



NON-FINANCIAL STATEMENT

(part of the Combined Management Report)

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GENERAL DISCLOSURES

GENERAL PRINCIPLES

This non-financial statement of the Porsche AG Group was prepared on a consolidated basis. The consolidated group for the non-financial statement corresponds to the consolidated group of the financial reporting and essentially includes all fully consolidated group companies. In this case, the term "Porsche AG Group" is used for the disclosures in the non-financial statement.

Where individual statements within the non-financial statement only apply to part of the consolidated group or individual group companies, this is indicated in the respective statements (e.g. "Porsche AG and selected group companies" or "Porsche Leipzig GmbH").

The combined non-financial statement for the Porsche AG Group and Porsche AG was prepared in accordance with the legal requirements for a non-financial statement pursuant to section 289b of the German Commercial Code (HGB). The German Act to Implement the CSR Directive (CSR-RUG) allows reporting companies to use additional European frameworks. Porsche AG is the most important group company for the Porsche AG Group. Material disclosures for the Porsche AG Group are therefore to a large extent identical for Porsche AG. Information about the material non-financial performance indicators of Porsche AG is part of the combined non-financial statement.

For the reporting year, the Porsche AG Group has voluntarily prepared the contents of this report on the basis of the European requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

The Porsche AG Group has also based the contents of the report on the current version of the Global Reporting Initiative (GRI) Sustainability Reporting Standards from 2021, the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and the automotive sector standard of the Sustainability Accounting Standards Board (SASB) and has created additional indices for this purpose. The non-financial statement also contains the disclosure requirements of the → **EU Taxonomy** (pursuant to Article 8 of Regulation (EU) 2020/852).

As with the financial reporting, the reporting period for all qualitative statements and quantitative metrics is January 1, 2024 to December 31, 2024. The Porsche AG Group applies the short-, medium- and long-term time horizons defined in ESRS 1 (General requirements) for its reporting. Any one-off deviations from this are presented transparently and explained in the relevant disclosures.

If individual metrics are subject to measurement uncertainties or are based on indirect sources or estimates, this is transparently disclosed in the respective information. This is also the case for data on the upstream and/or downstream value chain that has been estimated in individual cases using indirect sources such as sector average data or other approximate values. Due to the significant increase in the scope of the non-financial metrics, prior-year figures have not been provided in all cases.

For the non-financial statement, the assessment of impacts, risks and opportunities has considered both the Porsche AG Group's own business activities and the upstream and downstream value chain. The extent to which the individual policies, actions, targets and metrics also relate to the value chain or individual components of the value chain is explained in detail in the following chapters.

The option to omit certain narrative information on intellectual property, know-how, or innovation results has been used. No use has been made of the option to omit qualitative information on upcoming developments or matters still under negotiation. The list of disclosure requirements contained in ESRS 2 IRO-2 and the list of data points with reference to other EU legislation can be found in the → **Annex** of the non-financial statement. This also applies to the overview of the core elements of due diligence prepared in accordance with ESRS 2 GOV-4 and the topics omitted in this reporting year.

Information that refers to other parts of the Porsche AG Group's combined management report is indicated at the relevant points in the report.

List of disclosure requirements that (partially) refer to disclosures outside the non-financial statement:

| Disclosure requirement | Disclosed in |
|-------------------------------|---|
| SBM-1 | Fundamental information about the group |
| SBM-1 | Strategic direction of the Porsche AG Group |
| SBM-1 | Results of operations |
| SBM-1 | Macroeconomic and sector-specific environment |
| IRO-1 | Report on risks and opportunities |
| IRO-1 | General principles of risk and opportunity management |

STRATEGY, BUSINESS MODEL AND VALUE CHAIN

Business model of the Porsche AG Group

The Porsche AG Group is a leading manufacturer of luxury sports cars and develops, produces and sells vehicles, engines and other components and parts. Financial services are another business purpose, in particular finance and mobility services for customers and dealers.

Porsche AG is the parent company of the Porsche AG Group. The Porsche AG Group is part of the Volkswagen Group, one of the leading multi-brand groups in the automotive industry.

The business purpose and organizational structure of the Porsche AG Group are described in the → **Fundamental information about the group** section of the management report.

Products and markets

In the reporting year, 27% of new vehicles delivered to customers were electrified—whether they were all-electric models (BEVs) or plug-in hybrids (PHEVs). The Porsche AG Group's vehicle product portfolio aims to significantly increase this proportion. The ramp-up of electrification depends largely on customer demand, the development of electromobility in the different regions of the world and regulatory incentive schemes. For the transition phase, the Porsche AG Group is positioning itself as flexibly as possible with a mix of combustion-engined, plug-in hybrid and all-electric vehicles.

