-related units within all departments in the company, where they act as multipliers for sustainability topics.

The Porsche Sustainability Advisory Committee, formed in 2016, met the Executive Board of Porsche AG on two occasions in 2017. The committee is composed of internationally renowned representatives from the scientific and public communities (Prof. Sonja Pettersen, Prof. Lucia Reich, Prof. Maximilian Gege, Prof. Ortwin Renn and Prof. Klaus Töpfer) and acts as an idea generator and driver for change related to sustainability. This cooperation will be further deepened in 2018.
An anonymous international online stakeholder survey was conducted in autumn 2017 to investigate the thoughts and expectations of 7,200 representatives of relevant groups on sustainability at Porsche. The survey therefore targeted three times as many people as in 2015. Responses were received from some 950 people including customers (67.3 per cent), business partners and analysts/investors (7.5 per cent), politicians and public authorities (4.8 per cent), NGOs (3.0 per cent), Porsche employees (2.7 per cent), academics (2.4 per cent) and other participants (12.3 per cent), including participants from China and Great Britain for the first time.

More than two-thirds of those surveyed reported being “very satisfied” or “satisfied” with Porsche’s sustainability efforts. This represents an improvement of twelve percentage points compared with the previous survey. It revealed that 89 per cent of respondents do not see any conflict, generally speaking, between sustainability and the manufacture of premium sports cars. More than half of participants (58 per cent) stated that their impression of Porsche was “hardly” or “not at all” affected by the diesel affair. Just under a third (29 per cent) felt it was actually a concern, however. All stakeholder groups expect open, honest and transparent communication on this matter as well as a clear response to the challenge of low-emission, sustainable mobility. On the whole, respondents prioritised the themes “vehicle safety”, “fuel consumption and vehicle emissions” and “long-term customer relationships”.

The members of the Sustainability Advisory Committee also had the chance to provide detailed feedback on sustainability at Porsche and opportunities and risks during individual expert interviews. They presented specific recommendations for action to further shape Porsche’s engagement. Topics including “alternative drives”, “reduction in corporate CO₂ emissions” and “expansion of the charging infrastructure” were central to their suggestions. The impetus generated by the members of the Sustainability Advisory Committee will be maintained by means of deeper integration into the company’s sustainability management and an expansion of external stakeholder engagement in the future.
经济原则和数字化转型

汽车产业正在经历一场根本性的变革。数字化、电气化和持续性是这一新时期的基石。数字化在汽车工程中的应用，以及新技术和趋势的测试和鼓励，促成了保时捷的员工参与进来，以实现可持续性的目的。

保时捷在2017年的分析中表示，“长期客户关系”是四个主要目标之一。保时捷重视与客户的长期关系，以及社会。保时捷总是通过各种方式来评估这些关系，以确保其自身在社会中的声誉。在保时捷的可持续性要求中，供应链管理也占有其重要部分。

Porsche always conducts integrity checks before entering business relations with new suppliers and requires them to follow the OECD’s guide to responsible supply chains of minerals from conflict-affected and high-risk areas. Porsche is active in this area in connection with the OECD’s responsible minerals initiative (RMI). These sustainability requirements are part of suppliers’ contracts, the violation of which can result in reviews, formal statements and potentially the termination of business relations. Sustainability audits in the 2017 reporting year yielded five cases in which specific sustainability requirements were not met. Appropriate measures were agreed upon with three suppliers, and the introduction of these measures was monitored. The other two cases were still open at the end of the reporting year and are still being evaluated.

Porsche always conducts integrity checks before entering business relations with new suppliers. Once relations have started, monitoring and development take place on a continuous basis and are supported by surveys, risk analyses of the suppliers’ countries, and e-learning modules and workshops. The supplier management system governs all internal processes and areas of responsibility since 2017. In accordance with the Global Reporting Initiative (GRI), Porsche covers the topic of “long-term customer relations” in its disclosures on GRI 411: Customer Privacy. Porsche takes individual data privacy very seriously and respects the right to determine what is done with such data. Data protection is integrated – independently and free from external supervision – according to relevant company policies to ensure compliance with laws and regulations.

The company has issued its own guidelines that correspond to international principles of data protection, such as data economy, purpose-based collection and confidentiality. Due to internal confidentiality guidelines, any reports received of data protection violations cannot be disclosed.

Porsche places a premium on customer relations and seeks to maintain and promote customer enthusiasm for the product worlds of exclusive sports cars and smart mobility. “Inspiring customers with a unique product and brand experience” is one of the four focal points of its Strategy 2025. The materiality analysis based on a stakeholder survey also underscores the importance of “long-term customer relations” for the company. Although an internal assessment considers this topic to have only a minor impact on society and the environment, the strategy for the sales and marketing division promotes a range of measures to further optimise the customer journey at Porsche.

Relations with all of Porsche’s stakeholders are characterised by interaction and dialogue. In addition to classical means of communication, Porsche is establishing new forms of dialogue with customers. Apps, social media, chats and the overarching, personalised “My Porsche” customer portal not only provide information in quick and uncomplicated ways but also enhance individual interaction with the company. Personal contact is essential to building long-term customer loyalty. The company views customer candid feedback as an opportunity to further enhance its products and processes.

Porsche’s worldwide customer and market research seeks to promptly identify customer expectations, particularly with respect to new technologies in automotive engineering and the use of individual mobility, interpret these expectations in comprehensive ways and thereby channel them into the early development stages of products and services.

More than 200,000 questionnaires are sent out every year to collect data and gauge the mindsets of customers around the world. In addition to a product quality and customer satisfaction forum, the Executive Board of Porsche AG evaluates the results and consequences with technical specialists as well as with representatives from the Quality Assurance, Customer Relations and Aftersales departments.

Economic efficiency, environmental consciousness and social responsibility are not mutually exclusive. On the contrary – by combining them we create more value for our stakeholders.

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Responsibility in the supply chain

Economic success and the use of new technologies are causing greater attention to be devoted to companies’ supply chains. Higher levels of sales mean a higher exposure of the company to components from suppliers. This topic is also fraught with potential ethical issues, as strongly emphasised by Porsche stakeholders in the 2017 materiality analysis.

According to an internal company assessment, the Porsche supply chain has a minor impact on society and the environment. Ethical behaviour is therefore essential. Porsche always conducts integrity checks before entering business relations with new suppliers and requires them to follow the OECD’s guide to responsible supply chains of minerals from conflict-affected and high-risk areas.

Porsche is active in this area in connection with the OECD’s responsible minerals initiative (RMI). These sustainability requirements are part of suppliers’ contracts, the violation of which can result in reviews, formal statements and potentially the termination of business relations. Sustainability audits in the 2017 reporting year yielded five cases in which specific sustainability requirements were not met. Appropriate measures were agreed upon with three suppliers, and the introduction of these measures was monitored. The other two cases were still open at the end of the reporting year and are still being evaluated.

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Compliance

Responsible action is based on complying with laws and regulations. Porsche’s stakeholders share this view and therefore assigned a high level of importance to the topic “Compliance” in the 2017 materiality analysis. Adherence to the law is ensured by a compliance organisational set-up based on the company’s business model, as well as legally secure processes and measures for both preventing violations and responding to any that might occur. Porsche is currently considering seven subject areas in its compliance management system. To prevent legal violations and to support employees in complying with laws and regulations, Porsche has established a compliance organisation. Its members include a chief compliance officer, compliance area managers at Porsche AG, and the managing directors and local compliance officers of the Group member companies. Porsche’s compliance programme covers a range of different measures for prevention and response. Risk analyses are used to regularly define both preventive measures and necessary action in accordance with specific business models, applicable environmental conditions and the types of business partner relationships. Key preventive measures here include adopting and communicating clear guidelines and providing confidential compliance advice, as well as regular information and training workshops for managers and employees on relevant compliance topics. Porsche’s code of conduct, which is binding for all managers and employees, summarises the most important principles and expectations regarding lawful, ethical and sustainable action in the Porsche Group. It addresses matters such as dealing with conflicts of interest, combating every form of corruption, appropriate behaviour within the Group toward customers, business partners and public officials, and taking responsibility for the economy, the environment and society. There is also a separate guideline for each compliance topic – for example on combating corruption, dealing with conflicts of interest – to avoid violations of antitrust law and prevent money laundering.

Porsche’s central compliance help desk provides informational and advisory services on compliance questions and serves as a collection point for notifications from managers and employees. To ensure and promote lawful behaviour, managers and employees are given regular information and training on integrity and compliance. One of the main response measures was to set up an internal and external collection point for notifications of potential legal violations in connection with Porsche.

Within the company, managers and employees can confidentially report suspected illegal acts or serious irregularities to the compliance help desk. Outside the company, managers, employees, Porsche customers and business partners, public officials and other individuals can report legal violations anonymously via the ombudsman system. In both cases all information is carefully examined, and any violations found are responded to appropriately while observing the employment and co-determination guidelines. This includes selecting suitable countermeasures and sanctioning individual misconduct. The Executive Board of Porsche AG receives regular reports on actions taken by the compliance organisation and on preventive and response measures in the Porsche Group.

Compliance training

Compliance training is determined by the compliance officers for each area, in conjunction with the HR department. At the time of this report, training has thus far taken place primarily in a classroom format. Of note is a pilot e-training project in the development division’s Technical Conformity department, covering regulatory guidelines, environmental protection issues, general compliance guidelines and the Porsche whistle-blower system. Plans call for online courses on compliance topics to supplement classroom training for all the company’s departments in the future.

The foundation for this is a training strategy that uses risk analyses to identify target groups and key areas of content for compliance officers, and that also defines organisational aspects such as the number and frequency of events and the capacities needed. A regular programme of set training events for managers and new employees is supplemented by workshops on selected topics and/or for specific target groups.

One example: compliance is included in the workshops on corporate culture for first- and second-tier managers as well as for all other managers with technical or line management responsibilities. These workshops focus on the Porsche code of conduct and the company’s compliance culture as well as on basic anti-corruption guidelines and principles of antitrust law. They cover not only theory but also practice, with group exercises on addressing and solving potential compliance issues. Porsche managers are required to be available to their employees at all times for reporting of possible non-compliance in their areas of responsibility.

New employees are familiarised with the company’s compliance culture as part of the Porsche Warm Up programme. Immediately upon joining Porsche, they study the company’s code of conduct and basic anti-corruption guidelines. They also engage in group exercises to address potential compliance issues and develop their own possible solutions. The Porsche Warm Up programme is currently held on a monthly basis, depending on the number of new employees.

Compliance training is required at Porsche. Analyses and results are distributed internally. Starting in 2018, the Porsche HR department is keeping records of attendance at compliance seminars and compiling individual histories of compliance training.

Information for employees

Additional information about the Compliance department’s training programme is available to Porsche employees 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, note cards and check lists.

Porsche’s code of conduct

As of 14 December 2017, the Volkswagen Group’s code of conduct also applies to Porsche. The new Porsche code of conduct provides comprehensive directions on employees’ compliance responsibilities:

– as members of society: human rights; equal opportunity and equal treatment; product conformity and product safety; environmental protection; donations, sponsorships and charity; communications 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
– at the workplace: occupational safety and healthcare; data protection; security and protection of information; know-how and intellectual property; IT security; handing company assets.

Examples that employees might face on the job are provided for each topic. There is also a self-administered test designed to help employees make decisions in case of doubt. Porsche’s implementation of the new code of conduct includes publishing it on the Internet and Intranet, sending a digital version to all employees by email, adding it to training materials and distributing the compliance brochure to new employees at classroom training events.

In accordance with the Global Reporting Initiative (GRI) standards, Porsche covers the topic of compliance with the following disclos- sures: GRI 205: Anti-corruption, GRI 206: Anti-competitive Behavior, GRI 307: Environmental Compliance, GRI 419: Socioeconomic Compliance. This information is measured and reported in part by the number of business sites audited and the number of compliance training events.
Vehicle safety is Porsche's top priority. And by that we do not just mean the safety of our own products, but the safety of all road users in general. Porsche stakeholders – persons, groups and institutions who are affected directly or indirectly by the activities of our company, and who can have a significant effect on our company’s success – place a great deal of importance on vehicle safety. During the sustainability analysis that was part of 2017’s materiality analysis, stakeholders placed this topic first, not least due to its economic relevance and its social importance.

Vehicle safety is a decisive criterion in the development of innovative and modern vehicles. The initial elements arise during the concept phase and at early design phases, such as the design of the outer contour or the interior. Active and passive vehicle safety is subject to strict legislation. Anti-lock brakes, electronic stability programs and emergency braking systems are examples of measures that were already part of the company’s main focus when it was founded. Today, the level of active and passive vehicle safety is determined by clearly defined processes and skills as well as formalised and transparent evaluation procedures.

In accordance with the rules of the Global Reporting Initiative, the topic of vehicle safety is covered in this report by the indicator GRI 416: Customer Health and Customer Safety. The company builds sports cars that combine supposed opposites such as tradition and innovation, performance and day-to-day usability, functionality and design as well as exclusivity and social acceptance into a single whole. The company assesses this challenge resolutely. The company builds sports cars and electric vehicles and digitalisation are leading to radical change right throughout automobile construction. Porsche accepts this challenge resolutely. The company builds sports cars and electric vehicles and digitalisation are leading to radical change right throughout automobile construction. Porsche accepts this challenge resolutely. The company builds sports cars and electric vehicles and digitalisation are leading to radical change right throughout automobile construction. Porsche accepts this challenge resolutely.

In accordance with the rules of the Global Reporting Initiative, the topic of vehicle safety is covered in this report by the indicator GRI 305: Emissions. The figures in this report that are required for this indicator are based on vehicle emissions that arise in production and administrative operations. For that reason, the consumption and emissions figures for all vehicle models are reported instead. Taking product-specific emissions into account as part of an overall reporting of the company’s total emissions is an issue that is currently being worked on; reporting is planned for the next few years.

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Materials and sustainable raw materials Materials and sustainable raw materials are the building blocks of modern, future-oriented and environmentally friendly mobility. For the company’s view that it has a relatively low number of Porsche vehicles that are produced.

The long service life of Porsche vehicles, their high-quality workmanship and the use of low-carbon materials are part of the company’s sustainability principle. The company is taking more and more environmental effects of a vehicle – across its entire life cycle – into account, from the acquisition of raw materials and the manufacture and use through to disposal. The aim is to achieve a truly ecological optimum. Electric vehicles, for example, protect the environment when they are being used. On the other hand, the impact on the environment by the manufacture of electric vehicles is on the increase due to the raw materials and production processes used for components such as traction batteries. Even if in all, every factor speaks in favour of electric driving, achieving optimum environmentally friendly vehicle manufacture remains in the long term a question for Porsche. That applies, naturally, to the selection of raw materials too. This can be seen in the fact that the promotion of sustainable materials and the consideration of a vehicle’s service life are expressly anchored in the Porsche Strategy 2025. The Sustainable materials working group ensures that an exchange of ideas takes place. The company is also a heavy promoter of the issue of recycling the raw materials that have been used. To that end, the company uses two gas/diesel hybrid trucks and two natural-gas-only trucks.

Performance – Sustainability strategy and sustainability management

The figures for fuel consumption, energy consumption and CO₂ emissions are found on pages 128–129.

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A company-wide environment and energy management policy continually checks all work processes in regard to ecological impact and irregularities along the entire value chain. Internal sets of rules and strategic guiding principles are the frame of reference for the management of environment and energy.

Porsche strives to achieve balanced environmental performance. Thus, a conscious and highly efficient use of water throughout circulation systems as well as multiple reuse play an important role – as does circumspect handling of contaminated production waste water. Avoiding waste, low-waste technologies and sustainable disposal solutions are key aspects of Porsche’s waste management concept. The resource regulation “environmental protection” serves as both an internal guideline as well as a set of rules for suppliers, among other things.

In general, environment and energy management staff are always at the disposal of all company stakeholders – internal and external – with regard to questions or suggestions on the topic of “environment and energy”. The goal is open and transparent stakeholder dialogue. An example of this is the central complaints management within the environment and construction management.

Energy, emissions and resource consumption during production

Global climate change, scarcity of resources and advancing urbanisation all pose enormous challenges to the economy and society.

In Porsche’s 2017 materiality analysis, the Porsche stakeholders who are impacted directly or indirectly by the company’s activities assign a great deal of importance to “energy and emissions during production” and “resource consumption during production”. According to internal assessments, Porsche’s activities in this area tend to have less of a direct effect on environment and society; nevertheless, Porsche considers itself under obligation to maintain an uncompromising, sustainable company policy.

Environmentally conscious and energy-efficient activity at all sites and across all levels is an essential element in the day-to-day business. A company-wide environment and energy management policy continually checks all work processes in regard to ecological impact and irregularities along the entire value chain. Internal sets of rules and strategic guiding principles are the frame of reference for the management of environment and energy. A proprietary Group guideline defines standardised procedures and responsibilities within the Porsche Group. It supports the Group companies in the systematic investigation, observation and checking of the regulatory environment and energy requirements. The energy and environment management policy covers emissions (air/noise) and soil protection, dealing with contaminated sites, hazardous materials and waste as well as emergency preparedness, water and nature conservation and energy efficiency. The responsibility and the systematic implementation of necessary steps lies with the Member of the Executive Board for Production and Logistics, supported by the Environment and Energy Management department. The fundamental aim is that every Porsche employee is cognizant regarding the effects of his or her job on the environment. Every employee is called upon to observe the Group’s guideline concerning minimisation of impact on the environment or even avoiding it entirely in the best-case scenario.

The strategy field “sustainability in production” defines short-, medium- and long-term measures. The “environment and energy efficiency strategy” and the company’s own “environmental policy” are additional strategic guiding principles. With these the company is implementing a requirement of the international standards for environment and energy management, ISO 14001 and ISO 50001, to which Porsche’s internal specifications and processes are orientated. The sports-car maker also complies with the EMAS (Eco-Management and Audit Scheme) standards, a voluntary community environmental management and auditing instrument developed by the European Union. The Porsche site at Stuttgart-Zuffenhausen has been validated according to EMAS for more than 20 years and was also the first automotive industry plant in the world to fulfil the ISO 50001 standard. Since then, Porsche Leipzig GmbH, the Development Centre in Weissach and the external locations, the central parts warehouse in Sachsenheim and Porsche Werkzeugbau GmbH have all been certified as compliant with this standard. These locations also have an environment management system that conforms to ISO 14001 at their disposal. In addition to the official certifications, Porsche also reviews in-house compliance with environmental and energy laws as part of annual system and process audits (compliance audits). The hallmarks of these audits are the high standards and the rigour of external environment and energy auditors. The site results method records sites’ impact on the environment: data and key figures indicate potential environmental aspects on a scale of high, medium and low relevance. From this, Porsche derives all necessary measures to reduce or eliminate possible negative impacts on the environment. The Environment and Energy steering committee works cross-departmentally. The committee assesses the predefined goals regularly and initiates appropriate steps.

Sustainability principle

Porsche views the conservation of natural resources as an entrepreneurial obligation. Whether in development or in production, the objective is to impact the environment as little as possible and to use energy efficiently. All the steps taken to this end are scrutinised on a continuous basis along the entire value chain, and improvements are made where necessary.

The “Environment and Energy” action area constantly reviews the themes identified in the 2017 materiality analysis: “energy and emissions during production”, “environmentally compatible logistics” and “resource consumption during production”. Porsche has mandated clearly defined processes and responsibilities for all its divisions. Options for feedback and evaluating processes have been codified.
Employee support and qualification is not only a central component of the Porsche culture and leadership guidelines; it is also firmly anchored in the Porsche Strategy 2025.

Sustainability principle

At Porsche, people are at the centre of the company. It assumes responsibility for its employees and invests in their development. Its professional development and qualification are hallmarks of the Porsche culture. At the same time, key importance is attached to equal opportunities, diversity and co-determination as well as the ongoing improvement of our employees’ work-life balance along with fair and performance-based remuneration. As part of our local and international social commitment in the areas of social matters, education and science, culture and sport Porsche initiates its own projects and supports external partners in conducting their own important activities.

Under the “Employees & Society” heading, Porsche provides detailed information on all important topics identified in the 2017 materiality analysis: “attractive employer,” “staff development,” “corporate co-determination,” and “occupational health and safety.” In all four areas, Porsche has clearly defined processes and demarcations of responsibility as well as established avenues of evaluation and feedback.

Attractive employer

The basis for successful HR work is Porsche’s continued position as an attractive employer. Stakeholders – i.e. people, groups and institutions directly or indirectly affected by the activities of a company and whose success they can significantly influence – attribute a great deal of importance to this aspect in the 2017 materiality analysis. According to internal assessments and external studies, this area has a moderate degree of impact on employees and society. Porsche gets particularly high marks for excellent general conditions, a strong corporate culture and co-determination, as well as extensive options in the area of work-life balance. Firmly anchored in the Porsche culture, employer attractiveness is one of the most central themes in the company’s strategy and management.

The continuous development of the corporate culture is exceptionally important to Porsche. The backdrop is defined by the strong growth in staff numbers over recent years, the restructuring of the automotive industry and the company’s reorientation toward electric technology, digitalization and connectedness. Process sponsors are Porsche Chairman of the Executive Board Oliver Blume, Porsche HR Board Member Andreas Haffner and Uwe Hück, Chairman of the Group Works Council. Drawing on the new culture guidelines, the “Porsche Code” will comprise the four elements dedication, pioneering spirit, sportiness and fairness. This code will replace previous leadership guidelines.

Porsche places great importance on work-life balance. Employees receive support through a wide variety of different measures. Six cooperation partners make sure there are sufficient childcare places in nurseries near the company’s sites. With the family service, Porsche offers free, individualised and comprehen- sive support service for all family situation. accessories. Porsche also provides flexible options with respect to work location and working hours. Options agreed with the Works Council range from arrangements for working from home and flexitime aligned to the employee’s current phase of life, through to variable periods off in the form of sabbaticals. Job sharing in leadership roles has also proven to be successful in a pilot project and is now being expanded within the company.

In this report, the topic of employer attractiveness is covered by the provisions of the Global Reporting Initiative as indicated by the flag GRI 4.01. Employment. This is measured and reported based on the following key figures: the number of participants in training measures and the average training time per employee. There is currently a survey underway for Porsche AG and Porsche Leipzig GmbH; continuous and targeted training programmes for the Porsche AG Group is planned for the future.

 employee support and qualification

Employee support and qualification is not only a central component of the Porsche culture and leadership guidelines; it is also firmly anchored in the Porsche Strategy 2025. The digital transformation in particular is placing new and significantly different demands on the workforce. Against the backdrop of digitalisation, the Fit for Digital Initiative was started to help establish and expand a common basis of knowledge and understanding. Employee support and qualification is also an instrument of strategic leadership and planning processes. Individual training requirements are identified during annual employee appraisals, and relevant development measures are incorporated into the development plan. It is also established practice at Porsche to inform all employees and their elected representatives about important operational changes comprehensively and in a timely manner. This is done in compliance with national laws, applicable collective bargaining agreements and works agreements. Adherence to this corporate practice is ensured by a number of means, including a Supervisory Board with equal representation, the Works Council committees, regular works meetings and the continuous maintenance of the works agreement database on the intranet.

At the same time, there is also a multitude of ways for employees – be it openly or discreetly – to bring their suggestions, problems or complaints to committees and decision-making bodies. The mood barometer is an instrument through which employees twice a year are surveyed about topics relating to working with colleagues and superiors, the quality of work and the provision of information. The detailed evaluation is followed by a discussion of the results involving the Works Council. At this point in time, key of the company, in which potential improvements are identified and corresponding measures for optimising work procedures and conditions are defined jointly.

In this report, the topic of corporate co-determination is covered by the provisions of the Global Reporting Initiative in GRI 404. Training and development. The scope is defined in accordance with the provisions of the Global Reporting Initiative in GRI 402: Labour/Management Relations and GRI 407: Freedom of Association and Collective Bargaining.

Occupational health and safety

Healthy, motivated and engaged employees are indispensable for the success of the company. Stakeholders also attribute great importance to this issue in the 2017 materiality analysis.

Porsche health management is proactively and professionally dealing with the issue in the 2017 materiality analysis. Porsche is directly involved in the various committees in which the company has been involved in the various committees in which the company has been involved for a long time. Key elements include the quick reintegration of employees who have been ill for an extended period and the gradual return of employees with compromised performance due to health issues in positions suited to their capabilities. Measures such as ergonomic assessments of workplace stations, for example, detect high and specific work strains and mitigate them through ergonomic or organisational measures. Work stations at Porsche are designed in keeping with human ergonomics, with special attention paid to workplace-related psychotherapeutic advice and treatment services.

Secure workplaces and employee protection are of utmost priority at Porsche. An organised emergency management system helps prevent and react to accidents at work, occupational illnesses and work-related health hazards. No area of work at Porsche suffers significant accumulations of illnesses. This is also the case for operational activities linked to a particularly high risk of illness. The central processes are standardised and regulated by the corporate guideline on occupational safety. This guideline represents an essential component of the company’s compliance management system and is valid for all employees. The managers ensure that their employees are familiar with the specifications of this guideline and comply with its provisions. Specialists in occupational safety, Works Council members and works doctors are available to all employees in an advisory capacity. All employees of the company are represented through the legally defined representatives in the occupational safety committees in accordance with the Occupational Safety Act.

All these joint efforts have enabled Porsche to achieve a significant reduction in the injury rate in recent years.

In this report, the topic of occupational health and safety is covered by the provisions of the Global Reporting Initiative in GRI 403: Occupational Health and Safety. This measure and reported based on the following key figures: number of accidents, work days lost and days of care, and the number of accidents per 100,000 employees. The survey is currently being performed for Porsche AG and Porsche Leipzig GmbH; expansion to the Porsche AG Group is planned for the future.
EMPLOYEES

Porsche’s success hinges on its employees – their abilities, their dedication and their passion. They identify with and embrace the values and objectives of the company. At the end of the reporting period on 31 December 2017, Porsche AG employed 29,777 people. That is an increase of nearly eight per cent over the previous year. The company’s rapid growth also poses some major challenges, which can only be met if everyone pulls together. This makes constructive cooperation with the Works Council, its committees and the IG Metall trade union another important factor for success. Collective wage and works agreements above and beyond the legal requirements lay a solid foundation for sustainable success, benefitting the Porsche company, employees and shareholders.

HR strategy

The HR strategy provides the framework for how Porsche works with its employees. They are the heart of the company, and Porsche wants to be an outstanding employer for them not only now but also in the future. This approach is based on the unique corporate culture, which always reflects Porsche’s identity and tradition. The company creates ideal framework conditions for its highly motivated employees by providing innovative working environments that encourage high levels of performance. It invests in future-oriented training and talent management in order to provide individual, targeted and high-quality skills acquisition and further development opportunities for every employee. This is all the more important in a world undergoing ever faster change and increasing digitalisation. Porsche takes a modern HR approach here by way of efficient processes and interconnected IT systems.

Digitalisation

A key part of Strategy 2025 and therefore also of Porsche’s HR strategy consists of digitalising the company’s processes. Numerous lean administration projects and consistent further development of IT systems – always in close cooperation with the Works Council and in strict compliance with the highest data protection and security requirements – have led to major successes in digitalisation and process optimisation. Porsche provides a company-wide platform called the My Porsche Cockpit for an array of personnel and company-related processes.

Fit for Digit@l initiative

The objective of the Fit for Digit@l initiative launched in 2017 is to instil and expand shared trans-departmental digitalisation-related knowledge and understanding at Porsche. The aim is to promote awareness and motivation for this transformation among all the employees. This includes gaining understanding and knowledge of the main purposes and drivers of digitalisation and of the individual action areas at Porsche, which in turn is intended to support sustainable development of a Porsche digital mindset.

Porsche learning platform

The Porsche learning platform introduced in 2017 is a key part of the HR digitalisation initiative, and the main employee portal for everything related to skill acquisition opportunities both within and beyond individual specialties. It shows all available training courses and offers direct access to a wide range of attractive and flexible online options. The online possibilities on this newly created platform supplement the proven brick-and-mortar opportunities. The use of blended learning, for example, adds a targeted dimension to training programmes. Higher degrees of transparency and connectivity – including with subsidiary companies – raise collaborative learning to a new level. Employees can access their training histories, as well as shape their desired learning strategies in active and individual ways. This makes learning a self-determined and integrated part of everyday working life at Porsche – a key precondition for the strategic goal of lifelong learning.
Attractiveness as an employer, and working with young talent
The basis for successful HR work continues to be Porsche’s sustainable positioning as an attractive employer. Porsche supports numerous initiatives to promote young talent, and is focused on digital talent and recruiting related target groups in the reporting year. In the high-profile employer rankings from Tendence and Universum, the company again received high marks from students in 2017. Reviews by young professionals have been especially positive. In the Young Professional survey conducted by Universum, for instance, Porsche rose in all categories and even took first place among engineers. Applicants also show the company’s appeal as an employer, with more than 150,000 applications submitted to the Porsche Group in 2017.

Porsche also maintained partnerships with key organisations to encourage young talent during the reporting year. These included Formula Student Germany, an international design competition sponsored by the Association of German Engineers (VDI), and Femtec, a programme that encourages women to study science and engineering. Porsche-supported students for the first time at the World Solar Challenge 2017, namely the Sonnenwagen team from RWTH Aachen University. Covering 3,000 kilometres across Australia, the Sonnenwagen is the toughest and most important emission-free automotive race in the world.

Joint projects with leading universities are being further expanded, with a special emphasis on digitalisation. Porsche is a partner of the newly founded CODE University in Berlin, a private accredited technical college that offers programmes in software engineering, interaction design and product management. Right from the start, its students work on their own projects in international interdisciplinary teams in close cooperation with companies and organisations. The Porsche AG chair founded in 2013 at the Leipzig Graduate Centre, Andreas Haffner and the Chairman of the company’s reorientation in the digital age have focused on strategic management and entrepreneurship, and describes the key dimensions of a shared understanding of leadership. The corporate culture guidelines and the corporate culture guidelines were used to develop the Porsche Code. It replaces the previous leadership guidelines and describes the key dimensions of a shared understanding of leadership.

The corporate culture guidelines and the Porsche Code will be further developed in 2018. Plans also call for leadership labs to help management personnel prepare for future challenges and internalise Porsche leadership culture by means of critical reflection and external consultation. The whole process is actively supported and promoted by the Executive Board and the employee representatives.

Porsche corporate culture
One of the focuses of the reporting year was to further develop the corporate culture. This was prompted in part by the large increase in new employees over recent years, and also by the company’s reorientation in the digital age which has changed how people work together. Members of the Executive Board Oliver Blume and Andreas Haffner and the Chairman of the general Works Council, Uwe Hück, are the original and ongoing sponsors of this focus. Workshops throughout the company took a bottom-up approach to sketch the current state of the Porsche corporate culture and compare it with a version for the future. This meant determining the values that connect Porsche employees, and which direction the company’s culture must take to forge a distinct identity that attracts and retains employees.

The resulting cultural guidelines were created containing the four elements of dedication, pioneering spirit, sportiness and family. These keywords define how employees envision cooperation within the company. They also show, however, how Porsche wants to shape major trends in the automotive industry.

The resulting corporate culture guidelines were used to develop the Porsche Code. It replaces the previous leadership guidelines and describes the key dimensions of a shared understanding of leadership. The corporate culture guidelines and the Porsche Code will be further developed in 2018. Plans also call for leadership labs to help management personnel prepare for future challenges and internalise Porsche leadership culture by means of critical reflection and external consultation. The whole process is actively supported and promoted by the Executive Board and the employee representatives.

Training
Needs-based and future-oriented training, on-going skills acquisition, and internal development opportunities are cornerstones of Porsche’s HR policy. Over the last seventy-five years, vocational training has formed the basis for these efforts, with trainee programmes and curricula adapted to meet progress in technology and developments in society. The company currently offers formal training programmes for ten technical and non-technical specialisations, as well as seven programmes of study in connection with Baden-Württemberg Cooperative State University (DHBW). Two hundred young people began their first training programme at Porsche AG in the financial year just ended. Forty per cent of the slots for technical occupations are reserved for applicants with a college degree. If successfully completed, the future-oriented training system will lead to trainees gaining a permanent employment contract. In the period under report, 142 trainees and DHBW students signed an employment contract with Porsche after passing their final examinations.

Porsche is expanding its main plant in Zuffenhausen to prepare to produce the Mission E and again increasing the size of its technical training programme – from the current number of 106 trainees to 156. In addition to traditional occupations in the automotive industry, approximately half of the new trainees will be for automotive electromechanical engineers and industrial electronics engineers. In addition, a new future-oriented discipline of information Technology (Automotive IT) was established as a study programme in connection with DHBW. Next year the disciplines on offer will also include information technology, and Porsche hopes that positions in electrical engineering will be increased.

Porsche has consistently expanded the international component of its training programme. Technical trainees have thus far been able to gain experience abroad in Australia, Great Britain and the Philippines. In the reporting year, Taiwan, Italy, China and the US were added as potential new destinations. Porsche has five years, vocational training has formed with Bentley and with Volkswagen South Africa. Twenty-two technical trainees took part in the programme abroad. Another 18 trainees in the programme abroad. Another 18 trainees in the dual Porsche-DHBW programme were women.

Of special note is the increase in the number of female technical trainees. In the reporting year, 33 per cent of the first-year trainees and 43 per cent of the first-year students in the dual Porsche-DHBW programme were women.

The rapid expansion of digitalisation into all areas of automotive engineering, electromobility and smart mobility is also influencing vocational training in these fields. Because many applicants are unlikely to meet the general selection criteria for acceptance to a traineeship, Porsche offers a basic programme known as a preparatory year. Since 2012, 62 young adults have completed a preparatory year based on the collective wage agreement, with 58 of them qualifying for a subsequent traineeship at Porsche. Given these successful results, the 2017 preparatory year was expanded and the original number of 12 participants increased to 20. Porsche also continued the integration year project for refugees. Fifteen young people took part, and almost all have been successfully integrated into training programmes or the job market in cooperation with skilled trade companies. Porsche also works with vocational training centres to offer traineeships for people with disabilities either at the company or in conjunction with it.

Porsche vocational training

Performance – Employees, society, sport

The figures for fuel consumption, average consumption and CO2 emissions are found on pages 128–129.
New training centre in Leipzig

The new training centre that opened in Leipzig in 2017 reflects Porsche’s investment in the next generation of skilled workers at the site. With 2,300 square metres of modern workshop space and seminar rooms as well as innovative instructional tools, the centre offers the best conditions for vocational training in the constantly changing automotive industry. It stands for a new era of professional training that now includes electromobility, hybrid and connected cars, digital instructional media, and human–robot cooperation. More than 120 trainees were pursuing programmes in industrial mechanics, tool mechanics, electronics, mechanical engineering, and automotive electro–mechanics and automotive electronics at the Leipzig site in 2017, and 30 more will begin their programmes this year. A dual Porsche–DIBB study programme will also be offered for the first time in mechanical engineering. Training programmes in Leipzig have long enjoyed a close partnership with the VDI–Garage technology centre in the city’s Flugwelt district, which prepares pupils for vocational training later on. Its workshop is designed to bring automotive technology to life and inspire students to apply for traineeships at Porsche.

Employee development

The digital transformation is placing new and considerably different demands on all employees and managers. Staff in employee and management development as well as Works Council members focused on this situation in the reporting year. The aim is to enable all employees and managers to acquire and enhance key digital skills in structured and sustainable ways. Digital tools, training formats and training formats have been added to the overall further training system, and innovative customised modules are being integrated into target–group–specific HR development programmes.

Porsche Warm Up

Training starts from day one at Porsche, with a two–day induction programme for new employees and managers known as the Porsche Warm Up. It gives participants an overview of fundamental topics such as Strategy 2025, sustainability, health management and the activities of the Works Council. Around 2,000 people took part in the Warm Up pro­gramme in 2017.

Trainee programme

Following successful completion of the third wave of the Porsche Trainee Programme, the fourth wave started in October 2017 with ten participants. This 12–month programme offers talented young college graduates an opportunity to learn about working processes across departmental and divisional lines. It includes project and practical work in Germany and abroad.

Talent development programmes

A key part of the HR development and talent strategy within Strategy 2025 is to promote talented members of the workforce employed under the general wage agreement in sustainable and targeted ways. For example, the new Porsche development programme seeks to enhance employees’ technical and leader­ship skills to make them potential candidates for forthcoming management positions. This programme is based on the content and frame­work conditions of Strategy 2025, including digitalisation, innovation abilities, international­isation and life–long learning. The Porsche development programme started in November 2017 with around 250 participants. Programs for specific target groups were also further developed in the reporting year. The Fit For Planning pilot project enables produc­tion employees to acquire the skills to become production, logistics or process planners. Analogous programmes will be started and additional target groups on a needs–oriented basis. The development programmes for new talent and young professionals were also continued in all divisions in the reporting year.

Programmes at management level

Different–level training for employees of the Porsche Group includes two high–quality modular programmes developed in collaboration with leading academic and business schools and tailored to current and future requirements for Porsche management personnel.

Porsche launched an international manage­ment programme in the reporting year. Under the motto “A Distinctive Agility Trip for Porsche Leaders”, this customised programme is designed to support second–tier managers in the Porsche Group and to actively guide the digital transformation process. It aims to systematically raise the level of leadership skills, reinforce the requisite mindset and expand the repertoire of methods. This new management programme started in December 2017 with 50 participants.

The Porsche Advanced Management Pro­gramme has passed a milestone. Following its successful introduction in April 2015, the second wave started in March 2017 with 22 participants from Porsche AG, worldwide subsidiaries and Bentley. It concentrates on enhancing leadership skills and helping par­ticipants to successfully operate in global and volatile environments and actively guide Porsche’s strategic course.

Strategic skills management

A major future competitive advantage will be the ability to provide employees with the right skill acquisition opportunities at the right times and with a high level of quality. Skills therefore need to be defined, directed and managed in just as professional a manner as other factors in production. A systematic approach is therefore being created to help the company develop the employee skills needed to meet the challenges of the future. A stand­ardised process will define skill gaps at an early point in time so they can be filled through targeted retraining and further training, focused recruitment and new focuses in existing training programmes. A pilot project for this approach was successfully carried out in the reporting year and will now be put gradually into practice.

Porsche mood barometer

The mood barometer was used again in the reporting year, with a company–wide employee survey at Porsche AG and the Group subsidi­aries. More than 18,000 employees responded to questions on topics such as work together with colleagues and superiors, work­quality and the availability of information about current developments at Porsche. There were new questions this time on integrity and on collaboration within the Porsche. The survey’s results were analysed and then discussed in all company divisions with input from the Works Council. Management and employees identified potential areas for improvement and defined specific ways to for example optimise processes and working conditions.

Porsche is committed to making work flexible in terms of both location and times. Working from home, flexible working times in certain stages of life and voluntary time off in the form of sabbaticals are just some of the options. Job sharing for leadership roles has also proven to be successful in a pilot project and is being expanded to other areas of the company. Together with the Works Council and guided by the relevant works agreements, a framework for job splitting is being developed, including these options is being put into place.

Career and family

Porsche places a premium on the ability to balance a career and a family, and supports its employees with a wide range of services. For example, a sufficient number of childcare places in nurseries near the company sites are ensured by six partner providers. As in the previous year, children of employees enjoyed a comprehensive programme throughout the school summer holidays at all the sites around Stuttgart, including a shuttle service. Childcare was also available during all other school holi­day periods, with the exception of Christmas. Porsche’s family services provide comprehen­sive individual consultation and support for all stages of family life. This includes consult­ations for prospective parents, help in finding and arranging qualified care personnel for children and seniors, and training support in finding and selecting care facilities for the elderly.

Porsche Warm Up

Performance – Employees, society, sport

CO-DETERMINATION AT PORSCHE

Porsche AG uses a range of internal media to inform employees about the many options in this area. The Works Council also offers a com­prehensive platform for information and dis­cussion with its meetings at individual Porsche sites in Germany. Co–determination is highly valued in general at Porsche and is a key pillar of the company’s success. This also includes the numerous wage and factory agreements arrived at in the reporting year. The Works Council is an important partner and driving force behind the traditional fair for employees and their families at the Zuffenhausen site, which welcomed more than 20,000 guests in 2017. The 6–Hour Charity Run is also the re­sult of an initiative by the Works Council. More than 3,000 employees in nearly 250 teams ran at the event in the reporting year, and raised a total of 186,000 euros for good causes.

Equal opportunities and diversity

The Porsche workforce is fuelled by its diversi­ty. Employees from more than 80 countries with a wide range of individual skills ensure that Porsche takes the lead in many ways. Promotion of diversity by the management is anchored in both the previous leadership guidelines and in the newly developed Porsche Code. Equal opportunities and equal treat­ment for all employees – regardless of race, ethnicity, nationality, religion, beliefs, political or trade union affiliation, sexual orientation, age, disability or illness – are stipulated in the Porsche compliance code. To consolidate and further expand equal opportunity and diversity, the Diversity and Co–determination department was created in January 2017. One important aim that Porsche continues to work towards is attracting the percentage of women at all levels of the company.

Since 2012 Porsche has continuously in­creased the number of women at the company to the current level of 15.3 per cent. Over the last five years the number of female managers has more than doubled and is cur­rently at nine per cent. Measurable and binding equal opportunities are part of target agree­ments with each employee. In the area of por­sche management has set specific divisional targets and beyond legal requirements for the percentage of women promoted to man­agement positions. These targets are based on gender ratios in the upper wage groups. Training and further education opportunities such as workshops and seminars as well as mentoring programmes are also offered.

Fostering young talent is a key means of increasing the percentage of women at the company. Porsche, 23 per cent and 29 per cent of the internships and final dissertations are completed by women. A joint project with Stuttgart University was expanded in 2017 to provide more enthusiasm among female pupils and young women for technical occupations and careers at Porsche. With the TryScience at Porsche programme, the company offers female pupils as well as female students and graduate stu­dents in the MINT subjects (mathematics, IT, natural sciences and technology) at Stuttgart University the chance to find out about related careers. As in previous years, the project also participated in the Germany–wide Girls’ Day event, giving more than 150 female pupils from more than 250 secondary and preparatory schools and other secondary schools a look behind the scenes at the company. In addition, Porsche has successfully expanded its more than 15–year–long cooperation with Femte, the interna­tional career platform for women in science, technology, engineering and mathematics. The Newcomer Experience Workshop, a practice–based project spanning several months that addressed the question of “What does a future with fully automated cars look like for Porsche?”

Porsche also regularly informs female students and women with professional experience about career opportunities at women–specific fairs and events such as womenSwarm, Pandora and the Ada Lovelace Festival. At Frankfurt’s International Motor Show (IAA) more than
40 young professionals were introduced to Porsche as an employer at an exclusive career day for women.

In late May Porsche took part for the first time in Germany’s annual Diversity Day. Under the motto of “Promoting equal opportunities, benefiting from diversity”, the HR department, Works Council and disability representatives raised awareness of diversity at the company in Zuffenhausen. The aim was to highlight the value of equal opportunities and diversity and to expand this awareness in talks with co-workers. The seminar programme on diversity and respect was also further expanded.

Targets for female members of the Supervisory Board, Executive Board and management

To meet Germany’s Law on Equal Participation by Women and Men in Leadership Positions in the Private Sector and Public Services, targets were specified for the percentage of women to be on the Supervisory Board, the Executive Board and in first-tier management at Porsche AG by 31 December 2021. Given the long terms of its members, the Porsche Supervisory Board confirmed the status quo of ten per cent as its own target.

When the law was passed, all of the Members of the Executive Board with divisional responsibilities were men, with contracts extending over multiple years. The Supervisory Board therefore decided not to adjust the Executive Board target for 31 December 2017, and confirmed the status quo of zero until 31 December 2021. However, the Porsche Supervisory Board has set itself the aim of increasing the percentage of women on the Executive Board over the long term. For first- and second-tier management, the Supervisory Board specified targets of 15 per cent. The company thereby seeks to nearly double its status quo in these areas.

Health management and occupational safety

Healthy and capable employees are a precondition for the success of any company. Structured and step-by-step reintegration management has enabled 250 employees with long-term conditions to successfully return to work promptly in ways that safely accommodate their abilities.

Porsche places a premium on preventing health problems. The 23rd Porsche Health Days were held in June and July 2017 under the motto of “A question of posture – ergonomic tips for work stations”. More than 2,000 employees at seven sites attended and took part in electromyography tests to assess muscular tension.

The Assembly department is running a pilot project on how everyone can increase their fitness for work station activities in concrete and effective ways. The physiotherapy team Pit Stop helps employees take individual precautionary steps in their everyday routines.

Safe places of work are given the highest priority at Porsche. An organised and structured occupational safety and health management system provides a targeted and uniform approach and ensures compliance with regulations. The aim is to prevent work injuries and conditions as well as work-related health hazards.

The main processes are standardised and regulated by the Porsche Group’s occupational safety guidelines. These guidelines are a key component of the company’s compliance management system and apply to all employees. Managers make sure that their staff members know the content and provisions.

Occupational health specialists, Works Council members and company physicians provide additional advisory services. This led to a significant decrease of 12.7 per cent in the injury rate from 2015 to 2017. With 5.5 accidents per million hours of work in 2017, Porsche AG and Porsche Leipzig GmbH achieved its lowest accident rate ever.

Porsche food services

The company’s growth also affects its provision of food services for employees. The relevant infrastructure and offerings have been further expanded, and new cafeteria concepts developed for Zuffenhausen and Weissach. A total of 2.6 million meals were provided at Porsche sites in the reporting year.

At the reporting date 31 December 2017, Porsche employed 26,506 people in Germany. This is an increase of seven per cent over the previous year. The company’s rapid growth also poses Porsche major challenges, which can only be met by everyone pulling together and collaborating constructively.
Porsche has supported more than 100 young refugees, to work and training. The pro-young people in need of support, especially Ausbildungscampus (education campus) initiative. In addition, Porsche has contributed to the foundations. By the end of 2017 some 500 people from across the federal state had been given a bursary.

Education and science
The Porsche Integration Year was repeated in 2017, as the sports-car maker once again prepared 15 young refugees for an apprenticeship at partner companies and in industries that are currently suffering from an acute shortage of specialist workers. Porsche is also supporting a range of other initiatives that seek to give refugees long-term prospects in the German labour market. It is one of the main backers of the social enterprise Jobjingle gAG Stuttgart, which helps to find apprenticeships for young people facing a difficult start. This programme supported 80 refugees in 2017. Meanwhile, it has full-speed ahead for the Berufliche Anerkennung in Baden-Württemberg (Vocational Recognition in Baden-Württemberg) bursary programme during the reporting year. The Baden-Württemberg-Foundation project helps refugees to get the qualifications and training that they have completed abroad recognised without experiencing excessive red tape. As the only federal state in Germany to offer this type of assistance, Baden-Württemberg is supported by Porsche through the Stifterverband association of German companies and foundations. By the end of 2017 some 500 people from across the federal state had been given a bursary.

In addition, Porsche has contributed to the Ausbildungscampus (education campus) initiative set up by the Bürgerstiftung Stuttgart civic foundation. The foundation has worked with public bodies and representatives of employers to develop a model that introduces young people in need of support, especially young refugees, to work and training. The project now provides them with all the information they need, as well as support and advice, in one convenient location. The assistance on offer ranges from careers advice to help with applications and arranging contacts, as well as to guidance during training. At the same time, the project acts as a platform for employers, giving them information and advice.

During the reporting year Porsche funded the expansion of the Porsche Training and Recruitment Centre (PTRCA) in Manila. For nine years, the sports-car maker has worked with the Salesians of Don Bosco religious order to train disadvantaged young people in the Philippines as vehicle service mechanics, opening the door to a potential subsequent career in the Porsche retail organisation. Volkswagen and Audi became partners of the PTRCA in 2015, when the annual number of young people involved was boosted from 36 to 145. This expansion allows the PTRCA to offer its participants the best preparation for the rapidly transforming challenges involving the After-sales department.

Since the devastating earthquake in the Chinese province of Sichuan in 2008, Porsche China has been funding a long-term education project for children and young people. The Empowering the Future programme was launched in 2009 to provide education and integrated early development opportunities for disadvantaged children and young people in rural areas. Porsche China is currently working closely with UNICEF on three projects: Mobile Education Training and Recruitment (METRU) is a project that focuses on the development of local quality standards for teaching and education. METRU Plus & Effective Teaching and Learning (METRU Plus & ETL) is now improving the quality of education at primary schools in the poorer parts of the country. In addition, the Integrated Early Childhood Development (IECD) project is giving basic healthcare, early support and child protection to pregnant mothers and infants up to three years old. By the end of 2016, Porsche China had donated approximately RMB 60 million (around 7.7 million euros) as part of its cooperation with UNICEF. The funds are assisting 915 project schools with around 310,000 pupils, 13,300 teachers and 4,000 infants in seven provinces, communities and autonomous areas.

Culture
In July, Porsche and Stuttgart Ballet present the open-air “Ballett im Park” event. Porsche’s support for these performances is now in its sixth year, allowing thousands of ballet fans to experience the cultural phenomenon at no cost. Last September, Porsche extended its agreement with Stuttgart Ballet to continue as main sponsor for a further three years. The extension of the successful cooperation between Porsche and this leading ballet company comes right in time for the start of the 2017/2018 season, which launches with a special edition of its Behind the Scenes XXL series, in celebration of John Cranko’s 90th birthday at Stuttgart’s Kammerspiele. The sports-car maker has been principal sponsor of the Stuttgart Ballet since 2012. Furthermore, Porsche has donated ten million euros to fund the construction of the new building for the John Cranko Schule for young dancers.

In June, Porsche extended its agreement with the Leipzig Gewandhaus, including support for the much-loved Rococo concerts as part of the “Klassik airleben” series of concerts for a further three years. To date, the sports-car maker’s commitment to the venture has enabled more than 60,000 people from Leipzig to attend these first-class musical events free of charge. Porsche’s sponsorship package also includes international tours, major concerts. The company has been the Global Partner of the Leipzig Gewandhaus Orchestra since 2011.

In November, Porsche presented the Leipzig Opera Ball for the fifth time, donating a 718 Cayman to be raffled for a good cause. The guests bought a total of 8,000 tickets at ten euros each. This year the proceeds from the raffle were donated to the Leipzig hilft Kindern children’s charity, including the Haus Leben e.V. project in Leipzig. This group supports cancer patients and their families in dealing with the emotional and practical challenges of the disease and helps them to help themselves, according to its motto “Preventing, curing and managing cancer.”

One of the main focuses of Porsche China’s social commitment is support for talented young artists. The company launched its cooperation with the Sichuan Institute for Fine Arts as early as 2010. So far, seven Porsche Art Competitions have been organised through the Empowering the Future project, attracting more than 2,000 entries from art students. In May 2017, Porsche initiated the first ART021 Porsche Chinese Artist of the Year competition, together with the Shanghai Fair for Contemporary Art, as an extension of the programme. The aim of this project is to support the personal and artistic development of China’s most innovative and pioneering young artists.
The reporting year saw the third staging of the 6-hour Charity Run. Three thousand Porsche workers tackled the 911-metre route at the Zuffenhausen plant. For each lap completed, the company made a five-euro donation to social projects in the Stuttgart region. In total, 185,000 euros were raised. The money was donated to the Olgä-Stiftung (Olgä-Stiftung), Mobile Jugendarbet Stuttgarter jugendhaus gGmbH (a children’s charity organisation), Gustav-Werner-Schule Zuffenhausen school, and to Kinder- und Jugendhospiz Stuttgart (a hospice for children and young people in Stuttgart). This final recipient has benefited from the last three stagings of the 6-hour Run and opened its doors during the reporting year. It is the first residential hospice for children and young people in Baden-Württemberg. Up to eight seriously ill children and young people can be accommodated and supported, and along with their parents. The Olgä-Stiftung aims to provide the best level of care for children attending the Olgähospital in Stuttgart. In addition to the medical attention they receive, it believes creating an atmosphere in which the children feel at home is vital to their care. As a result, the charity has funded special ward clowns for over 15 years. They have received psychological training for working with sick children and help take the young patients’ minds off their health concerns.

The world of books allows children to escape and join their heroes such as the Little Prince, and Snow White as they embark on their adventures. The Hohensteinschule and Silcher-Schule schools in Zuffenhausen have set up an informal reading club with bean-bags and relaxed seating as well as a library of children’s books; thanks to cooperation with the Stiftung Lesen foundation and a donation from Porsche. The aim of the project is to give the children a love of reading without the pressure to achieve, thus improving their language and reading skills. The opening ceremony was attended by TV and movie actor Richy Müller, as a guest reader.

Weinachsmanns & Co is a Stuttgart-based initiative that has been supporting charitable ventures and organisations in the city and its surrounding area for over 40 years. One of its most important sources of income is its annual stand at the Stuttgart Christmas Market. Staff taking part in the Porsche Year of Support once again volunteered a day of their time to help at the stall in 2017. In addition, Porsche handed over a cheque to provide extra funds to this operation, which is only one of its kind in Germany.

Integration through sport
Porsche is supporting the Württemberg Football Association to enable people suffering from mental health disorders to take part in regular training sessions. This commitment to inclusive sport was strengthened once again in 2017 as Porsche trainees invited the association’s team for people with mental disorders to play a friendly match. As ever, the experience of taking part was more important than the result.

Porsche in Leipzig has been working with the RB Leipzig football club on an ‘Inclusive Game Day’. The club’s Bundesliga match against 1. FC Ingolstadt centred around a campaign for people suffering from disabilities, a campaign coordinated by the Bundesliga Stiftung (German professional football foundation), Aktion Mensch (a German charitable organisation) and Sächsischer Behinderten- und Rehabilitationssportverband (SBV – the Saxony Association for Disability and Rehabilitation Sport). Porsche Leipzig also joined forces with RB Leipzig as a partner in the club’s efforts to help young refugees, funding their participation in an integration programme. More than 50 refugee children took part in the activity entitled Willkommen Fussball ‘Welcome to Football’, featuring a summer camp provided by the RB Leipzig football academy.

Environment
In an effort to improve forest diversity and move away from pine forest monoculture, several thousand oak trees were planted in an area covering 4.6 hectares in Rutesheim, Weissach and Ludwigsburg. The saplings are replacing spruce and ash trees that have been destroyed by storms or fungi. Desirable forests generate on average 800 litres of ground water per hectare than pine forest monoculture, doing so every year and for generations to come. This action is Porsche’s contribution to the national project of the Hamburg-based Tinkwasserwald e.V. environmental association. The 4.6-hectare drinking water forest will produce 3.68 million litres of clean groundwater annually. With every one of us requiring some 1,000 litres of drinking water each year, the new plantation will thus quench the thirst of up to 3,680 people for their entire lives.

As part of the Porsche sustainability strategy, Porsche Leipzig has joined forces with binee, a local recycling startup-based in Saxony. Founded in 2015, this company has developed a recycling system that pays for old, unwanted electronic items and aims to reuse their components. This reduces the need to extract raw materials such as iron ore. Porsche Leipzig took part in a three-month pilot phase in which they could easily dispose of old mobile telephones and small electrical appliances on their way to work. Transparent processes provide users with visibility and insight into the recycling chain. They can follow their old devices as they progress through the system. As a thank you, each participant received a discount coupon for use in conjunction with a purchase at one of binees partner businesses. The cooperation between Porsche and binee is an example of the successful symbiosis of business and innovation in Leipzig.

At the beginning of May, 25 bee colonies populated with some 60,000 bees each moved in to the grass meadow at Porsche Leipzig’s off-road test area. The 132-hectare area, in which a plant’s off-road area was once a military zone and was restored to its natural state in 2000. In 2017, Porsche Leipzig also donated eight Exmoor ponies to two charitable associations in Saxony and Thuringia. The animals are frequently donated to selected charities in order to manage the pony population at Porsche Leipzig.

Porsche Cars North America launched the Porsche Care Network in 2011; this initiative organises the Porsche employees’ volunteer work. The focus of these efforts is on the environment, family and education projects. More than 750 working hours were donated in 2017. The projects undertaken by the employees included cleaning up a section of the Chattahoochee River, and planting trees at the site. In addition, they put together food packages for needy families and launched an education project that uses fan activities to teach children about how to handle money.
Porsche has commitments in many different sports, with particularly significant involvement in women's professional tennis and men's professional golf. Since competitive sport is not possible without comprehensive basic training, Porsche supports the next generation at its production locations. Under the motto “Turbo for talents,” the company sponsors children and adolescents in football, basketball and ice hockey in Stuttgart and Leipzig. Its partner clubs are RB Leipzig, SG Sonnenhof Großaspach, SV Stuttgarter Kickers, SC Bietigheim-Bissingen Steelers and the Porsche Basketball Academy Ludwigsburg. The aim of this cooperation is to support the next generation both in sports and also socially, and to prepare them for their future professional life.

The Porsche Coaching-Mobil

The Porsche Coaching-Mobil has been on the road since April – and not just with the five partner clubs in the Stuttgart and Leipzig regions. Over 3,000 children and young people have taken part in the 58 initiatives so far. The Coaching-Mobil is a trailer specially developed for youth training, which is fitted out with sporting equipment and instruments to measure performance data. This gives young talents the opportunity to evaluate their sports performance better and to adjust their further training accordingly. In addition, age-dependent reference values provide a benchmark for comparing results.

Talents from the Basketball Academy visit Porsche

In May, 13 young talents from the Porsche Basketball Academy (BBA) Ludwigsburg came to Leipzig for the second “Porsche Night of Talents.” The highlight was the award of the Turbo 2017 prize, presented in three categories: best sporting development, best school achievement and exceptional social commitment. TV series Tatort police commissioner Richy Müller was among those presenting the prizes to the winners. In addition, the participants visited the production department and got to know the performance of various Porsche models during “taxi rides” on the circuit.

In April, Porsche and the Women’s Tennis Association (WTA) entered into a global partnership which will run for several years. Porsche will be the official and exclusive automobile partner of the WTA and, under the heading “Porsche Race to Singapore”, the new title partner for the qualifying rankings for the WTA Finals in Singapore.

40th Porsche Tennis Grand Prix

In April, in a final filled with excitement and drama, Laura Siegemund fulfilled her dream: the Porsche Team Germany player won the 40th Porsche Tennis Grand Prix. In the sold-out Porsche Arena, the local heroine beat the French player Kristina Mladenovic 6:1, 2:6, 7:6. She was presented with the keys to the winner’s car, a 911 Carrera 4 GTS Cabriolet, by Porsche CEO Oliver Blume. The doubles winners were Raquel Atawo (US) and Jelena Ostapenko (Latvia). Maria Sharapova, three-time winner in Stuttgart, returned to the Porsche Team Germany player won the Porsche Tennis Grand Prix in Filderstadt, was the anniversary guest. The 40th edition of the tournament was not only a huge success with the public; the players, too, enjoy this traditional championship more than any other in the Premier 700 category on the WTA tour. In 2017, they once again voted the Stuttgart event the most popular tournament – for the ninth time since it moved to the Porsche arena in 2006 and for the fourth time in succession.

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New global partnership between Porsche and the WTA

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The figures for fuel consumption, energy consumption and CO₂ emissions are found on page 128–129.
Porsche continues as premium partner of the DTB

The German Tennis Federation (DTB) and Porsche are extending their premium partnership until 2020. This cooperation, which chiefly comprises the support of Porsche Team Germany in the Fed Cup and of young players in the Porsche Talent Team, has existed since 2012. An example of the successful promotion of top talents is Carina Witthöft, a member of the Porsche Talent Team up to the start of 2016. The 22-year-old from Hamburg is about to enter the top 50, made her first appearance in the Fed Cup Team in April, and won her first title on the WTA Tour in Luxembourg in October. Julia Görges from Porsche Team Germany has now won her fourth title. In the final of the WTA Elite Trophy in Zhuhai, China, at the beginning of November, she beat American Coco Vandeweghe 7:5, 6:1, marking the biggest success of her career. This means that the 29-year-old from Bad Oldesloe goes into the winter break as number 1 in the world rankings – the best ranking so far for the winner of the Porsche Tennis Grand Prix 2011.

JULIA GÖRGE

Maria Sharapova, Porsche ambassador since 2013, won the WTA Tour tournament in Tianjin, China, in October. It is the 30th title won by the multiple Grand Slam winner. Angelique Kerber has been a brand ambassador since 2015. In October 2017, she received the Jerey Diamond ACES Award from the WTA. This prize is awarded to the player who makes an exemplary contribution off the court to promoting public interest in women’s tennis. The former world number one earned the award, the jury said, because of her regular commitment to charity events and fan events around the world, as well as her numerous initiatives with children.

MARIA SHARAPOVA

JORDAN SMITH

Porsche European Open in Hamburg

In July, Porsche was, for the third time, the title partner of the prestigious European Tour tournament, which has a prize fund of two million euros. After two years in Bad Griesbach, Bavaria, the tournament moved to northern Germany to the Green Eagle golf course, just outside Hamburg. The tournament weekend was rung in with the Porsche European Open Team Challenge, a golf show on the Reeperbahn, in which eight top stars of the event took part in a team competition. Over four tournament days, nearly 40,000 enthusiastic spectators followed the victory of Englishman Jordan Smith in the play-off against the French defending champion Alexander Lévy. For 24-year-old tour rookie Smith, this was his first victory on the European Tour.

PORSCHE GENERATIONS OPEN

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RESEARCH AND DEVELOPMENT

New 911 GTS models

Porsche has continued to expand its 911 product range by adding five GTS models. The 911 Carrera GTS with rear-wheel drive and the 911 Carrera 4 GTS with all-wheel drive are both available as a coupe and cabriolet. The 911 Targa 4 GTS with all-wheel drive has also joined the portfolio. Newly developed turbochargers for the 3.0-litre flat-six engine raise its performance to 331 kW/450 hp. The drive system has 22 kW/30 hp more than the 911 Carrera S and 15 kW/20 hp more than the previous GTS model with a naturally aspirated engine.

World premieres in Geneva

Porsche unveiled the new models at the 2022 Geneva Motor Show. The new Panamera Sport Turismo gives the Panamera family a new body version. Based on the successful sports saloon, the new model’s unique design makes a new statement in the luxury segment. Generating up to 404 kW/550 hp, the four-door Sport Turismo is also more versatile than any other member of its class. With a large tailgate, low loading sill, larger luggage volume and 4+1 seating concept, this new car meets high demands for everyday usability and flexibility.

Panamera Turbo Sport Turismo

The car comes in four model versions: the Panamera 4 Sport Turismo, Panamera 4 E-Hybrid Sport Turismo, Panamera 4S Sport Turismo and Panamera Turbo Sport Turismo. The second hybrid version of the Panamera is the first plug-in hybrid to be positioned at the top of a Porsche model line, reflecting the great importance that the company attaches to electrification. The new 500-kW/680-hp Panamera Turbo S E-Hybrid adds an electric motor to the 4.0-litre V8 engine from the Panamera Turbo. This generates overall system performance of 800 kW/680 hp and impressive power development with 850 Nm of torque available at just above idling speed. This in turn enables acceleration from zero to 100 km/h in 3.4 seconds and a peak speed of 310 km/h. The boost strategy for this flagships Panamera model with all-wheel drive comes from the 918 Spyder super sports car. Average fuel consumption in the New European Driving Cycle is 2.9 l/100 km, and the fully electric range can reach 50 kilometres. The electric motor is powered by a liquid-cooled lithium-ion battery with an energy capacity of 14.1 kWh. Integrated into the rear of the car, the high-voltage battery can be fully charged in six hours using a 230-volt 10-amp connection. With the optional 7.2-kW on-board charger and a 230-volt 32-amp connection instead of the standard 3.6-kW system, the Panamera’s battery can be fully charged in 2.4 hours.

The 911 GT3 presented by Porsche in Geneva is a racing-based two-seater with systematic lightweight construction that is ideal for both motorsport and everyday use. The heart of the 911 GT3 – its flat-six engine with 360 kW/500 hp – has been completely re-designed by Porsche Motorsport and is already being used in adapted form in the 911 GT3 R. The newly conceived variable intake system made of lightweight synthetic material has two integrated resonance butterflies compared to just one in the predecessor model. Depending on load and engine speed, these open singly or simultaneously to enable a considerably higher torque curve than before. One beneficial side effect consists of efficient load alteration that enhances fuel consumption. Both the reworked chassis with rear-wheel steering and the systematic lightweight construction are designed to convert engine power into outstanding driving dynamics.

Impressive features of the 911 Turbo S include its unique design, luxurious details and higher-grade materials. The sports car is finished by hand with meticulous craftsmanship at the Porsche Exclusive Manufaktur workshop in Zuffenhausen.

Luxurious:
The 911 Turbo S Exclusive Series

In the summer Porsche introduced the 911 Turbo S Exclusive Series, a limited edition of 500 cars. The coupe generates 446 kW/607 hp, or 27 hp more than the standard 911 Turbo S. Its 3.8-litre bi-turbo flat-six engine with an exclusive power kit has a peak torque of 750 Nm that is available between 2,250 and 4,000 rpm. The Turbo S sprints from zero to 100 km/h in 2.9 seconds, with a peak speed of 330 km/h. Its combined fuel consumption, which does not differ from the standard model, is 9.1 l/100 km and corresponds to 212 g/km of CO₂ emissions.

The figures for fuel consumption, energy consumption and CO₂ emissions are found on pages 128–129.

Performance – Research and development

The figures for fuel consumption, energy consumption and CO₂ emissions are found on pages 128–129.
The new Porsche 718 GTS models

Porsche has added the new 718 Boxster GTS and 718 Cayman GTS two-seaters to its family of mid-engine cars. A newly developed intake duct and an optimised turbobocharger have increased performance to 269 kW/365 hp, so the 2.5-litre flat-4 engine generates 11 kW/15 hp more output than the 718 model and up to 26 kW/35 hp more than the previous GTS models with naturally aspirated engines.

Porsche Active Suspension Management (PASM) lowers the body by ten millimetres. Peak torque of up to 430 Nm enables even better acceleration and flexibility values. It is available between 1,900 and 5,000 rpm. Together with a Porsche double-clutch transmission (PDK) and Sport Chrono Package, the GTS models race from zero to 100 km/h in 4.1 seconds. The peak speed is 290 km/h.

The GTS cars stand out in the 718 model line in technical but also visual terms. The new Sport Design front apron accentuates their sporty character. Their front light modules and bi-xenon headlights are tinted black in the typical GTS manner.

New Cayenne celebrates world premiere

Porsche held a spectacular event in Zuffenhausen in August to present the third generation of the Cayenne. More than 770,000 cars in this model line have been built since 2002. The completely redeveloped third generation of the SUV is more precise, elegant, athletic and expressive, and influenced strongly by the 911. It now offers mixed tyres and rear-axle steering for the first time. Despite an expanded range of standard equipment, it weighs up to 65 kilos less than intelligent lightweight construction. Its exterior shell is made entirely of aluminium, as is its floorpan assembly, front section and nearly all of its chassis components.

Of special technical note is its innovative lithium-ion polymer starter battery, which alone makes the car ten kilos lighter than the previous model. This new-generation line was launched with two newly developed six-cylinder petrol engines that generate 250 kW/340 hp in the Cayenne and 324 kW/440 hp in the Cayenne S.

The Cayenne has been thoroughly digitalised and networked. Its expanded range of performance from sportiness on the one hand to comfort on the other is due not least of all to the new eight-speed Tiptronic S gearbox. Shorter response times and sportier ratios in the lower gears enhance both on-road performance and off-road capacities. At the other end of the expanded range, the long-transmission eighth gear ensures low rpm levels and optimises fuel consumption on leisurely drives.

Shortly after the world premiere, Porsche presented the Cayenne Turbo. The new flagship of this SUV generation, it significantly raises the standard for sporty performance in its segment yet again. Its four-litre bi-turbo V8 engine generates 404 kW/550 hp. Innovative technologies like the active aerodynamics including a roof spoiler, the controlled three-chamber pneumatic suspension, mixed tyres and a new high-performance braking system combine to lay the foundation for even better driving dynamics.

Porsche has raised connectivity to a new level in the new Cayenne. The many different options are a key component of Porsche Connect Plus, which is standard in the new SUV generation.

Porsche Connect Plus

Porsche has raised connectivity to a new level in the new Cayenne. The many different options are a key component of Porsche Connect Plus, which is standard in the new SUV generation. Drivers can now use Porsche Communication Management (PCM) to access Amazon Music, smart-home services from Nest, and Radio Plus, an intelligent combination of conventional and online radio reception. An integrated LTE-compatible SIM card enables the new Cayenne to be permanently online, which is also a standard feature. In addition, Porsche has developed a simplified smartphone app for the main Porsche Connect functions. And Amazon Music subscribers can enjoy one of the most popular streaming services in the Cayenne directly via PCM. Amazon Music offers not only a wide range of music but also other entertainment services in Germany such as live audio streaming of Bundesliga football matches.

The further developed online navigation system with real-time traffic information is now even simpler, faster and more comprehensive. A central “finder” – whose icon is a magnifying glass in the PCM’s header – makes it easy to search for destinations. The finder also offers a lot of additional information such as petrol prices, locations of parking garages including their prices and opening times, and user reviews of hotels and restaurants. The new Voice Pilot function makes it just as simple to give spoken commands to the navigation system. Porsche’s voice control has again been further enhanced. Online speech recognition makes voice input more intuitive than before. For example, destinations can be entered without all the details in the address.

The route calculation system has also been optimised, thanks to simultaneous processing of on-board and online information. It calculates routes both internally in PCM and online. PCM automatically selects the best route, but always starts with the one calculated first. The navigation system also uses the new Risk Radar service to process swarm data: this data has been gathered and transmitted anonymously by vehicles equipped with special sensor systems to detect conditions like fog, slippery driving surfaces and accidents. The new Cayenne can therefore help to reduce risks and prevent accidents.

GT2 RS is the fastest 911 of all time

The Festival of Speed in Goodwood (United Kingdom) provided the setting for the world premiere of the 911 GT2 RS – the fastest and most powerful 911 of all time. The heart of this high-powered sports car is a bi-turbo flat-6 engine with 515 kW/700 hp that accelerates the 1,470-kilo two-seater with a full tank of fuel from zero to 100 km/h in 2.8 seconds. Its peak speed is 340 km/h. The 911 GT2 RS was the first model to feature a racingRS set for road-authorized sports cars on the Nürburgring-Nordschleife (Nürburgring north loop) with a time of 6:47.3. As usual for record laps, this was measured on the 20.6-kilometre circuit. The average speed was 184.11 km/h.
Premiere at the IAA:

911 GT3 with Touring Package

The 911 GT3 with Touring Package joined the ranks of purist high-performance sports cars with its debut in September at the International Motor Show in Frankfurt am Main (IAA). The car only comes with a manual six-speed gearbox, and has a variable rear spoiler. Its Four-litre naturally aspirated racing engine generates 368 kW/500 hp and develops 460 Nm of torque. With optimal gear shifting, the 911 GT3 with Touring Package powers from zero to 100 km/h in 3.9 seconds, and has a peak speed of 316 km/h.

The “Touring Package” name recalls a set of equipment for the 911 Carrera RS from model year 1973. Then, too, the focus was on purist 911 design and classic interior features. The new 911 GT3 with Touring Package picks up on and modernises this idea. In keeping with the character of a purist GT car, high-grade leather features prominently in the interior. Smooth-grained leather lines the steering wheel with a high-calibre sports cars who have a strong appearance. This car appeals to fans of compression. The body has also been lowered by 460 mm. Extra width at the wheel arches than the dominate the side view. With the body 44 millimetres broader at the wheel arches than the central console and door handles.

The 911 GT3’s body has impressively large air inlets in its specially designed front end, also as the model’s typical air outlet in front of the luggage compartment lid. Forged light-weight metal wheels with central locking features prominently in the interior. Smooth-grained leather lines the steering wheel with a 12 o’clock marker, shift lever, door-panel arm rests, storage compartment cover on the central console and door handles.

The “sports car among SUVs” is meticulously hand-finished in the Porsche Exclusive Manufaktur workshop at the Leipzig production site. The Macan Turbo Exclusive Performance Edition’s unique appearance is based on the standard Turbo exterior package, which includes 21-inch 911 Turbo Design wheels with spokes painted high-gloss black on the sides, LED main headlights and tinted rear lights.

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The car’s exclusive character is emphasised by design highlights created solely for this model, such as Carmine Red elements on the front spoiler, rear apron and sideblades. The “Macan Turbo” model designation also appears in Carmine red below the Porsche insignia in high-gloss black at the rear.

Stuttgart hosts global electromobility conference for first time

Stuttgart holds global electromobility conference for first time for the first time The International Electric Vehicle Symposium & Exhibition (EV30) was held for the first time in Stuttgart in October. As for electromobility’s industry’s largest and leading event worldwide, it attracts experts from around the globe who report on the latest technologies, developments and trends. Porsche was both a sponsor and an exhibitor at the EV30.

The 911 GT2 RS

Porsche Exclusive Manufactur refines the most powerful Macan

Porsche presented the Macan Turbo Exclusive Performance Edition, an especially elegant variant of the flagship Macan model, in October. This Edition model is based on the Macan Turbo with Performance Package, which has a 3.6-litre V6 turbocharged engine that generates 324 kW/440 hp. The car is only available in selected markets. Exclusive design features on both the exterior and interior accentuate the especially sporty character of this most powerful derivative in the model line.

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Less is More – the new Porsche 911 Carrera T

In October, Porsche presented the 911 Carrera T, a new take on the purist 911 T of 1968 – lower weight, shorter transmission ratios for the manual gearbox, and rear-wheel drive with a mechanical rear differential lock. Based on the 911 Carrera, this new model has its own visuals and delivers 272 kW/370 hp. The 911 Carrera T – “T” stands for Touring at Porsche – has additional elements not found in the 911 Carrera. These include PASM sports suspension with a 20-millimetre lowered body as a standard feature, a weight-optimised Sport Chrono Package, shortened gear lever with a red shift diagram, and Sport-Tex seat centres. The 911 Carrera T also has optional rear-axle steering, which is not available for the 911 Carrera. All the features are designed to enhance sportiness and lower the weight. Sound insulation is reduced to a minimum. The car does not have rear seats or Porsche Communication Management (PCM), although both are available at no extra cost if desired. With an empty weight of 1,425 kilos, this two-seater is 20 kilos lighter than a 911 Carrera with comparable systems.

Worldwide innovation: New PSCB brake for greater performance and sustainability

Porsche places the highest priority on safety for its own products and especially for everyone on the roads. The company has therefore always devoted special attention to developing and continuously improving its braking technologies. With the latest generation of the Cayenne, Porsche has introduced an innovative grey-iron brake disc that sets new standards worldwide in performance and sustainability. The Porsche Surface Coated Brake (PSCB) features discs with an extremely hard coating made of tungsten carbide along with specially developed pads. This new system has considerably better properties than conventional grey-iron brakes. In addition to unique visuals, these include further optimised responsiveness and very high fading stability also under extreme conditions. As for sustainability, the PSCB breaks new ground with considerably less wear than conventional uncoated brake discs. Brake service lives are thereby lengthened by at least 30 per cent, or even more depending on usage. In addition to significantly reduced wear, the brake produces around 90 per cent less of the usual dust. This means lower particulate levels and better environmental compatibility – coupled with better performance. Thanks to its innovative coating, the new brake is absolutely corrosion-free and shows constant friction values throughout its entire service life. The PSCB is standard in the Cayenne Turbo and an option for all other Cayenne models. Plans call for rolling it out to additional model lines.

The figures for fuel consumption, energy consumption and CO₂ emissions are found on pages 128–129.
With the start of the "Exciting Driving Global Customer Culture" initiative, the company aims to further enhance its customer focus. The project is initially being introduced as a pilot project at Porsche Cars North America and Porsche AG in Germany.

Process and customer management

CRM@Porsche is the central process and customer management platform for all affiliated subsidiaries and their dealers and is integrated across all sales levels. The platform also includes all further customer-related applications. To ensure successful and efficient management of the customer journey, continuous development of CRM@Porsche is essential. The goal is a fully integrated back-end of the current and future customer ecosystem. The platform will therefore be further developed technologically, functionally and visually in the coming years. In 2017 the emphasis of the project CRM@Porsche 2017+ was on technical readiness. The focus here was on preparing the implementation of new processes, functions and applications. There are also plans to develop a new user experience that guides and supports users through the processes and functions.

Porsche strengthened its digital customer presence yet again in 2017. With My Porsche, the Connect portal revised in 2016 was expanded as a personal interaction platform for the customer with Porsche and introduced in some initial markets. Customers and potential buyers now have access to the entire digital service and product portfolio custom-tailored to their individual needs using their Porsche ID. The range is continuously being expanded and already includes numerous Connect services, remote vehicle information, after-sales functions and smart mobility products.

In 2017, Porsche concentrated on improving customer service through a variety of different projects. In addition to strategically important external studies and comparisons with the competition, Porsche also conducts its own continuous measurement of customer satisfaction with sales and service processes. Real-time reporting has been set up that directly informs responsible parties within the system of customer feedback.

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Performance – Sales, production, procurement

Dealership Sustainability Initiative

With its Dealership Sustainability Initiative, Porsche is investing continuously in construction and operation of environmentally sustainable Porsche Centres. One innovative example was the development of a photovoltaic carport that is now being used at Porsche dealerships worldwide. Specially designed for Porsche vehicles, the carport enables the charging of plug-in hybrid and electric vehicles with locally generated renewable energy. It also protects against weather conditions. The elegant support structure with integrated Porsche universal chargers (AC) features a roof structure made of semi-transparent glass-glass photovoltaic modules. For two parking places, for example, they generate more than 3,000 kilowatt-hours of energy per year – enough electricity for over 200 battery charges for a Panamera 4 E-Hybrid, which corresponds to an electronic range of roughly 10,000 kilometres. The photovoltaic carport celebrated its premiere on the North Sea island of Sylt. Plug-in hybrid vehicles hired out by Porsche Drive can be charged there. Further locations are already in the pipeline.

Porsche was also honoured worldwide for sustainability in construction in 2017. In China, the Porsche Centre Shanghai Waigaoqiao received the "LEED Gold" certification. In the US, the Porsche Experience Centre in Los Angeles was rated "LEED Certified".

In 2017, Porsche came tops in the overall rankings of the Automotive Performance, Execution and Layout Study (APEAL) quality study by the US market research institute J.D. Power for the 13th straight year. Porsche thus remained the automobile brand with the highest attractiveness for customers in the US. Moreover, the Porsche 911, Cayenne and Macan models also topped their respective categories. The survey involved more than 69,000 new car owners, who rated 243 models from 33 manufacturers in ten categories. Also conducted in the US by J.D. Power, the Initial Quality Study (IQS) annually surveys new car customers regarding defects in their vehicles. With its repeat top ranking, the sports-car icon 911 led the tables for the sixth year in a row in the "Midsize Premium Sporty Car" category. US customers have thus rated the legend from Zuffenhausen as having the best quality every year since 2012. The Macan took top honours in the "Compact Premium SUV" segment. Since its survey debut in 2015, it has thus headed the category three times ahead of the trait. The Porsche plant in Leipzig once again took gold and thus the top spot among all plants in Europe and Africa.

The US consumer magazine Kelley Blue Book handed out a total of four Brand Image Awards to the sports-car maker: the Porsche brand in the "Best Performance Luxury Brand" category, the Porsche Macan in the "Best Resale Value – Luxury Compact SUV/Crossover", the Porsche Panamera in the "Best Resale Value – High-End Luxury Car", and the Porsche 718 Cayman in the "Best Resale Value – Sports Car". Readers of the US car magazine Car and Driver placed the "Porsche 991.2 GT3 RS" as the "Exotic of the Year". And in winning the "Golden Steering Wheel" from Bild am Sonntag and Auto Bild, the Panamera Sport Turismo was named the best sports car of 2017, securing one of the most important European automobile awards. The Golden Steering Wheel has been awarded by the publications of the Axel Springer publishing house since 1976 and is regarded as the Oscars equivalent for cars, with its exceptional international renown.

For the 14th time, Auto Bild and Schwacke Publishing House of the Axel Springer publishing house named the "Value Champion". The award compares all models sold in Germany in 13 vehicle segments and names the vehicle with the most stable value in each class. With a value loss of just 34.7 per cent after four years, the Porsche Macan S Diesel again took the title as the most stable-valued car in Germany. In total, Porsche scored four class wins: in addition to the Macan, the 718 Cayman S PDK won the "Best Cars 2017" rankings in the "Best Performance Luxury Brand", the Porsche Panamera 4S Diesel the luxury class and the Cayenne Diesel the SUV class.

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SALES

Customer service further improved

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With the start of the "Exciting Driving Global Customer Culture" initiative, the company aims to further enhance its customer focus. The project is being introduced as a pilot project at Porsche Cars North America and Porsche AG in Germany. The project focuses on two key questions: How can the internal project at Porsche Cars North America and the system of customer feedback directly inform responsible parties within the competition, Porsche also conducted its internal project.

SALES

Porsche strengthened its digital customer presence yet again in 2017. With My Porsche, the Connect portal revised in 2016 was expanded as a personal interaction platform for the customer with Porsche and introduced in some initial markets. Customers and potential buyers now have access to the entire digital service and product portfolio custom-tailored to their individual needs using their Porsche ID. The range is continuously being expanded and already includes numerous Connect services, remote vehicle information, after-sales functions and smart mobility products.
New corporate identity

New design for the Porsche brand presenta­tion: Porsche changed its corporate identity for the first time in roughly 20 years. The in­house font was reporting year as well and the displays in its vehicles, have been fundamen­tally reworked. The result is a significantly modernized and even more emotional pres­entation. Porsche had been resolutely applying its previous corporate identity since 1996 and with it had given the brand an unmistakable appearance. With the growing importance of digital channels, the new design effort placed great importance on establishing a brand presentation that would work online as well, and unmistakably stand for Porsche. In the future, the colour scheme will focus in the colour white, accompanied by four grey tones, black and a new, brilliant Porsche red. The colour Acid Green was retained as the com­munications colour for the E-Performance area. The Porsche Next in­house font was also redesigned.

The Aftersales depart­ment also focussed on the market launch of the new Cayenne in the reporting year as well as securing the world­wide replacement parts supply for the third SUV generation. In addition to the defini­tion and provisioning of replacement parts, new digital, interactive Driver’s Manuals and an app for customers were developed. Aftersales also achieved a very strong insurance rating for the Cayenne. New repair concepts contin­ued to be developed. For example, a procedure that enabled particularly rapid testing for wear on the new PSCB brake utilising a paint­thickness measuring device was introduced. This enabled more cost­effective and simulta­neously higher­quality service both for the customer and the Porsche Centre. To ensure that vehicles could be rapidly and competently serviced or repaired, a compre­hensive training programme for the employees of Porsche Centres was initiated worldwide. The focus of the training programme was new technologies and systems used in the Cayenne. The qualification of the dealer organisation as well as the further development of the course and training methods were a key part of the effort to prepare dealers optimally for coming vehicle generations. The advancing electrification of the vehicle models also took on a central role in the after­sales context. In particular, this included the development of a powerful charging infra­structure at the Porsche locations that would allow the recharging of vehicle batteries at currently unimaginable speed – independent of the capacity of the available connection lines. In the reporting year, a clear course was charted for these new technologies, and the requisite infrastructure and processes are in development. At the same time, the Sales department and the Volkswagen Group were hard at work on “intelligent home charging”. With automatic consideration of the electricity price and the current electricity needs of all consumers in the household, the system enables rate­optimised charging.

The Porsche vehicles of the future will, more­over, be “always online”. In 2017, the Aftersales department worked on various over­the­air (OTA) functions. In the future, these capabili­ties will enable one­click purchasing of new vehicle functions in the Porsche navigation system. Analysis and troubleshooting will also be possible without the customer having to visit a Porsche Centre.

The Aftersales department also worked on Service Packages offering customers all­inclusive comprehensive services. All costs for maintenance or replacement of high­wear components, for example, would be covered by a single price. This would then ensure optimal care for the vehicle.

To make day­to­day work in the Porsche Centres more efficient and pleasant, all After­ sales systems were modernised in 2017. In the future, roughly 30 systems will be united in a single frontend.

2018 TÜV Report: quality at Porsche

In the 2018 TÜV Report published in Novem­ber 2017, the 911 models from Porsche once again demonstrated their superior long­term quality. Among the six­ to seven­year­old models as well as the eight­ to nine­year­old and ten­ to eleven­year­old models, the 911 topped the list in each category. The 2018 TÜV Report was based on the results of the main study. In the study period between July 2016 and June 2017, the results from nearly nine million vehicles were evaluated.

Collaboration project in battery recycling

In Aftersales, Porsche is collaborating with the Swedish company Box of Energy. The joint project involves the recycling and further use of lithium­high­voltage batteries. A prototype for a second­life energy storage unit is in progress. The unit is comprised of two used Panamera batteries installed in a stationary energy storage unit with 18 kilowatt­hours of capacity. Depending on market and customer demands, specific solutions for the storage of solar power generated in­house or cheap purchased electricity for later use will be developed. In conjunction with renewable energy sources, the project makes an impor­tant contribution since the need for temporary storage of electricity is continuing to rise. The use of used vehicle batteries as energy storage units significantly reduces waste and the consumption of raw materials.

New additions to the replacement parts assortment included the brake drum for the Porsche 356 A and the Porsche Classic Vehicle Tracking System, which provides an additional anti­theft protection measure for classic sports cars. For the optimal maintenance of the vehicles and to provide an expert point of contact for classic Porsche enthusiasts, the international dealer and service network was further ex­panded in 2017. Locations were added in Australia, Hong Kong and Norway. Customers and potential buyers therefore now have a total of 60 Porsche Classic partners world­wide, including three Porsche Classic Centres. The Porsche Classic Centres now bring to­gether services, auto repair and sales of classic sports cars under one roof for the first time. Porsche has thereby integrated the car and value preservation of modern classic and older classic cars in a single service concept that honours tradition and innovation in equal measure.

The figures for fuel consumption, energy consumption and CO₂ emissions are found on pages 128 – 129.
In the 2017 financial year, Porsche produced a total of 255,683 vehicles. This constitutes an increase of about seven per cent compared with the previous year. All vehicles in the 911 (33,820 units), 718 Boxster (12,900 units) and 718 Cayman (5,081 units) model ranges came off the production line at the Zuffenhausen plant. Thus, Porsche produced a total of 51,801 cars at its headquarters in Zuffenhausen. A total of 156,439 vehicles were manufactured at the Leipzig plant, amounting to around 61 per cent of Porsche’s total production. 98,763 units in the Macan model range came from Leipzig, plus 20,071 Cayennes and 37,605 Panameras. 5,286 units of the third-generation Cayenne were produced in Bratislava (Slovakia). Porsche produced 39,711 Cayennes at the Volkswagen Group’s multi-brand site in Osnabrück and 8,446 units of the 718 Cayman.

Production in Zuffenhausen

On May 11, the millionth Porsche 911 came off the production line in Zuffenhausen: a Carrera S in the individual colour Irish green, reminiscent of the first original 911 from 1963. The 911 remains the most strategically important model in the product range, and contributes significantly to Porsche’s position as one of the most profitable carmakers in the world. A significant element of Porsche’s success is the production site at its headquarters in Zuffenhausen. All the 911 models are built here. An ingenious production principle now enables the assembly of all the sports cars on one production line – the 911, 718 Boxster and 718 Cayman, including their numerous derivatives.

Approval for restructuring in Zuffenhausen

A milestone on the road towards production of the first purely electric sports car was achieved in 2017 when, following a seven-month application review, immission control approval was issued for the restructuring of the traditional site in Stuttgart-Zuffenhausen, with no reservations. The documents submitted comprised 365 files weighing around one tonne in total. The complex procedure included public involvement and determined all the environmental effects of the construction project: for example, the effects on humans, flora and fauna as well as on the landscape and on cultural assets. Over 15 environmental assessments were drawn up for air, noise, water protection and environmental protection. The authorities approved the plant extension, which will result in a capacity of 100,000 vehicles per year. The saddlery, the new engine plant and the vehicle assembly department can also be expanded. Porsche maintained ongoing, proactive dialogue with its neighbours during the process.

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The first Baden-Württemberg industry week
In June, Porsche participated in the first Baden-Württemberg industry week, organised by the Ministry for Economics, Labour and Housing. The company gave an insight into sports-car production as well as into the training developments necessitated by operational changes. Instructors learned how trainees can be involved at an early stage in topics such as digitalisation, electromobility and smart mobility, and the learning methods that can be used for this.

Minister President praises Porsche production
During his visit to Zuffenhausen in July, Minister President of Baden-Württemberg Winfried Kretschmann learned about the company’s future direction with regard to electromobility and the associated restructuring of its headquarters in Zuffenhausen. Plant 4, with the new engine plant, central workshops and additional office space, was given platinum certification by the German Society for Sustainable Construction (Deutsche Gesellschaft für nachhaltiges Bauen, DGNB) in October. This makes Porsche a pioneer in this area. The award honours economic, ecological, socio-cultural, functional and technological process quality in the restructuring and conversion of industrial districts. At the pre-certification in 2015, Plant 4 had already been considered for gold certification, which was the highest award category at that time.

In future, the electric drives of the Mission E will also be produced at the new engine plant, as well as V8 engines. A new building will also be built for the central workshops in Zuffenhausen, which will be located on the premises of the former Mercedes transmission plant. A particular advantage here was that assessments of inherited liabilities and pollutants had already been drawn up in advance of the demolition work and that the renovation recommendations were not only implemented but also supervised by surveyors.

In addition, Porsche set considerably more horticultural plants than is actually prescribed for ecological compensation. The award also acknowledged the future energy mix, including a biogas component, the generous relaxation rooms with adjacent green spaces and park-like areas for employees, and the quality of the entire project management.

Porsche plant particularly sustainable
Porsche is setting standards in terms of sustainability with the expansion and renovation of its headquarters in Zuffenhausen. Plant 4, with the new engine plant, central workshops and additional office space, was given platinum certification by the German Society for Sustainable Construction (Deutsche Gesellschaft für nachhaltiges Bauen, DGNB) in October. This makes Porsche a pioneer in this area. The award honours economic, ecological, socio-cultural, functional and technological process quality in the restructuring and conversion of industrial districts. At the pre-certification in 2015, Plant 4 had already been considered for gold certification, which was the highest award category at that time.

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Efficient resource use
In Zuffenhausen, Porsche participated in the Federal State of Baden-Württemberg’s project “100 Companies for Resource Efficiency” in 2017. In the paint shop, the optimisation of operation in the pre-treatment process for vehicle bodies enable a saving of around 60,000 kilograms of chemicals (e.g. tensides, cleaning agents, pH regulators) per year, in addition to 5,600 cubic metres of fresh water. The procedure is applied in order to remove adhesions and lubricants from the bodywork surface in preparation for the painting process.

The second project that Porsche submitted was the energy optimisation provided by use of drier exhaust heat in the wet chemical waste air purification plant in the Zuffenhausen paint shop. The optimisation enables the necessary separating agent to be heated by the waste heat flow from the paint drier in the waste air purification plant. This achieves electrical energy savings of 750,000 kilowatt hours per year, which corresponds to an emission of 319 tonnes of CO₂.

This commitment was honoured during Baden-Württemberg’s 6th Resource Efficiency and Circular Economy Congress: in the presence of Minister President Winfried Kretschmann, Environment Minister Franz Untersteller presented two certificates to Head of Production Albrecht Reimold. Furthermore, both measures were included as examples of excellence in the book “100 Companies for Resource Efficiency”, which is being published to accompany the federal state project.

New training centre in Leipzig
Porsche’s success story is predominantly attributable to its highly qualified and motivated team. In April, the company therefore set an important milestone for excellent vocational training: the newly opened training centre in Leipzig represents a far-sighted investment in the next generation of skilled employees. Covering 2,300 square metres, the new building provides modern workshops and seminar rooms, innovative training tools and thus the ideal infrastructure for vocational training.
Gold for the Leipzig plant
In June, the Porsche 911 won first place in its segment for the sixth time in succession in the Initial Quality Study by U.S. market research institute J.D. Power. This makes it a serial winner in the “Midsize Premium Sporty Car” category since 2012. The Macan also took first place again, for the third time in succession. In the factory ratings for Europe/Africa, Porsche took first place with the Leipzig plant and was thus presented with the Gold Award. Over 77,000 private citizens took part in the survey, evaluating 243 models by 33 carmakers.

Gerd Rupp new head of Porsche plant in Leipzig
On 1 July, Gerd Rupp took over the chairmanship of the Executive Board of Porsche Leipzig GmbH. Rupp succeeded Siegfried Bülow, who had built up and developed the production site over the course of 17 years as plant director. Before moving to Leipzig, Rupp had been director of tool construction for the Volkswagen brand in Wolfsburg for seven years, and had previously worked for Audi AG in Ingolstadt and Barcelona. Siegfried Bülow retired on 1 July. He will continue to be available to the company as a consultant.

Starting signal for the new Panamera Sport Turismo
In July, series production of the new Panamera Sport Turismo began in the Porsche factory in Leipzig. Porsche has expanded the Leipzig site with a new body shop building for the Panamera model family. As part of the 500-million-euro investment, an in-house quality and pilot centre to supply production from the nearby distribution centre. In a second development stage, the vehicle is to be highly automated from 2018. The e-truck is charged up at the supply centre during the regular waiting time while being loaded up. The battery is charged using a 150-kW quick charger. This enables it to be used in three-shift operation. The range on a full electrical charge is around 70 kilometres, and the maximum speed is 85 kilometres per hour. A second e-truck is currently being tested by Volkswagen Saxony at the Zwickau production point is planned for 2018. This will enable a considerable reduction of emissions in the plant environment.

RESOURCE-EFFICIENT BODY BUILDING

A further example is provided by the over 400 robots used in body building. Up to now, functionality and productivity had played an essential role for the robots deployed in production. In cooperation with the Fraunhofer Institute, Porsche examined the robots’ motion sequences and routes. How quickly do they accelerate? When do they brake? How long do they apply the brake? When do they actually switch to energy-saving mode? As a result, the robots’ processes were optimised to enable them to perform sequences that also maximise energy savings. For example, the robots now perform their sequences as fast as is necessary. This enables evaluation of each individual robot and the entire process sequence that also takes into consideration the energy aspect.

With this development, body building is raising the bar for efficient internal processes. Previously, the energy efficiency as certified on the device was decisive: now, it is important that the device is optimally adjusted to the work process. This optimisation produces energy savings of approximately 12 per cent.

New photovoltaic systems at the Leipzig plant
Three photovoltaic systems are currently in operation at the Porsche Leipzig GmbH site. The system in the new body shop achieves particularly high performance. The 15,240 modules produce 4.2 megawatts of electricity. Another 0.6 megawatts are contributed by the system in the body shop which produces the Macan. The roof surfaces of the training centre, which was opened in April, are also equipped with photovoltaic modules. In full sunshine, the system generates a substantial proportion of the electricity requirement. The energy saving provided by the photovoltaic systems is therefore an important factor on the way towards resource-efficient production.

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Resource-efficient body building
The bar has been raised again for resource-efficient production in the planning and construction of the body shop in Leipzig. This includes numerous new, energy-efficient production procedures and the intelligent control of lighting.

Pilot project for environmentally friendly logistics
The eJIT project was launched at the Leipzig site in June. The pilot testing, which will take three years, tests a truck with a purely electric drive in logistics traffic. Porsche is the first automobile manufacturer in Europe to deploy a motorway-suitable, fully electric 40-tonne vehicle. In Leipzig, more than 600 trucks arrive at the plant every day – the eJIT is the first truck with a purely electric drive to be used for transport between the logistics centre and the assembly supply centre. In a second development stage, the vehicle is to be highly automated from 2018.

The e-truck is charged up at the supply centre during the regular waiting time while being loaded up. The battery is charged using a 150-kW quick charger. This enables it to be used in three-shift operation. The range on a full electrical charge is around 70 kilometres, and the maximum speed is 85 kilometres per hour. A second e-truck is currently being tested by Volkswagen Saxony at the Zwickau plant. In Juffenheim, the use of an e-truck to supply production from the nearby distribution centre is planned for 2018. This will enable a considerable reduction of emissions in the plant environment.

Alongside Porsche Leipzig as associated partners, IAV GmbH, Schenck Lecke Logistics, Volkswagen Saxony and the Network of Automotive Suppliers are participating in the eJIT research project. The partners have been working together on truck electrification since the beginning of 2016. The project is part of the programme “IKT III [Information and Communications Technology for Electromobility III]: integration of electric commercial vehicles into logistics, energy and mobility infrastructures”. With this programme, the Federal Ministry for Economics and Energy is continuing its research activities into the commercial use of electromobility.

Photovoltaic Systems at Leipzig Plant

PHOTOVOLTAIC SYSTEMS AT LEIPZIG PLANT

NEW PANAMERA SPORT TURISMO

LEIPZIG BODY SHOP

EAT PILOT PROJECT

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Performance – Sales, production, procurement

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CO₂ neutrality in production
Porsche is aiming at CO₂-neutral production of its vehicles in future. A first step will be the production of the first purely electric vehicle – this is to be manufactured CO₂-neutrally at the Zuffenhausen site from the end of the decade. To this end, Porsche AG and its subsidiaries Porsche Leipzig GmbH and Porsche Logistic GmbH switched to 100 per cent green electricity at the start of 2017, thus providing all the production sites in Germany with an ecologically viable energy supply. This will be supplemented by the future use of biogas at the Zuffenhausen site. In cooperation with a local municipal facility, the energy mix will be optimised by fermentation of organic waste.

Given the increasing traffic load, particularly in built-up areas, it is important to Porsche to make a contribution to the avoidance of emissions. For this purpose, three CNG gas trucks were deployed for daily transport in 2017. This enabled up to 20 per cent of previous CO₂ emissions to be saved – around 119 tonnes of CO₂ per year. The CNG gas trucks emit 80 per cent fewer soot particles and 90 per cent less carbon monoxide. They are also quieter. The additional deployment of LNG gas trucks is planned for the next few years, because of their greater range and 90 per cent less carbon monoxide. They are also quieter. The additional deployment of LNG gas trucks is planned for the next few years, because of their greater range and promising technological development. The prerequisite for this is a comprehensive expansion of the LNG filling station network.

Green Logistics also means that, in future, new Porsche vehicles are to be transported by rail using green electricity to the seaports for shipping. The conversion to green electricity was prepared and coordinated with the transport service providers in 2017. As a result, approx. 6,194 tonnes of CO₂ will be saved per year in future. This corresponds to around three per cent of total emissions by Porsche AG in the area of transport in 2016.

Porsche saves resources in diverse ways
At Porsche, careful handling of the environment and resources is not only regulated in numerous principles and guidelines, it is also practised every day. In 2017, a wide range of measures contributed to enabling Porsche to achieve its long-term goal of saving a million euros per year through the optimised and careful use of resources in production.

At the Zuffenhausen site, shortening the duration of GT3 engine testing by 15 minutes on the heat testing bench enabled a saving of almost 38,000 litres of fuel per year – without sacrificing any of the engine testing quality. As well as the approx. 101 tonnes of CO₂ saved annually, this also has a positive effect beyond direct operation: the reduction in consumed fuel contributes to a reduction in the logistics outlay in general.

The body building experts achieved considerable energy savings by optimising the extraction of the smoke generated during welding. This enables Porsche to save almost 400,000 kilowatt hours of electricity per year. For comparison, this resource saving would enable 45 Porsche 911 Carreras to clock up around 30,000 CO₂-neutral kilometres per year. As well as the ecological advantage, optimised plant management also achieves added value in the improved working conditions for employees on site.

The paint shop is also saving considerable resources. In Zuffenhausen, paint material amounting to almost 67,000 euros was saved in 2017, simply by optimising the application technique to the vehicle body. In Leipzig, electricity consumption is to be reduced by more than 740,000 kilowatt hours per year on average, by reducing the fresh air component in the recirculated air sections of the paint shop. This corresponds to an annual CO₂ emissions total of around 427 tonnes – which would enable 84 Porsche 911 Carreras to travel 30,000 kilometres CO₂-neutrally each year.

Porsche aims to achieve a continual reduction in the consumption of fresh water. On the testing track at Leipzig, rain and well water will be used in future on the “dynamic surface” to test vehicle behaviour on wet roads. This will enable an average annual saving of 2,092 cubic metres of fresh water.
In reporting year 2017, Porsche AG once again increased its deliveries – to more than 246,000 vehicles. Procurement had its own contribution to make to the success and, thanks to a close cooperative partnership with the supplier industry, was able to guarantee a reliable supply of high-quality components.

The focus in 2017 was on products of key strategic importance and topics for optimising Porsche’s value chain. That is why Procurement continued to intensify its supplier networking throughout the reporting year. Cooperation based on partnership will continue to grow across company boundaries in the future, and there will also be more strategic partnerships. Classic commissioning of suppliers will no longer be the only form of cooperation. Porsche AG has already taken action to ensure that it can develop new technologies and products in future using smart cooperation models, and to ensure that they are future-ready.

At the same time, there are some tangible examples of digitalisation in practice and in day-to-day working life. Procurement has come up with a range of ideas for new apps, and has integrated new ideas into already functioning apps.

Model start-ups
Procurement, the focus of the reporting year was on the production start-ups for the new Cayenne, the Panamera Sport Turismo and the 911 GT2 RS – the fastest and most powerful road 911. For all models, Procurement purchases a wide range of new parts and guides the vehicles – in tandem with the suppliers – to series maturity. The Cayenne, as a model for success, is now in its third generation and is being completely redeveloped, tangibly and visibly improved and perfected. The Cayenne is also comprehensively digitalised and networked. Within the Panamera family, the new chassis version known as the Panamera Sport Turismo celebrated its premiere in the reporting year. With its large tailgate, low loading sill, enlarged boot volume and 4+1 seat concept, the new four-door vehicle fulfils high standards of both day-to-day usability and variability.

Motor racing
The outstanding motor racing season was another highlight of 2017. At the 24 Hours of Le Mans, the 919 Hybrid took Porsche’s 19th overall victory and, as early as November in Shanghai, the sports-car maker took its third World Championship title in the manufacturers’ ranking since 2015. The racing teams were able to rely on Procurement: shoulder to shoulder with all specialist units involved, Procurement was able to get the right partners on board to make these victories possible.

Strategy 2025
Porsche Strategy 2025 and global trends in procurement markets have given rise to various strategic aims for Procurement. Firstly, top quality at competitive terms and conditions thanks to active design of technical and ecological innovations. Secondly, efficiency across the products’ entire service life. Thirdly, reliability due to constant availability, consistent high quality of purchased parts and stable, efficient goods flows. Fourthly, an increase in attractiveness as an employer of talented people and high employee satisfaction by creating optimum working conditions.

During the reporting year, Procurement implemented a range of projects as part of the strategic initiative. The exchange of ideas with suppliers will continue to intensify and the issue of sustainability within the supply chain will move more into focus. Furthermore, Procurement will expand its marketing in order to get students, graduates and professionals interested in the complex topics surrounding procurement.

During the reporting year, Procurement cooperated with third-level education institutions such as the University of Mannheim. This gives Porsche employees new insights while also offering students a look at how the company works by means of excursions, lectures and practical work placements.

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Innovation Management
Porsche operates in an environment that is shaped by rapid change. The progress of globalisation, demanding customers, increased competition for time and knowledge as well as contrasting ways of thinking and working in the IT and automotive sectors are just some of the challenges that the company needs to face. In order to recognise trends and developments early, Porsche takes its cue from the supplier sector. As part of the Porsche Supplier Innovation Days, the aim is to tie suppliers’ new concepts to the company at an early stage. That is why, for example, Innovation Management for Procurement and Development organises a Porsche Supplier Innovation Day dedicated to the topic of Alternative Materials and Lightweight Construction. At this event, selected suppliers present their innovative manufacturing concepts to Porsche experts from various specialist departments. For the Innovation Day on the topic of ‘Well-being in a Porsche Vehicle’, the Porsche departments Procurement, Development and Distribution contact selected suppliers and start-ups in advance and ask them to submit their developments as part of the open innovation approach. The more than 200 innovation ideas suggested are evaluated by interdisciplinary Porsche teams. 60 well-being innovations make it into the final selection and are then presented to Porsche experts in Weissach by suppliers and start-ups from all over the world. At the Porsche Supplier Tech Day, the sports-car maker is a guest at the world’s second-largest automobile supplier, ZF Friedrichshafen AG. The Innovation Management team in the Procurement department and the Advance Chassis Development team organise presentations, specialist lectures and an exchange of ideas. The topic here is: What are the latest innovations from Porsche suppliers? How does Porsche put them into practice? The promising series of Porsche Supplier Innovation Days will continue to be expanded in the future.

Sustainability workshops with suppliers
Sustainability aspects within the supply chain are already important today, and will inevitably become more and more significant as time goes on. Porsche is among those companies that take sustainability projects and the implementation thereof into account. In order to intensify our exchange of sustainability-related ideas with suppliers, Porsche developed a concept for supplier workshops during the reporting year; organising two events. Within the workshops, shared approaches to implementing sustainability aspects are identified and possible topics are defined for future cooperation. Supplier audits are already being carried out to ensure that sustainability requirements are observed, which lays the foundation for future cooperation. In doing this, Porsche is implementing an additional measure as part of the Procurement Strategy 2025. The observance of sustainability requirements will continue to be a focus of Porsche Procurement.

Procurement of production materials and non-production materials
As in previous years, material costs per vehicle were further optimised in the 2017 financial year. Close cooperation and early inclusion of economic partners in various cost and production workshops led to significant savings. In 2017, Porsche AG’s material costs were 4,985 million euros (2016 financial year: 4,129 million euros).

Even in services and non-production materials, Procurement made a significant contribution within the reporting period to achieving the company’s aims. Due to another large number of infrastructure projects, investments in the 2017 financial year amounted to 1,684 million euros. This development reflects Porsche’s continued growth (2016 financial year: 1,695 million euros).
NET ASSETS
As of 31 December 2017, the total assets of the Porsche AG Group stood at €35,019 million, 9% per cent higher than on the prior-year reporting date.

Non-current assets increased by €1,655 million to €25,247 million. The increase primarily relates to fixed assets and other financial assets, while there was a decline in deferred taxes. Non-current assets expressed as a percentage of total assets amounted to 72% (prior year: 73%).

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 €14,404 million, compared with €12,841 million in the previous fiscal year.

Fixed assets expressed as a percentage of total assets increased to 41% (prior year: 40%): Intangible assets increased from €3,965 million to €4,646 million. The increase mainly relates to capitalised development costs. The largest additions concerned the Cayenne, 911, and Mission E model line. Property, plant and equipment increased in comparison with the prior year by €787 million to €5,903 million, primarily due to additions to land and buildings, furniture and fixtures, as well as advance payments made and assets under construction. These additions consist mainly of tools and construction work for the new generations of vehicles. Leased assets increased by €82 million in comparison with the prior year, to €3,455 million. This item contains vehicles leased to customers under operating leases.

Non-current other financial assets increased by €425 million to €8,903 million. The increase was due to the marking-to-market of derivative financial instruments.

Deferred income tax assets amounted to €370 million as against €254 million in the prior year.

As a percentage of total assets, current assets amounted to 28% compared with 27% in the prior year. Inventories increased from €2,536 million in the prior year to €3,051 million at the end of the reporting period.

Non-current and current receivables from financial services rose from €2,010 million to €2,095 million. This item mainly comprises receivables from finance leases and receivables from customer and dealer financing.

Current other financial assets increased by €504 million to €1,841 million. The increase is attributable in almost equal measure to the clearing account with Porsche Holding Stuttgart GmbH and the marking-to-market of derivative financial instruments.

Cash, cash equivalents and time deposits increased by €178 million to €3,067 million. The equity of the Porsche AG Group increased by €3,220 million to €15,200 million compared with the prior-year reporting date. Equity was lifted by the profit after tax, profit transfer and dividends (€982 million), as well as revaluations from pension plans after tax (€50 million), the change in the cash flow hedge reserve after tax (€1,109 million), and a capital contribution by Porsche Holding Stuttgart GmbH (€1,312 million).

By contrast, currency translation effects of €235 million were recognized as a decrease in equity.

Non-current liabilities relate to financial liabilities, pension provisions, deferred income tax liabilities, other financial liabilities, other liabilities, and other provisions. They declined by €362 million to €9,084 million in comparison with the prior year. Non-current liabilities expressed as a percentage of total capital decreased from 29% in the prior year to 26% at the end of the fiscal year.

Provisions for pensions and similar obligations increased by €253 million, mainly due to a rise in the number of eligible employees.

Non-current other financial liabilities decreased by €580 million. This decline relates mainly to the marking-to-market of derivative financial instruments.

Deferred income tax liabilities amounted to €614 million compared with €864 million in the prior year.

Current liabilities declined from €10,809 million to €10,735 million. Current liabilities expressed as a percentage of total capital decreased from 34% in the prior year to 31% per cent at 31 December 2017.

Trade payables increased to €3,048 million after €2,589 million in the prior year. This increase is attributable to higher volumes of investments and business.

Current other financial liabilities amounted to €2,599 million (prior year: €3,337 million). This was primarily due to the change resulting from the marking-to-market of derivative financial instruments (€469 million) and a reduction in the profit transfer liability to Porsche Holding Stuttgart GmbH (€213 million).

Performance – Financial analysis

### Net assets of the Porsche AG Group

<table>
<thead>
<tr>
<th>€ million</th>
<th>31 Dec. 2017</th>
<th>%</th>
<th>31 Dec. 2016</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>4,646</td>
<td>13</td>
<td>3,965</td>
<td>12</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>9,090</td>
<td>26</td>
<td>5,116</td>
<td>16</td>
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<td>Equity-accounted investments</td>
<td>443</td>
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<td>3,373</td>
<td>11</td>
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<td>1,363</td>
<td>4</td>
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<td>8,478</td>
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<tr>
<td>Other receivables</td>
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<td>Deferred tax assets</td>
<td>370</td>
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<td>879</td>
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<td><strong>Non-current assets</strong></td>
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<td>23,592</td>
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<td>591</td>
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<td><strong>Financial services receivables</strong></td>
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<td>647</td>
<td>2</td>
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<tr>
<td>Other financial assets</td>
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<td>5</td>
<td>1,337</td>
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<tr>
<td>Other receivables</td>
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<td>Tax receivables</td>
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<td>194</td>
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<td>Securities</td>
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<tr>
<td>Cash, cash equivalents and time deposits</td>
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<td>9</td>
<td>2,889</td>
<td>9</td>
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<td><strong>Current assets</strong></td>
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<td>28</td>
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<td><strong>Equity</strong></td>
<td>15,200</td>
<td>43</td>
<td>11,980</td>
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<td><strong>Provisions for pensions and similar obligations</strong></td>
<td>3,466</td>
<td>10</td>
<td>3,213</td>
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<td><strong>Other provisions</strong></td>
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<td><strong>Deferred tax liabilities</strong></td>
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<td><strong>Financial liabilities</strong></td>
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<td>3,827</td>
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<td><strong>Other financial liabilities</strong></td>
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<td><strong>Other liabilities</strong></td>
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<td><strong>Non-current liabilities</strong></td>
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<td><strong>Provisions for taxes</strong></td>
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<td><strong>Other provisions</strong></td>
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<td><strong>Financial liabilities</strong></td>
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<td><strong>Trade payables</strong></td>
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<td>2,589</td>
<td>8</td>
</tr>
<tr>
<td><strong>Other financial liabilities</strong></td>
<td>2,599</td>
<td>7</td>
<td>3,337</td>
<td>10</td>
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<tr>
<td><strong>Other liabilities</strong></td>
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<td>0</td>
<td>783</td>
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<tr>
<td><strong>Tax payables</strong></td>
<td>546</td>
<td>0</td>
<td>567</td>
<td>2</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>10,735</td>
<td>31</td>
<td>10,809</td>
<td>34</td>
</tr>
<tr>
<td><strong>Equity-accounted investments</strong></td>
<td>341</td>
<td>1</td>
<td>333</td>
<td>1</td>
</tr>
<tr>
<td><strong>Stuttgart GmbH</strong> (€ 1,312 million).</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other reserves</strong></td>
<td>370</td>
<td>1</td>
<td>879</td>
<td>3</td>
</tr>
</tbody>
</table>

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FINANCIAL POSITION

Cash flows from operating activities amounted to €4,069 million in the 2017 reporting period following €3,864 million in the prior year. The material effects resulted from increased profit and higher depreciation, amortisation and write-downs on the one hand, and non-cash income and expenses and higher outflows for inventories on the other.

The cash flows from investing activities resulted in a cash outflow of €3,140 million in the reporting period following €2,724 million in the prior year. Investments in intangible assets (excluding capitalised development costs) and property, plant and equipment increased from €1,438 million in the prior year to €1,762 million in the period under review. Additions to capitalised development costs amounted to €1,337 million following €1,228 million in fiscal year 2016.

There was a change in cash flows from financing activities from €-786 million in the prior year to €-744 million in the current fiscal year. Payments made in respect of profit transfer and dividends resulted in a cash outflow of €2,371 million (prior year: €1,904 million). This was partly offset by capital contributions amounting to €1,312 million (prior year: €1,076 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 business in each case – improved from €1,965 million as of 31 December 2016 to €2,231 million as of 31 December 2017.

Consolidated revenue at the Porsche AG Group for the current reporting period amounted to €23,491 million, following €22,318 million in the prior year.
RESULTS OF OPERATIONS

The Porsche AG Group’s profit after tax increased by €499 million from €2,640 million in the corresponding prior-year period to €3,139 million in the current fiscal year. The tax rate in the reporting period was 26 per cent (prior year: 29 per cent).

Consolidated revenue at the Porsche AG Group amounted to €23,491 million in the reporting period (prior year: €22,318 million). The Porsche AG Group sold 238,691 new vehicles in the past fiscal year. This corresponds to an increase in unit sales of 3 per cent compared with the prior year. The primary contribution to the growth in sales volume and revenue was made by the Panamera model line, which recorded an increase of 18,334 to 30,998 new vehicles. The Macan model line maintained its lead in terms of sales volume, with 95,540 new vehicles sold. In regional terms, China remained the largest market, with new vehicle sales totalling 70,594 units. The European market (excluding Germany) recorded particularly healthy growth, with 52,237 new vehicles sold. This corresponds to 7 per cent growth in unit sales.

The cost of sales increased in line with revenue to €16,872 million (prior year: €15,937 million), which represents 72 per cent of revenue (prior year: 71 per cent). In absolute terms, the cost of sales rose by €935 million or 6 per cent. This slightly disproportionate increase is due to the growth in warranty expenses and higher research and development costs recognized in the income statement. The capitalisation ratio for research and development costs amounted to 58 per cent (prior year: 56 per cent). The slightly disproportionate increase in cost of sales caused the gross margin to decrease from 29 to 28 per cent.

Distribution expenses rose from €1,703 million to €1,883 million (prior year: €1,937 million), which represents 7.2 per cent of revenue (prior year: 7.1 per cent). In absolute terms, the distribution expenses increased by €90 million or 5 per cent. Higher research and development costs recognized in the income statement are the primary cause of this increase.

Other operating income rose from €1,206 million to €1,366 million. The increase is mainly attributable to a rise in income from the reversal of provisions and accruals as well as higher income relating to forward exchange transactions. Other operating expenses declined from €1,140 million to €917 million. The decrease mainly results from lower expenses in connection with forward exchange transactions.

Depreciation, amortisation and impairment across the functions increased to €2,276 million compared with €2,081 million in the prior year. This primarily relates to the depreciation, amortisation and impairment of capitalised development costs and leased assets.

Other operating income rose from €1,206 million to €1,366 million. The increase is mainly attributable to a rise in income from the reversal of provisions and accruals as well as higher income relating to forward exchange transactions. Other operating expenses declined from €1,140 million to €917 million. The decrease mainly results from lower expenses in connection with forward exchange transactions.

Performance – Financial analysis

<table>
<thead>
<tr>
<th>€ million</th>
<th>FY 2017</th>
<th>%</th>
<th>FY 2016</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>23,491</td>
<td>100</td>
<td>22,318</td>
<td>100</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>-16,872</td>
<td>-72</td>
<td>-15,937</td>
<td>-71</td>
</tr>
<tr>
<td>Gross profit</td>
<td>6,619</td>
<td>28</td>
<td>6,381</td>
<td>29</td>
</tr>
<tr>
<td>Distribution expenses</td>
<td>-1,883</td>
<td>-8</td>
<td>-1,703</td>
<td>-8</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>-1,041</td>
<td>-4</td>
<td>-867</td>
<td>-4</td>
</tr>
<tr>
<td>Other operating income</td>
<td>1,366</td>
<td>6</td>
<td>1,206</td>
<td>6</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>-917</td>
<td>-4</td>
<td>-1,140</td>
<td>-6</td>
</tr>
<tr>
<td>Operating profit</td>
<td>4,144</td>
<td>18</td>
<td>3,877</td>
<td>17</td>
</tr>
<tr>
<td>Financial result</td>
<td>77</td>
<td>0</td>
<td>-180</td>
<td>0</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>4,221</td>
<td>18</td>
<td>3,697</td>
<td>17</td>
</tr>
<tr>
<td>Income tax income/expense</td>
<td>-1,042</td>
<td>-5</td>
<td>-1,057</td>
<td>-6</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>3,139</td>
<td>13</td>
<td>2,640</td>
<td>12</td>
</tr>
</tbody>
</table>
Operating profit amounted to €4,144 million, an increase of €267 million in comparison with the prior year.

The financial result amounted to €77 million (prior year: €-180 million). The increase in the financial result was due on the one hand to higher gains from fair value measurement relating principally to exchange rate and interest rate hedging transactions that are not included in hedge accounting. On the other hand, there was a decline in interest expenses.

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 17.6 per cent in the past financial year (prior year: 17.4 per cent). The pre-tax return on sales amounted to 18.0 per cent (prior year: 16.6 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 28.2 per cent (prior year: 30.7 per cent). The return on equity after tax was 23.1 per cent (prior year: 23.3 per cent).
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 2017

<table>
<thead>
<tr>
<th>€ million</th>
<th>FY 2017</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>23,491</td>
<td>22,318</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>–16,872</td>
<td>–15,937</td>
</tr>
<tr>
<td>Gross profit</td>
<td>6,619</td>
<td>6,381</td>
</tr>
<tr>
<td>Distribution expenses</td>
<td>–1,883</td>
<td>–1,703</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>–1,041</td>
<td>–867</td>
</tr>
<tr>
<td>Other operating income</td>
<td>1,366</td>
<td>1,206</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>–917</td>
<td>–1,140</td>
</tr>
<tr>
<td>Operating profit</td>
<td>4,144</td>
<td>3,877</td>
</tr>
<tr>
<td>Share of profit or loss of equity-accounted investments</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Interest income ¹</td>
<td>395</td>
<td>395</td>
</tr>
<tr>
<td>Interest expenses ¹</td>
<td>–917</td>
<td>–1,144</td>
</tr>
<tr>
<td>Other financial result ¹</td>
<td>–254</td>
<td>–439</td>
</tr>
<tr>
<td>Financial result</td>
<td>77</td>
<td>–180</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>4,221</td>
<td>3,697</td>
</tr>
<tr>
<td>Income tax income/expense</td>
<td>–1,082</td>
<td>–1,057</td>
</tr>
<tr>
<td>current</td>
<td>–1,238</td>
<td>–1,074</td>
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<tr>
<td>deferred</td>
<td>152</td>
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<tr>
<td>Profit after tax</td>
<td>3,139</td>
<td>2,640</td>
</tr>
<tr>
<td>thereof profit attributable to shareholders</td>
<td>3,139</td>
<td>2,640</td>
</tr>
<tr>
<td>thereof profit attributable to non-controlling interests</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Profit transferred to Porsche Holding Stuttgart GmbH</td>
<td>–2,157</td>
<td>–2,370</td>
</tr>
</tbody>
</table>

¹ The structure within the financial result has been changed. The presentation of finance costs has been replaced with interest income and interest expenses. Prior-year figures have been adjusted accordingly.
## Consolidated statement of comprehensive income
of Porsche AG for the period 1 January to 31 December 2017

<table>
<thead>
<tr>
<th></th>
<th>€ million FY 2017</th>
<th>€ million FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit after tax</strong></td>
<td>3,139</td>
<td>2,640</td>
</tr>
<tr>
<td>Pension plan remeasurements recognized in other comprehensive income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension plan remeasurements recognized in other comprehensive income, before tax</td>
<td>72</td>
<td>-619</td>
</tr>
<tr>
<td>Deferred taxes relating to pension plan remeasurements recognized in other comprehensive income</td>
<td>-22</td>
<td>184</td>
</tr>
<tr>
<td>Pension plan remeasurements recognized in other comprehensive income, net of tax</td>
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<td>-435</td>
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<tr>
<td>Share of other comprehensive income of equity-accounted investments that will not be reclassified to profit or loss, net of tax</td>
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<td>0</td>
</tr>
<tr>
<td><strong>Items that will not be reclassified to profit or loss</strong></td>
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<td>-435</td>
</tr>
<tr>
<td>Exchange differences on translating foreign operations</td>
<td></td>
<td></td>
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<tr>
<td>Unrealized currency translation gains/losses</td>
<td>-235</td>
<td>32</td>
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<tr>
<td>Transferred to profit or loss</td>
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<tr>
<td>Exchange differences on translating foreign operations, before tax</td>
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<td>32</td>
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<tr>
<td>Deferred taxes relating to exchange differences on translating foreign operations</td>
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<td>32</td>
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<tr>
<td>Exchange differences on translating foreign operations, net of tax</td>
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<td>32</td>
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<tr>
<td>Cash flow hedges</td>
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<tr>
<td>Fair value changes recognized in other comprehensive income</td>
<td>1,733</td>
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<td>Transferred to profit or loss</td>
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<td>Cash flow hedges, before tax</td>
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<td><strong>Cash flow hedges, net of tax</strong></td>
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<td>Available-for-sale financial assets</td>
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<td>Fair value changes recognized in other comprehensive income</td>
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<tr>
<td>Transferred to profit or loss</td>
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<td>-</td>
</tr>
<tr>
<td>Available-for-sale financial assets, before tax</td>
<td>4</td>
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<tr>
<td>Deferred taxes relating to available-for-sale financial assets</td>
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<td>-</td>
</tr>
<tr>
<td>Available-for-sale financial assets, net of tax</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Share of other comprehensive income of equity-accounted investments that may be reclassified subsequently to profit or loss, net of tax</td>
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<td>0</td>
</tr>
<tr>
<td><strong>Items that may be reclassified subsequently to profit or loss</strong></td>
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<td>370</td>
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<tr>
<td>Other comprehensive income, before tax</td>
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<td>Deferred taxes relating to other comprehensive income</td>
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</tr>
<tr>
<td><strong>Other comprehensive income, net of tax</strong></td>
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<td>-45</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td>4,066</td>
<td>2,575</td>
</tr>
<tr>
<td>thereof profit attributable to shareholders</td>
<td>4,066</td>
<td>2,575</td>
</tr>
<tr>
<td>thereof profit attributable to non-controlling interests</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
## Consolidated statement of financial position
of Porsche AG as of 31 December 2017

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
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<td>Intangible assets</td>
<td></td>
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<tr>
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<td></td>
<td>5,903</td>
<td>6,116</td>
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<tr>
<td>Leased assets</td>
<td></td>
<td>3,466</td>
<td>3,373</td>
</tr>
<tr>
<td>Equity-accounted investments</td>
<td></td>
<td>341</td>
<td>333</td>
</tr>
<tr>
<td>Other equity investments</td>
<td></td>
<td>59</td>
<td>54</td>
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<tr>
<td>Financial services receivables</td>
<td></td>
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<tr>
<td>Other financial assets</td>
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<td>8,478</td>
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<td>Other receivables</td>
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<td>164</td>
<td>31</td>
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<tr>
<td>Deferred tax assets</td>
<td></td>
<td>370</td>
<td>879</td>
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<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
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<tr>
<td>Inventories</td>
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<td>2,536</td>
</tr>
<tr>
<td>Trade receivables</td>
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<td>647</td>
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<tr>
<td>Financial services receivables</td>
<td></td>
<td>1,181</td>
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<td>Other receivables</td>
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<td>429</td>
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<td>Tax receivables</td>
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<td>51</td>
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</tr>
<tr>
<td>Securities</td>
<td></td>
<td>60</td>
<td>59</td>
</tr>
<tr>
<td>Cash, cash equivalents and time deposits</td>
<td></td>
<td>3,867</td>
<td>2,889</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td>9,772</td>
<td>8,643</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>35,019</td>
<td>32,235</td>
</tr>
<tr>
<td><strong>Equity and liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subscribed capital</td>
<td></td>
<td>45</td>
<td>45</td>
</tr>
<tr>
<td>Capital reserves</td>
<td></td>
<td>10,245</td>
<td>8,933</td>
</tr>
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<td>Retained earnings</td>
<td></td>
<td>4,910</td>
<td>3,001</td>
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<tr>
<td><strong>Equity before non-controlling interests</strong></td>
<td></td>
<td>15,200</td>
<td>11,979</td>
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<tr>
<td>Non-controlling interests</td>
<td></td>
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<tr>
<td><strong>Equity</strong></td>
<td></td>
<td>15,200</td>
<td>11,980</td>
</tr>
<tr>
<td>Provisions for pensions and similar obligations</td>
<td></td>
<td>3,466</td>
<td>3,213</td>
</tr>
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<td>Other provisions</td>
<td></td>
<td>599</td>
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</tr>
<tr>
<td>Deferred tax liabilities</td>
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<td>664</td>
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<td>Financial liabilities</td>
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<td>3,887</td>
<td>3,669</td>
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<td>119</td>
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<tr>
<td>Other liabilities</td>
<td></td>
<td>379</td>
<td>316</td>
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<td><strong>Non-current liabilities</strong></td>
<td></td>
<td>9,084</td>
<td>9,446</td>
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<tr>
<td>Provisions for taxes</td>
<td></td>
<td>82</td>
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<tr>
<td>Other provisions</td>
<td></td>
<td>1,841</td>
<td>1,836</td>
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<tr>
<td>Financial liabilities</td>
<td></td>
<td>1,770</td>
<td>1,835</td>
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<tr>
<td>Trade payables</td>
<td></td>
<td>1,048</td>
<td>2,569</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td></td>
<td>2,599</td>
<td>3,337</td>
</tr>
<tr>
<td>Other liabilities</td>
<td></td>
<td>859</td>
<td>785</td>
</tr>
<tr>
<td>Tax payables</td>
<td></td>
<td>149</td>
<td>597</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td>10,735</td>
<td>10,899</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td></td>
<td>35,019</td>
<td>32,235</td>
</tr>
</tbody>
</table>
### Consolidated statement of cash flows
of Porsche AG for the period 1 January to 31 December 2017

<table>
<thead>
<tr>
<th>€ million</th>
<th>FY 2017</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents at beginning of period</td>
<td>2,834</td>
<td>2,485</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>4,221</td>
<td>3,697</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>1,092</td>
<td>1,035</td>
</tr>
<tr>
<td>Depreciation, amortisation and impairment losses</td>
<td>2,276</td>
<td>2,081</td>
</tr>
<tr>
<td>Gain/loss on disposal of non-current assets</td>
<td>26</td>
<td>– 26</td>
</tr>
<tr>
<td>Share of profit or loss of equity-accounted investments</td>
<td>4</td>
<td>– 1</td>
</tr>
<tr>
<td>Other non-cash expense/income</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Change in inventories</td>
<td>– 651</td>
<td>– 29</td>
</tr>
<tr>
<td>Change in receivables (excluding financial services)</td>
<td>– 577</td>
<td>– 695</td>
</tr>
<tr>
<td>Change in liabilities (excluding financial liabilities)</td>
<td>710</td>
<td>406</td>
</tr>
<tr>
<td>Change in pension provisions</td>
<td>326</td>
<td>231</td>
</tr>
<tr>
<td>Change in other provisions</td>
<td>349</td>
<td>81</td>
</tr>
<tr>
<td>Change in leased assets</td>
<td>– 1,230</td>
<td>– 1,171</td>
</tr>
<tr>
<td>Change in financial services receivables</td>
<td>– 199</td>
<td>– 88</td>
</tr>
<tr>
<td>Cash flows from operating activities</td>
<td>4,069</td>
<td>3,864</td>
</tr>
<tr>
<td>Investments in intangible assets (excluding capitalised development costs), and property, plant and equipment</td>
<td>– 1,762</td>
<td>– 1,438</td>
</tr>
<tr>
<td>Additions to capitalised development costs</td>
<td>– 1,437</td>
<td>– 1,228</td>
</tr>
<tr>
<td>Change in equity investments</td>
<td>25</td>
<td>– 35</td>
</tr>
<tr>
<td>Cash received from disposal of intangible assets and property, plant and equipment</td>
<td>67</td>
<td>88</td>
</tr>
<tr>
<td>Change in investments in securities</td>
<td>17</td>
<td>– 17</td>
</tr>
<tr>
<td>Change in loans and time deposits</td>
<td>– 91</td>
<td>– 96</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td>– 3,140</td>
<td>– 2,724</td>
</tr>
<tr>
<td>Capital contributions</td>
<td>1,312</td>
<td>1,076</td>
</tr>
<tr>
<td>Profit transfer and dividends</td>
<td>– 2,371</td>
<td>– 1,904</td>
</tr>
<tr>
<td>Proceeds from issuance of bonds</td>
<td>2,513</td>
<td>2,707</td>
</tr>
<tr>
<td>Repayment of bonds</td>
<td>– 2,173</td>
<td>– 3,582</td>
</tr>
<tr>
<td>Change in other financial liabilities</td>
<td>– 25</td>
<td>917</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td>– 744</td>
<td>– 786</td>
</tr>
<tr>
<td>Effect of exchange rate changes on cash and cash equivalents</td>
<td>– 59</td>
<td>– 5</td>
</tr>
<tr>
<td>Net change in cash and cash equivalents</td>
<td>185</td>
<td>354</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of period</td>
<td>2,960</td>
<td>2,834</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of period</td>
<td>2,960</td>
<td>2,834</td>
</tr>
<tr>
<td>Securities, loans and time deposits</td>
<td>429</td>
<td>369</td>
</tr>
<tr>
<td>Gross liquidity</td>
<td>3,389</td>
<td>3,203</td>
</tr>
<tr>
<td>Total third-party borrowings</td>
<td>– 5,468</td>
<td>– 5,499</td>
</tr>
<tr>
<td>Net liquidity</td>
<td>– 2,073</td>
<td>– 2,296</td>
</tr>
</tbody>
</table>
## Consolidated statement of changes in equity

of Porsche AG for the period 1 January to 31 December 2017

<table>
<thead>
<tr>
<th></th>
<th>€ million</th>
<th>Subscribed capital</th>
<th>Capital reserves</th>
<th>Retained earnings</th>
<th>Accumulated profit</th>
<th>Other comprehensive income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Revaluations from pension plans</td>
</tr>
<tr>
<td>As of 1 January 2016</td>
<td>45</td>
<td>7,857</td>
<td>3,806</td>
<td></td>
<td></td>
<td>–577</td>
</tr>
<tr>
<td>Effects of currency translation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>–14</td>
</tr>
<tr>
<td>Revaluations from pension plans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Financial instruments pursuant to IAS 39</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>–</td>
</tr>
<tr>
<td>Taxes recognized in other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>184</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>184</td>
</tr>
<tr>
<td>Profit after tax</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,640</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>45</td>
<td>8,933</td>
<td>4,076</td>
<td></td>
<td></td>
<td>–1,012</td>
</tr>
<tr>
<td>Capital contribution</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,076</td>
</tr>
<tr>
<td>Profit transfer and dividends</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>–</td>
</tr>
<tr>
<td>As of 31 December 2016</td>
<td>46</td>
<td>8,933</td>
<td>4,076</td>
<td></td>
<td></td>
<td>–1,012</td>
</tr>
<tr>
<td>As of 1 January 2017</td>
<td>46</td>
<td>8,933</td>
<td>4,076</td>
<td></td>
<td></td>
<td>–1,012</td>
</tr>
<tr>
<td>Effects of currency translation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>–14</td>
</tr>
<tr>
<td>Revaluations from pension plans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Financial instruments pursuant to IAS 39</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>–</td>
</tr>
<tr>
<td>Taxes recognized in other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>184</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>184</td>
</tr>
<tr>
<td>Profit after tax</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,640</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>45</td>
<td>10,245</td>
<td>5,058</td>
<td></td>
<td></td>
<td>1,012</td>
</tr>
<tr>
<td>Capital contribution</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,312</td>
</tr>
<tr>
<td>Profit transfer and dividends</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>–</td>
</tr>
<tr>
<td>As of 31 December 2017</td>
<td>46</td>
<td>10,245</td>
<td>5,058</td>
<td></td>
<td></td>
<td>–962</td>
</tr>
</tbody>
</table>
### Value added statement
of the Porsche AG Group from 1 January to 31 December 2017

#### Performance – Financial data

#### Appropriation of funds in € million

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>to shareholders (profit transfer)</td>
<td>2,157</td>
<td>2,370</td>
<td>1,905</td>
</tr>
<tr>
<td>to employees (wages, salaries, benefits)</td>
<td>3,200</td>
<td>2,875</td>
<td>2,605</td>
</tr>
<tr>
<td>to the state (taxes, duties)</td>
<td>1,298</td>
<td>1,106</td>
<td>1,154</td>
</tr>
<tr>
<td>to creditors (interest expense)</td>
<td>76</td>
<td>135</td>
<td>142</td>
</tr>
<tr>
<td>to the Company (reserves)</td>
<td>771</td>
<td>6,756</td>
<td>6,236</td>
</tr>
</tbody>
</table>

#### Source of funds in € million

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>23,491</td>
<td>22,318</td>
<td>21,533</td>
</tr>
<tr>
<td>Other income</td>
<td>1,262</td>
<td>1,231</td>
<td>1,380</td>
</tr>
<tr>
<td>Cost of materials</td>
<td>-13,045</td>
<td>-12,625</td>
<td>-12,095</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>-2,276</td>
<td>-2,081</td>
<td>-2,124</td>
</tr>
<tr>
<td>Other upfront expenditures</td>
<td>-1,967</td>
<td>-2,089</td>
<td>-2,458</td>
</tr>
<tr>
<td>Value added</td>
<td>7,711</td>
<td>6,756</td>
<td>6,236</td>
</tr>
</tbody>
</table>
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 figures concerning suppliers relate to Porsche AG.

<table>
<thead>
<tr>
<th>Deliveries</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vehicles</td>
<td>246,375</td>
<td>237,778</td>
<td>225,121</td>
</tr>
<tr>
<td>911</td>
<td>92,497</td>
<td>92,365</td>
<td>91,950</td>
</tr>
<tr>
<td>918 Spyder</td>
<td>7</td>
<td>44</td>
<td>566</td>
</tr>
<tr>
<td>718 Boxster/Cayman</td>
<td>26,114</td>
<td>23,620</td>
<td>22,663</td>
</tr>
<tr>
<td>Macan</td>
<td>27,092</td>
<td>96,642</td>
<td>86,216</td>
</tr>
<tr>
<td>Cayenne</td>
<td>63,913</td>
<td>70,867</td>
<td>73,119</td>
</tr>
<tr>
<td>Panamera</td>
<td>27,541</td>
<td>15,240</td>
<td>17,207</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Production</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vehicles</td>
<td>255,683</td>
<td>239,618</td>
<td>234,497</td>
</tr>
<tr>
<td>911</td>
<td>33,920</td>
<td>31,648</td>
<td>31,373</td>
</tr>
<tr>
<td>918 Spyder</td>
<td></td>
<td>-</td>
<td>376</td>
</tr>
<tr>
<td>718 Boxster/Cayman</td>
<td>26,427</td>
<td>24,882</td>
<td>21,978</td>
</tr>
<tr>
<td>Macan</td>
<td>98,763</td>
<td>97,177</td>
<td>86,016</td>
</tr>
<tr>
<td>Cayenne</td>
<td>59,568</td>
<td>71,493</td>
<td>79,700</td>
</tr>
<tr>
<td>Panamera</td>
<td>37,605</td>
<td>14,218</td>
<td>15,055</td>
</tr>
</tbody>
</table>

Key figures concerning deliveries and production relate to the Porsche Group (including subsidiaries).


Basis of consolidation

(GRI 102-45)

Since 1 August 2012, Volkswagen AG has been the sole shareholder of Porsche Holding Stuttgart GmbH, which holds 100 per cent of the share capital in Porsche AG. Dependency agreements and profit transfer agreements exist between Porsche Holding Stuttgart GmbH and Porsche AG, as well as between Porsche AG and its major domestic subsidiaries. The basis of consolidation at Porsche AG includes a total of 111 fully consolidated companies, with 26 headquartered in Germany and 85 abroad.

Supplier origin 2017

95.8% Based in the EU
4.2% Based outside the EU

Suppliers of production materials

95.1% Based in the EU
4.9% Based outside the EU

Supplier screening based on environmental criteria

Expenditure for local suppliers at main business sites

Proportion of allocated purchasing budget spent on local suppliers: 98% (2017), 98% (2016), 99% (2015)

Supplier origin 2017

95.8% Based in the EU
4.2% Based outside the EU

Supplier screening based on environmental criteria

Proportion of screened suppliers: 100% (2017), 100% (2016), 100% (2015)

1) Suppliers are considered to be local if they are based in the EU. Zuffenhausen and Leipzig are considered the main business sites.

1) Based on the creditor’s billing address.

The figures for fuel consumption, energy consumption and CO₂ emissions are found on pages 128–129.
Key figures for environment and energy

The calculation and reporting method has been adjusted for 2017 and future reporting periods. The previous categories “Production sites” (Stuttgart-Zuffenhausen and Leipzig incl. management) and “Other sites” (Weissach and Ludwigsburg) have been added.

New categorisation in line with internal management reporting: “Production sites” (Stuttgart-Zuffenhausen and Leipzig incl. production-relevant external sites), “Development site” (Weissach incl. development-relevant external sites), “Other sites” (all other sites).

A detailed overview of the key figures can be found in the Porsche Newsroom: www.newsroom.porsche.com/reports

<table>
<thead>
<tr>
<th>Direct energy consumption according to primary energy sources in MWh</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>304,111</td>
<td>293,623</td>
<td>265,915</td>
</tr>
<tr>
<td>Production sites</td>
<td>225,218</td>
<td>217,104</td>
<td>199,443</td>
</tr>
<tr>
<td>Development site</td>
<td>62,556</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Other sites</td>
<td>3,054</td>
<td>64,603</td>
<td>53,530</td>
</tr>
<tr>
<td>Fuel (in litres)</td>
<td>1,540,403</td>
<td>1,385,573</td>
<td>1,504,843</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Indirect energy consumption according to primary energy sources in MWh</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>339,200</td>
<td>296,873</td>
<td>282,369</td>
</tr>
<tr>
<td>Production sites</td>
<td>268,346</td>
<td>233,523</td>
<td>222,573</td>
</tr>
<tr>
<td>Development site</td>
<td>59,418</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Other sites</td>
<td>11,436</td>
<td>63,350</td>
<td>59,796</td>
</tr>
</tbody>
</table>

1) The direct energy consumption is comprised of gas, combustible gas for manufacturing processes, heating oil, special energy products and fuel.
2) The indirect energy consumption is comprised of electrical energy, district heating and combined heat and power units (CHPUs).

<table>
<thead>
<tr>
<th>Emissions in t</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct and indirect GHG emissions in t CO₂ equivalent (Scope 1 and 2) total</td>
<td>63,922</td>
<td>164,159</td>
<td>142,261</td>
</tr>
<tr>
<td>Production sites</td>
<td>40,587</td>
<td>129,975</td>
<td>110,795</td>
</tr>
<tr>
<td>Development site</td>
<td>14,765</td>
<td>7,636</td>
<td>8,686</td>
</tr>
<tr>
<td>Other sites</td>
<td>3,213</td>
<td>8,638</td>
<td>4,783</td>
</tr>
<tr>
<td>Development site</td>
<td>14,765</td>
<td>7,636</td>
<td>8,686</td>
</tr>
<tr>
<td>Other sites</td>
<td>3,213</td>
<td>8,638</td>
<td>4,783</td>
</tr>
<tr>
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<td>14,765</td>
<td>7,636</td>
<td>8,686</td>
</tr>
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<td>3,213</td>
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</tr>
<tr>
<td>Development site</td>
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<td>7,636</td>
<td>8,686</td>
</tr>
<tr>
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<td>3,213</td>
<td>8,638</td>
<td>4,783</td>
</tr>
<tr>
<td>Development site</td>
<td>14,765</td>
<td>7,636</td>
<td>8,686</td>
</tr>
<tr>
<td>Other sites</td>
<td>3,213</td>
<td>8,638</td>
<td>4,783</td>
</tr>
</tbody>
</table>

NOₓ emissions | 39,25 | 45,01 | 40,37 |
SOₓ emissions | 0,41 | 0,28 | 0,25 |

Weight of volatile organic compounds (VOC) | 125,29 | 116,93 | 110,05 |
Weight of dust emissions | 0,11 | 0,28 | 0,27 |

1) The published key figures for 2016 have been partially corrected.
2) The calculation method has been further developed for 2017, and the key figures for 2015 and 2016 adjusted in line with this method.
3) The emissions indicated relate only to business trips, i.e. made by train (Porsche AG only), plane and rental car. A method for calculating Scope 3 emissions in logistics is currently under development.

<table>
<thead>
<tr>
<th>Fresh water and waste water in m³</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water consumption (drinking water)</td>
<td>644,173</td>
<td>617,752</td>
<td>587,498</td>
</tr>
<tr>
<td>Volume of waste water</td>
<td>561,492</td>
<td>542,217</td>
<td>529,986</td>
</tr>
</tbody>
</table>

1) The published key figures for 2015 and 2016 have been partially corrected.

<table>
<thead>
<tr>
<th>Volume of waste in t</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>22,272</td>
<td>21,171</td>
<td>18,802</td>
</tr>
<tr>
<td>Waste for recycling</td>
<td>20,120</td>
<td>19,912</td>
<td>17,121</td>
</tr>
<tr>
<td>Waste for disposal</td>
<td>1,189</td>
<td>1,858</td>
<td>1,681</td>
</tr>
</tbody>
</table>

1) The published key figures for 2016 have been partially corrected.

<table>
<thead>
<tr>
<th>Investments in environmental protection € millions</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>39,99</td>
<td>100 %</td>
<td>43,67</td>
</tr>
<tr>
<td>Waste disposal</td>
<td>2,92</td>
<td>2 %</td>
<td>4,36</td>
</tr>
<tr>
<td>Emissions control</td>
<td>4,66</td>
<td>12 %</td>
<td>10,89</td>
</tr>
<tr>
<td>Remedies costs</td>
<td>4,37</td>
<td>11 %</td>
<td>7,88</td>
</tr>
<tr>
<td>Prevention</td>
<td>25,72</td>
<td>66 %</td>
<td>20,48</td>
</tr>
</tbody>
</table>

1) Investments at the Zuffenhausen and Weissach sites have been included in calculations.
Key figures for personnel and social matters

Unless specified otherwise, the key figures shown below concerning personnel and social matters relate in principle to Porsche AG and Porsche Leipzig GmbH. A detailed overview of the key figures can be found in the Porsche Newsroom: www.newsroom.porsche.com/reports

Total workforce

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Porsche Group (including subsidiaries)</td>
<td>29,777</td>
<td>27,612</td>
<td>24,481</td>
</tr>
<tr>
<td>of which Porsche AG</td>
<td>17,549</td>
<td>16,241</td>
<td>14,569</td>
</tr>
<tr>
<td>of which Porsche Leipzig GmbH</td>
<td>4,148</td>
<td>3,994</td>
<td>3,667</td>
</tr>
<tr>
<td>Region: Germany</td>
<td>20,702</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Region: Europe (excluding Germany)</td>
<td>1,403</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Region: North America</td>
<td>743</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Region: Asia</td>
<td>168</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Other regions (Australia, Latin America)</td>
<td>269</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

1) As of 2017, this figure relates to the entire Porsche AG Group.
2) The specified employee figures are based on reports by region (Porsche AG = Baden-Württemberg, Porsche Leipzig GmbH = Saxony).

Proportion of foreign employees

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Porsche AG</td>
<td>12.7%</td>
<td>12.2%</td>
<td>12.0%</td>
</tr>
<tr>
<td>Porsche Leipzig GmbH</td>
<td>0.7%</td>
<td>0.8%</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

1) We do not report on minorities, as we are not permitted to collect this data due to personality rights.

Employee turnover

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1.20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td>0.60%</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td>0.60%</td>
<td></td>
</tr>
</tbody>
</table>

1) Employee turnover is not broken down by age group, gender and region. These figures are not essential to us as they are not relevant for management.
2) As of 2017, this figure relates to the entire Porsche AG Group.

Training programme participants

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of participants</td>
<td>19,909</td>
<td>21,798</td>
<td>21,731</td>
</tr>
<tr>
<td>Female</td>
<td>3,458</td>
<td>3,461</td>
<td>3,768</td>
</tr>
<tr>
<td>Male</td>
<td>16,451</td>
<td>18,337</td>
<td>17,963</td>
</tr>
<tr>
<td>Distribution of participants by employee category</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees subject to wage agreements</td>
<td>92.1%</td>
<td>90.7%</td>
<td>85.8%</td>
</tr>
<tr>
<td>Employees exempt from wage agreements and executive employees</td>
<td>6.9%</td>
<td>9.3%</td>
<td>14.2%</td>
</tr>
</tbody>
</table>

Number of accidents, lost days and fatalities

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accidents</td>
<td>177</td>
<td>171</td>
<td>145</td>
</tr>
<tr>
<td>Lost days</td>
<td>1,708</td>
<td>1,957</td>
<td>2,542</td>
</tr>
<tr>
<td>Fatalities</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

1) It is not possible to report on employees from temporary employment agencies and external companies, or independent contractors.
2) 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) Working days are counted as lost days (usually Mo–Fr); the day of the accident is not included (>= 1 lost calendar day).

Injury rates

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Porsche AG</td>
<td>5.1</td>
<td>5.5</td>
<td>6.2</td>
</tr>
<tr>
<td>Porsche Leipzig GmbH</td>
<td>6.7</td>
<td>6.3</td>
<td>6.7</td>
</tr>
</tbody>
</table>

1) Injury rate = Accident frequency index: provides information on frequency of accidents occurring in the workplace in relation to the total of all hours worked.
2) The calculation formula is based on the number of industrial accidents x 1 million hours / hours worked.

Donations made in € million

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approx. 4.8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Approx. 5.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Approx. 4.6</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The Supervisory Board of Dr. Ing. h.c. F. Porsche AG

Dr. Wolfgang Porsche
Diplom-Kaufmann
Chairman

Uwe Hück*
Deputy Chairman
Chairman of the general and Group Works Council of Dr. Ing. h.c. F. Porsche AG
Chairman of the Zuffenhausen/Ludwigsburg/Sachsenheim Works Council
Deputy chairman of the Works Council of Porsche Automobil Holding SE

Dr. Hans Michel Päch
Lawyer

Dr. Ferdinand Oliver Porsche
Investment management

Hans-Peter Porsche
Engineer

Hans Dieter Pötsch
Diplom-Wirtschaftsingenieur
Chairman of the Executive Board of Porsche Automobil Holding SE
Chairman of the Supervisory Board of Volkswagen AG

Matthias Müller
Chairman of the Executive Board of Volkswagen AG

Dr rer. pol. h.c. Francisco Javier García Sanz
Betriebswirt
Member of the Executive Board of Volkswagen AG
with responsibility for Procurement

Frank Witter
Member of the Executive Board of Volkswagen AG
with responsibility for Human Resources and Organisation

Dr. Karlheinz Blessing
Member of the Executive Board of Volkswagen AG
with responsibility for Human Resources and Organisation

Dr. Hans Peter Schützinger
Member of the Board of Management of Porsche Holding GmbH

Wolfgang von Dühren*
Head of Sales Planning

Antonio Girone*
Deputy chairman of the group Works Council
Member of the general Works Council
Member of the Zuffenhausen/Ludwigsburg/Sachsenheim Works Council
Member of the Works Council of Porsche Automobil Holding SE

Sabine Zach*
Diplom Volkswirtin [Economics Graduate]
Collective Bargaining Secretary at IG Metall

Manfred Pache*
Member of the group Works Council and deputy chairman of the general Works Council
Chairman of the Weissach Works Council
Member of the Works Council of Porsche Automobil Holding SE

Hansjürg Schmierer*
Manager responsible for members and finances of the IG Metall trade union, Stuttgart

Peter Schulz*
Diplom-Ingenieur (FH)
Vice President of Human Resources, Management and Production

Jordana Vogiatzi*
Press officer for the IG Metall trade union – Stuttgart Administrative Office

Axel Weyland*
Head of Drivetrain Division at Porsche Engineering Services GmbH

Werner Weresch*
Member of the Group Works Council
Member of the general Works Council of Dr. Ing. h.c. F. Porsche AG
Head of shop stewards’ committee
Deputy chairman of the Works Council Zuffenhausen/Ludwigsburg/Sachsenheim
Member of the SE Works Council of Porsche Automobil Holding SE

*Employee representative
<table>
<thead>
<tr>
<th>Model</th>
<th>Power output [kW]</th>
<th>Power [hp]</th>
<th>Fuel consumption (urban) [l/100 km]</th>
<th>Fuel consumption (extra-urban) [l/100 km]</th>
<th>Fuel consumption (combined) [l/100 km]</th>
<th>CO₂ emissions (combined) [g/km]</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Panamera</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Panamera</td>
<td>243</td>
<td>330</td>
<td>9.8 – 9.7*</td>
<td></td>
<td>7.6 – 7.5*</td>
<td>173 – 171*</td>
</tr>
<tr>
<td>Panamera 4</td>
<td>243</td>
<td>330</td>
<td>9.9 – 9.8*</td>
<td>6.5 – 6.4*</td>
<td>7.8 – 7.7*</td>
<td>177 – 175*</td>
</tr>
<tr>
<td>Panamera 4 Executive</td>
<td>243</td>
<td>335</td>
<td>10.0 – 9.9*</td>
<td>6.7 – 6.6*</td>
<td>7.9 – 7.8*</td>
<td>180 – 178*</td>
</tr>
<tr>
<td>Panamera 4S</td>
<td>324</td>
<td>445</td>
<td>10.2 – 10.1*</td>
<td>6.8 – 6.7*</td>
<td>8.2 – 8.1*</td>
<td>186 – 184*</td>
</tr>
<tr>
<td>Panamera 4S Executive</td>
<td>324</td>
<td>445</td>
<td>10.4 – 10.3*</td>
<td>6.9 – 6.8*</td>
<td>8.5 – 8.2*</td>
<td>189 – 187*</td>
</tr>
<tr>
<td>Panamera Turbo</td>
<td>404</td>
<td>555</td>
<td>12.9 – 12.8*</td>
<td>7.5 – 7.2*</td>
<td>9.4 – 9.3*</td>
<td>214 – 212*</td>
</tr>
<tr>
<td>Panamera Turbo Executive</td>
<td>404</td>
<td>555</td>
<td>13.1 – 12.9*</td>
<td>7.4 – 7.2*</td>
<td>9.5 – 9.2*</td>
<td>217 – 215*</td>
</tr>
<tr>
<td><strong>Panamera Sport Turismo</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Panamera Sport Turismo</td>
<td>243</td>
<td>330</td>
<td>10.0 – 9.9*</td>
<td>6.7 – 6.6*</td>
<td>7.9 – 7.8*</td>
<td>180 – 178*</td>
</tr>
<tr>
<td>Panamera 4S Sport Turismo</td>
<td>324</td>
<td>445</td>
<td>10.4 – 10.3*</td>
<td>6.9 – 6.8*</td>
<td>C</td>
<td>189 – 187*</td>
</tr>
<tr>
<td>Panamera Turbo Sport Turismo</td>
<td>404</td>
<td>555</td>
<td>13.1 – 12.9*</td>
<td>7.4 – 7.2*</td>
<td>C</td>
<td>215 – 212*</td>
</tr>
<tr>
<td><strong>Mackan</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Makan</td>
<td>185</td>
<td>252</td>
<td>8.6 – 8.4*</td>
<td>6.6 – 6.4*</td>
<td>7.4 – 7.2*</td>
<td>172 – 167*</td>
</tr>
<tr>
<td>Makan T</td>
<td>203</td>
<td>276</td>
<td>11.6 – 11.9*</td>
<td>7.6 – 7.3*</td>
<td>8.7 – 8.4*</td>
<td>180 – 178*</td>
</tr>
<tr>
<td>Makan T Diesel</td>
<td>195</td>
<td>288</td>
<td>9.6 – 9.5*</td>
<td>7.0 – 6.8*</td>
<td>7.9 – 7.7*</td>
<td>181 – 180*</td>
</tr>
<tr>
<td>Makan GTS</td>
<td>265</td>
<td>360</td>
<td>11.8 – 11.4*</td>
<td>7.8 – 7.4*</td>
<td>9.1 – 9.0*</td>
<td>213 – 210*</td>
</tr>
<tr>
<td>Macan Turbo</td>
<td>294</td>
<td>400</td>
<td>11.8 – 11.5*</td>
<td>7.8 – 7.5*</td>
<td>9.2 – 9.0*</td>
<td>216 – 208*</td>
</tr>
<tr>
<td>Macan Turbo Performance Package</td>
<td>324</td>
<td>445</td>
<td>12.6 – 12.4*</td>
<td>8.0 – 7.8*</td>
<td>188 – 180*</td>
<td>224 – 219*</td>
</tr>
<tr>
<td>Macan Turbo Exclusive Performance Edition</td>
<td>324</td>
<td>445</td>
<td>12.6 – 12.4*</td>
<td>8.0 – 7.8*</td>
<td>188 – 180*</td>
<td>224 – 219*</td>
</tr>
<tr>
<td><strong>Cayenne</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cayenne</td>
<td>260</td>
<td>340</td>
<td>11.3 – 11.1*</td>
<td>8.0 – 7.9*</td>
<td>9.2 – 9.0*</td>
<td>209 – 205*</td>
</tr>
<tr>
<td>Cayenne S</td>
<td>252</td>
<td>340</td>
<td>11.8 – 11.5*</td>
<td>8.4 – 8.0*</td>
<td>9.4 – 9.1*</td>
<td>213 – 210*</td>
</tr>
<tr>
<td>Cayenne Turbo</td>
<td>404</td>
<td>555</td>
<td>16.4 – 16.2*</td>
<td>9.6 – 9.3*</td>
<td>11.9 – 11.7*</td>
<td>272 – 257*</td>
</tr>
<tr>
<td><strong>Plug-in hybrids</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Panamera E-Hybrid</td>
<td>340</td>
<td>462</td>
<td>2.5</td>
<td>15.9</td>
<td>56</td>
<td></td>
</tr>
<tr>
<td>Panamera E-Hybrid Executive</td>
<td>340</td>
<td>462</td>
<td>2.5</td>
<td>15.9</td>
<td>56</td>
<td></td>
</tr>
<tr>
<td>Panamera 4 E-Hybrid Sport Turismo</td>
<td>340</td>
<td>462</td>
<td>2.6</td>
<td>15.9</td>
<td>56</td>
<td></td>
</tr>
<tr>
<td>Panamera Turbo E-Hybrid Executive</td>
<td>500</td>
<td>680</td>
<td>2.9</td>
<td>16.3</td>
<td>66</td>
<td></td>
</tr>
<tr>
<td>Panamera Turbo E-Hybrid Sport Turismo</td>
<td>500</td>
<td>680</td>
<td>2.9</td>
<td>16.3</td>
<td>66</td>
<td></td>
</tr>
</tbody>
</table>

*Range depending on the tyre set used  
**Overall system performance
This Annual and Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) standards on the basis of the Core option. Compliance with the external reporting requirements has been checked within the framework of the GRI Materiality Assessment. This Annual and Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) standards on the basis of the Core option. Compliance with the external reporting requirements has been checked within the framework of the GRI Materiality Assessment. This Annual and Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) standards on the basis of the Core option. Compliance with the external reporting requirements has been checked within the framework of the GRI Materiality Assessment. This Annual and Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) standards on the basis of the Core option. 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Key topics
Material and sustainable materials
Office: GRI 103 - Management Approach (2016)
103-1 Explanation of the material topic and its boundary
103-2 The management approach and its components
103-3 Evaluation of the management approach
301-1 Materials used by weight or volume

New mobility concepts
Office: GRI 103 - Management Approach (2016)
103-1 Explanation of the material topic and its boundary
103-2 The management approach and its components
103-3 Evaluation of the management approach

Energy and emissions during production
Office: GRI 103 - Management Approach (2016)
103-1 Explanation of the material topic and its boundary
103-2 The management approach and its components
103-3 Evaluation of the management approach

301-1 Explanation of the material topic and its boundary
301-2 The management approach and its components
301-3 Evaluation of the management approach

302-1 Energy consumption within the organization
302-2 Energy intensity
302-3 Energy intensity

Office: GRI 303 - Water (2016)
303-1 Water withdrawal by source
303-2 Water discharge by quality and destination

Office: GRI 305 - Emissions (2016)
305-1 Other indirect (Scope 3) GHG emissions
305-2 Energy intensity
305-3 Emissions of ozone-depleting substances (ODS)
305-4 GHG emissions intensity
305-5 Other indirect (Scope 3) GHG emissions

Resources consumption during production
Office: GRI 103 - Management Approach (2016)
103-1 Explanation of the material topic and its boundary
103-2 The management approach and its components
103-3 Evaluation of the management approach

301-1 Materials used by weight or volume

302-1 Energy consumption within the organization
302-2 Energy intensity
302-3 Energy intensity

Office: GRI 303 - Water (2016)
303-1 Water withdrawal by source
303-2 Water discharge by quality and destination

Office: GRI 305 - Emissions (2016)
305-1 Other indirect (Scope 3) GHG emissions
305-2 Energy intensity
305-3 Emissions of ozone-depleting substances (ODS)
305-4 GHG emissions intensity
305-5 Other indirect (Scope 3) GHG emissions

Office: GRI 401 - Employment (2016)
401-1 New employee hires and employee turnover
401-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities
401-3 Workers with high incidence or high rate of illnesses related to their occupation

Office: GRI 402 - Labor/Management Relations (2016)
402-1 Minimum notice periods regarding operational changes

Office: GRI 404 - Training and Education (2016)
404-1 Programs for upgrading employee skills and transition assistance programs

Office: GRI 405 - Health and Safety (2016)
405-1 Occupational health and safety
405-2 Workplace violence

Office: GRI 407 - Governance and Environment (2016)
407-1 Operations and departments that have the right to freedom of association and collective bargaining may be at risk

Performance – Further information
About this report
This report and the information on Porsche’s sustainability work were authored in accordance and compliance with the Core option of the Global Reporting Initiative (GRI) standards. Previous reports used the G3.1 and G4 guidelines which were current for those points in time. The GRI Content Index at the end of the report shows the extent to which the indicators have been met and where they are located in the print and online versions. The GRI Materiality Disclosures service confirmed that the GRI requirements for materiality disclosures were met. In addition to careful data collection and recording via internal reporting and processing systems as well as detailed internal consolidation and auditing of the information and data, an external audit was performed on selected content (materiality process, management approaches, key figures). These items are marked accordingly in the Report with a (✓). The auditor’s report by the independent auditor is on page 136.

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 2017, which will be available on the www.volkswagenag.com website in German and English no later than 30 April 2018.

Report contents and period
This documentation represents the second time that Dr. Ing h.c. F. Porsche AG has published a combined Annual and Sustainability Report. The company published its first report in this format for the 2016 financial year on 17 March 2017. The report is produced annually. The current report covers the period from 1 January 2017 to 31 December 2017. Information from before this period is also included for completeness. Unless otherwise specified, the end date for all data is 31 December 2017. The editorial deadline was in February 2018. Unless otherwise indicated, all information refers to Dr. Ing h.c. F. Porsche AG. If context that was already reported has been corrected, e.g. 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’s sustainability work. Management approaches to major topics in this report are contained in the section titled “Sustainability strategy and management”. Reporting standard and assurance
This report includes the indicators that have been listed in the section “Sustainability strategy and management”.

Index/Key figures
Information not available (G3 criteria see p. 121)
### Deliveries

<table>
<thead>
<tr>
<th>Model</th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>FY 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>911 Vehicles</td>
<td>246,375</td>
<td>237,778</td>
<td>225,121</td>
</tr>
<tr>
<td>918 Spyder</td>
<td>92,197</td>
<td>95,642</td>
<td>88,916</td>
</tr>
<tr>
<td>718 Boxster/Cayman</td>
<td>25,114</td>
<td>23,620</td>
<td>22,663</td>
</tr>
<tr>
<td>Cayenne</td>
<td>63,913</td>
<td>70,867</td>
<td>73,119</td>
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<tr>
<td>Macan</td>
<td>27,942</td>
<td>16,240</td>
<td>17,207</td>
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</tbody>
</table>

### Production

<table>
<thead>
<tr>
<th>Model</th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>FY 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>911 Vehicles</td>
<td>255,683</td>
<td>239,618</td>
<td>234,497</td>
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<tr>
<td>918 Spyder</td>
<td>33,820</td>
<td>31,648</td>
<td>31,373</td>
</tr>
<tr>
<td>718 Boxster/Cayman</td>
<td>26,427</td>
<td>24,882</td>
<td>21,978</td>
</tr>
<tr>
<td>Cayenne</td>
<td>26,966</td>
<td>14,122</td>
<td>12,700</td>
</tr>
<tr>
<td>Macan</td>
<td>97,605</td>
<td>12,665</td>
<td>15,055</td>
</tr>
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</table>

### Employees

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>FY 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>29,777</td>
<td>27,612</td>
<td>24,481</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>€ 3,080</td>
<td>€ 2,875</td>
<td>€ 2,605</td>
</tr>
</tbody>
</table>

### Financials

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>FY 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue (€ million)</td>
<td>23,491</td>
<td>22,318</td>
<td>21,533</td>
</tr>
<tr>
<td>Total assets (€ million)</td>
<td>35,019</td>
<td>32,235</td>
<td>29,143</td>
</tr>
<tr>
<td>Equity (€ million)</td>
<td>15,840</td>
<td>13,980</td>
<td>13,700</td>
</tr>
<tr>
<td>Fixed assets (€ million)</td>
<td>14,404</td>
<td>12,841</td>
<td>11,009</td>
</tr>
<tr>
<td>Capital expenditure (€ million)</td>
<td>3,080</td>
<td>2,666</td>
<td>2,427</td>
</tr>
<tr>
<td>Cost of materials (€ million)</td>
<td>13,060</td>
<td>12,623</td>
<td>12,095</td>
</tr>
<tr>
<td>Depreciation, amortisation and impairment losses (€ million)</td>
<td>2,276</td>
<td>2,081</td>
<td>2,124</td>
</tr>
<tr>
<td>Cash flows from operating activities (€ million)</td>
<td>4,069</td>
<td>3,864</td>
<td>3,843</td>
</tr>
<tr>
<td>Operating result (EBIT) (€ million)</td>
<td>4,144</td>
<td>3,877</td>
<td>3,404</td>
</tr>
<tr>
<td>Profit before tax (€ million)</td>
<td>4,221</td>
<td>3,697</td>
<td>3,382</td>
</tr>
<tr>
<td>Profit after tax (€ million)</td>
<td>3,139</td>
<td>2,640</td>
<td>2,335</td>
</tr>
</tbody>
</table>

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1) As of 31 December.
2) Relates to investments in intangible assets and property, plant and equipment.

Porsche Newsroom provides more information and an interactive comparison of current financial and volume data. By selecting various parameters such as time period, key figure type or display type, you can generate and save individual comparisons in different formats.

www.newsroom.porsche.com/charts
AUDITOR’S REPORT BY THE INDEPENDENT AUDITOR REGARDING A BUSINESS AUDIT FOR THE ATTAINMENT OF LIMITED ASSURANCE REGARDING SUSTAINABILITY INFORMATION

To Dr. Ing. h.c. F. Porsche AG, Stuttgart

We have subjected the sustainability details marked with “✓” in the annual report (hereinafter referred to as the “Report”) of Dr. Ing. h.c. F. Porsche AG, Stuttgart (hereinafter referred to as the “Company”) for the period from 01/01/2017 to 31/12/2017 to a business audit for the attainment of limited assurance. Our remit refers exclusively to the details marked with “✓”.

RESPONSIBILITY OF LEGAL REPRESENTATIVES

The Company’s legal representatives are responsible for drawing up the Report in accordance with the principles referred to in the Sustainability Reporting Standards of the Global Reporting Initiative (hereinafter referred to as the “GRI Criteria”) and for the selection of the details to be evaluated.

This responsibility of the Company’s legal representatives comprises the selection and application of suitable methods of sustainability reporting as well as making assumptions and carrying out estimates regarding individual sustainability details that are appropriate under the circumstances. Furthermore, the legal representatives are responsible for internal controls that they have deemed to be necessary in drawing up the Report and in ensuring that the Report is free of significantly erroneous details – either intentional or unintentional.

INDEPENDENCE AND QUALITY ASSURANCE OF THE AUDITING COMPANY

We complied with German professional regulations regarding independence as well as additional professional conduct requirements.

Our auditing company applies the national legal regulations and professional notifications – particularly those of the occupational statute for auditors and chartered accountants (“BS WP/ vBP”) as well as the IDW quality assurance standard 1 “Requirements of quality assurance in auditing practice” (IDW Q.1) issued by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer [IDW]) – and, as a consequence, maintains a comprehensive quality assurance system that comprises documented regulations and measures with regard to compliance with professional conduct requirements, professional standards and diverse statutory and other legal requirements.

RESPONSIBILITY OF THE AUDITOR

It is our remit to submit a limited-assurance audit opinion based on the audit regarding the details in the Report that are marked with “✓”.

We carried out our business audit in consideration of the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements other than Audits or Reviews of Historical Financial Information” issued by the IAASB. We then planned and executed the audit in such a way that we can state with limited assurance that we are aware of no issues that would lead us to believe that the details marked with a “✓” in the Company’s Report for the period from 01/01/2017 to 31/12/2017 have not been drawn up in accordance with the relevant GRI Criteria in all significant aspects. This does not mean that a separate audit opinion is issued for each marked detail.

In the case of a business audit to attain limited assurance, the auditing actions carried out are less comprehensive than in a business audit to attain reasonable assurance, meaning that a significantly lower level of audit assurance is required. Selection of the auditing actions lies within the auditor’s professional judgement.

As part of our audit, we carried out auditing activities and other tasks, including the following:

• Gaining an understanding of the structure of the sustainability organisation and the inclusion of stakeholders
• Surveying employees who were involved in drawing up the Report regarding the drawing-up process, regarding the internal control system applied to this process and regarding selected details in the Report
• Assessment of the risk of significant incorrect details appearing in the Report, taking the GRI Criteria as a basis
• Inspection of relevant documents and surveying employees with regard to the materiality process and the creation of the materiality matrix, with regard to the selected management approaches and the data capture and consolidation of the selected key figures for 2016 and 2017 as well as regarding the internal control system applied to these processes.
• Carrying out on-site visits to gain an impression of the data capture and consolidation processes as well as the internal control activities with regard to the selected key figures:
  – Zuffenhausen plant, Germany
  – Leipzig plant, Germany
• Inspection of supplementary documentation and supporting systems
• Analytical evaluation of selected details in the report
• Comparison of details with the relevant financial reporting data
• Evaluation of the representation of the selected sustainability performance details

AUDIT OPINION

Based on the auditing activities carried out and the verifications obtained, we are aware of no issues that would lead us to believe that the details marked with a “✓” in the Company’s Report for the period from 01/01/2017 to 31/12/2017 have not been drawn up in accordance with the relevant GRI Criteria in all significant aspects.

INTENDED PURPOSE OF THIS AUDITOR’S REPORT

We issue this auditor’s report based on the remit agreed with Dr. Ing. h.c. F. Porsche AG. The audit was carried out for Company purposes and the auditor’s report is only intended for the information of Dr. Ing. h.c. F. Porsche AG regarding the result of the audit.

The auditor’s report is not intended to be used as a basis for third parties to make (investment) decisions. Our responsibility is exclusively to Dr. Ing. h.c. F. Porsche AG. We accept no re-sponsibility for third parties.

Frankfurt, 28 February 2018

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft

ppa. Nicolette Behncke, Auditor
ppa. Heinke Richter