

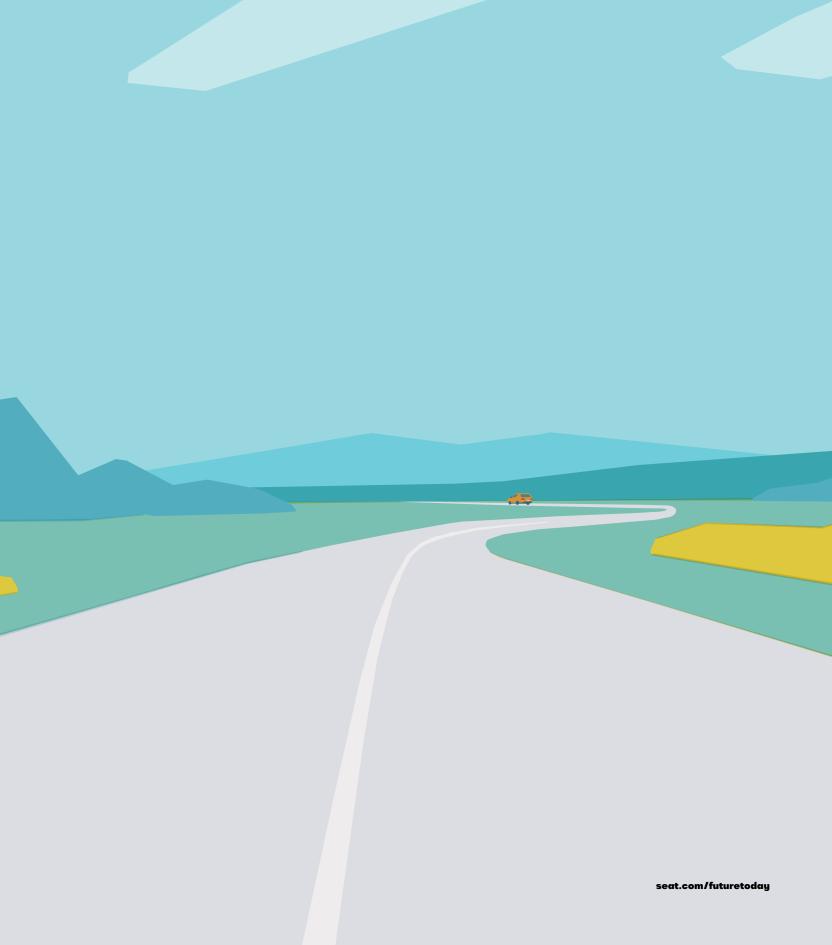
Future is going longer for less today. Not in 2049.

FUTURE TODAY

TGI by SEAT.

In the days to come, tomorrow for example, you'll be able to go further and only stop for what really matters. Thanks to SEAT's TGI technology, by combining natural gas and petrol, you can be kind to nature. And your pocket.





AN EXCEPTIONAL YEAR

2017 was an exceptional year for SEAT. The 468,431 customers who chose our brand allowed us to achieve the best sales result since 2001 and one of the best in our history. 2017 was our fifth consecutive year of growth and we also became one of the fastest growing brands in Europe. A large part of this success lies in the great product offensive which began in 2016 with the launch of our first SUV, the Ateca, and which continued last year with the fifth generation of the Ibiza, the facelift of the Leon and the new Arong crossover.

This success in sales has also had a positive impact on our financial results during 2017, which we closed with a profit after tax before extraordinary items of 281 million euros, 21.3% higher than in 2016. SEAT intends to continue its product offensive in 2018 with the launch of the Tarraco, the brand's third SUV, and we will also release the Compressed Natural Gas version of the

"We are committed to the mobility of the future"

Arona, which will join SEAT's current CNG range consisting of the Mii, the Ibiza and the Leon. In short, we are ready to keep growing.

In the magazine you are holding in your hands, we explain how the great product offensive we have launched is leading us to become a more global brand, as well as setting out our plans regarding CUPRA. Another matter you will be able to read about is how we are working on the digitalisation of our company in order to become a leader in connectivity within the automotive sector. We will also explain how we are innovating to grow beyond the traditional car sector, with various initiatives such as the creation of XMOBA to identify and invest in business models related to the mobility of the future.



In the next few years, our cars will offer an easy, connected and personalised experience. All this will be possible thanks to our commitment to Industry 4.0, a revolution that is already underway and which we are constantly preparing for by acquiring more and better technologu and bu training our employees. This is a commitment which has accompanied us ever since our beginnings, as demonstrated by the more than 60 years of the Apprentice School, the more than 40 years of the Technical Centre, a true hub of knowledge, and the 10 years of the Prototype Centre, which is the only one of its kind in Spain and forms the link between R&D and Production.

However, SEAT is much more than that.

We are a company that is committed to the mobility of the future, as demonstrated by

our participation in the Mobile World
Congress and the opening of the SEAT
Metropolis:Lab Barcelona, a research
laboratory created with the aim of finding
solutions to the challenges facing the
connected car and making SEAT a frontrunner in this new field. Other distinctive projects
that make us unique include our solar power
plant, the largest in the automotive industry;
our Healthcare and Rehabilitation Centre
[CARS], and the new Casa SEAT space,
which we will open next year in the centre of
Barcelona as a demonstration of our
commitment to this citu.

Enjoy the read!

Christian Stein

SEAT Global Communications Director

S E A BAGAZINE

06	GLOBAL BRAND	42	A frontrunner in Europe	70	FACE TO FACE Dr. Such and Dr. Clotet
08	SUV revolution	44	Industry 4.0. Welcome to the smart	72	CARS, a pioneering centre
12	The birth of CUPRA		factory		
14	The great exporter	46	INTERVIEW Francisco Requena	74	The team, a reflection of the SEAT values
17	International growth: from North Africa to Oceania	48	The most sustainable and	80	Commitment to training
		- -	eco-efficient factory	82	INTERVIEW Dr. Laura Carnicero
20	FUTURE TODAY	50	Continuously improving		Th
22	Ready to connect	52	The seed of success	84	The guardians of tradition
26	INTERVIEW	54	The hub of knowledge	00	
20	XPLORA	58	A decade of innovation	80	BARCELONA
28	A unique buying experience			88	Commitment to Barcelona
30	SEAT promotes gas	62	SURPRISING SEAT	92	Casa SEAT, the brand's tribute to the city
		64	Laboratory for	0.1	Durantia a sus allanas
36	INNOVATION		urban mobility	94	Promoting excellence and talent
38	Martorell: the heart of	68	Health, the engine that drives us	96	What do you know
30	SEAT marks 25 years				about SEAT?

GLOBAL B

The biggest product offensive ever seen in SEAT, together with the broadening of commercial horizons across all five continents, has led to one of the best results in the brand's history, upholding its position as the biggest exporting company in Spanish industry and one of the most important firms in the world.

SALES GROWTH

14.6%

IN 2017

468,431 CARS SOLD





OF SPANISH GDP

€ 9,552
MILLION IN REVENUE



OF SPANISH **EXPORTS**

€7,746
MILLION IN EXPORTS







he most intensive product offensive ever carried out by SEAT kicked off with the brand's entry into a new segment, namely that of the compact SUV. With the launch of the Ateca in 2016, the brand's expansion into the SUV category began and new opportunities opened up for SEAT in a segment which has experienced non-stop growth in recent years. The brand itself has not stopped growing either, since the arrival of the Ateca was at the end of 2017 was backed up by that of the new compact crossover, the Arona. Yet this was by no means the only novelty to come out of last year. The restyled version of the Leon was released, braking a new sales record and becoming the brand's best-selling model, and the Ibiza was fully renovated, now in its fifth generation.

THE BIGGEST PRODUCT OFFENSIVE

Thanks to this major offensive of new releases, the brand's market coverage has risen significantly, reaching 75%. This figure will increase even more with the arrival of the big brother of the SUV family, the SEAT Tarraco, scheduled for the end of 2018. This new model, which will be the culmination of the SUV revolution and will offer as many as seven seats, will be designed and developed in Barcelona and will be manufactured in the Wolfsburg factory in Germany. Special mention should be made of CUPRA, which has now acquired its own personality as

SEAT's independent sports brand which will launch its first model at the end of this year, the CUPRA Ateca.

In the words of Luca de Meo, President of SEAT, "with our biggest product offensive, when the SEAT Tarraco reaches the market, SEAT will have released a new vehicle every six months on average in two and a half years. In 2017, SEAT allocated more than 900 million euros to R&D investment and expenses, which makes up part of the total investment of 3,300 million euros for the period 2015-2019".

POSITIVE RESULTS AND INTERNATIONAL AWARDS

This product offensive has been accompanied by a number of prizes received in various European countries, as well as a gradual increase in sales representing a 14.6% growth in vehicle deliveries in 2017 compared to the prior year. With total sales of 468.431 units worldwide, almost 60.000 more units were sold in 2017 than in 2016. As such, not only did 2017 give rise to SEAT's best results since 2001, but it was one of the best years in the company's history. SEAT remains one of the fastest growing brands in Europe and between 2012 and 2017, its sales have not stopped growing, increasing by 45.9%. Furthermore, over the last 12 months the company has received more than 50 international awards, highlighting the firm's current performance. As SEAT's vice-president of sales

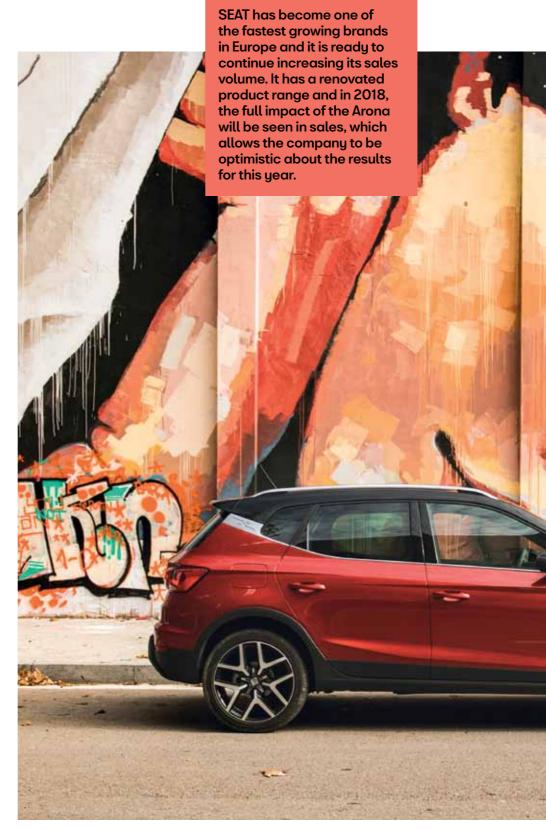
and marketing, Wayne Griffiths, has highlighted when referring to these great results, "not only have we achieved the highest results since the year 2001, but we have become one of the fastest growing brands in Europe and we are ready to continue increasing our sales volume. We have a renovated product range and in 2018 we will see the full impact of the Arona in sales, which allows us to be optimistic about the results for this year."

THE ATECA, SEAT'S NEW FLAGSHIP PRODUCT

It should be borne in mind that, in just two years, the Ateca has become one of the brand's flagship products. During 2017, the first full year of sales of the successful SUV, 78,661 units were sold. The Leon and the Alhambra, meanwhile, achieved the highest sales figures in their history. While the compact car grew by 2.9%, reaching 169,951 units, the MPV grew by 1.7% thanks to its 31,206 units sold. The Ibiza ended 2017 with 152,294 units sold, which represents an increase of 0.6% over 2016.

Both the Ateca and the new Ibiza have been the most highly-decorated vehicles, receiving nine and eleven awards respectively. All this commercial success has had a positive influence on SEAT's financial results, since the profit after tax has reached a figure of 281 million euros, 21.3% more than in 2016 before extraordinary items.

What is more, the arrival of new products will not stop any time soon. Besides the introduction this year of the new CUPRA, SEAT continues its resolute commitment to alternative propulsion cars. In addition to the existing versions of models that allow for the use of Compressed Natural Gas (CNG), the brand will also launch its first 100% electric model in 2020. This step will introduce the company into one of the sectors that is going to play a significant role in the mobility of the future. \otimes





ROSTRUM

«Change marks our way»



Luca de Meo President of SEAT

017 was one of the greatest years the SEAT's history. With sales figures that we had not reached since 2001, we have brought the consolidation phase to a close and it is now time to embark on a period of growth in order to advance to the next level. In addition, the company's good health allows us to be confident that SEAT has the potential to diversify and double its business. This is our goal.

To achieve it, we must follow the path laid out in our Strategy 2025. In recent years, we have met and exceeded forecasts, but let me focus in these lines on what is yet to come. The future of the automotive industry is facing many challenges and, at the same time, new opportunities. At SEAT, we want to make the most of them. Now is the time to be bold and to carry out a series of changes that consolidate our position at this new level. But what do these changes involve? What are the steps set out by the Strategy 2025?

SEAT's transition consists of four separate goals. To begin with, we need to strengthen the brand. Now that we are in the best period in the company's history, it is time to tackle new objectives that help to improve our positioning and to put SEAT on the map, making the brand more prominent and special than ever. Having an optimal image is essential in

order to face the future with guarantees.

Internationalisation is the second key to this change. We must aspire to be a global company, creating a strategy based on large global geographical areas that will enable us to increase sales and the return on our investments. We have to be ambitious, look beyond European borders and strengthen our position in markets further afield.

The third area we must work on methodically is the sustainability of the business. We need to ensure the company's competitiveness in the long term, working on the optimisation of costs in all areas, harnessing the technological change towards new propulsion systems such as electric vehicles and CNG and offering services related to new mobility systems.

Last but not least, SEAT has to be transformed. Over the next few years, it will need to change its business model, becoming a supplier not only of products but of connected products and services. With this, the company and its staff will also need to undergo a transformation. We want to be a flexible and transparent brand, to improve processes, technological tools and speed in the decision-making process. This will allow us to adapt to new trends and to deliver products and services according to our customers' needs. In short, we must embrace change and turn it into the beacon that guides us along the path towards a promising future. Now we are ready.



CUPRA

THE BIRTH OF CUPRA, SEAT'S NEW SPORTS BRAND

CUPRA, which has always been SEAT's ultimate expression of sportiness, has become an independent brand in 2018. This is a brand that is born to win over car enthusiasts throughout the world. CUPRA will develop models together with SEAT, with a firm commitment to growing independently. To this end, the new company will have its own space in approximately 260 specially selected SEAT dealerships throughout Europe. CUPRA represents a great opportunity for SEAT, for its customers and for the business. It is a project that emerged like a dream from a group of people who were looking for a way to win over a new audience of car enthusiasts. With this decision, the company seeks to diversify its business and to develop new models that can prove profitable and can help to further strengthen its income statement. The ambition for the CUPRA brand is to double sales in the next four or five years, focusing its business model on four main areas: distribution, partnerships, competition (motorsport) and products.

NEW SENSATIONS

The CUPRA logo is inspired by the attitude of tribal civilizations and reflects the values that the new brand wants to convey: passion. precision, determination and courage. The new brand's first model will be the CUPRA Ateca, an iconic and powerful SUV and a unique model in its segment. The new CUPRA Ateca will offer versatility unmatched by any other brand. It is a unique model, with 300 HP, 4Drive and a new seven-speed DSG gearbox; the best example of balance between sportiness, driving pleasure and ease of use in everyday life. 2018 has also seen the introduction of the CUPRA e-Racer, the first 100% electric passenger racing car in the world, and the CUPRA TCR, the brand's first true racing car which will officially compete in the TCR series this season. The launch of both models will coincide with the release of the new brand's first accessories and merchandising onto the market, while the full range of models will be released over the course of the next two years.