Synergies are created thanks to the use of platforms and modules within the Volkswagen Group, particularly in the development of and procurement for new BEV models. The Porsche AG Group is also investing in the production of synthetic fuels, referred to collectively as e-fuels, in order to reduce CO₂ in its vehicle fleet.

With its products, the Porsche AG Group is present in all relevant automotive markets around the world. More details about current developments in the relevant automotive markets can be found in the management report in → **Macroeconomic and sector-specific environment**.

Further information and a breakdown of total sales revenue can be found in → **Results of operations** in the management report.

Some products of the Porsche AG Group, such as Porsche vehicles, are subject to legal requirements with local restrictions or prohibitions in various markets. There are comprehensive trade restrictions, e.g. due to international sanctions for the Russian market (including Belarus), prohibiting the sale of the Porsche AG Group's vehicles and services there.

Employees

As of the reporting date, the Porsche AG Group had 42,615 employees, an increase of 1.1% compared to the prior-year reporting date.

Other metrics on the Porsche AG Group's employees can be found in → **S1 Own workforce**.

Value chain

To safeguard its business activities, the Porsche AG Group has an extensive and complex value chain that includes more than 2,500 direct suppliers of production materials and more than 5,300 direct suppliers of non-production materials.

The upstream value chain includes the extraction of raw materials and the production of vehicle components and parts. The Porsche AG Group maintains close relationships with a variety of direct suppliers who play a key role in providing raw materials and intermediates. The Porsche AG Group works closely with the Volkswagen Group and direct suppliers of raw materials such as steel and aluminum.

The Porsche AG Group also purchases parts and components for its vehicles. However, for essential components such as engines, gearboxes and chassis, Porsche AG and selected group companies operate their own production facilities. By controlling these key production steps, the Porsche AG Group aims to meet high quality standards while being able to directly implement innovative technologies and processes.

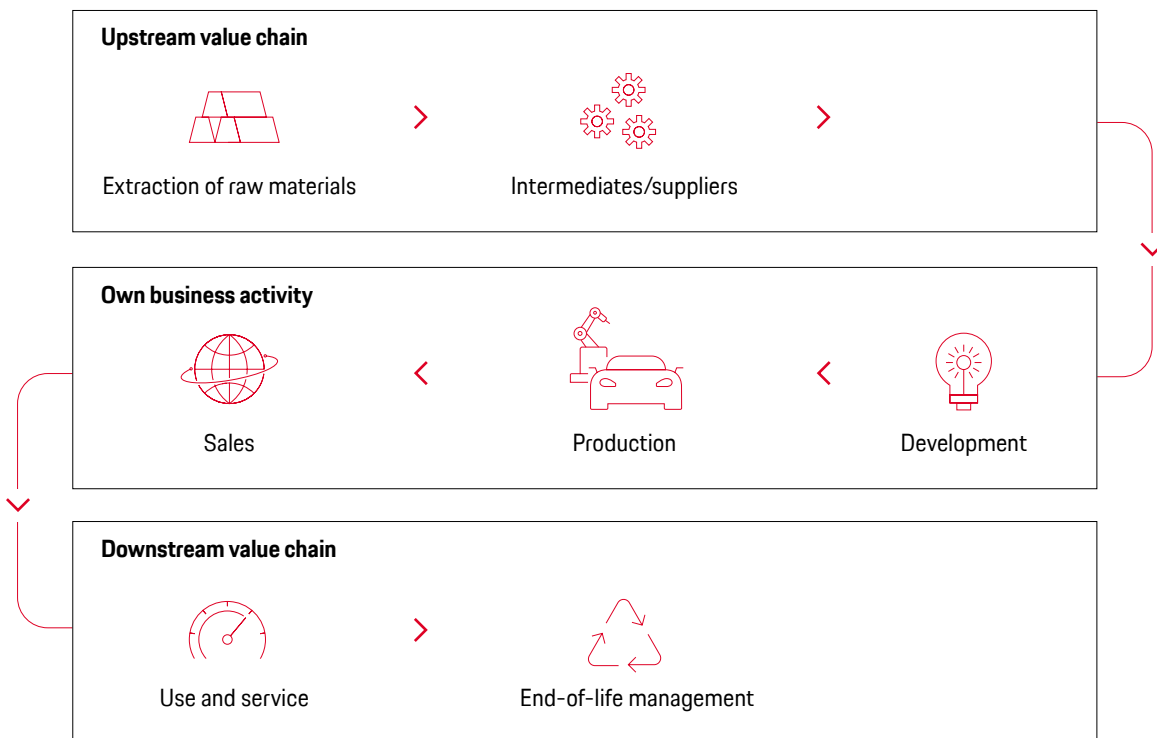
The core business activity of the Porsche AG Group is the central activities of vehicle development, production and distribution as well as the provision of services.

The most important stakeholder in this context is the customer. Other key stakeholders here are the employees and the works council of the Porsche AG Group, society and investors. In terms of sales, servicing and maintenance of the vehicles, there is also close cooperation with the dealer network and service partners.

When developing vehicles, the Porsche AG Group invests in advanced technologies and innovative design to produce state-of-the-art vehicles while taking sustainability matters into account.

The company's own vehicle production takes place in the plants of Porsche AG and Porsche Leipzig GmbH, which are geared toward efficiency and quality. Efficient logistics processes are designed to enable seamless integration of all steps, from production to delivery of the vehicles, while at the same time helping reduce emissions and costs. Vehicles are distributed via a global network of dealers who deliver the vehicles to customers as promptly and reliably as possible.

Vehicle value chain of the Porsche AG Group



The downstream value chain includes the vehicle use phase, maintenance and repair as well as end-of-life management. The key stakeholders here are Porsche customers and sales and service partners.

The use phase of the vehicles and the associated services are the focal point of the downstream value chain. The dealers and service partners of the Porsche AG Group offer comprehensive servicing and repair services. Trade with genuine parts and mobility services aim to ensure that customers have access to high-quality spare parts and flexible mobility solutions at all times.

The Porsche AG Group is driving forward the expansion of the charging infrastructure for battery electric vehicles as an essential prerequisite for electromobility. In addition to charging stations at dealership locations, the Porsche AG Group had four fast-charging stations along main traffic routes in the reporting year. Another four are already under construction in Germany and Switzerland. In addition to this, the Porsche AG Group is involved in the further expansion of the public fast-charging infrastructure. See also → **E1 Climate change**.

End-of-life management is an integral part of a more sustainable value chain with a focus on product and battery recycling. The Porsche AG Group is therefore actively developing and implementing processes to recycle batteries in the most environmentally friendly way and recover valuable raw materials. These actions aim to contribute to waste reduction and resource conservation, significantly reducing the environmental footprint.

The Porsche AG Group already takes the recyclability and separability of materials into account when developing new vehicles. Where technically and economically feasible, the reduction of the proportion of virgin resources and the use of more environmentally sustainable materials is considered. The focus here is on newly developed battery electric vehicle projects. Further information can be found in → **E5 Resource use and circular economy**.

Governance, compliance and integrity are cross-value chain topics of central importance for the Porsche AG Group and the long-term success of the company. The Porsche AG Group has introduced a comprehensive compliance management system and an integrity management that includes policies and training sessions to prevent systemic breaches of the law, internal regulations and ethical standards by employees at all hierarchical levels. More details are provided in → **G1 Business conduct**.

By continuously investing in vehicle research and development, the Porsche AG Group is driving technological advancements with the goal of developing innovative solutions for the requirements of the future. This innovative strength extends across all areas of the value chain—in the development of new materials and production processes, through advanced manufacturing technologies and software integration in the core business, to downstream innovative mobility solutions and recycling technologies. The continuous pursuit of innovation is intended to boost competitiveness, contribute to increasing efficiency, sustainability and customer satisfaction.

Corporate strategy and sustainability strategy

In the reporting year, the Porsche AG Group sharpened its strategy and realigned it to the changed and challenging market environment. The revised Porsche Strategy 2030 Plus focuses more on the key success factors of the company to lead the Porsche AG Group into a successful future and leverage the opportunities of transformation.

“Sustainability” forms one of four cross-functional strategies, along with “Customers,” “Products,” and “Transformation,” which are addressed across all departments. The Strategy 2030 Plus is described in detail in the → **Strategic direction of the Porsche AG Group** section of the management report.

THE “SUSTAINABILITY” CROSS-FUNCTIONAL STRATEGY

Mobility, and therefore the automotive industry, plays a key role in the transformation of business toward sustainability and the related fight against climate change. The Porsche AG Group is committed to actively shaping the future of mobility while taking the environment and society into account. This includes the development of vehicles and other products and services in line with sustainability criteria and the company's self-image as a progressive, socially committed employer and reliable business partner. Beside the company's own vehicle production, the upstream and downstream value chain are considered as well.

The Porsche AG Group takes a strategic and structured approach to sustainability: The areas → **Environment (E)**, → **Social (S)** and → **Governance (G)**—ESG—describe the basic principles of sustainable and partnership-based business practices. By embedding these criteria in its strategy, the Porsche AG Group aims to actively take responsibility and make sustainable management an integral part of its business decisions and products.

Key challenges for the Porsche AG Group are summarized in six strategy fields within the “Sustainability” cross-functional strategy of the Strategy 2030 Plus. These fields are allocated to the ESG areas and assigned targets, metrics and actions.



Decarbonization



Circular economy



Diversity



Partner to society



Supply chain responsibility



Governance and transparency

Decarbonization

The Porsche AG Group wants to actively shape the future of mobility by developing innovative products and groundbreaking drive concepts with significantly lower CO₂ emissions. In the reporting year, 27% of new vehicles delivered to customers were electrified—whether they were all-electric models or plug-in hybrids. The Porsche AG Group’s vehicle product portfolio aims to significantly increase this proportion. The ramp-up of electrification depends largely on customer demand, the development of electromobility in the different regions of the world and regulatory incentive schemes. For the transition phase, the Porsche AG Group is positioning itself as flexibly as possible with a mix of combustion-engined, plug-in hybrid and all-electric vehicles.

In the “Decarbonization” strategy field, the Porsche AG Group aims to make an active contribution to limiting the rise in the global average temperature to a maximum of 2°C compared to pre-industrial levels and, pursue efforts to limit the increase to 1.5°C.

Realizing the Porsche AG Group’s ambition depends upon various factors, e.g. technological progress that has not yet been fully developed, and on regulatory or economic developments that are outside the Porsche AG Group’s direct control and may therefore not be realizable.

The Porsche AG Group closely monitors the individual global markets and, depending on their development, continuously reviews its product strategy and product range structure for vehicles, including the drive types offered. It intends to pursue the target of a 1.5-degree reduction pathway as long as possible.

This includes the emissions generated during vehicle production and those generated in the upstream supply chain and in the downstream use phase until disposal. To monitor and manage these efforts, the Porsche AG Group, in cooperation with the Volkswagen Group, uses the decarbonization index (DCI). The DCI aims to map the amount of greenhouse gas emissions along the value chain in metric tons of CO₂ equivalents per vehicle.

Detailed information about decarbonization can be found in → **E1 Climate change**.

Circular economy

The Porsche AG Group strives for a responsible and resource-conserving use of raw materials as well as a long-lasting use of the vehicles and the materials used in them. The “Circular economy” strategy field aims to implement and continuously improve circular concepts along the vehicle value chain. The Porsche AG Group endeavors to use more sustainable materials and, where technically and economically feasible, reduce the percentage of virgin resources and establish closed raw material cycles. This includes projects such as circular concepts for high-voltage batteries, the use of circular materials, waste avoidance and the remanufacturing of vehicle components. The focus here is on newly developed battery electric vehicle projects.

Detailed information about the circular economy can be found in → **E5 Resource use and circular economy**.

Diversity

The Porsche AG Group promotes a diverse, inclusive and non-discriminatory corporate culture. The "Diversity" strategy field within the sustainability strategy primarily focuses on diversity and equal opportunities. The aim is to promote diversity in the workforce and support a culture of openness and collaboration. One particular concern is increasing the proportion of women at all levels of the workforce. As a company traditionally dominated by engineers and technical specialists, the Porsche AG Group wants to fulfill its task of strengthening equal opportunities for all employees.

To achieve these goals, the Porsche AG Group further intensified cooperation in mixed teams in the reporting year to make the best use of the different views and skills. The aim is to improve the working atmosphere and help all employees realize their full potential.

Detailed information about diversity can be found in
→ **S1 Own workforce**.

Partner to society

The Porsche AG Group is committed to being a responsible member and partner of society. With this comes the responsibility to act positively and to create added value for people and the environment. As part of the "Partner to society" strategy field, the Porsche AG Group aims to assist regions around the world in preserving the environment, guaranteeing good working and living conditions and strengthening social cohesion. It supports corporate citizenship projects primarily intended to benefit young and disadvantaged people. A company fund established specifically for this purpose provides financial support for programs such as the "Join the Porsche Ride."

Detailed information about being a partner to society can be found in → **S3 Affected communities**.

Supply chain responsibility

The Porsche AG Group's responsibility does not end at the factory gates, which is why it has placed a strategic focus on the sustainability-oriented management of its direct supplier relationships. It is also looking to gradually increase transparency in the deeper value-added stages of the supply chain. This is still one of the greatest challenges and, at the same time, a prerequisite for managing sustainability risks, especially in raw material extraction. The Porsche AG Group also engages in partnership projects to improve living and working conditions in selected commodity-exporting countries.

Detailed information about supply chain responsibility can be found in → **G1 Business conduct** and → **S2 Workers in the value chain** and as a cross-cutting topic in the other chapters of the non-financial statement.

Governance and transparency

Transparent and responsible corporate governance creates trust and is an important basis for sustainability and the entrepreneurial activities of the Porsche AG Group. In the "Governance and transparency" strategy field, the Porsche AG Group is therefore working continuously to increase transparency and responsible corporate governance. The aim is to have data that can be used to measure and manage specific ESG performance. In the reporting year, Porsche AG enhanced its ESG management system and, among other things, carried out quantitative data collection via a central control and monitoring system for ESG data. Externally, the Porsche AG Group pursues a transparent approach and discloses as many valid ESG disclosures and metrics as possible. The Porsche AG Group also values consultations and open dialog with its stakeholders on an equal footing and considers the exchange of information to be an important tool and source of inspiration for the continuous improvement of sustainability management.

Additional information about governance and managing transparent communication with material stakeholders can be found in → **Stakeholder engagement**.

DOUBLE MATERIALITY ASSESSMENT

The materiality assessment entailed an evaluation of the significant impacts, risks and opportunities (IROs) for the Porsche AG Group in the ESRS topic areas and other entity-specific topics relevant to sustainability for the reporting year 2024.

Procedure, assumptions and input parameters

The assessment was carried out in accordance with the CSRD and the ESRS in a multi-stage process. Building on the materiality assessment and methodology from the reporting year 2023, the procedure was harmonized with the Volkswagen Group in the reporting year 2024 and further developed to match the new regulatory requirements.

The basis for this is the principle of double materiality, according to which a topic is considered material as soon as the business activities of the Porsche AG Group significantly impact the environment and people or sustainability-related risks and opportunities significantly influence the financial results of the Porsche AG Group. There may also be potential impacts, risks and opportunities that can justify the materiality of an issue too.

The materiality assessment considered the impacts, risks and opportunities in the context of the Porsche AG Group's own business activities as well as those within the upstream and downstream value chain.

The topics were classified using a standardized, quantified rating scale and qualitative consultations with the responsible departments, selected stakeholders and the Volkswagen Group. The Sustainability department was operationally responsible for identification and evaluation.

Where possible, existing analyses and classifications were used for the assessment, such as the → **Climate risk and scenario analysis**,

analyses from the decarbonization program, findings from the environmental management system, analyses of the water stress indices of the sites and the risk analysis of the German Supply Chain Due Diligence Act (LkSG).

The aim was to work with conservative assumptions in the case of uncertainties regarding impacts, particularly in the case of effects via business relationships and in the wider value chain.

An annual review of the results of the materiality assessment is planned for the future.

Process steps

The process within the Porsche AG Group is divided into six steps:

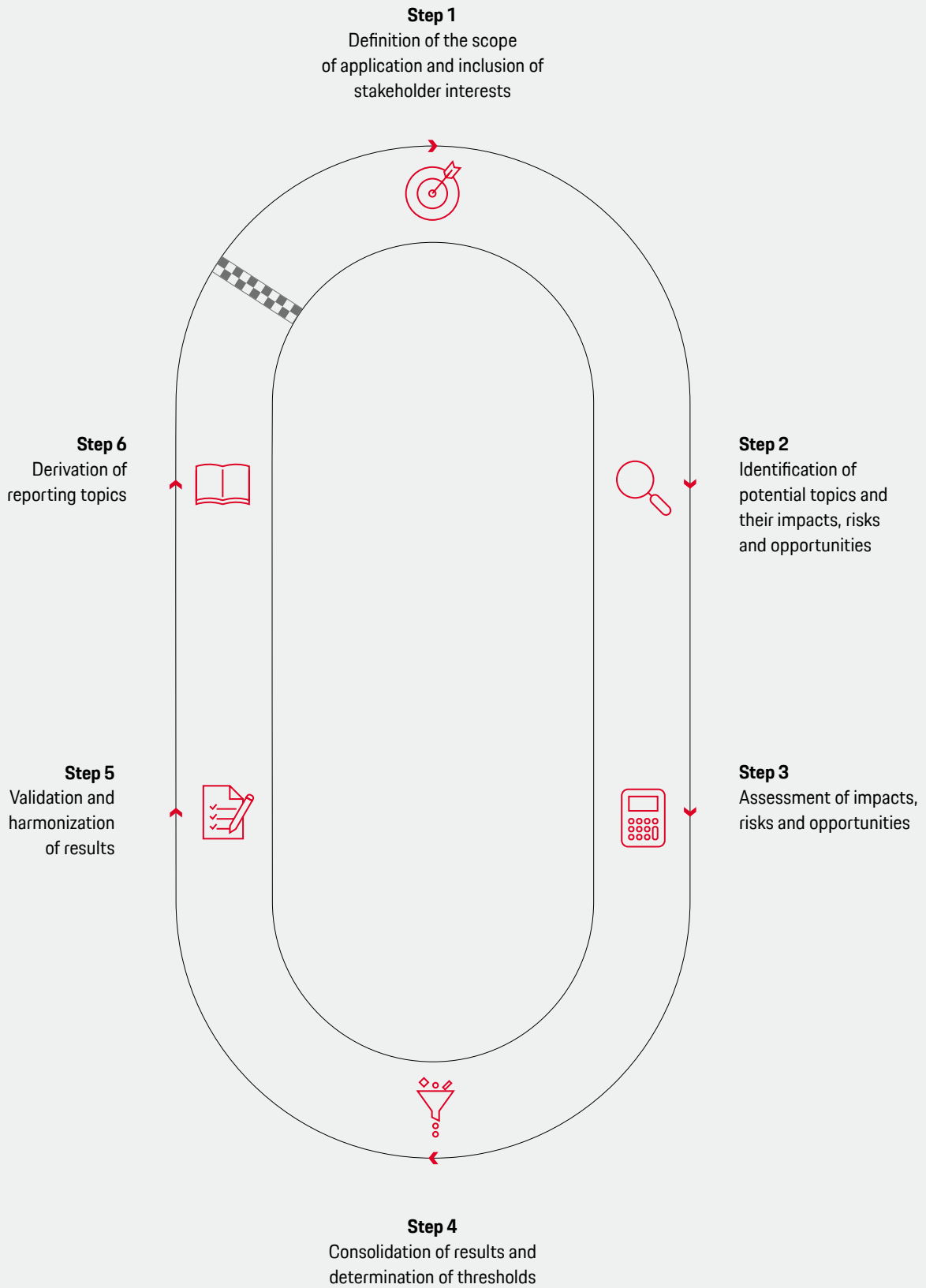
- Definition of the scope of application and inclusion of stakeholder interests
- Identification of potential topics and their impacts, risks and opportunities
- Assessment of impacts, risks and opportunities
- Consolidation of results and determination of thresholds
- Validation and harmonization of results
- Derivation of reporting topics

DEFINITION OF THE SCOPE OF APPLICATION AND INCLUSION OF STAKEHOLDERS

The Porsche AG Group first carried out a context analysis to specify the scope of application and the relevant stakeholder groups in terms of the ESRS requirements.

The materiality assessment considered the Porsche AG Group—corresponding to the non-financial consolidated group—and its activities along the value chain. The period under review for the materiality assessment corresponded to the reporting year, so matters occurring throughout the entire year have been taken into account.

Double materiality assessment process 2024
of the Porsche AG Group



The Porsche AG Group indirectly incorporated the concerns and views of its relevant stakeholder groups into the materiality assessment, e.g. by using analyses, ESG ratings and consulting with individual stakeholders from the departments.

Internal experts were asked to contribute their experience and expertise to the process. This allowed the internal knowledge of the departments to be used to identify links between the sustainability topics. In addition, when selecting the experts, care was taken to ensure the most comprehensive and diverse view possible of both the company's own business activities and the value chain. Aspects that are more likely to have a negative impact have also been taken into account in this selection. The internal team of experts with a wide range of expertise was able to adequately cover the stakeholder views, resulting in an efficient yet comprehensive identification of relevant topics. The views of specific stakeholder groups were included in the materiality assessment, including the company's own workforce and workers in the value chain, customers, the works council and local residents. An effort has also been made to include the requirements from the perspective of nature/natural ecosystems. Insurance companies, financial institutions, shareholders, investors and financing partners, analysts, the media and NGOs were identified as users of sustainability information or as those affected by the financial effects of sustainability matters.

Stakeholders were also involved in validating the results of the materiality assessment, which is described in step 6. The inclusion of stakeholder interests beyond the materiality assessment process is described in → **Stakeholder engagement**.

IDENTIFICATION OF POTENTIAL TOPICS AND THEIR IMPACTS, RISKS AND OPPORTUNITIES

The list of topics for the materiality assessment is based on ten topics, which in turn are made up of the 37 sub-topics of the European Sustainability Reporting Standards (ESRS 1 AR 16). An additional entity-specific sub-topic was defined as "Corporate citizenship" under S3 "Affected communities."

The resulting 38 sub-topics were used as the basis for collecting possible material negative impacts, risks and opportunities. The results of the materiality assessment from the previous reporting year were also incorporated. The potential impacts, risks and opportunities were identified in workshops with subject matter experts from the departments concerned. These were categorized as short-term (less than one year), medium-term (one to five years) and long-term (more than five years) depending on their impact periods. The granular impacts, risks and opportunities collected in this way were aggregated into clusters.

ASSESSMENT OF IMPACTS, RISKS AND OPPORTUNITIES

In order to harmonize the materiality assessment methodology within the Volkswagen Group, the methodology was adjusted in the reporting year, including changes to the rating scales and the inclusion of the reputation effect in the assessment of risks and opportunities. The procedure was last adjusted for the reporting year 2023. Since then, the principle of double materiality as defined by the ESRS has been applied.

The materiality assessment of the impacts, risks and opportunities of a sub-topic was carried out by the respective subject matter experts at the level of the identified clusters, taking into account the updated assessment methodology.

Whether impacts are classified as material depends on their severity, which is determined pursuant to the ESRS as a calculation of the factors extent, scope and irreversibility (in the case of negative effects).

The impacts have been assessed separately according to "actual impacts" and "potential impacts." Potential impacts are also evaluated in terms of the likelihood of occurrence.

The overall assessment of the impact is therefore based on their severity (for actual impacts) or the multiplication of the severity by the probability of occurrence (for potential impacts).

Negative impacts on human rights that have the potential to be significant are automatically assessed as material and are therefore subject to an in-depth review in accordance with regulatory requirements.

Sustainability-related risks and opportunities are assessed using the Porsche AG Group's general risk management processes, which are described in the → **Report on risks and opportunities**. Risks and opportunities that may arise in connection with the material impacts were taken into account when defining the IRO clusters and in the assessment workshops.

Based on the requirements of the ESRS, a value was calculated for each sustainability-related risk and opportunity by multiplying the anticipated financial effects by the probability of occurrence. This value makes the risks and opportunities comparable. The potential financial impact is calculated from the weighted criteria "financial potential" and "reputation effect," which was initially assessed by the Sustainability department and the Politics and Society department.

CONSOLIDATION OF RESULTS AND DETERMINATION OF THRESHOLDS

In accordance with the requirements of the ESRS, a materiality threshold is defined for both impacts and financial materiality after the assessment phase.

On a five-point scale from "informative" to "critical," a topic is material for the Porsche AG Group if it exceeds the threshold of the second-highest category "significant." A sub-topic is material if either an impact, a risk or an opportunity exceeds the materiality threshold.

The risk assessment in the materiality assessment was carried out according to the methodology described at IRO cluster level, i.e. by aggregating several individual risks or opportunities. According to the defined methodology of the risk management system, there are already individual material risks with a net financial potential of \geq €100 million in the worst-case scenario. → **General principles of risk and opportunity management**

To achieve transparency and consistency, individual risks and opportunities that exceed the net potential in the worst-case scenario of €100 million were listed in the corresponding chapters of the non-financial statement, even if they fall below the materiality threshold for aggregated IRO clusters according to the ESRS methodology. These individual risks and opportunities do not give rise to materiality in the sense of the CSRD.

VALIDATION AND HARMONIZATION OF RESULTS

Topics with a quantitative assessment close to the threshold value were analyzed in more detail, as were other topics of strategic or regulatory relevance and investor interest.

Subsequently, the assessment results from the workshops were validated in an internal workshop with representatives from all relevant departments. The works council and Porsche Sustainability Council were also consulted on the results as stakeholders with a cross-cutting interest in the topics.

Another central part of the validation was harmonizing the results with the Volkswagen Group. The assessment results were checked for consistency in this step, and the appropriateness of possible deviations was discussed.

The validated results and thus the final list of material sustainability topics were approved by the Executive Board of the Porsche AG Group.

DERIVATION OF REPORTING TOPICS

For the reporting year, nine of the ten topics with a total of 26 sub-topics were identified as material in the double materiality assessment. The sustainability reporting on the associated impacts, risks and opportunities is carried out in this non-financial statement in line with the ESRS.

Topic-specific features when identifying and assessing impacts, risks and opportunities

CLIMATE CHANGE (ESRS E1)

As part of the assessment of the material topics, the Porsche AG Group reviewed its business activities for actual and potential impacts, risks and opportunities with regard to climate change adaptation, climate change mitigation and energy. To assess its impact on climate change, the Porsche AG Group therefore records its greenhouse gas emissions along the value chain. The Porsche AG Group uses the decarbonization index (DCI) as a central management element. Based on the GHG Protocol, the DCI models significant emissions along the vehicle value chain as comprehensively as possible in greenhouse gas equivalents (CO₂e), such as CO₂, CH₄, N₂O, HFCs, PFCs and SF₆. More information about this can be found in → E1 Climate change.

In the reporting year, the Porsche AG Group carried out a → Climate risk and scenario analysis that considered several scenarios. This analysis is described in detail in → E1 Climate change.

POLLUTION (ESRS E2)

As part of the assessment of the material topics, the Porsche AG Group reviewed its business activities and sites for actual and potential impacts, risks and opportunities with regard to the pollution of air, water and soil, pollution of living organisms and food resources and substances of (very high) concern. Knowledge about pollution already gained from the environmental management system was included in the assessment with full participation of the responsible department. This served as the basis for the assessment of impacts, risks and opportunities.

Overall, the automotive sector is already heavily regulated for various aspects of pollution. One example of this can be seen in the publicly accessible Global Automotive Declarable Substance List (GADSL). Approval and monitoring processes are implemented with the aim of ensuring compliance with the current legislation and internal regulations applicable to the business operation. In this context, the Porsche AG Group's analyses and evaluations already also explore the use of alternative substances.

During the assessment, these aspects were jointly assessed by experts from the fields of "environmental and energy management," "material conformity" and "occupational health and safety." More details are provided in → E2 Pollution.

WATER (ESRS E3)

As part of the assessment of the material topics, the Porsche AG Group reviewed its business activities and assets for actual and potential impacts, risks and opportunities with regard to water resources. To comprehensively present this, the assessment framework was applied to both the company's own activities as well as the upstream and downstream value chain, taking into account the geographical circumstances.

Porsche AG and selected group companies analyze and evaluate their sites using water stress indices. According to these indices, none of the vehicle production sites are situated in an area facing high or extremely high water stress. During the assessment, these aspects were assessed by the environmental management experts to incorporate expertise on the impacts, risks and opportunities related to water resources along the value chain. Additional information can be found in → E3 Water.

BIODIVERSITY AND ECOSYSTEMS (ESRS E4)

As part of the assessment of the material topics, the Porsche AG Group reviewed its business activities for actual and potential impacts, risks and opportunities with regard to direct impact drivers of biodiversity loss, impacts on the state of species, impacts on the extent and condition of ecosystems and impacts and dependencies on ecosystem services.

Porsche AG and selected group companies focused predominantly on their own sites and their immediate surroundings.

In order to verify compliance with the requirements on biodiversity and ecosystems, the relevant biodiversity-sensitive areas were identified. Where these areas are located close to a production site, it was checked whether a nature conservation assessment had been performed and whether nature conservation actions had been defined in the environmental approvals and subsequently implemented. Whether a site's conservation status had changed was also checked. Further information can be found in → **E4 Biodiversity and ecosystems**.

During the assessment, these aspects were jointly assessed by experts from the Environmental and Energy Management and Procurement Strategy, Organizational Development, Sustainability and Business Development departments. Dependencies on biodiversity and consultations with affected communities as well as opportunities, transition risks, physical risks and systemic risks were not included in the assessment at this point.

RESOURCE USE AND CIRCULAR ECONOMY (ESRS E5)

As part of the assessment of the material topics, the Porsche AG Group reviewed its business activities and assets for actual and potential impacts, risks and opportunities with regard to resource inflows, resource outflows and waste.

During the assessment, these aspects were jointly assessed by experts from the Circular economy working group and from the Environmental and Energy Management, Material Conformity and Occupational Health and Safety departments.

→ **E5 Resource use and circular economy**

BUSINESS CONDUCT (ESRS G1)

The Porsche AG Group strives to act responsibly, sustainably and in compliance with regulations. The way it acts is reflected in various processes, policies and approaches that were considered when identifying the material impacts, risks and opportunities in connection with business conduct.

As part of the identification and assessment of the material topics, the Porsche AG Group reviewed its business activities and sites for actual and potential impacts, risks and opportunities with regard to managing relationships with direct suppliers, including payment practices. This took into account knowledge already gained from the purchasing processes and regulations regarding supplier selection, supplier development, supplier management and payment behavior by involving the relevant departments.

Additional factors were taken into account in the context of political influence, including geographical regions and specific characteristics, affected stakeholder groups and the type of political lobbying.

The Porsche AG Group has implemented controls and procedures to ensure that political lobbying is carried out in accordance with corporate values and standards. