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Porsche Podcast 9:11

Transcript episode 8: *Change and values: transformation as an opportunity?*

Guests:

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Saori Dubourg, Member of the Board BASF

Host:

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Intro

[00:00:03] **Sebastian Rudolph:** Welcome to the new edition of 9:11, the Porsche podcast. My name is Sebastian Rudolph and I am responsible for the areas of communications, sustainability and politics at Porsche. With this audio magazine, we want to bring the world of Porsche closer to you and find the answers to some interesting questions. For this reason, today we have set up our podcast studio high up in Porsche factory 2 in Stuttgart. This is where our 911 and 718 sports cars and the all-electric Taycan are produced. From here we have a beautiful view of Porsche-Platz with the sculpture in the centre, from which three white 911 sports cars reach into the sky.

Today's episode deals with a process that is omnipresent: transformation. It influences politics, society and the economy. Our cultural values are also changing. How do we deal with these shifts? How important are values for Europe, for companies and for us, as individuals? What opportunities can arise from this? I would like to discuss these questions and more with my guests. Both are responsible for Europe within their companies. Saori Dubourg, as a member of the board at BASF, and Barbara Frenkel as Vice President for the Europe Sales Region at Porsche and future member of the board.

[00:01:34] **Speaker:** Saori Dubourg has been a member of the Board of Executive Directors of BASF SE since May 2017. She is responsible for the global businesses in the Agricultural Solutions, Nutrition & Health and Care Chemicals divisions. She is also responsible for the Europe region, the start-up trinamiX and the BASF Corporate Sustainability Board. She has held various positions at BASF since 1996. For several years, she also worked in the USA, Japan, Singapore and Hong Kong. Dubourg's professional experience includes strategy and operational



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leadership. As a member of the EU Commission's High Level Industrial Group, she is committed to Europe's environment, society and economy. Since January 2020, Saori Dubourg has been a member of the German Council for Sustainable Development.

Barbara Frenkel was born in Franconia and studied chemistry and rubber technology in Bayreuth and Hanover. She started her professional career in the international supplier industry. There she worked in purchasing and quality at Valeo and TRW Automotive, among others. For 19 years, she has worked for Porsche in various management positions. As Head of Quality Systems and Methods, as the person responsible for worldwide dealer training and as Vice President for Sales Network Development. Since May 2017, Barbara Frenkel has made a significant contribution to Porsche's successful development in the European markets as Vice President for the Europe Sales Region. At the beginning of July 2021, she will become the first woman to be appointed to the Executive Board of Porsche AG.

[00:03:18] **Sebastian Rudolph:** Saori is joining us digitally, Barbara is sitting opposite me. Hello Saori, hello Barbara. I'm very happy to have you with us today.

[00:03:25] **Barbara Frenkel:** Hello Sebastian.

[00:03:26] **Saori Dubourg:** Hello.

[00:03:28] **Sebastian Rudolph:** There are some similarities in your CVs. Barbara studied chemistry, Saori works for a chemical company. In addition, both of you have worked abroad and are responsible for the European region ... In summary and to the point, Saori, what does Europe mean to you?

[00:03:46] **Saori Dubourg:** Sebastian, Klaus Kinkel once said that Europe doesn't grow from treaties, it grows from the hearts of its citizens or not at all. And we have seen in the course of Brexit that the construct of Europe is fragile. When I was in the UK in the years around Brexit, industry told me at the time: "Mrs Dubourg, tell German industry, tell the Europeans, we have failed. We British have failed to explain to our people what the true value of Europe is and now it is too late." For me, Europe is a long story, where it is actually about common European values. Democracy has been painstakingly fought for over centuries. Freedom of expression, equality, diversity and especially the belief in science through The Enlightenment – all this is not at all self-evident. And we see now that even all these values are not always really present everywhere in Europe. Since the founding of Europe in 1957, we have had 70 million deaths as a result of the two world wars. This extremely long period of peace cannot be taken for granted.



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And now, for the first time in a long time, Europe has a clear vision: the Green Deal. This vision is – sure, you may like it or not – but I am already glad that we have a vision. What is the position of Europe versus China and the US? And I have to say, when I see that over a trillion in investment money is now to be poured into this transformation of the Green Deal, that is more than the Marshall Plan. We have to be aware, this is historic. And the question is, do we seize the opportunity to actively shape Europe?

[00:05:28] **Sebastian Rudolph:** Democracy, security, stability as the values of Europe and to build visions on this foundation. That's what I'm taking out now. Visions that can also be drivers of transformation or Saori, how do you see that?

[00:05:43] **Saori Dubourg:** We are in the middle of a paradigm shift. What I perceive is, we came out of the age of globalisation together with industry. That continues to move forward as well. The focus of this movement was really on market share gains, volume growth. But what I perceive now is that the Paris climate agreement is causing us to change patterns. It's like a new S-curve, which is actually centred on efficient resource economics. And it is also a change from volume to a value society. Value, also in the sense of business values. That means it's no longer just about volume gains, but the core question we're all asking ourselves is how can we generate more value by also using resources more wisely? And that, of course, is a big challenge. And with the Green Deal, Europe has focused on this. I think you can see it as a risk, certainly for many companies. But you can also see it as an opportunity, because climate risks are financial risks today, and the capital market has already focused on this very strongly. I believe that the US and China, with the announcements, once by Biden, to really take the climate protocol seriously and to initiate all the measures now, like China, which also wants to meet the climate targets by 2060. I believe that this is a global trend, a global movement. I believe that this is a huge driver for the transformation that we are facing.

[00:07:05] **Sebastian Rudolph:** Now you have mentioned good keywords that put the ball directly in Barbara Frenkel's court. It's not about volume, it's about values, also about exclusivity. Barbara, to what extent does this change, this transformation, influence you as the person responsible for Europe at Porsche?

[00:07:21] **Barbara Frenkel:** Of course, we at Porsche are also dealing intensively with the major megatrends. And I think that if we look at what is currently happening in Europe, we are the front runners for change and for the changes in society in many places. If we take a closer look at the Porsche business, we can of course see that the whole issue of digitalisation is having a



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massive impact on our business. Digital systems, digital platforms are changing the industry, but also the buying behaviour of our customers. And we are also actively shaping the age of electromobility – not only through our vehicles, but also through the ecosystem around them, through innovative solutions. Demographic change is also a major concern for us in Europe. Not only are we getting older, but our customers are also getting older, and we are thinking about how we can become relevant to younger people at an early stage. And which markets can we increasingly focus on in the future? And another important trend, if you come from a car manufacturer of course, is also the topic of individual mobility. I firmly believe that the need for individuality will continue to grow, and as a sports car manufacturer we naturally have to align ourselves with this. How can new mobility concepts and a mobility ecosystem enable the seamless transition between different premium means of transport, yet also in an environmentally friendly way?

[00:08:47] **Sebastian Rudolph:** You said we are actively shaping the change. Electromobility is a keyword. In your region, one third of every vehicle delivered has already been equipped with an electric drive. That means hybrid or fully electric, so Europe is a pioneer region there as well. How important is it to be able to shape this change strategically, so that digitalisation and transformation are not perceived as risks, but that people enjoy them? That they see it as an opportunity? Saori said it, you said it too. But then how do you actually get this change into practice?

[00:09:22] **Barbara Frenkel:** The best way to put it into practice is to sit in the driver's seat and not watch change happen as a passenger, but to approach it proactively. And I think Porsche has shown with the Taycan that we believed in change and in the importance of electromobility very early on. We started developing the electric vehicle back in 2014, when electric mobility was actually seen more in the small vehicle segment, but not in the luxury segment. So with our Taycan, when we presented it to the world in 2019, we were still pioneers to a certain extent. And as you said, of course I'm also a little proud of the fact that we delivered a large part of the more than 20,000 Taycans in Europe. But what is also important, I think, because we don't know where change will take us, is that we remain flexible. That means that we always adapt to new circumstances and the coronavirus crisis showed us that we can do that very quickly. If we look back at the last year, how we have changed, how we have reacted quickly, also in the automotive trade, it was with contactless vehicle handovers, consultations via video conference, but we also did not forget those who might have been hit very badly by the coronavirus pandemic, with relief campaigns, with donations. That's why we can actually take this with us for the future – even without a pandemic – to remain flexible. As a final aspect, I would like to



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address the issue of courage. We have to face new tasks courageously and build up new competencies where we cannot yet rely on decades of experience. And with the new issues, we must always question where we stand, how can we become even better? The most important thing is that we see these challenges more as a wake-up call for creativity.

[00:11:15] **Sebastian Rudolph:** Listening to you, it has a certain lightness to it. We need to be bold and practically resource that. We have to be pioneers, set the course early. You work, Saori, in companies that are 150 years old, that have tradition, that have had a lot of success in the past – and with you, also, in the present. I imagine it's difficult when you might often come across: "we've always done it that way" or taking your fingers out of a running machine. So how do you deal with the fact that even in such proud – in a positive sense – traditional companies, change takes place and you have to keep up with the times?

[00:11:56] **Saori Dubourg:** Yes, I think it is very important to see change as part of progress. There's a phrase that's been with me all my life and in my BASF career and it goes: "If you react, there is one thing for sure, you are too late". For me that essentially means that you always have to think about the present from the point of view of the future. That is called 'future orientation'. The second thing that I think is very important is to take employees with you, and you probably feel the same way at Porsche. Many companies are overflowing with processes, guidelines and alignments. Sometimes I ask myself, where is creativity for change supposed to come from? That's what most companies lack – open, creative thinking spaces for employees.

For them, the holes are like holes in a Swiss cheese – they allow fresh air to get through the system. I was very happy because we had a concrete initiative the other day from an employee who proposed a climate-athon, as well as a hack-athon. It was a staff idea and I thought it was great. I thought it was really nice that we, as BASF, gave space to that employee's idea. They collected creative ideas on their own: how can digitality and sustainability be thought together in principle and what solutions can come of it? We encouraged several employees to join in, but there were also other companies, and movement came out of that. For me, that's actually at least a proof of concept that we have an active openness to change, which often doesn't just have to come from management, but can also arise in the system from the fantastic ideas of employees. I agree with Alan Kay, who once said that the best way to predict the future is to shape it yourself, and I think this shows how important it is to involve employees in this idea process.



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[00:13:54] **Sebastian Rudolph:** And this shaping is then all the stronger and more powerful – the more levels that are involved in shaping can then advance something. Ultimately, change starts with each individual, and in this respect it's nice to hear that you open up these spaces for creativity to practically every employee, and then let every employee go through, because the company lives through every employee. The question is how important is diversity in this area, i.e. internationality or different teams. Is there a difference, Saori, in that you say that the more diverse teams are, the greater the power of change?

[00:14:31] **Saori Dubourg:** Let's put it this way, I think it depends on the tasks. There are tasks where you need stringency in the execution. We can't just have thinking spaces everywhere, we still need tasks where we simply have to implement, that's also clear. But my experience on the subject of diversity is that the value is often much greater than we realise. Let me give you an example: when I was in Asia, and many people see the Asian markets more in terms of gaining market share, I would ask the individual regions and countries, what are the things that we as a group could learn? I did this with various countries, I asked colleagues from Japan, India and also Australia ... what is it actually that BASF can learn from you? What is typical of your culture? Is there something beyond market share that can inspire us? And I found the answers quite exciting. The Japanese colleagues said: "well, our country is relatively small, 80 per cent is mountains, so we are traditionally pretty good at making things small. We simply don't have much space." And we said: "ok, and what is the business model for that?" And then it came back that we invented a refrigerator, for example, which is much smaller than the refrigerators from America, and we found a good market for it in India. That is a concrete example. Or in India, when we asked our colleagues what we could learn from them, they said: "we don't have many resources in the country. We are used to producing something with very little or making something work. So if you want to leave out things that we don't need, then come to us, we can show you how it's done." And these are just two examples. The basic prerequisite in the topic of diversity is curiosity. Does one have a genuine interest in the other? What is the value that someone or the individual contributes? And for me it's not just a matter of nationalities or women and men. It is individuality. Diversity is about inclusive thinking and so to speak having a curiosity for each individual, so that the full potential of individuals can be explored. And that is the core of diversity. It is often discussed too briefly.



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[00:16:38] **Sebastian Rudolph:** Bringing diversity to its full development in practice by giving people spaces. Spaces for creativity and for diversity. Barbara, how do you see it, what is your view on things?

[00:16:51] **Barbara Frenkel:** I think what Saori said is very interesting – that we have to stay curious and also bring the different strengths of people into the frame. Maybe we also have to think bigger, not only within the company, but also see who else can contribute to this growth and curiosity to the right and left of us. What I find really great is that in the recent past we have also entered into many cooperations with companies that give us impulses and allow us to think bigger. For example, we have increased our stake in Rimac Automobili, which is not only developing great vehicles itself, but is also becoming a system supplier for us, because they approach problems in electromobility in a completely different way than we can do as a car manufacturer. That's where a lot of inspiration comes from. Or what we have also been expanding in the recent past is our investment in young companies with potential that give us completely new inspiration, where the Porsche brand can also develop further in an ecosystem, beyond the topic of mobility.

How can we offer our customers even more attractive designs for their lives, but which they associate with Porsche? And what I, as a woman, also particularly like, of course, is how do we also manage to win younger and more female target groups for Porsche? It is important that these partnerships are authentic, that they fit the brand and also support us in our further development.

[00:18:30] **Sebastian Rudolph:** Being authentic, looking beyond your own nose, always staying hungry, so to speak, and curious, and also leaving your own comfort zone. I take all that away from your answers. Personal values also play a big role. Your own inner compass and, of course, intercultural competencies when promoting diversity in companies. And before we get to a very specific community of values, let's first listen to some facts.

[00:19:04] **Speaker:** In the 2020 financial year, which was marked by the coronavirus crisis, Porsche AG only just missed the strong figures from the previous year, despite temporarily dormant production. In terms of turnover, the company even achieved a new record of 28.7 billion euros. Economic success and social responsibility always go hand in hand at Porsche. In the coronavirus year, for example, the company launched the 'Porsche helps' programme. Numerous employees volunteered for charitable projects or made donations. To alleviate the effects of the pandemic, Porsche increased its donations to 21 million euros. However, Porsche



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sees itself as a partner of society not only in times of crisis and therefore specifically promotes activities in the areas of education, culture and sport.

The future of mobility can only be successfully shaped with a workforce that is as diverse as possible. Porsche is more convinced of this than ever as an employer and has anchored diversity as an essential component of its sustainability strategy. For the sports car manufacturer, diversity of perspective is much more than gender. Nevertheless, equal opportunity development for women has a special priority. Second place in the Women's Career Index 2020 proves that Porsche has taken an exemplary path in this regard in many areas.

Since 2019, Porsche has been part of the Value Balancing Alliance. The aim of this cross-industry alliance is to develop a standard that makes the value contributions of companies visible in ecological, human, social and economic terms and assesses the consequences for society and the ecosystem. Other members of the non-profit organisation include BASF, SAP and Bosch. In spring 2020, the Value Balancing Alliance was commissioned as part of the European Union's Green Deal to develop guidelines for accounting standards relating to the environmental impacts of companies.

[00:21:11] **Sebastian Rudolph:** Before we talk exactly about this Value Balancing Alliance with Saori, I have one more question for you, Barbara. We have just heard education, culture, sports ... Porsche is involved in helping people. Perhaps also people who are not doing so well in life. How important are the values of a company for the brand and also for customers?

[00:21:30] **Barbara Frenkel:** Yes, Saori has already mentioned that we are experiencing a paradigm shift, and the Fridays for Future movement has actually brought this topic to the surface. Suddenly values are becoming very important for younger generations as well. Values like sustainability, credibility, but also the topic of consumption is taking place much more consciously. Brands are increasingly chosen according to whether they correspond to one's own set of values. Of course, you also have to represent a purpose in a very credible way. So why is the world actually a better place with the brand? And then, of course, you have to live it honestly: practice what you preach. That is very important. At Porsche, for example, if we say we are pioneers of sustainable mobility, then we also have to deliver on that. The good thing is, of course, we do. We are committed to the Paris Climate Agreement and set ourselves goals that go beyond it. Oliver Blume has just announced that we want to become climate-neutral by 2030 across the entire value chain and the life cycle of newly sold vehicles. But also the social



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aspect of sustainability – it is very important to me personally that we do not disregard this. That is, the social impact of our actions. We must always keep that in focus.

[00:22:52] **Sebastian Rudolph:** Now you've passed the ball directly to Saori. Value framework, also making social aspects of sustainability mappable. Saori, that's what you do at BASF, but also at the Value Balancing Alliance. Take us briefly through the goals of this association and what has been achieved so far.

[00:23:12] **Saori Dubourg:** At the beginning there was the question: when we are in the middle of this transformation, does the capital market understand the true value that companies generate? And by that I don't just mean the profit that we generate, but also the purchasing power that we generate every year, through the payment of wages, for example, or the education in human capital. In other words training but also the many investments. I think you guys at Porsche do it too, just like we do at BASF. We have billions of investments at the moment. For you, it's probably e-mobility, for us it's the electrification of the steamcrackers – the 57,000 applications that we are currently converting to sustainability, and behind that there is huge investment in environmental technology. The key question is whether the capital market only sees the capex that is invested here, as a deduction from profit, or does it also see the future value that we all generate with it? The problem at the beginning – and that was eight years ago when we started thinking about this topic – was that today's balance sheet rules actually originated in the 15th century. The only problem is, back then there was no climate change and there was no digitality. And the key question that we really have to ask ourselves is, can we really solve all the challenges of the next decade with the business studies of the last centuries and depict them sufficiently? And so the question actually arose: "how should we think about social responsibility and economic return in one level of responsibility from the reporting side, from the impact measurement?" And that was the starting point for the founding of the Value Balancing Alliance. Today we operate and work with the EU Commission. We work with many international universities like Harvard University, Oxford, but also with institutions like the OECD or the World Bank. And we are in the process, together with Porsche and many other groups, of really gaining experience there and also giving business a voice, on these measurement methods.

[00:25:14] **Sebastian Rudolph:** It sounds exciting, and it is, speaking from a practical point of view. If you now take the centuries-old business studies, this firm foundation, you might also come up against a door that says everything actually fits. And now you come up with a deeper framework of values, that's all well and good. The question is, Saori, how do you manage to give



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concrete examples? To say: “yes, watch out, this is an important value that is not yet mapped”. Do you have any examples for us?

[00:25:44] **Saori Dubourg:** Yes, let's take the example of human capital. We've just experienced the pandemic – and we're still in the middle of it – at first hand, in which the connections between purchasing power and especially wage insecurity due to job insecurity have become super transparent. The fact that many companies have also experienced an economic impact due to the lockdown has led to purchasing power uncertainty. And not for nothing do billions now have to be invested by the state to stimulate the economy or to promote consumption. This shows what real value companies have been creating all along. But the capital market has no incentive for this. On the contrary. In our balance sheet, people are basically cost factors, personnel costs today. And if you add the topic of digitality and think it through to the end, so if people are a cost factor and robots bring efficiencies, then the key question at the end of the day is what actually creates purchasing power? Because robots don't go shopping, at least not yet. I hope they don't do it for us in the future. Maybe there will be a time, but nonetheless, the question is, if people and the environment have no value on the international capital market, what are we actually optimising? What are we optimising other than profit and, above all, for whom? That is the core question, and it is not only us who are concerned. What we see is that last year, in 2020, we had 220 billion euros in environmental costs caused by all kinds of climate change or non-climate change-related weather damage, be it dry heating phases, fires that broke out. These risks are real economic risks now. And what we are seeing is that the financial world has long understood this. Environmental risks are financial risks for corporations. And that is why they are demanding that these risks be actively addressed. And what is important now is that we as companies substantiate this value with content, both from the investment side, so from the cost side. And that is exactly what we are doing. We're basically giving value to people and nature.

[00:27:53] **Sebastian Rudolph:** Which is a great statement. Figuratively speaking, you take out a huge mirror and practically hold it up to the capital market. You see, man, the transformation is taking place rapidly and in crises like the coronavirus pandemic you see that of course people have a value. This has also been seen before, by the way. In this respect, one notices that there is pressure to act, but that one should now map it out, please. And that can only be done if there are people, pioneers, who are united in this Value Balancing Alliance to tackle it. Barbara, referring to Porsche, holistic management is what you say as a car manufacturer – how does that work?



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[00:28:33] **Barbara Frenkel:** First of all, I think it's great that Porsche is part of this Value Balancing Alliance and that we also look at our actions globally. We understand sustainability as a triad of economy, ecology and social issues. We are becoming more sustainable, more customer-oriented and at the same time remain highly profitable. That is also our goal in Strategy 2030. By joining the Value Balancing Alliance, we have the opportunity for these effects – which our decisions in Zuffenhausen initiate as a consequence somewhere on the globe – to be measurable. And not only to be measurable, but to also further improve.

[00:29:12] **Sebastian Rudolph:** Well, the ability to measure, let's translate that into a little game that I would like to play with you. It's about Porsche and BASF. You each get three questions about the other's company and I'll give you suggested answers so that it's not quite so difficult. Saori, we'll start with you and then we'll do a double pass and see where we come out at the end.

Saori: Porsche has a cultural mission statement that was developed by the employees. It contains four overarching values. Three of these values are family, sportsmanship and pioneering spirit. What is the fourth value? Heart and soul, customer orientation or tolerance?

[00:29:56] **Saori Dubourg:** Well, listening to Barbara, I would have immediately thought of customer orientation, I must confess. I don't know, is that so? I think it is.

[00:30:05] **Sebastian Rudolph:** So in sales it's a basic value in itself to be successful. It is heart and soul.

[00:30:14] **Saori Dubourg:** Ah, nice.

[00:30:15] **Sebastian Rudolph:** But that's true, listening to you, you always have to think from the customer's point of view, if you don't do that, you're managing past the customer. Now it's Barbara's turn. BASF is also based on four core values. These include being entrepreneurial, being open, being responsible. What other word belongs in this list? Passionate, diverse or creative?

[00:30:38] **Barbara Frenkel:** If I listen to Saori, I would guess diverse.

[00:30:43] **Sebastian Rudolph:** You could also say passionate, but you could also say creative, and it's the last one – it's creative.



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[00:30:38] **Barbara Frenkel:** It's all three great values.

[00:30:43] **Sebastian Rudolph:** Yeah, that's right. We want to set the bar high, but I can already tell, the conversations with you guys, it all applies, in that case. Let's move on to the second round. Saori, what is the current percentage of women in the Porsche workforce? Is it 7.5 per cent, is it 15.5 per cent or is it 28.5 per cent?

[00:31:13] **Saori Dubourg:** Well I hope 28 per cent, but I'm not sure. We have 23 per cent, so I'm just going to guess 28 per cent.

[00:31:20] **Sebastian Rudolph:** Then BASF is a bit better in terms of numbers. With us it's 15.5 per cent. There too, Barbara, your performance. You belong to it but we are not yet in the 20s. Let's pass the ball back to you. BASF was founded more than 150 years ago by a Swabian goldsmith. What was his founding idea, which is more relevant today than ever? Firstly, intelligent use of resources, secondly, sustainable growth or thirdly, customer-specific solutions?

[00:31:55] **Barbara Frenkel:** You're obviously steering me in a direction with your introduction of the question, so I would say answer one: intelligent use of resources.

[00:32:04] **Sebastian Rudolph:** Yes, it's the intelligent use of resources, but of course turnover also plays into that. That's right Barbara, that's exactly how it is. That's interesting, Saori, tell us about that? A goldsmith?

[00:32:15] **Saori Dubourg:** Yes, exactly, I wanted to play in an anecdote here, because it also connects us a bit, even he was a Badener, Mr Engelhorn, and not a Swabian, the core idea is the same. He was originally a goldsmith and when he was making jewellery out of gold, there was always rubbish falling off left and right. And that's when he said, "man, gold, you can't throw it away". And from this Baden-Swabian idea of saving, our so-called Verbund was born. That is to say, that was the core idea that actually made us the world market leader in chemistry years later. Actually, it is the reuse of resources – steam, for example. What comes out of one plant is reused in the next. I think that's a very beautiful, modern philosophy that's more relevant today than ever before.



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[00:33:00] **Sebastian Rudolph:** Absolutely. Let's move on to the third question for you, Saori. When was the world's first fully functional hybrid car introduced by company founder Ferdinand Porsche? In 1900, in 1920 or in 2000?

[00:33:17] **Saori Dubourg:** You said full hybrid. What was the second number?

[00:33:20] **Sebastian Rudolph:** 1920. And the first is 1900.

[00:33:24] **Saori Dubourg:** Ah yes, 2000 I would say. Full hybrid... 2000, I would have said now.

[00:33:29] **Sebastian Rudolph:** And with you probably quite a lot of listeners. But the answer is 1900. Egger-Lohner-Porsche, it's in our Porsche Museum. He was a pioneer back then, it has to be said. And before his time, because even then there were already the issues of battery size, weight, charging infrastructure. Everything has its time, but this model can still be seen in the Porsche Museum.

[00:33:57] **Saori Dubourg:** Very nice.

[00:33:58] **Sebastian Rudolph:** Last question, Barbara. BASF creates added value by simplifying skin analysis in the future. How can the analysis be carried out in the future? With glasses, with smartphones or with chip cards?

[00:34:12] **Barbara Frenkel:** I would say, since actually everyone has at least one smartphone by now, that it works via smartphone.

[00:34:21] **Sebastian Rudolph:** Great Barbara, that's right. I wouldn't have thought of it myself. Saori, you have to tell us something about that.

[00:34:26] **Saori Dubourg:** Yes, there is a start-up named trinamiX in our department. It stems from a staff idea almost ten years ago, when a colleague from research invented a mobile near-infrared spectroscopy at the molecular level. This infrared sensor is unique in that it can distinguish human skin from artificial skin for the first time worldwide, using the camera system in a smartphone, for example. And with it you can also carry out skin analysis, disease analysis ... it's sensational. We are really proud of it. Talking about deviation within the Group, I remember that we discussed this idea almost 15 years ago in a management meeting, and we thought at the time that it was so far removed from our basic chemistry, what could we do with it. I'm really glad we kept the idea, because today we're world leaders in this field.



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[00:35:23] **Sebastian Rudolph:** Fifteen years ago, in 2006, most smartphones didn't even exist. Today they're a matter of course, but back then it was really a pioneering idea.

[00:35:32] **Saori Dubourg:** Exactly, it wasn't about smartphones – that came later. But infrared spectroscopy was the first idea at the molecular level.

[00:35:40] **Sebastian Rudolph:** Awesome. First of all, great, thank you very much for playing along. And now it's your turn, dear listeners. You can win again in this episode of our 9:11 Podcast.

[00:35:53] **Speaker:** Porsche AG is giving away three Porsche Reader N°1 on the subject of change from the Edition Christophorus. The competition starts now and will run up to the next 9:11 podcast edition. To participate, simply send an email with your answer to the competition question to 911-podcast@porsche.de. Porsche will draw three winners from all correct entries. Anyone aged 18 or over can take part. The detailed competition rules – as well as the odd hint or two – can be found in Porsche Newsroom at newsroom.porsche.de/podcast. Good luck!

[00:36:33] **Sebastian Rudolph:** So. Now the question is still missing and neither Barbara nor Saori are allowed to help. The question is: since when has Porsche been a member of the Value Balancing Alliance? Simply send your answer by email to 911-podcast@porsche.de. We are curious and keep our fingers crossed.

Today's podcast episode is coming to an end. The time has literally flown by. But I have one last question for you both.

If we were to record our podcast again in 20 years, would the values we talked about still be valid?

So the timelessness of values. Let's start with you, Barbara.

[00:37:13] **Barbara Frenkel:** I think we would still talk about the topic of digitalisation and climate. Maybe then more in a direction of, what does a climate neutral way of life look like? And what can we learn from China, which was the first nation to manage to become an eco-civilisation? But of course Porsche also brings us to the topic of mobility. And then perhaps we could discuss how we have managed to remain true to our brand essence in times of autonomous driving.

[00:37:44] **Sebastian Rudolph:** And Saori, earlier I quoted the mirror that you pull out and practically let society look in. What values are reflected in that mirror 20 years from now?



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[00:37:56] **Saori Dubourg:** I think that we find ourselves in an age where many dilemmas will come our way. Dilemmas that are partly contradictory. The question in agriculture, more nature or more man? If we are going to have another three billion people on this earth and at the same time a loss of land of almost 40 per cent per year. We will probably see in the next few years that we have to deal with tough transformation issues in Europe. And the trick will be to see not only the risks, of a green deal, but also the 50 to 100 innovation markets that this will create. And what is currently being discussed in Europe in a heated debate will not remain there. The US and China will set their accents relatively quickly and clearly, similar to what Barbara said. But in essence, and this is perhaps an anecdote, what we as values should stand for. I had a discussion with a small group once, ten years ago: I was born in 1971, in what is called the 'Golf generation'. And it has a certain piquancy to say that in the VW Group, but Florian Illies wrote the book Generation Golf. At the time, we thought we were the only generation – that is, the 1966 to 1972 generation – that fully embraced the topic of climate change and digitality in the management activities that we all have, for example, or are responsible for as employees. And we asked ourselves back then, is it actually enough to leave the skid mark of a Golf as a generation? Or don't we have to ask ourselves much more, what real responsibility are we taking on? Because we all grew up, my generation, without war and in prosperity. Our parents were the flower powers and the question is, what are we actually leaving to the next generation? And I believe that with this core idea of being more interested in the future than just in the past, I believe that from the value corset as a value compass, you have a different view of things. And that's what I would like to see for our generation, that we think through things like climate change and digitality more deeply and actively shape them.

[00:40:05] **Sebastian Rudolph:** The world remains complex. It is important to actively shape it, to think in terms of opportunities and to have a framework of values, an inner compass. Dear Saori, dear Barbara, it was a pleasure to talk to you. We could have gone on talking for a long time, but thank you so much for being here.

[00:40:21] **Barbara Frenkel:** Thank you very much, it was fun.

[00:40:22] **Saori Dubourg:** Thank you very much for inviting us.

[00:40:25] **Sebastian Rudolph:** Yes dear listeners, that's it for this episode. Please subscribe and rate us, send us your feedback and suggestions to 911-podcast@porsche.de. And most importantly, stay healthy. Bye!