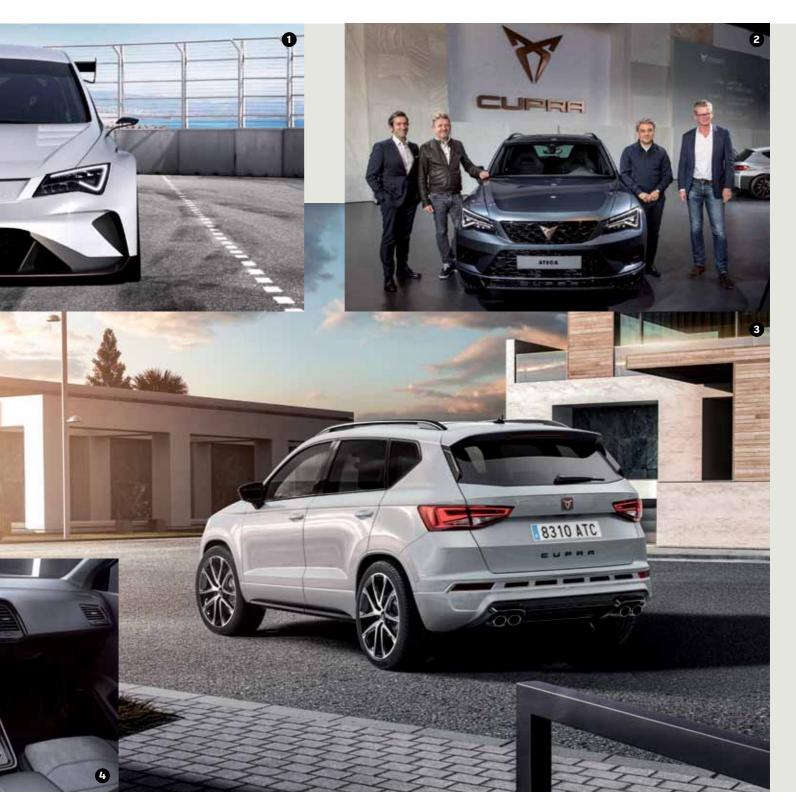


1.The CUPRA e-Racer is the first electric passenger racing car in the world.

2. The president of SEAT, together with the director of Design, the vice-president of Sales and Marketing and the vice-president of R&D at the presentation of CUPRA.

3 y 4. The CUPRA Ateca will be the first model of the new brand





THE GREAT **EXPORTER**

The offensive of new models, together with the phase of internationalisation which SEAT is currently going through, is leading the brand not only to strengthen its exports within Europe but also to make solid progress in more distant horizons.

TOP 10 UNITS SOLD BY COUNTRY IN 2017

The map opposite shows SEAT's top ten markets

Data for 2017

Sales ranking

Sales in units

BEST-SELLING SEAT MODELS WORLDWIDE

In 2016, the SEAT Ateca was launched, and in 2017, the new Leon and Ibiza models, as well as the new Arona crossover. In 2018, the company will complete this product offensive with the Tarraco, an SUV with as many as seven seats. The brand's three best-selling models worldwide are as follows:



IBIZA 152,294

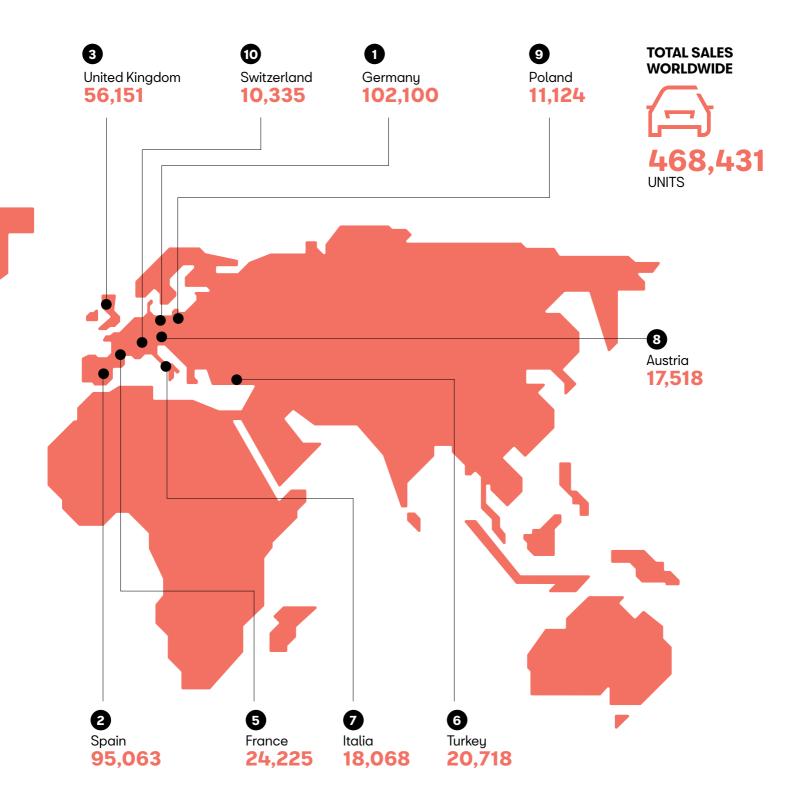


169,951



ATECA 78,661







Part of the reason for the progressive growth in sales that SEAT has consistently recorded over the last few years is the company's significant export potential, a factor which has been on the increase both in Europe and beyond.

ith a presence on all five continents, SEAT is the largest exporter among industrial companies in Spain. In 2017, the company exported more than 80% of its turnover, which represents around 3% of Spain's total exports, reaching a value of €7,746 million. Last year, coinciding with the biggest product offensive in SEAT's history, the company saw solid growth in sales in the brand's main markets, as well as record sales in countries such as Germany, the United Kingdom, Austria, Switzerland, Israel, the Czech Republic and Morocco.

TOP TEN MARKETS

The most important market for SEAT last year at a global level was Germany. With 102,100 cars sold, the brand achieved its best result ever in that country through a 13.4% increase in units

sold. In doing so, SEAT exceeded the figure of 100,000 units for the first time in Germany since 1991. Following the German market was the Spanish market, which maintained its momentum and grew by 23.1%, reaching almost 95,100 cars sold, with the Leon and the Ibiza being the two highest-selling models in the country in 2017. Also of note is the fact that SEAT's registrations in Spain increased by 14 points above the average, with a 28% increase in the private owner channel, well above the 4.4% growth experienced in the sector as a whole. The third country with the most sales for SEAT was the United Kingdom, which also recorded record sales last year thanks to a growth of 18.3%, representing a total of almost 56,200 cars sold. It was followed by the Mexican market, with 24,700 units sold and a growth of 0.7%, and France, which grew by 15.6% in 2017, with a total of 24.200 cars sold.

Germany and the United Kingdom were not the only markets in which SEAT achieved the best results in its history. A record was also broken in Austria. This country, which was the eighth largest market for the brand, saw sales increase by 19.2%, reaching 17,500 units. Switzerland also broke its historical records, with an increase of 29% and 10,300 cars delivered, ending the year as the tenth most important market for SEAT. In addition, the Israeli market exceeded its best sales results (with 8,800 units and 10.1% growth), as did the Czech Republic (with 8,300 cars sold and 1.4% growth) and Morocco (with 1,900 units sold and an increase of 7%).

Other countries with strong growth throughout 2017, in this case within the top ten key markets for SEAT, included Italy, with 18,100 units and 9.5% growth, and Poland, where 11,100 vehicles were sold and growth reached 24.8%. \otimes

THE COMMITMENT TO NORTH AFRICA

SEAT continues to make firm progress in its phase of internationalisation outside of Europe, expanding its presence in Algeria, one of the emerging markets with greatest potential in the region.

ne of SEAT's major goals for the coming years is to continue to strengthen its internationalisation strategy outside of Europe, a key factor in the company's growth objectives. In this regard, both North Africa and Latin America play an important role, with the Algerian market taking centre stage due to its great potential. This country is key to the brand's growth plan in the region and has been chosen by SEAT for the assembly of cars outside Europe for the first time.

In July 2017, the Volkswagen Group opened a multi-brand vehicle assembly factory in the Algerian town of Relizane. SEAT was designated the project leader on behalf of the Group. In addition to leading the coordination of the project, it was also the leader in terms of volume: almost half of the cars assembled in the Relizane factoru in 2017 were units of the Ibiza. one of the four models of the Group that are produced at this factory. Specifically, of the more than 17.000 vehicles that were assembled there in the second half of last uear 8121 were Ibiza units. All the cars are assembled at this plant are sold in Algeria. The factory has more than 550 employees and it is expected to create up to 1,800 jobs in the long term. A further 3,500 jobs were added to this figure, including both manufacturers and suppliers of logistics services for the factory.

To ensure the quality standards of the Volkswagen Group are met, last year a number of experts provided specific training to the Algerian plant's Production, Logistics and Quality staff. Meanwhile, the managers of the plant took part in the training programme entitled Train The Trainer, allowing them to explain standardised processes to their employees in order to equip them with the knowledge they need when implementing the procedures.

As part of this strategy, at the beginning of 2018 a meeting was held between the President of SEAT, Luca de Meo, and the prime minister of Algeria, Ahmed Ouyahia, as well as Youcef Yousfi, the country's Minister for Industry. This meeting was also attended by Klaus Ziegler, vicepresident of Purchasing at SEAT, Mourat Oulmi, CEO of SOVAC and of SOVAC Production (SEAT's importer and a member of the Volkswagen Group in Algeria for the assembly of cars), and Begoña Cristeto, secretary general for Industry of the Spanish Government. As de Meo pointed out, "North Africa is an area of natural growth for SEAT, which is currently in a phase of internationalisation. The inauguration of the Relizane plant in July 2017 marked an historic milestone for us, as it is the first time we are manufacturing outside of Europe". He also stressed that "in the coming months, we hope to start assembling other models to meet the demand of the country's customers." After the Ibiza, the next models that SEAT wants to assemble in Relizane are the Leon and the Arona. As such, the brand plans to contribute to the creation of a network of car industry suppliers in Algeria.





HELLO, **NORWAY!**

Norway is one of the most digitalised countries in the world and SEAT's goal is to implement innovative solutions in that country as part of the brand's digital transformation and to try out new initiatives that improve the user experience in the purchasing process.

SEAT's international expansion has led the brand to Norway, a country that is not only a pioneer in new trends but also a leader in future mobility. Starting in April this year, the brand launches innovative distribution concepts in this market, which will be easy to use and focused on customers' preferences.

For this reason SEAT has created an e-commerce platform in collaboration with its Norwegian importer, Harald A. Møller, which allows customers to buy cars on any day of the year and at any time. Thanks to an intuitive design, customers will be able to make purchases through the e-commerce platform in no more than five clicks. The phusical point of sale will thus become a complement to the online experience, such that the distributor will above all serve to offer support to maintain the relationship with customers. SEAT plans to implement an innovative concept for urban retail spaces, which will be digitalised and small in size. SEAT is entering the Norwegian market with the sale of the Ibiza, the Leon, the Ateca and the Arona. On the other hand, the brand is also promoting carsharing services in Norway through mobility platforms.

THE LEAP TO OCEANIA

SEAT's internationalisation continues to explore new frontiers and has reached Auckland, in New Zealand, with the opening of the company's first point of sale in Oceania. It is a dealership measuring 250 m² where customers can purchase the Ibiza, the Leon, the Ateca and the Arona. As Wayne Griffiths, the vice-president of Sales and Marketing at SEAT, stated, "by opening this dealership in New Zealand, we continue to develop our brand on a global scale. We are excited to launch our first point of sale in Auckland, in which the traditional sales approach is combined with the customer's digital experience".



Lo stile dice coupé. L'avventura dice SUV. lo dico Arona.

Nuova SEAT Arona.



Fai di testa tua.

Nuova SEAT Arona è pensata per chi non vuole rinunciare a niente. Design dinamico e fari Full LED per non passare inosservato, telecamera con vista posteriore per parcheggiare e muoverti in tutta sicurezza anche nella giungla metropolitana. SEAT Arona, il nuovo urban crossover è qui.



Nuova SEAT Arona. Consumo massimo di carburante in ciclo combinato (l/100km): 5,1. Emissioni massime CO₂ in ciclo combinato (g/km): 115. Dati riferiti a SEAT Arona 1.5 Eco TSI 150 CV. L'immagine è puramente indicativa. Gli equipaggiamenti citati sono opzionali.

Connectivity and digitalisation will bring disruptive changes to the automotive sector over the next few years. SEAT is working to be a leader in the connected car and to provide a response to drivers' new consumer habits as they demand more vehicles with alternative energies.



IN 2030

1 out of every 10

CARS SOLD WILL BE SHARED VEHICLES

IN 2017
SALES OF SEAT
CNG VEHICLES
IN EUROPE
GREW BY

18%

 \in

THE SEAT LEON
CRISTÓBAL
COULD REDUCE
ROAD ACCIDENTS
BY 40% IF MORE
THAN HALF OF
THE VEHICLES
ON THE ROAD
INCORPORATED
ALL OF THE
DRIVER
ASSISTANCE
SYSTEMS IT
INCLUDES



READY TO CONNECT

Doors unlocked

62.35%

The mobility of the future is marked by digitalisation and connectivity. SEAT is currently immersed in a transformation process in response to new consumer demands. EASY!

YOUNG AND DIGITAL

The car has become a connected platform in the digital ecosystem, second only to smartphones. This is a phenomenon which resonates with SEAT's target customers, whose average age is 10 years lower than the average for the sector as a whole. Most of them demand integrated services (such as smartphone connectivity) when buying a car. In the SEAT Technical Centre in Martorell, the Digital Lab carries out studies on what it will be like to drive the car of the future. One of the centre's projects was shown at the last edition of the Mobile World Congress, where the new forms of interaction between the car, the driver and their environment were presented through a powerful simulation.



he automotive sector is going through a period of profound change, in which connectivity and digitalisation are the major protagonists. More than simply vehicle manufacturers, brands are forced to become suppliers of smart mobility networks and services. Society is hyper-connected, the smartphone is king, and users want their vehicle to become their second digital home, integrating some of their daily activities while they are in the car as safely and efficiently as possible. The goal is to make life easier for the driver by solving traffic problems, offering solutions to find parking, and providing the best navigation options, information and entertainment. Easy.

SEAT is driving its digital transformation in order to meet the challenges of the future that the automotive sector is facing and to become the leading brand in mobility. Its goal is to provide an increasingly simple, personalised and connected experience through technology. To this end, it is creating a digital ecosystem with which it can personalise and enhance the user experience. The company recently established the Easy Mobility Team, which is driving the company's technological transformation in three areas: digitalisation and R&D, customer experience and business development, through different initiatives and by establishing partnerships with external companies and start-ups. In order to position itself as a leader in the car connected. SEAT has created a new company, the main objective of which is to promote the easy mobility strategy. This company is called XMOBA and its purpose is to identify, test and invest in business models related to the mobility of the future. One of the first services that the new company will launch is Justmoove, an application that incorporates the best mobility options to make drivers' lives easier, as well as allowing them to pay for parking, road tolls and fuel.

CONNECTED CAR SERVICES

SEAT was already the first brand to offer Full Link technology compatible with iOS and Android devices across its full range of models. The connectivity in SEAT's models allows drivers to know the state of their vehicle wherever they are and to remain connected to social networks while they drive, in complete safety.

The company has become the first brand to incorporate the voice assistant Amazon Alexa, which makes it easier for users to perform certain actions such as reviewing their personal agenda, locating points of interest and finding out the day's top news. In addition, SEAT will incorporate Waze into its vehicles' navigation systems. This is Google's star app, which uses real-time traffic information to avoid traffic jams or complications on the road. SEAT has also recently established a partnership with the popular app Shazam, allowing users to identify music playing while in the vehicle in a safe manner and becoming the first car man-

COMMITMENT TO CARSHARING

As part of its goal to become a leader in the mobility of the future, SEAT has taken a step forward by acquiring the carsharing company Respiro. This start-up, a pioneer in car hire by the hour, operates in Madrid and works with a pay-per-use system. This acquisition represents SEAT's first leap into the carsharing market, following the company's launch of the Connected Sharing project in 2017, a carsharing service for its employees.

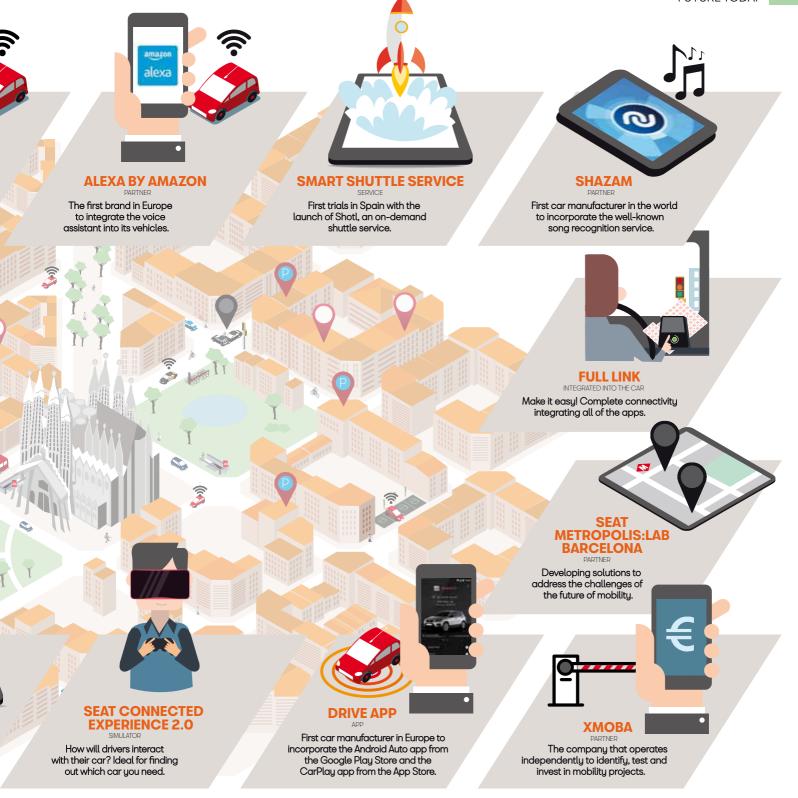
ufacturer to incorporate this service. This popular application, which allows users to identify song that are playing, has 300 million active users each year and responds to a reality: 25% of people who listen to music every day do so in their car.

SEAT has also reached an agreement with Saba, the company that specialises in car park management. This agreement has enabled SEAT to offer new features related to parking, such a booking and mobile payment system, providing real-time information on available spaces, recommending a car park based on each customer's needs - using the Parkfinder app - and other services associated with the time vehicles spend parked, such as having shopping delivered to the car through the Droppit app - and fuel reporting. SEAT has also announced that it has reached agreements with institutions such as the Catalan Government (Generalitat de Catalunya) and Barcelona City Council, among others, to develop 5G technology in the Catalan city. This is one of the most important projects the city is currently facing and is key to the future of the connected car.

AT THE SERVICE OF SAFETY

Digitalisation is also at the service of safety. The recently-presented SEAT Leon Cristóbal, affectionately referred to as the guardian angel, incorporates up to 15 driver assistance systems which directly interact with the driver's smartphone and can help to reduce the main causes of traffic accidents, such as distractions, tiredness, speeding and alcohol consumption, by up to 40%.







XPLORA XPLORA CONNECTED CAR AND SMART MOBILITY

"We are living at a fascinating time"

XPLORA, SEAT's new multi-disciplinary team created together with its Israeli importer, develops new digital solutions and business models in the automotive and smart mobility sector.

What does XPLORA's work involve?

Our work began last November and has started with a phase of scouting for start-ups and projects. Through our importer, we are in contact with universities and we take part in numerous events. Our work consists of contacting projects that we find interesting and gathering all the necessary information. We will then select the best innovations and we will get in touch with the relevant person at SEAT.

In which areas is the search for innovation focused?

We are seeking to identify new technologies and services that can be of benefit to SEAT. We conduct a search for innovation opportunities for the car connected, mobility services and digital solutions.

Why is this initiative important?

The car industry is undergoing significant changes, with more connected cars and autonomous driving. To tackle these challenges, SEAT not only has to be in contact with large corporations but also with start-ups, given their capacity for innovation

and entrepreneurial spirit. Many have not worked in the automotive industry but offer valid solutions for the sector.

What is Tel Aviv's system of innovation like?

Israel is one of the most important enclaves for digital entrepreneurship in the world. It has more than 7,000 emerging companies, which represents the largest concentration of start-ups in the world after Silicon Valley. 50% of them are dedicated to the world of technology. In addition, there are over 100 start-up accelerators, and all of them have the support of the government. With regard to Israeli start-ups related to the automotive sector and smart mobility in particular, there has been a significant increase in just a few years. In 2013, 87 companies were registered, whereas today the country has more than 500 new companies. Furthermore, Israel has traditionally been a cutting-edge country in the field of cybersecurity, and this is also being applied to other sectors.

What does this digital ecosystem have to offer?

The business model for the automotive sector

has to move beyond traditional forms. A revolution is taking place in transport services thanks to digitalisation: mobility has to be interconnected with our lives. All these disruptive elements are being consolidated in the ecosystem of Tel Aviv, which has the fastest growing automotive industry in the country. It also allows us to find out first-hand what is going on. We are in the ideal setting to detect the innovations that may be of interest to a company such as SEAT. We are living at a fascinating time.

What can be learned from start-ups?

For a company the size of SEAT, it is important to know their ways of working. Our organisation works on the basis of more established processes. Start-ups, on the other hand, can react faster and give a response that provides a competitive advantage. For all of them, sharing knowledge is a must.

Could this model be translated to a city like Barcelona?

In Tel Aviv, the government is putting a lot of effort into creating and strengthening this system of technological knowledge and entrepreneurship. We share with Israel the fact that we are a Mediterranean country and we therefore have characteristics in common, such as an open mind and creativity. Therefore, Barcelona, which is already beginning to stand out in this field, could become an ideal setting for the emergence of start-ups. \otimes

«The car park, a hub of connected



services»

Josep Martínez Vila CEO of SABA

e are witnessing a new technological reality which motivates Saba, with its more than 50 years of experience in car park management, to offer a higher quality of service and new products. We were pioneers in the installation of VIA-T devices at car park barriers for automatic entry and exit, in remote management, in optical reading in monitoring and payment systems, and in launching a website with 100% digital products. We are involved in the construction of smart cities, working towards an urban mobility model that is sustainable, equitable and efficient, and in which the car park is a hub of services integrated into the city's mobility policy and which interacts with the connected car.

Collaboration agreements with companies like SEAT are essential to continue conducting research into services associated with mobility. Such services include Droppit, an application that allows users to do their shopping in a virtual supermarket and have their order delivered directly to their own car, parked in a car park; or the Big Data platform, with real-time information that makes it possible to extend SEAT's Navigation & Entertainment services, and which provides information on the availability of free parking spaces or charging points, as well as assisting autonomous vehicles to navigate within the car park.





Being closer to customers, offering them a personalised buying experience and responding to their needs for immediacy are the new consumer commandments which SEAT is responding to with modern sales and marketing strategies.

mmediacy, flexibility and the use of digital technology are values that have become essential for any brand. In this context, SEAT has launched the Fast Lane service. The obiective: to reduce vehicle deliveru times to between two and three weeks. Fast Lane is part of the Order to Delivery 4.0 strategy, the brand's plan which aims to improve buying processes through the use of advanced technologies. This innovative process facilitates the user's buying experience, as they can configure their vehicle and arrange to collect it at the dealership of their choice within 14 to 21 days. Once the order has been placed, the car enters into production the next day thanks to a predictive system that makes it possible to reduce the amount of order processing reguired. The production line anticipates the receipt of the order and reserves space in the manufacturing flow for the most popular options. This is a response designed for those who consider the need to enjoy the product they have purchased immediately to be a key factor in their purchasing decision. The ultimate goal of this strategy is for customers to be able to drive away their vehicles just seven

days after placing their order by the year 2025. This service was launched as a pilot programme in Austria, and it has subsequently been implemented in Germany, for the Leon and Ibiza models, and in Spain, for the Leon. In this scenario, the dealership network plays a vital role in the process, since it is responsible for finalising the order, closing the contract and carrying out the final delivery to the customer. The flexibility of SEAT's Fast Lane process sets a new global standard in the delivery of cars. Furthermore, this initiative will allow the company to research new logistics solutions and to implement this service in other markets.os.

In keeping with this same strategy, the company has also presented the SEAT Store, an innovative concept that anticipates what dealerships will look like in the near future. The first one to be opened was a space of 150 m² located in the Lakeside shopping centre (London). Visitors have the opportunity to digitally search for and configure the model that best fits their preferences, calculate their financing and arrange to take solo test drives either immediately or on a future date. \otimes

A CAR IN 72 HOURS

SEAT is constantly researching marketing channels in order to offer the best buying experience. One of its initiatives is that which the brand carried out with Amazon France. The #DeliveryToEnjoy campaign was based on allowing customers to place an order for a car on Amazon.fr and receive it at home in just 72 hours.





EAT's commitment to sustainability and the environment is reflected not only with words but also with action. The brand is firmly pursuing Compressed Natural Gas (CNG) as a clean and efficient alternative fuel. Using natural gas as a source of energy to propel vehicles offers unquestionable environmental and economic benefits, and it represents a clear alternative to traditional fuels. Its use allows emissions into the atmosphere to be reduced and thus to improve air quality in cities.

CNG is a sustainable alternative which lies in between traditional and electric engines. The hybrid technology developed by SEAT combines natural gas and petrol and offers significant benefits over other hybrid alternatives on the market. Vehicles equipped with these ecological engines reduce NOx emissions by 85% compared to diesel engines. They also reduce CO_2 emissions by 25% compared with petrol engines and remove all particles in suspension.

SEAT currently has Compressed Natural Gas and petrol hybrid technology in the Leon, in its five-door and family versions, and in the Mii, as well as in the CNG version of the SEAT Ibiza since the last quarter of 2017. This year, they will be joined by the new Arona crossover. Based on petrol engines, this technology complies with the Euro6 emission standards and has two tanks. one for petrol and another for natural gas. The engine always uses the gas by default and, when empty, switches to using the petrol without any change in its performance. Besides its environmental benefits, from an economic point of view Compressed Natural Gas is a highly competitive fuel, as it allows for a saving per kilometre of around 30% compared to diesel and 50% compared to a petrol vehicle.

In addition to their ecological and economic benefits, the mechanics of these engines are simple, which reduces maintenance costs compared to other hybrid technologies, without affecting performance.

AGREEMENT WITH GAS NATURAL FENOSA

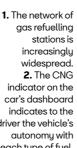
SEAT took a firm step forward in its commitment to the environment and clean energies with the agreement reached in July 2017 with Gas Natural Fenosa. This agreement serves to promote vehicular natural gas in Spain through innovation projects, as well as projects for the development of new refuelling infrastructure and for the expansion of vehicles that use this form of energy.

Spain currently has more than 50 public refuelling stations that supply CNG for vehicles. The partnership will allow both companies to

SALES ON THE RISE

CNG will play a major role in the mobility of the future, and SEAT wants to be a leader in this field. Sales of the brand's CNG vehicles in Europe grew by 18% in 2017 thanks to their positive performance in Spain, where gas-powered vehicle registrations grew by 237% (SEAT has an 83% market share). Italy remains the main European market for CNG for SEAT, with over 2,000 cars sold last year. The brand's intention is to continue to pursue its ecological alternative with vehicles that combine petrol and gas.

Besides its environmental benefits, from an economic point of view Compressed Natural Gas (CNG) is a highly competitive fuel, as it allows for a saving per kilometre of around 30% compared to diesel and 50% compared to a petrol vehicle.









continue to work on the expansion of natural gas in transport and to promote its use as an alternative fuel, both in private vehicles and for heavy transport.

One of SEAT's major objectives is to remove the perception barriers that many customers still have regarding CNG vehicles and to raise awareness of the benefits they provide. In this regard, the brand plans to focus on recruiting salesmen as a way to increase their knowledge and create dealerships specialising in this product. 🛭

DISPELLING MYTHS

Many myths surround cars powered by natural gas. But all of them are false. Their price, for example, is similar to that of diesel and petrol cars. Furthermore, they allow for savings of around 30% compared to diesel vehicles and 50% compared to petrol vehicles, as well as benefiting from discounts. The sensation at the wheel is the same as with a conventional car and their performance and power are identical. Another benefit is that you can keep driving when the gas runs out: the car switches to running on petrol. In fact, these models can travel up to 1,300 kilometres without refuelling. Finally, the gas tanks are designed, manufactured and certified in accordance with the highest safety standards.

VEHICLES

In its firm commitment to nonpolluting energies, SEAT is also preparing to enter into the segment of fully electric cars. To do this, it will use the new platform for electric and hybrid vehicles of the Volkswagen Group, known as the MEB platform.





So schön kann Alltag sein.

Der neue Ateca FR.

Mit dynamischen Allradantrieb.

Warum dem Alltag nur am Wochenende entfliehen? Der neue Ateca FR mit seinem dynamischen Allradantrieb 4Drive¹ und dem sportlichen Äußeren macht selbst Routine zu einem Erlebnis. Also: raus aus dem Alltag, rein ins Abenteuer.









SEAT is a young company, that looks towards the future. Its growing value within the Volkswagen Group is directly related to the innovation and modernisation of its facilities, as demonstrated by its status as the leading investor in R&D in Spain's industrial sector in the last five years.

SINCE 2013 **SEAT** HAS ALLOCATED MORE THAN €3,300 **MILLION TO INVESTMENT** AND EXPENDITURE IN

R&D

AT SEAT

7 jobs are generated



THE ENGINE BEHIND SEAT MARKS 25 YEARS

The biggest car manufacturing plant in Spain is celebrating its silver wedding anniversary, and it is doing so at full capacity: the Martorell factory produces 2,300 vehicles per day and is going through one of the best periods in its 25-year history.





o talk about Martorell is to talk about progress and growth," says Luca de Meo. The President of SEAT defines this factory as "our emblem of production" and he shows his appreciation for "celebrating these 25 years at one of the factory's best times." After all, this is the year of the 10 millionth car being produced at the SEAT Martorell facilities.

The history of the factory begins in February 1993, when it was opened by King Juan Carlos I. This ceremony represented the culmination of works which took 34 months and which raised an industrial complex that has 15 buildings spread over an area of more than 2,800 million de m².

The second generation of the SEAT Ibiza and the SEAT Cordoba were the first cars to come off the production lines, at a rate of 1,500 units a day. Later, it was the turn of practically all of the brand's models: from the Toledo to the new Arona, as well as the Inca van, the Arosa, the Altea, the Exeo and the successive generations of the Ibiza and the Leon.

At SEAT Martorell, vehicles are also produced for other brands of the Volkswagen Group, which is a demonstration of its workforce's flexibility and readiness. In the period 1995–2003, the Volkswagen Polo and the Caddy were manufactured there. In 2011, production began for the Audi Q3, the first premium car to be

manufactured in Spain, which this year gives up its space on the production lines to the new generation of the Audi A1.

Luca de Meo highlights the importance of "marking 25 years at one of the factory's best times thanks to the new models that we have launched (Ibiza and Arona), our investment in R&D, the quality of our vehicles and, above all, our employees, who perform their work with commitment and enthusiasm".

THE HIGHEST-PRODUCING FACTORY IN SPAIN

In 2017, SEAT Martorell increased its production by 1.4%, reaching a total of 455,470 cars manufactured. In doing so, it has revived its status as the industry leader in Spain, the second largest car manufacturer in Europe and the eighth largest worldwide.

Since 2009, production at the factory has grown by 51%. Four models are currently manufactured there: the Ibiza and Arona (Line 1), the Leon (Line 2), the Audi Q3 (Line 3) during the first half of 2018 and the Audi A1 (Line 3) in the second half of 2018. Lines 1 and 3 have three production shifts, while Line 2 has two shifts. The current rate of production (2,300 vehicles per day) represents 95% of the factory's operating capacity.

Over the course of these 25 years, SEAT Martorell has become a driving force for job

creation and industrial development, with more than 8,000 direct jobs. It is also a benchmark in terms of female employment in the automotive industry, with 21% of the workforce being women, almost double the average for the automotive industry in Spain [11%]. \otimes

STRENGTHENING THE WORKFORCE

At the beginning of 2018, SEAT Martorell recruited 265 staff to strengthen the production lines of the Ibiza and Arona. In addition, to respond to the increase in production, additional weekend shifts have been established. Xavier Ros, vice-president of Human Resources at SEAT, explains that "we continue to generate employment in order to bolster key areas for SEAT's future. The close collaboration with the predominant trade unions in recent years has enabled us to establish a flexible labour framework which has a positive impact on the employees and on the company itself".



Timeline

1993

On 22 February,
H.M. King Juan Carlos I
opens **SEAT Martorell**.
Production of the second
generation of the **SEAT Ibiza**begins and the **Cordoba**model is presented.

1995

H.R.H. the Prince of Asturias drives **the 10 millionth car** in SEAT's history, a **Toledo**, off the Martorell assembly line.

1999

SEAT unveils a new **corporate identity** and presents the new Leon.

2000

SEAT celebrates its **50th anniversary**. King **Juan Carlos I** holds an audience with the company's management team and the Prince of Asturias visits Martorell. The Technical Centre marks 25 years.

2001

The first unit of the new Toledo comes off the Martorell factory assembly line.

2004

The company holds an **Open Doors Day** at SEAT Martorell, aimed at staff and their families. More than 41,000 people attend. The **Ibiza** celebrates its **20th anniversary** with more than 3.3 million units produced. The foundation stone of the new corporate building is laid.

2006

The new corporate building is opened in a ceremony presided over by the president of the Catalan Government (Generalitat de Catalunya), Pasqual Maragall.

2007

SEAT Service is introduced, bringing together the brand's aftermarket activity, and the Prototype Development Centre (CPD) is opened, bringing together the development of prototypes in their virtual and physical phases. The 6 millionth car comes off the SEAT Martorell assembly line.

The Design Centre is also opened and becomes one of the world's most outstanding design complexes.



2008

A new railway connection is opened that allows vehicles to be transported from **SEAT Martorell** to the port of Barcelona.

2009

The foundation stone of the new workshop where the **Audi Q3** will be produced is laid.

2011

Production of the **Audi Q3** begins, which allows 700 new jobs to be created. H.R.H. the **Prince of Asturias** opens the production line for this model.

2012

The first units of the **third generation of the Leon** are produced.

2013

inauguration, SEAT Martorell receives the prestigious Automotive Lean Production award for the quality and efficiency of its production system.

SEAT al Sol is inaugurated, becoming the largest photovoltaic power plant in the car industry anywhere in the world, with 53,000 solar panels.

On the 20th anniversary of its

2014

The **Ibiza** marks **30 years**, coinciding with the production of its **5 millionth** unit.

2015

SEAT celebrates the **40**th anniversary of the Technical Centre and announces investments of 3,300 million euros.

2017

SEAT introduces the new **MQB AO** platform of the Volkswagen Group, with the launch of the fifth generation of the **Ibiza** and that of the new **Arona** crossover.

A FRONTRUNNER IN EUROPE

The launch of the fifth generation of the Ibiza and the new Arona, coupled with the awarding of the Audi A1, has put the industrial spotlight on Martorell. SEAT wants to position itself as a frontrunner in the urban vehicle segment, which makes up a third of sales in Europe.

EAT continues to consolidate its position not only within the Volkswagen Group but also as a frontrunner in the automotive sector, both in Spain and in Europe. The introduction of the new MQB AO platform of the Volkswagen Group, on which vehicles of the urban segment are manufactured, puts the company in a privileged position since this segment accounts for a third of car sales in Europe.

Thanks to the launch of the fifth generation of the Ibiza and of the new Arona, the first crossover in the brand's history, together with the new Audi A1 and the production of the Volkswagen Navarra, 700,000 vehicles a year will be produced on the MQB A0 platform. "Our speciality has always been urban cars, and the MQB and the fact that we have been assigned the task of industrialising this platform for the first time in the Group also gives us an indication of the respect and trust we have earned," says Luca de Meo, President of SEAT. This situation is confirmed by the Volkswagen Group awarding the production of the new

Audi A1 to SEAT Martorell. Also of note is the fact that the release of the Arona and the Tarraco "will put us in a very strong position in a segment that is experiencing dramatic growth. The possibility of having these cars is going to change SEAT's position in the market."

The investment of 900 million euros in the new Ibiza and Arona is only the first step in a project on which "a total of 50 Spanish suppliers" are already working, as de Meo points out. "The MQB AO project is of interest to the whole of the Spanish automotive industry, to Volkswagen in Navarre, and to us and Audi in Barcelong. It is one of the largest projects in the industry at the present time, in a country which is the second largest car manufacturer in Europe," he adds. These efforts are not in vain, as the automotive sector represents 10% of Spanish GDP, and 9% of the country's working population works in this industry, not to mention SEAT's status as a global brand. SEAT exports 80% of its vehicles to more than 80 countries, including markets where it has a very high penetration such as Germany and Spain.



The investment of 900 million euros in the new Ibiza and Arona is only the first step in a project on which 50 Spanish suppliers are already working. The MQB AO project is of interest to the whole of the industry.

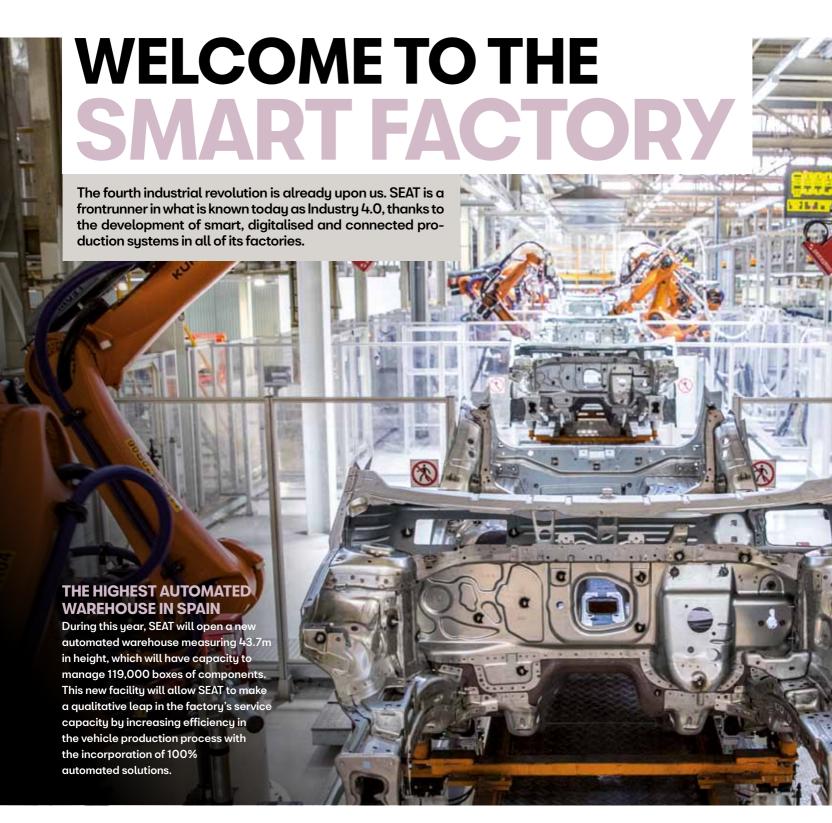


A BRAND WITH A FUTURE

SEAT asserts itself as a ground-breaking brand with a product development aimed at a young audience and a range of models focused on the future of driving. This future involves SEAT reinventing itself and ceasing to be a mere manufacturer of vehicles, becoming instead a provider of mobility and connectivity that is within everyone's reach. SEAT's leadership with the Metropolis:Lab Barcelona, which forms part of the Volkswagen Group's network of six digital labs, was a clear example of the company's commitment to the city of Barce-

lona and to innovation within the Spanish market. This democratisation of mobility is part of SEAT's DNA, continuing the tradition established by models of the past, such as the 600 and the first generations of the Ibiza. These concepts are reflected in the development of vehicles that are autonomous, connected and powered by alternative and sustainable fuels. It is in this vein that the company is pursuing Compressed Natural Gas as an alternative fuel and has recently established strategic agreements with the companies Gas Natural Fenosa and Madrileña Red de Gas. The elec-

tric car is another mainstay in SEAT's strategy for the future. In addition, SEAT knows that it must become a protagonist in the development of society as a whole, offering the boost in training that people need to achieve their aspirations. Beyond Training 4.0, which allows the company's employees to familiarise themselves with the technologies and tools that will form part of their day-to-day work in the future, SEAT offers dual Vocational Training (VT) at its Apprentice School, a model for studying which helps the professionals of tomorrow to secure their future. \otimes





EAT is currently immersed in a transformation process which involves the gradual incorporation of some of the tools and technologies that will become commonplace in the manufacturing processes of the future. These include advanced automation, collaborative and sensitive robotics, automated guided vehicles (AGVs), exoskeletons, virtual reality, 3D printing and augmented reality, to name just a few.

In fact, the Martorell plant already operates based on the concept of a smart factory, with innovation at its heart. SEAT is also transmitting this concept of Industry 4.0 to all of its employees. In March 2017, the company kick-started its Training 4.0 project at the Automotive Professional Training Centre (CFPA) in Martorell. In these training sessions, participants are introduced to some of the tools that are already beginning to be implemented in the factory, through lively and interactive workshops. "One of our main goals is to show the importance of the role of people in Industry 4.0 and to introduce our employees to what is on the horizon and what SEAT is preparing for the future," explains the head of Training, Dr. Laura Carnicero. This is what is known as shared intelligence. For instance, the so-called fourth industrial revolution allows operators to control the processes in order to optimise decision-making and to delegate the most physically demanding and routine tasks to collaborative robots. SEAT is also considering other measures,

such as the integration of software and hardware in Production and Logistics.

OBJECTIVE 2025: PREDICTIVE MAINTENANCE

An excellent example of the deployment of new technologies in Martorell is reflected in the maintenance of the factory. SEAT has facilities for monitoring the status of the various production lines. Using customised tablet computers, its employees receive notifications of incidents and orders that allow them to predict what is going to happen. This predictive maintenance is one of the company's major objectives for the year 2025, as it will ensure that inspections are only carried out where necessary, thus allowing staff to work more selectively and to optimise their time.

In addition to their tablet computers, Maintenance staff have smart glasses for viewing information using augmented reality. Furthermore, a pilot scheme is being developed for notifying staff of incidents through a mobile app, in addition to a further two projects related to big data.

OPEN TO THE OUTSIDE

Besides the internal work which SEAT is carrying out in relation to Industry 4.0, the company has launched the BreakingFAB innovation programme, designed to attract talent from outside the company. The aim is to speed up the transformation of SEAT's manufacturing process by inviting entrepreneurs and start-ups to contribute creative and innovative solutions.

FRANCISCO REQUENA SMART FACTORY TEAM

"We want to adapt to Industry 4.0"

Together with his team, he coordinates the digital transformation strategy of the Production division and analyses the projects that will lead the company to Industry 4.0.

Why are customers and users of technology now the starting point for innovation?

Innovation carries an implicit risk and uncertainty which needs to be managed. For us, innovation doesn't begin with the technology. That is, we don't do push innovation, trying to search for a customer for a particular technology. Before going out to innovate, it is important to be very sure that you are going to use the resources you have available on what can provide the most value. Our methodology is based on what we call pull innovation. We start with our strategy, looking at how we can achieve our goals from a new digital perspective. Then, we narrow the strategy down into specific ideas, which we analuse to determine whether they are feasible with one technology or another.

Ergonomic solutions are an example of this...

Of course. Who knows these solutions better than the people who work with us on a daily basis? What allows us to implement our innovation model is the fact that we put the possibilities that exist within the reach of the users of the technology. The idea is for

the employees themselves to identify the challenges, and for the Smart Factory Team to advise on, propose and implement solutions to those challenges.

What disruptive technologies are going to completely change the paradigms of manufacturing as we know them today?

Besides artificial intelligence, there are two technologies that I am convinced are going to do it. Additive manufacturing is going to completely change the supply chain as we know it. It will allow us to incorporate more and more customisation capabilities and, therefore, value into the production line. Virtual reality is also improving in leaps and bounds and soon we will be able to generate ad-hoc virtual training environments. Virtual reality will even allow us to interact in different languages with people located in other parts of the world, as if we were face to face.

What role will artificial intelligence play in generating value?

In a company like SEAT, it is going to bring significant disruption. Being able to manage the vast amount of information we



generate, as well as interconnecting with other ecosystems of suppliers and customers, is going to provide us with an unparalleled catalyst for transformation. Through the Internet of things, we will gradually incorporate intelligence into machines and people will transition from programming machines to being their trainers.

To make that change, operators must receive special training. What feedback are you receiving in relation to these new tools?

In the first three industrial revolutions, industry changed society, whereas in this case it is society that is changing industry. The great challenge, therefore, is adapting our staff to this new paradigm, and all this without losing the valuable knowledge they possess. SEAT's employees want to adapt to this new reality and we have an enormous pool of potential talent.



Vivez à fond maintenant, demain il sera trop tard.

Start moving.



Nouvelle SEAT Ibiza.





To achieve a more efficient and cleaner factory



ENERGY CONSUMPTION

- Reducing the various forms of energy consumption (electricity, gas, etc.).
- Improving the manufacturing processes.
- Using systems that optimise the facilities.



WATER CONSUMPTION

- Saving and reusing water in the industrial processes.
- Reducing the volume of treated water.

CO₂ EMMISSIONS

- Purchasing green energy.
- Using renewable energies (SEAT al Sol).
- High-efficiency energy generation (cogeneration power plant).
- Recording and monitoring data to adjust consumption.

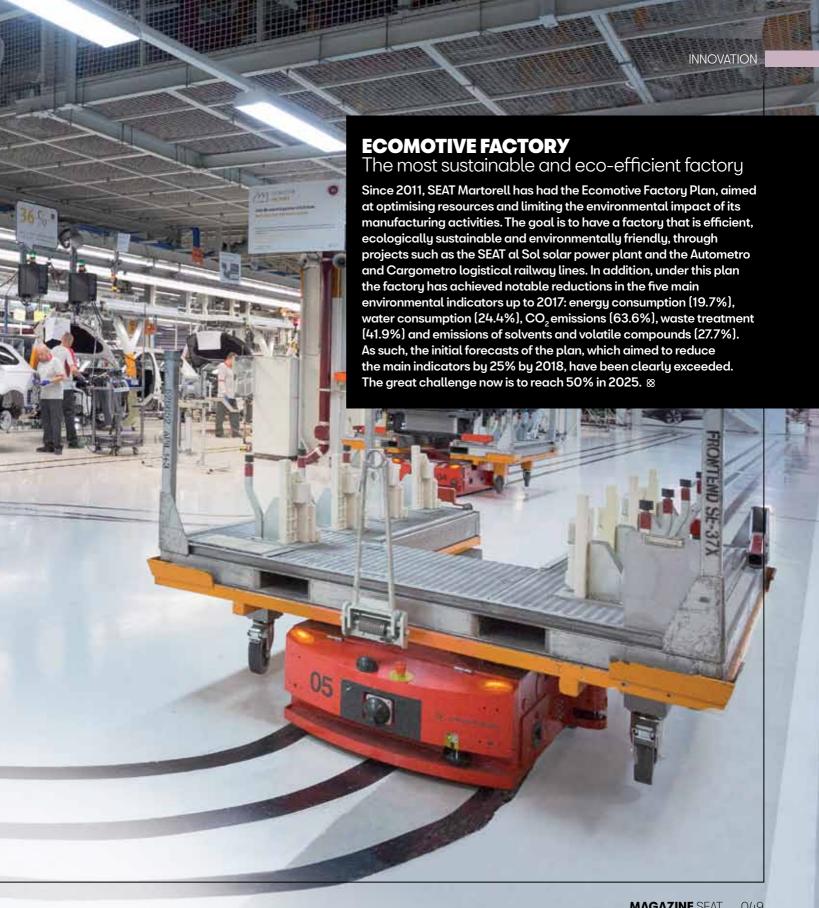
WASTE TREATMENT

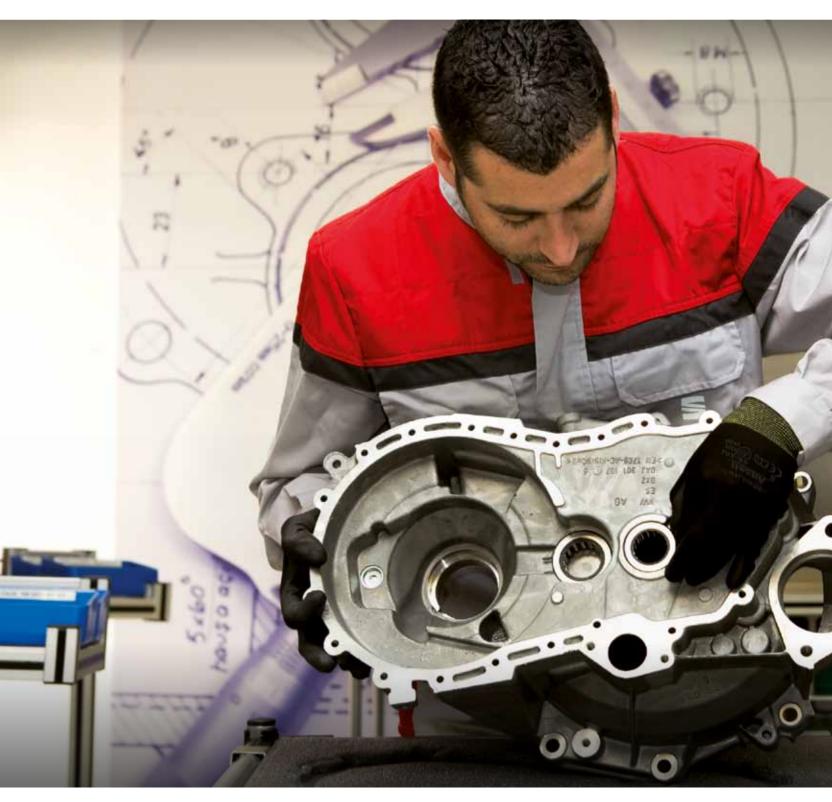
- Using easy-to-recycle packaging.
- Increasing waste segregation points.
- Separating materials with a high calorific value and transferring them to a specialist plant.



SOLVENT EMMISSIONS

- Using new, more ecological components (paint).
- Adapting sprayer technology.







SEAT COMPONENTES CONTINUOUSLY IMPROVING

Just three years after being brought back into the SEAT company structure, the awarding of the MQB 281 gearbox confirms the SEAT Componentes factory's position as one of the brand's and the Volkswagen Group's primary assets.

ounded in 1979 as SEAT Prat, later becoming Gearbox El Prat and, in 2014, SEAT Componentes, this company (which is 100% owned by SEAT) is one of the factories dedicated to the manufacture of gearboxes that the Volkswagen Group has around the world.

Named as the Best Spanish Factory in 2016 in the Industrial Excellence Awards, and with the Volkswagen Seal of Excellence, at the beginning of 2017 SEAT Componentes was awarded the production of the new MQB 281 gearbox. This six-speed manual aearbox will be used in vehicles manufactured by the Volkswagen Group on the MQB platform and will allow the factory in El Prat de Llobregat to increase its maximum production capacity from 650,000 to 800,000 units per year. The factory has begun to prepare for the arrival of the MQB 281 with the installation of the new equipment and assembly lines, a process which will not interrupt SEAT Componentes' operations. The factory has a workforce of more than 1.000 staff. In addition to the new MQB 281, which will go into production in 2019

for the Volkswagen Passat, SEAT Componentes also produces the MQ200 gearbox, which is used by SEAT, Audi and Volkswagen. The completed gearboxes are supplied to Volkswagen, Audi, ŠKODA and, of course, SEAT, and all the processes for their manufacture are performed at the factory: casting, aluminium machining, shafts and gears, synchronised parts, thermal treatment, assembly and quality tests. "We have never stopped being SEAT. Our processes and the way we operate have always been in keeping with the SEAT spirit and the Volkswagen Group. We treat our growth as SEAT's growth," says Victor Iglesias, head of SEAT Componentes.

Since 2014, the factory has had a Training Centre for the SEAT Production System (SPS), where nearly a thousand people a year receive training, as well as a Skills Centre. "They are the proof that we need people in order to achieve the objectives we have set for ourselves," concludes Victor Iglesias. "Few factories can boast about having a production system like the one we are implementing: we are productive, flexible and we adapt to changes," he says.

SEAT BARCELONA THE SEED OF SUCCES

The SEAT factory in Barcelona's Zona Franca district represents the connecting link with the legacy of the past, but also with its commitment to the brand's future. A demonstration of this is the recent awarding of the new PXL press, one of the biggest presses in the Volkswagen Group for the new MQB AO platform.





t was at the SEAT Barcelona facilities in the city's Zona Franca district that the history of the Spanish automotive industry began to be rewritten more than 65 years ago. It was there that pioneering models began to be manufactured in Spain, such as the SEAT 1400 and the unforgettable 600, "the car that put the country on wheels". Today, SEAT Barcelona has a workforce of more than 1,100 staff. It is a renovated, efficient and lean factory, fully integrated into the structure of the Volkswagen Group.

The recent awarding of the PXL press has entailed an investment of more than 30 million euros in the factory and will allow it to increase its annual production to over 56 million stamped bodywork parts each year. Among these parts are some 30 parts for vehicles to be assembled on the MQB AO platform, at a rate of 90,000 parts per day, destined for the factories in Martorell (SEAT), Navarre (Volkswagen), the Czech Republic (ŠKODA) and South Africa (Volkswagen).

Up to five functional areas (Die Maintenance, Machine Maintenance, Manufacturing, Logistics and Process Engineering) have worked since the beginning to ensure a successful launch of the MQB AO platform with the fifth generation of the Ibiza and the new SEAT Arona. Two other departments of SEAT Barcelona (Product Technique and Processes) have designed high-resistance dies - the first time such

items have not been developed exclusively by Volkswagen – as well as a new approach to maintenance, which has made it possible to deal with the increase in production under the best conditions.

These milestones have contributed to SEAT Barcelona becoming the host of the 2017 edition of the annual Supplier Parts Analysis Day for the MQB AO platform. This was a day which involved all of the stamping factories of the Volkswagen Group that will be manufacturing parts for the new platform, as well as involving the Process Engineering, Prototype Development and Quality divisions of SEAT and other brands of the Group. Through this event, SEAT Barcelona asserted its status as the largest stamping factory for the MQB AO platform in the Volkswagen Group.

RAHMENPLAN, A STRATEGY FOR THE FUTURE

With the implementation of the Rahmenplan strategic plan, SEAT Barcelona will undergo a modernisation process that will affect a number of aspects, such as its infrastructure, organisation, mindset and products. The goal of this plan is to increase the factory's competitiveness by renovating all the production processes with a view to extending its range of parts and lines of business, while also identifying new business opportunities. \otimes

THE HUB | KNOWLEDGE

SEAT is aware that the brand's progress rests on research and development and the application of more advanced and sustainable technology. At the SEAT Technical Centre (CTS) in Martorell, more than a thousand engineers are responsible for the design and development of our cars, from the first sketch to its entry onto the production line.

ince 1975, the SEAT Technical Centre (CTS) has been driving innovation by creating new concepts for vehicles, refining the quality of the technological development process for SEAT's future models and combining it with the most advanced designs by the SEAT Design Team.

At its facilities, located in an area covering 200,000 m², of which 43,000 consist of fully equipped buildings, every day a thousand engineers refine the processes, technologies and designs for the brand's upcoming product releases.

The CTS is where a large part of the more than 3,300 million euros that SEAT has spent on R&D investment and expenditure since 2013 has been allocated. It is set up as a knowledge hub, the only one of its kind in Spain and in southern Europe dedicated to the car, and it has the experience and technologies that allow new vehicles to be developed from start to finish. It is a leading centre where specialists work with a future-focused mindset, capturing ideas and needs that will allow the future cars of the SEAT range to be created.





FROM CONCEPT TO PRODUCTION LINE

From the very first sketch, the Design and Technical Development departments investigate the formal and technological possibilities in order to find a perfect balance that reflects the utmost expression, creativity, technology, quality and functionality that SEAT is known for.

During this phase, the so-called SEAT Formula (the DNA of the brand) plays a fundamental role in inspiring and creating the first key strokes of the product. This process will culminate with the mass production of a vehicle that is able to offer optimal capabilities, both in technology and design. The work of the designers is to propose those first lines and designs (exterior and interior sketches, colours and fabrics), which will become the key ingredients and ideas that will determine the formal development and style of the model all the way through to its production. In parallel, the Concepts department coordinates and researches those formal and stulistic design proposals in a cyclical process and in close collaboration with the designers in order to ensure their technical feasibility.

During this phase, other aspects of the product related to the development and design of the proposals are also reviewed. The Sales and Marketing division, for example, develops a concept for the product's positioning in the market, which it constantly redefines. Also important is the impact of the new regulations in relation to passive safety or CO_2 emissions, which are coordinated by the technical departments dedicated to this area in the CTS. Similarly significant is the daily review of the costs and investments of the future industrialisation process, which is performed by the Product Management, Production and Purchasing departments.

With regards to the brand image and how it is conveyed, clinics are held with future drivers, who may be connected to the brand or not. Throughout the development process, these future drivers assess the qualitative, emotional and

SAFETY IN THE VEHICLE

The safety and driver assistance systems are intended to provide better protection for occupants and pedestrians. In each new development process, various test configurations are taken into consideration, with crash test dummies used to simulate a wide range of occupants. The restraint systems are formed by frontal, side and curtain airbags, as well as purotechnic seat belt pretensioners in the rear and front side seats. The seat belt use warning sound ensures that these systems are properly used. With pedestrian protection in mind, measures are developed to minimise the risk of injury in the event of a collision with a pedestrian, such as adapting the front of the car. In the area around the windscreen, work is also carried out on the geometry and rigidity of the dashboard to minimise the consequences of the impact for the pedestrian. The Front Assist braking system for driving in the city and on the open road uses a proximity radar to automatically apply the brakes when other vehicles are detected in the car's path. It also includes detection of

pedestrians. During its development, more than a 1,000 tests were carried out on test tracks and about 10,000 kilometres of open road. The multi-collision braking system, meanwhile, acts to reduce the car's residual speed from the first impact when an accident is detected, thus avoiding subsequent impacts or minimising

model's architecture and proportions, later incorporating even the finest details in the final phases. This is possible thanks to the simultaneous work of engineers and designers (about 1.000 of them) and the use of the most innovative virtual realitu, auamented realitu and simulation tools. To get an idea of the dimensions of this ongoing and collaborative project, a dozen vehicle configurations are drawn up using the more than 400 combinations of materials and colours and virtual models consisting of 240 million polygons. All this is done to ensure excellence in the final product, without having to build physical prototypes. Another activity carried out in parallel with the above is the process of using virtual models to ensure that each and every one of the pieces that make up the vehicle fit together to

1. Virtual simulation forms part of the development process. 2. The SEAT Design Centre is located within the CTS in 3. SEAT's Design team works with sketches and with real, virtual and physical models to develop a car.

Martorell. their consequences.

quantitative impact of the Design department's proposals for the future SEAT models. The future driver of the vehicles absorbs all of the energu. dedication and inspiration in order to obtain a product which reflects the spirit and values of SEAT through the designs.

SIMULATION IN THE DEVELOPMENT **PROCESS**

The virtual development of SEAT's vehicles has become a standardised process which is common to the development of all new models. Under this process, following the initial design phases and based on inputs of the package and technical conditions, the surfaces of the design, known as "sheets", are built. These are conceptual in nature and initially serve to define the





SEAT DESIGN CENTRE

Within the CTS is the SEAT Design Centre, one of the most modern and functional of such centres in the world. In it, 140 creative staff define each vehicle from the first stroke right up to the physical construction of the first prototype. It concentrates the entire design process into a single facility, allowing SEAT to take advantage of the R&D sunergies in other aspects such as connectivity, before the Digital Design Lab team designs the vehicles' displays. This task requires a year and a half of work and more than a 1,000 sketches before arriving at the final prototype. Opened in October 2007, the SDC is a unique facility within the Martorell industrial complex. Covering an area of 6,000 m², it has the most cuttingedge technologies. In addition, thanks to a system of Mediterranean-inspired lattices, it has plenty of natural light, allowing its staff to work in the best possible conditions and reducing energy consumption. The Design team played a very important role in this installation's conception and design.

form a perfect puzzle. To do this, the DDKM (Digital Data Control Model) process is applied, building Design-Check-Models and virtual prototypes. In this case, tools and processes go hand in hand, continuously checking that everything fits together and thus ensuring that all the versions to be built comply with the objectives established (in terms of quality, cost, feasibility, etc.). With regards to the functional aspects, more than 95.000 simulations of different behaviours and characteristics are carried out (active and passive safety, driver assistance systems, dynamic and aerodynamic behaviour, fuel consumption, CO2, etc.). This whole process makes it possible to develop models with high quality indicators, quickly and cost-effectively, making SEAT and its products better, more competitive and more efficient. 88





EAT Martorell's Prototype Development Centre (CPD) brings together the knowledge, the staff and the resources of the Prototype departments of the Technical Centre and of the Pilot Workshop for Process Engineering, all in one space. The centre's goal is to simulate processes starting from the very first prototype, to reduce costs and investments and to eliminate crossovers between R&D and Production.

These synergies also allow the CPD to reduce development time and to improve communication in relation to new models. "We analyse the manufacture of prototypes for R&D from a point of view of the production process and we achieve a high level of quality in pre-production cars," says Javier Díaz, head of the centre.

In short, the CPD is "a new factory within the factory": it combines two to three segments and external production with more than 300 technical experts. It is the only centre of its kind in Spain to have accumulated more than 430 million euros in investment, which has materialised in the manufacture of a dozen concept cars, 150 models for improving design and fea-

sibility, 2,000 prototypes for testing and optimisation, 4,000 cars for product and process optimisation and 12,000 points for improvement under analysis.

All of this is thanks to the experience acquired with the products in mass production: "We use all the knowledge acquired to make very high-quality prototypes," concludes Javier Díaz. So much so, in fact, that some of them, such as the Ateca concept car, have received recognition from the Group, helping to strengthen the biggest product offensive in SEAT's history.



It is the only centre of its kind in Spain to have accumulated more than 430 million euros in investment, which has materialised in the manufacture of 2,000 prototypes for testing and optimisation, among other developments.



LOGISTICS 4.0

Coinciding with its tenth anniversary, **SEAT's Prototype Development Centre** (CPD) will expand its 18,808 m² of floor space in SEAT Martorell by adding a new warehouse. In this new space, the company will be able to begin implementing some of the new technologies that certify that the CPD is developing in keeping with the timelines and requirements of Industry 4.0. In the words of Javier Diaz, "in this new facility, which will have an external awning, we have exchanged floor space for height. This will allow us to incorporate innovative digital systems such as RFID, AGVs and picking control, transforming our logistics and placing them on another level".



Es el momento de aprovechar este momento.

Nuevo SEAT León.



Ahora podrías querer escapar de la ciudad. O podrías querer redescubrirla. Llega un momento en la vida en el que puedes hacerlo todo. Por eso necesitas un coche que lo tenga todo. El Nuevo SEAT León viene equipado con pantalla táctil, sensor de parking trasero, llantas de aleación, 7 airbags y frenado automático post-colisión. Es el momento de aprovecharlo.



SURPRIS

SEAT is much more than just cars. The brand's innovative spirit and its commitment to being a pioneer in the automotive sector are leading the company towards an unprecedented transformation. Today, SEAT has its course set towards a clear objective: to be unique.

• 14,700 EMPLOYEES

Since its creation, the **Apprentice School** has trained

2,700 YOUNG PEOPLE



€3,3 MILLION

invested in the **CARS**, a unique healthcare centre



LABORATORY FOR URBAN MOBILITY

SEAT is focusing on the future with the Metropolis:Lab Barcelona, the company's digital laboratory. Conceived to respond to interconnected mobility, this is a centre of excellence which brings together the best professionals in the sector to search for smart solutions. SEAT is thus positioning itself as a leader in the connected car.

wned entirely by SEAT, this digital lab is part of the Volkswagen Group's global network of IT labs, which also has centres in Berlin, Munich, San Francisco and Wolfsburg. By setting up this new lab, the German group is once again demonstrating its commitment to the Spanish firm and the city of Barcelona as cornerstones of its innovation and excellence strategy. The Metropolis:Lab Barcelona was presented at the Smart City Expo World Congress 2017, it is located in the Pier 01 building of Barcelona Tech City, and it is already working on innovative proposals to improve urban mobility.

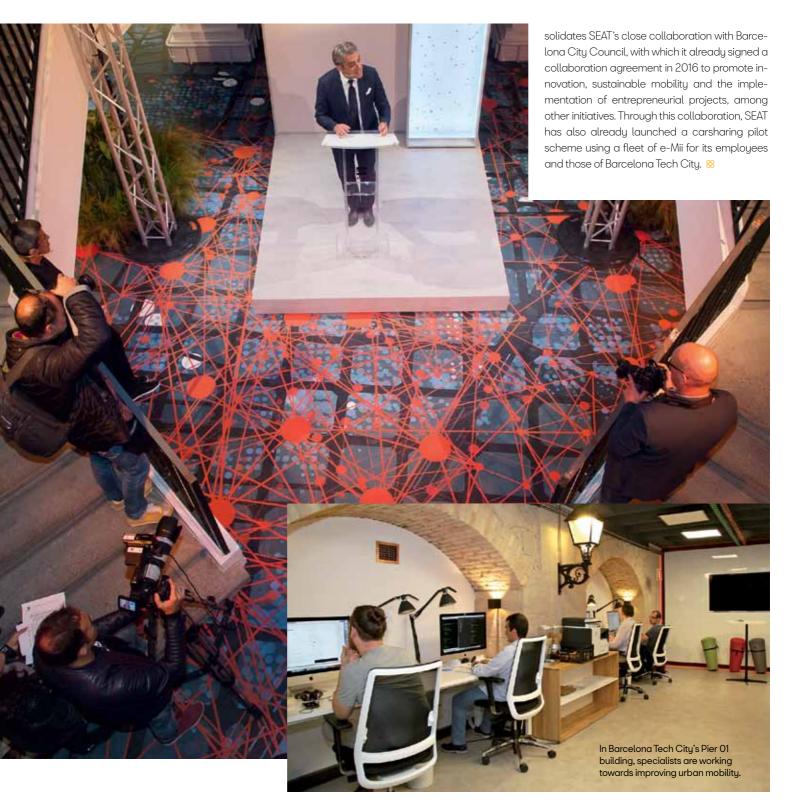
Buses on demand, shared trips in the city, predictive navigation, traffic management and

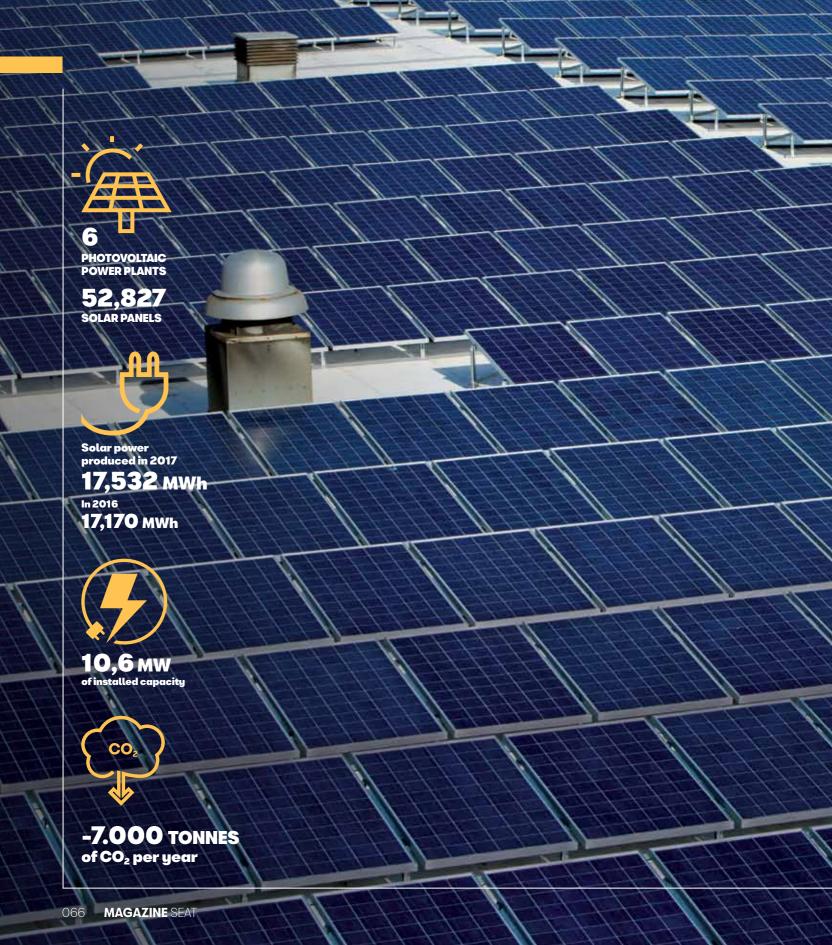
parking solutions, as well as app development, are the main areas that SEAT's new digital laboratory is working on today. To this end, the researchers and technicians of the Metropolis:Lab are working on combining mobile technology and big data, the primary tools for ensuring a future with a more optimised relationship between citizens, cars, the smart city and the provision of services related to mobility.

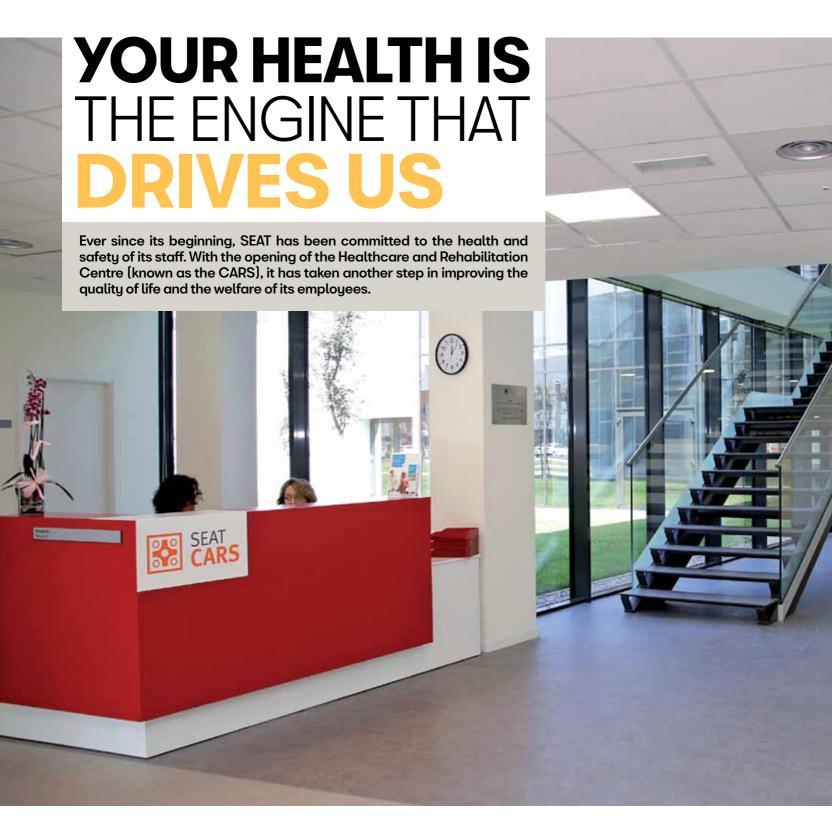
THE FUTURE IS ALREADY HERE

To make it possible to develop this R&D segment in the automotive industry, this new centre of excellence has a highly-specialised team which includes engineers, developers and data scientists. The opening of the Metropolis:Lab also con-











oday, SEAT is the first company in the automotive sector in Spain to receive the AENOR Healthy Company certification. This certification model, which is based on the criteria of the World Health Organization (WHO) and on the methodology of continuous improvement, certifies that a management system that promotes and protects the health, safety and welfare of the people who make up the company has been implemented in an excellent manner.

With these objectives, and under the leadership of Dr. Patricia Such, head of SEAT's Occupational Health and Safety department, the company has an internal team of 56 people responsible for ensuring health and safety at SEAT. This team includes specialists in healthcare, occupational medicine and nursing, as well as prevention specialists who assess the risks arising from the workstations and improve the ergonomics of the manufacturing process. In order to offer a comprehensive service, SEAT has ten health centres in Martorell, El Prat and Barcelona's Zona Franca district and carries out 12,000 appointments each year, as well as having an accident and emergency team on hand all year round.

THE HEALTHY COMPANY SCIENTIFIC COMMITTEE

The company's firm commitment to the health and welfare of its employees, as well

as that of society as a whole, has also led it to establish its own SEAT Healthy Company Scientific Committee. This is a committee of experts which performs research on aspects related to health, welfare and the company. The goal of the committee is to study best practices related to health, welfare and work, as well as suggesting specific measures to promote the health of the staff, taking into account various aspects such as healthy nutrition and mental health.

The committee includes Dr. Bonaventura Clotet, director of the Infectious Diseases department at the University Hospital Germans Trias i Pujol in Badalona (Barcelona), as a member of honour. As a SEAT ambassador, Dr. Clotet collaborates with the company's medical team in performing research into issues such as cellular ageing and the relationship between the gut microbiome and health, among many others.

As Xavier Ros, vice-president of Human Resources at SEAT, explained at the CARS opening ceremony in April 2017, "at SEAT we aim to ensure the health and safety of our staff. With the additional services offered by the CARS, we are offering the entire workforce preventive and welfare services which will have a positive impact on their quality of life." The construction of the 1,300 m² facilities of the CARS has represented an investment of 3.3 million euros. 800

FACE TO FACE

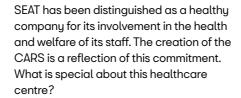
Taking care of what matters

Dr. Such and Dr. Clotet speak to us about SEAT's commitment to health, welfare and risk prevention, a commitment that is accentuated with the opening of the Healthcare and Rehabilitation Centre (CARS) and the creation of the Healthy Company Scientific Committee.



Dr. Patricia Such.

Head of the Occupational Health and Safety department at SEAT. She studied medicine at the Hospital Clínic (University of Barcelona) and is a specialist in Occupational Medicine. She holds a Master's in Occupational Risk Prevention and is the coordinator of SEAT's Healthy Company Scientific Committee.



Dr. Such: The CARS is the tenth centre at SEAT Martorell dedicated to health. In other words, this is nothing new. It is, however, another step forward and a very important one at that. With the CARS, we offer additional solutions to expand specialist medical services to the employees. In addition to treating trauma and rehabilitation, also of note are the medical check-ups and aunaecologu services for women, with a particular focus on breast and cervical cancers. We also have the most important biomechanics laboratory in the Volkswagen Group, which is focused on risk prevention at the workstations of the new vehicles' production lines through biomechanical and ergonomic analysis, as well as two mental health specialists. It is important to bear in mind that today, key stress triggers (stressors) can have a significant impact. Psychosocial risks are sharply on the rise,



Dr. Clotet: I was not aware of SEAT's concern for the health of its staff. When I discovered it, especially with regard to risk prevention, I was very surprised. I was also surprised by the CARS, which is a very powerful tool. As a researcher, I have no doubt that this effort will pay off for the company. I am fortunate to have the opportunity to share this sensitivity.

What are the major difficulties when organising medical care for 14,500 people?

Dr. Such: It is obviously very complicated, and it has to be compatible with the manufacturing operations. But we are lucky to have a great medical team, as well as the support of the management team and







Dr. Bonaventura Clotet.
He holds a PhD in Medicine from the UAB, with a thesis on autoimmune diseases. In 1995 he created the IrsiCaixa AIDS Research Institute, he is president of the Fight AIDS Foundation and is head of the Infectious Diseases Service at the Hospital Germans Trias i Pujol. Since 2006 he has co-directed the HIVACAT project, working to develop an AIDS vaccine.

88888

of the staff representatives. In this sense, we have all the resources necessary.

Dr. Clotet: It has been easy to get involved in a company with such a high degree of sensitivity and commitment. What's more, having a platform consisting of thousands of people involved in a research project is very positive. Having such an extensive database is highly significant and provides a lot of value in terms of variables.

Dr. Clotet, you are a specialist in viruses and infections. How does this align with SFAT's initiatives?

Dr. Clotet: Although it may seem far removed from occupational medicine, that is not the case. When a person is infected. with the HIV virus, this can lead to them suffering from AIDS because the virus destroys the immune system that lies in the wall of the intestine. In other words, the "bad" microbes win. This leads to a process we call accelerated ageing syndrome. This syndrome has allowed us to perform research which, starting from a perspective purelu related to infectious diseases, leads us to another field, that of the microbiome and everything that has to do with accelerated ageing. This, in turn, affects the risk of heart disease, osteoporosis and neurocognitive effects. We will be able to apply this knowledge to the staff in order to design interventions that can help them to lead a longer and healthier life.

Dr. Such: One of the major challenges of occupational medicine, both today and in the future, is managing the health of employees who are going through an ageing process. For us, it is very beneficial to be able to take advantage of this knowledge and adapt it to all our protocols for risk prevention and health monitoring.

Dr. Clotet: Accelerated ageing syndrome is not unique to patients with AIDS. It also occurs in elderly people. This is why it is important to share experiences and

knowledge with the SEAT community. As far as I know, there is nothing like it.

Dr. Such, what does it mean for a medical professional to work in an environment like SEAT's?

Dr. Such: It is a great responsibility and a great source of pride. I see the importance of what we do here and the appreciation that people have for us when the time comes for someone to retire. They don't like the fact that it's their last visit! Many don't even know their general practitioner. Now, in addition, we have taken this step forward. For us it is an honour to work with Dr. Clotet. We will have access to better research, scientific publications, knowledge generation... It is a great source of pride.

SEAT's Healthy Company Scientific Committee has recently been established. What does it mean to be a part of it?

Dr. Clotet: It is a great honour. The members, such as doctors Stephen Kales, Ramon Estruch, Roger Paredes and Marc Noguera, are of the highest calibre and we are all here to work. What I can say is that there will be some very important initiatives with a far-reaching impact.

Dr. Such: For us here in the SEAT medical team, it is very exciting. In the committee we have a very strong team.

Dr. Clotet: In addition, I would like to highlight the great commitment of everyone on the committee, as well as that of the employees through their workers' committees.

Dr. Clotet, you are a member of honour of the committee and a SEAT ambassador. What has led you to take on these roles?

Dr. Clotet: What convinced me was finding out how they care for their staff. And I didn't even have a SEAT! Now I am a convert, the typical guy who wants to convince the whole world. But the truth is that if I couldn't relate to it as something authentic, I wouldn't be here.



Opened in April 2017, the Health-care and Rehabilitation Centre (CARS) is a comprehensive healthcare centre that brings together the best facilities in preventive medicine, healthcare and rehabilitation with a team of 25 professionals specialising in areas such as traumatology, cardiology and gynaecology. All of this allows SEAT to provide the best levels of health and welfare to its workforce.

ith the opening of the Healthcare and Rehabilitation Centre (CARS), SEAT has taken another step in its commitment to the health and safety of its employees. This is a comprehensive and versatile healthcare centre that provides preventive healthcare services such as gynaecology, cardiology, traumatology, and fitness and return-to-work activities. The CARS is a modern building at the heart of the Martorell factory, covering an area of over 1,300 m² and located just in front of the workshops and next to the Central Medical Service, which it is connected to by the ambulance hangar. Among the services it offers, it has a biomechanical laboratory, the only such in-company laboratory within the Volkswagen Group and the most technologically advanced in Spain. With 20 cameras, it is able to complement the diagnosis of injuries and muscle-skeletal conditions and to analyse aspects of employees' strength and mobility, with a view to designing more ergonomic work stations. It also has a traumatology team, which has an x-ray service, allowing for instant diagnosis and for direct coordination with the physiotherapy and rehabilitation team and with the fitness trainer, where necessaru. This coordination makes it possible to identify the actions required to ensure a rapid recovery and return to work as soon as possible. This fitness room is also available to all staff who want to improve their physical fitness. Also noteworthy are the Gynaecology services, aimed at the more than 3,000 women who work in the company, as well as the Cardiology and Mental Health services.

Thanks to these advanced healthcare services, SEAT is able to provide its employees with a comprehensive service that enables a fast and accurate diagnosis to be made, thus making it possible to begin the appropriate treatment as soon as possible. Furthermore, for SEAT's staff, having qualified and trustworthy medical care at their disposal means less travelling and the ability to conduct diagnostic tests earlier than would otherwise be possible. \otimes

SERVICES OFFERED BY THE CARS

- Cardiology
- Diagnostic imaging
- Gynaecology
- Traumatology
- Physiotherapy and rehabilitation
- Biomechanical laboratory
- Fitness
- Mental health



Future is hearing every beat of every song. Starting now.

TODAY

BeatsAudio™ and SEAT.

One of these days, today for instance, you could listen to your favourite band and hear exactly what they intended. Thanks to BeatsAudio™, every journey in your SEAT will have its own soundtrack. With a state-of-the-art sound quality.



THE TEAM, A REFLECTION OF THE SEAT VALUES

In 2018, SEAT once again received the Top Employer certificate for the fourth year in a row, and this is no coincidence. In addition to its Apprentice School and its commitment to the health and well-being of its employees, the company also has a great capacity to attract, retain and stimulate the best talent.

EAT is one of the best companies to work for, as certified by the new Top Employer certificate, and is clearly committed to gender equality. In addition to having its own equality plan since 2012, the company participates in various programmes, such as Más mujeres, mejores empresas (More women, better companies). Furthermore, the role that women play at the Apprentice School is increasing year after year.

This makes the presence of women in SEAT's workforce another of its hallmarks: 21% of that workforce is made up of women, double the

average for the automotive sector in Spain.

SEAT's recognition as one of the best companies to work for in Spain consolidates the company's commitment to the personal and professional development of its staff, who have highly varied profiles, and its commitment to offering them an excellent working environment. While on the one hand we find employees who are just starting out in their careers, at the Apprentice School, on the other hand we are encouraging foreign professionals to pursue their professional careers here in Spain, facilitating a cultural exchange which is of great importance in today's globalised world.

Furthermore, there is a clear interest in the company to constantly renew and update the workforce by hiring young professionals. The so-called millennials, the generation of those who were born around the 1980s and '90s and also known as the first generation of digital natives, are essential for maintaining a brand with marks of youth.

All in all, the varied profile of SEAT's employees makes up a unifying mosaic in which the senior staff give way to young people in a natural and inclusive manner. It is the employees who allow us to develop SEAT's more human and personal side. \otimes



At SEAT, having a work-life balance is a reality"

JUDITH CARBÓ

PRODUCT MANAGEMENT

With 15 years of experience in the company, she is in charge of the so-called Serienbetreuung department in the Product Management division (Small and Compact vehicles). It is from here that the lifecycle of all SEAT's models is implemented in order to keep them attractive and up to date. To this end, special editions, new colours and product enhancements are developed, as well as opening up new markets and adapting the models to comply with new legislation.

88888



WOMEN IN THE INDUSTRY. Judith Carbó is a clear example of SEAT's desire to integrate women into the workforce and its concern for the work-life balance of its staff. "I have three children and from the very beginning, the company helped me to plan. I have never had any impediments and I have been able to choose my path according to my needs. I have taken on more responsibilities, achieved greater career progression and reached a level which reflects my skills," explains this advanced industrial engineer specialised in electromechanics, who also holds an international MBE.





KATHARINA Loosen

HUMAN RESOURCES

Born in Düsseldorf (Germany), she holds a degree in International **Business & Sociology and an** MBA with a specialisation in HR. Katharina is a traveller who, having travelled around half the world, has settled in Barcelona after joining the company as an intern almost six years ago. She currently forms part of the Strategy team in the HR division. Her main functions include managing and coordinating strategic projects for HR, researching and analysing new trends in HR and promoting innovation in the division.

88888



MILLENNIAL GENERATION. Katharina Loosen is a good example of the integration of the millennial generation in the company. "My experience at SEAT has been entirely positive. In my current team we are all aged between 29 and 31, and the number of young people of my generation joining SEAT has been on the rise. The working environment here is very good and, being a very big company, there are many development and learning opportunities for young people. What's more, the company is currently striving to improve working methods in order to adapt to young people's expectations. The progress in this sense is very positive."







or Xavier Ros, vice-president of Human Resources at SEAT, "The Apprentice School is a SEAT institution and a benchmark in the field of dual VT. Its capacity to adapt to the changing face of the industry has led to it being the only corporate school to have trained professionals for six decades". The training it provides not only combines lessons in the classrooms and workshops, but it also offers work experience in SEAT's operational centres. Students also have the opportunity to work on their own projects. An example of this is the electric car that a group of students from the 2016-17 year group designed and built, the prototype of which was designed to be used in road safety training courses for children and was on display during the school's 60th anniversary ceremony.

CREATING REAL PRODUCTS

In addition, the Apprentice School has a production cell. This is a space where students develop projects that do not exist in the market or that offer alternatives to existing products, and which can be directly applied in the company itself. In other words, it is a laboratory where apprentices can create products for different areas of the company, in an educational environment.

Currently, the students are working on automated guided vehicles (AGVs) to move production parts around the inside of the workshops, and they have developed some items designed to meet the specific needs of SEAT's production centres. Some of the most noteworthy items include a tool for supporting springs which ensures that these parts are available in the precise place where they are needed during production, without slowing down the assembly process or affecting the installation of the springs or compromising the safety of the operator. The students have also developed small

radio and communication simulators for the Technical Centre, allowing the engineers to work on vehicle prototypes without physically being in the car.

In these kinds of projects, students respond to a need from a technical point of view, while also taking other key aspects such as economic viability, timing and quality criteria into consideration. In this way, besides developing their technical abilities, they also acquire other skills that will prove useful to them in the future, such as responsibility and being customer-focused and results-orientated.

A VERY SPECIAL ANNIVERSARY

On 30 September 2017, SEAT celebrated the 60th anniversary of the founding of the Apprentice School. It was a day full of emotion, in which the first generations of students had the opportunity to see for themselves how the school has evolved, to meet old companions and to greet former teachers, as well as being able to meet the students of today. "Returning to the school is like going back to my origins. I started aged 13," reminisced Antonio Molina, who today is in charae of the production line for the SEAT Leon.

At the other end of the spectrum, Alberto Martínez belongs to the most recent peer group and is now starting his work experience at the Prototype Development Centre. "I would love to go into a Development or Design department." he explained. Antonio Hernández, director of the school between 1993 and 2006, emphasised that "the greatest satisfaction is having played a part in so many people's development, seeing how they have developed professionally and the fact that some of them have come to hold positions of great responsibility. In fact, I had a student who later became my boss." For one thing, 11% of the pupils of the school who completed their training have gone on to reach executive positions at SEAT. 88



DR. LAURA CARNICERO HEAD OF TRAINING AT SEAT AND DIRECTOR OF THE APPRENTICE SCHOOL

"Continuing to learn is key to our future"

As part of her responsibilities, she leads SEAT's commitment to continuous training and learning, with the goal of responding to the challenges of an automotive sector in constant evolution.

fter almost two decades of experience at SEAT, in 2016
Dr. Laura Carnicero took charge of the Training division "with the goal of assisting everyone in the company to acquire the skills necessary to perform their duties in the best possible way".

What contribution is training going to make within the framework of SEAT's corporate strategy between now and 2025?

We want to streamline the training experience in the company, not only with greater transparency and simplicity from the identification of needs to the acquisition of knowledge, but also in order to integrate the learning process into people's jobs as much as possible. In the future, we will need to have the appropriate knowledge at our disposal when a development need grises

One factor that is key to SEAT's future is digitalisation. How do you ensure that all employees receive training in that area?

This is a very important challenge and digital skills will be essential for jobs in the

very near future. Since the beginning of 2017 we have been pursuing the Industry 4.0 programme. This is aimed at SEAT's workforce and has enabled them to get a greater understanding of what Industry 4.0 means and to overcome any fear they may have about this concept, while also sparking their desire for continuous learning, which is so important in these times. We are currently preparing a new programme to access key concepts and knowledge related to digitalisation and its implications in our sector.

What skills should the SEAT employee of the future train in?

The car sector will experience important changes such as electro-mobility and changes associated with the Internet of things and Industry 4.0. We have a training programme to turn SEAT Martorell into a flagship smart factory. Participants in this programme will get to interact with some of the tools and technologies that will become commonplace in the manufacturing processes within a few years, as well as with those that are already being implemented such as virtual reality, collaborative robots, smart glasses, 3D printing and

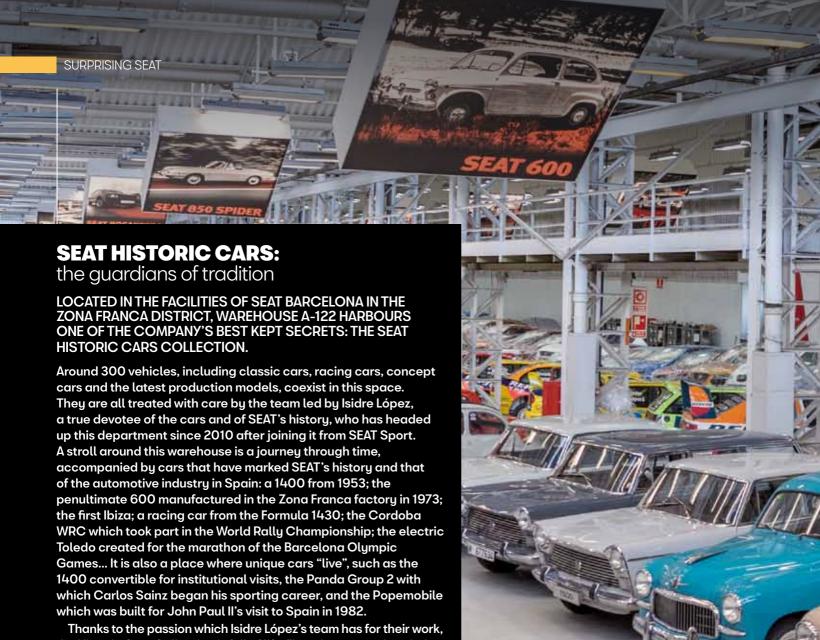
augmented reality. We want to explain the industrial transformation in an easy, interactive and digital manner.

This year, the Apprentice School has 74 new students. What does the dual Vocational Training (VT) based on the German system offer to them and to SEAT?

It's a win-win for everybody, both for the students and for SEAT. Students need to train and prepare for the real needs of the market, to acquire experience in them from day one and first-hand. Companies need talented young people who are able to adapt to the new professional challenges that arise with the introduction of new technologies or Industry 4.0. It is our responsibility to be part of their development and to accompany them in their training.

SEAT has received the Top Employer certificate for the fourth year in a row. What does this recognition mean to you?

The driver of our company is the people in it, which is why we strive to ensure their well-being, and training is a key element for ensuring this well-being. Proof of SEAT's commitment to training is the 17 million euros that we invested in educational and training activities in 2017. It is a great source of pride to receive this recognition yet again, and our strategy will continue to be firmly focused on promoting training that is tailored to our employees' needs and being frontrunners in this field.



Thanks to the passion which Isidre López's team has for their work, the Historic Cars Collection is full of life. First, they scour the whole of Spain looking for the models that are missing from the collection. Then comes the time to restore the cars, which in some cases arrive in parts or in a state for use as scrap metal. This is a task which requires skill and patience, but produces results and makes it possible, as Isidre López puts it, for "90% of the cars that we have here to work perfectly after passing through our hands." Some models take part in the increasingly popular historic car rallies and appear at the most important conventions in Europe, such as the Techno Classica in Essen. The collection is yet another demonstration that knowing about and being proud of the past is the best way to prepare for the future. \otimes



SEAT maintains a very special relationship with Barcelona, the city where it was born almost 70 years ago. Their Mediterranean nature allows them both to be faithful to their passion for technology and fun. The company actively contributes to the city's platform for talent.

MARTORELL HAS A SURFACE AREA OF

2,8 M m²

which is equivalent to...

400 TIMES THE SURFACE AREA

OF THE CAMP NOU

TO CREATE A **NEW COLOUR**

litres

are used each year

which is equivalent to ... THE QUANTITY NEEDED TO PAINT THE FACADE OF BARCELONA'S **AGBAR TOWER**

6,700 TIMES

THE ENGINEERS DRIVE

PER YEAR TO TEST **A PROTOTYPE**

which is equivalent to ...

109,090 TIMES

THE LENGTH OF BARCELONA'S AVENIDA **DIAGONAL**

2nd SMART CITY **IN THE WORLD AFTER SINGAPORE**



COMMITMENT TO BARCELONA

SEAT and Barcelona have a long history in common, which is now reinforced through various initiatives, projects and the brand's presence in actions that put the focus on innovation, creativity and smart mobility.





very special relationship; that is what SEAT and Barcelona have always had. The brand opened its first factory in the Catalan capital, and the first SFAT car came out of the factory in the city's Zona Franca district 65 years ago. Throughout these decades, this relationship has gone from strength to strength. Today, Barcelona is a global benchmark in innovation, technology and design, and SEAT wants to be linked even more with its city in a renewed identification. For a long time now, the company has been using the "Created in Barcelona" concept to project the brand, its products and its services on an international scale, inspired by the values conveyed by the city.

The company's renewed commitment to Barcelona has its greatest exponent in the field of innovation. This is a necessary commitment to tackle the significant mobility and sustainability challenges which cities are facing. This commitment was sealed in 2016 with the signing of an agreement between SEAT and Barcelona City Council to jointly address the promotion of innovation, sustainable mobility, the implementation of entrepreneurial projects and industrial competitiveness. The agreement provides for the implementation of shared experiences that allow synergies to be created between the R&D departments of the company,

the city hall, and the city's start-ups and academic and business communities.

With this agreement, SEAT contributes its knowledge in smart urban mobility to implement projects that improve citizens' quality of life and convert Barcelona into one of Europe's smart cities.

SMART PROJECTS

The first project under this agreement was the opening of the Metropolis:Lab Barcelona last year, which is the sixth laboratory of the Volkswagen Group and is 100% owned by SEAT. This laboratory seeks solutions to make the relationship between citizens, the smart city and mobility services easier, safer and more efficient

Another of the noteworthy initiatives that reinforce this link is the opening of CARNET, the only research centre that is studying urban mobility in Barcelona, in collaboration with the Polytechnic University of Catalonia (Universitat Politècnica de Catalunya, UPC) and Volkswagen Group Research. One of the projects to have emerged from this hub is Virtual Mobility Lab, a simulation tool that analyses and evaluates the impact of mobility projects in Barcelona and makes it possible to extrapolate results before implementing any pilot scheme. In one of its first tests, it was found that with the use of

AVENIDA FUTURO

Barcelona aims to become one of the world's capitals of innovation. To achieve this, it is necessary to connect citizens with economic players. This is the approach of Avenida Futuro, a think tank which has arisen through a SEAT initiative and which a number of companies and institutions of the city have joined. The key to the project is involving the citizens as participants and having ideas that arise from the grass roots, allowing innovative initiatives and people to have both the incentives and the tools to pursue their ideas. One of the projects promoted by Avenida Futuro affects the field of urban mobility.



500 on-demand shuttles, the number of private vehicles on the streets of Barcelona could be reduced by up to 2,000, which would result in improvements to the city's traffic and levels of pollution.

A demonstration of SEAT's commitment is its incorporation as a member of the Mobility Council for the Barcelona Metropolitan Area. SEAT is also one of the founding partners of the LIVE platform, which is backed by the city council and seeks to implement the use of electric and Compressed Natural Gas [CNG] vehicles.

As part of its commitment to promoting and forming part of the innovation ecosystem of Barcelona, the brand participates in the leading international events that the city holds, where it projects its commitment to connectivity and smart mobility. These events include the Mobile World Congress, Automobile Barcelona and the Smart City Expo World Congress. In fact, at the latest edition of the MWC, SEAT revealed its intention to participate in one of the most im-

portant projects that Barcelona is currently facing: converting the city into a 5G technology hub. The aim of this project is to work together with the initiative's promoters - the Catalan Government [Generalitat de Catalunya], Barcelona City Council and Mobile World Capital, among others - to develop 5G technology in a prototype of a connected car.

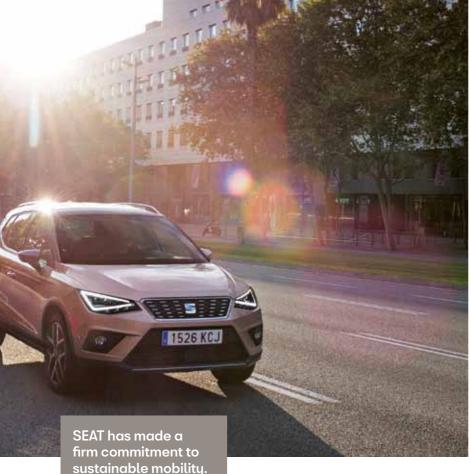
In addition, SEAT continues to strengthen its ties with the city through its participation in various events and initiatives related to mobility and innovation. SEAT is committed to consolidating Barcelona's position as the global capital of new technologies and of the mobile. An example of this is the Mobile World Congress, the world's leading technology event which is held every year in the city. It is at this event that the innovations which seek to set the trends in the car industry and in the definition of the mobility of the future are presented. In connection with this event, SEAT also seeks to establish synergies with companies that can bolster its posi-

tion as a leader in the digitalisation of vehicles.

Another of the major annual events related to smart mobility and connectivity held in Barcelona is the Smart City World Congress, a meeting at which SEAT plays a leading role. At the latest edition of this event, it presented its innovations in smart mobility, which are aligned with the mobility plans being promoted by the city.

A STIMULATING CITY

Barcelona is an optimal setting for researching new mobility solutions thanks to its size, its industry and the presence of start-ups that drive innovation. The initiatives presented by SEAT in this field are aligned with the four areas that the city is promoting in its mobility plan: safety, efficiency, sustainability and equality. In the field of safe mobility, of particular note is the Leon Cristóbal concept car, considered to be the safest car in the brand's history. The About it app, meanwhile, seeks to become the new companion for mobility in the city. Among other



sustainable mobility.
Among its joint
initiatives with the
city of Barcelona is
that of contributing
its knowledge to help
improve traffic in the
city and to reduce
levels of pollution.

functions, this application shows users the locations of construction works that could affect traffic, electric vehicle charging stations, docking stations for the Bicing network of public bicycles and black spots with a higher concentration of accidents. SEAT is also pursuing various "carsharing" projects, which facilitate mobility and sustainability.

As part of the Smart City Expo, and always with serving citizens and their mobility in mind, SEAT has presented solutions such as the Ateca Smart City Car and the Parkfinder app, a pioneering project that helps drivers to search for parking.

All of these initiatives emerge out of the company's in-depth knowledge of users' demands in relation to urban travel, with the goal of developing highly-efficient mobility solutions. Furthermore, they introduce the concept of an easier mobility, which the company promotes and which resonates with the aspirations of the city of Barcelona. \otimes

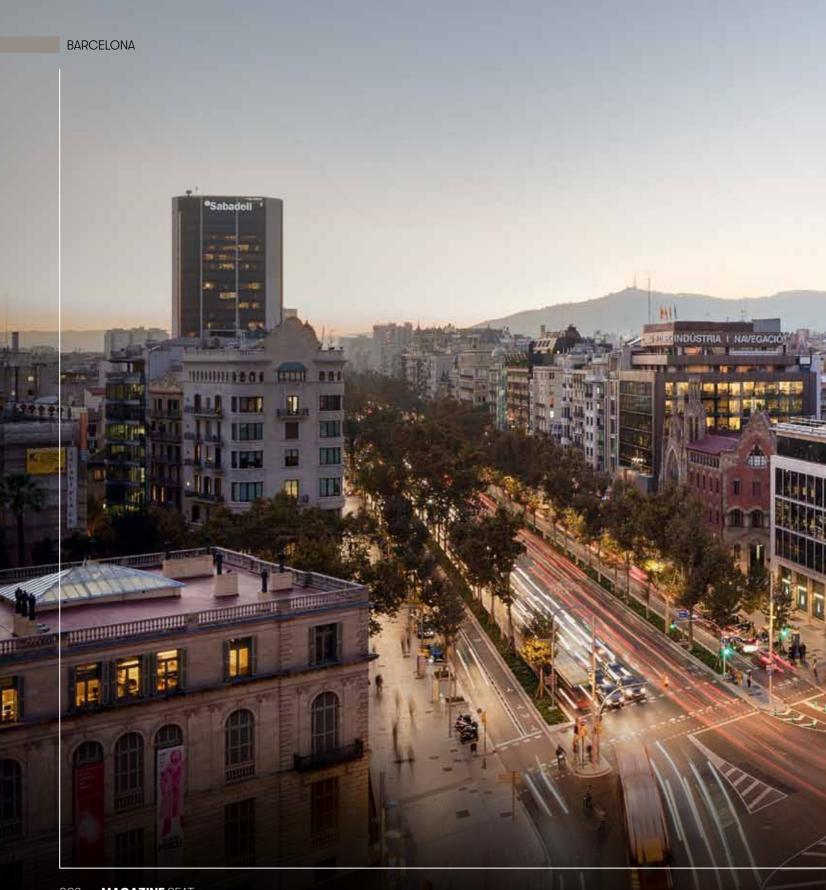
ROSTRUM

«The start-upcorporate connection, key for Barcelona»



Miquel Martí CEO of Barcelona Tech City

n July 2016, during the inauguration of Barcelona Tech City's Pier 01 building, we had the opportunity to meet Luca de Meo, President of SEAT, who conveyed to us SEAT's desire to form an active part of the building we had just opened. Some seven months later, the Metropolis:Lab Barcelona began operating in the Pier 01 building, and at the end of 2017 the official opening was held. There, more than a dozen researchers are actively engaged in searching for disruptive and innovative solutions to the challenges posed by the mobility of the future. Right now, Pier 01 - with over 1,000 professionals working in more than 100 organisations - has become a flagship space in the technology sector in Barcelona. It is a space where the innovation labs of corporations are based, equipped with the talent, ideas and flexibility that are typical of start-ups. 2017 has been a year of consolidation for Barcelona's ecosystem as one of the most significant in the international arena. The city is currently situated among the top five technology hubs, and in the past 15 months it has been able to mobilise investments amounting to over 1,200 million euros. And this is only the beginning. Following SEAT's example, large companies are coming to Barcelona Tech City and to Pier 01 in search of that talent with whom to embark on their digital transformation journey. The road ahead is long and exciting, but Barcelona's technology ecosystem will only achieve its maximum potential if we are able to combine the strength of corporations with the disruptive capacity of start-ups. As someone once said: "It all started with you".





PROMOTING EXCELLENCE AND TALENT

SEAT maintains collaboration agreements with various universities and academic institutions that are major players in Barcelona in order to promote innovation and knowledge.

t a time when the automotive sector is in the midst of a period of profound changes, it is more necessary than ever to strengthen the links that help to attract and promote talent and generate knowledge.

With the aim of strengthening its commitment to education, training and excellence, SEAT has established collaboration agreements with various universities and business schools. These projects position it as one of the companies most committed to innovation and the development of new professionals.

One of these initiatives is the agreement reached with the ESADE business school to actively participate in its various education programmes. This agreement has also led to the SEAT scholarship being offered, allowing two students between the ages of 18 and 22 to have the opportunity to study a BBA (Bachelor in Business Administration) at ESADE free of charge. SEAT also collaborates with ESADECREAPOLIS, through the Corporate Innovation Excellence Club, to promote the creation of joint projects

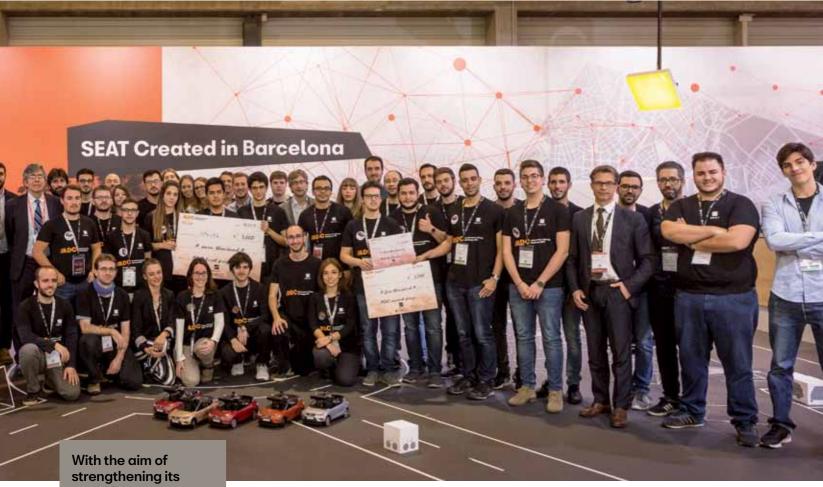
that help to enhance the mobility of the future. In addition, IESE and SEAT have signed an agreement to form the SEAT Chair of Innovation. This initiative is the result of the both organisations' commitment to researching innovation applied to different business models and to share their findings among executives and entrepreneurs. The goal of this collaboration is to generate knowledge that is useful and of value, has an academic perspective and, at the same time, is closely related to the company's field. The agreement also provides for senior SEAT executives to actively participate in programmes and events with students (presentations, masterclasses, keynote speeches, etc.).

ENGINEERS OF TOMORROW, WITH SEAT

SEAT has also signed two collaboration agreements with the Polytechnic University of Catalonia (Universitat Politècnica de Catalunya, UPC) and the University of Vic-Central University of Catalonia (UVic-UCC) to collaborate in the Automotive Engineering degrees offered by both centres. With these university collaborations, the

company is taking another step forward in its commitment to the education and training of young people. Thanks to both agreements, five students from each of the universities will have the possibility to complete internships at SEAT during their last academic year. In doing so, they will gain their first work experience in the automotive sector. The agreements also provide for professionals from SEAT to visit the university classrooms to give masterclasses. In addition, during the academic year, student visits to the company's facilities are organised in order to enable the students to gain first-hand knowledge of the different facets of the car development and manufacturing processes. \otimes





strengthening its
commitment to
education, training
and excellence,
SEAT has established
collaboration
agreements with
universities and
business schools.
This positions SEAT as
one of the companies
most committed to
the development of
new professionals.

THE REALITY OF THE COMPANY

The agreements reached by SEAT with IESE and ESADE have a very high practical component, as they connect the reality of the company with the academic world. Several executives from the company participate in the sessions of IESE's MBA programme to present examples of "best practices" or cases of research conducted on innovation experiences at SEAT. The company also participates in programmes such as the so-called Case Competitions of this business school's Automotive Club. In these forums, the company transmits its experiences to future generations of executives.

In the case of ESADE, executives from the company participate in giving masterclasses, and the "SEAT challenge" has been launched, in which a group of MBA students solves challenges related to the car company's core business. Another of the educational activities in which the company will be involved is the SEAT Case Study, the conclusions of which will be published worldwide and will be available for other business schools to access. In addition, the company has a presence in the ESADE Talent Career Forum, and students have the opportunity to learn about and visit the modern facilities in Martorell.

In this magazine we have presented a 360-degree view of what SEAT is like: you have had the opportunity to learn about its brand strategy, its facilities, its team, its commitment to the future, everything that makes it unique as a brand and, of course, its cars. Now we set you a challenge: will you be able to correctly answer the SEAT Magazine?

WHAT DO YOU KNOW ABOUT SEAT?

- Thanks to the great offensive of product releases, SEAT's market coverage has risen to...
 - 8 Up to 80% €
 - & Almost 75%
 - ⊗ Over 50%
- The most important market for SEAT worldwide in 2017 was...
 - **8** Spain
 - **&** Algeria
 - **8** Germany
- The first racing car of the CUPRA brand is the...
 - **8** CUPRA TCR
 - **&** CUPRA Ateca
 - **8** CUPRA Leon
- One of SEAT's major goals for the next few years consists of...
 - **8** Entering the SUV segment
 - **8** Strengthening internationalisation
 - 8 Participating in Formula 1
- What is the name of the team that is leading the company's technological transformation?
 - **88** Easy Mobility Team
 - **8** XPLORA
 - **8** XMOBA

- Sales of SEAT Compressed
 Natural Gas (CNG) vehicles
 in Europe grew by...
 - **8** 237%
 - **8** 18%
 - **883%**
- How many years is the Martorell factory marking in 2018?
 - 825 years
 - 860 years
 - ⊗ 10 years
- Industry 4.0 is already a reality in the Martorell factory.
 - **8** True
 - **8** False
 - 8 It will arrive during 2018
- What is the name of SEAT's new medical centre?
 - **8** CCSES
 - **8** AENOR
 - **8** CARS
- In 2017, the 52,827 solar panels of SEAT al Sol, the brand's solar power plant, generated...
 - 8 17,170 MWh
 - 8 17,532 MWh
 - 8 15,000 MWh



Power to family trips.

SEAT Alhambra.

Safe and sound.

The SEAT Alhambra MPV has been designed to stand out from the rest in its class. The capacity and family-driven vibe you get at first glance are not its only assets. A sharp and precise exterior design gives it the character and attitude to defy any obstacle.

Average fuel consumption: 5.0 to 7.3 l/100 km. Average CO_2 mass emissions: 130 to 168 g/km.





SEAT, S.A. Corporate Communications

Autovía A2, km 585 08760 Martorell (Barcelona) Spain Tel. (+34) 937 08 50 00 www.seat.com

ZetaCorp Corporate Publications Grupo Zeta

Tel. (+34) 932 27 94 16

First edition, March 2018

This publication can be found at www.seat-mediacenter.com together with the latest news about SEAT.



seat.com/futuretoday

Future is making technology easy for everyone. Right now.

TODAY

Full Link by SEAT.

One day, today in fact, you could do two things at once. Like seamlessly sending a message to your loved ones while driving. Full Link lets you connect your smartphone to your SEAT, so you can listen to messages, dictate the answers and even use compatible apps on the digital screen with 100% safety.



SEAT

MOVING TO THE NEXT LEVEL

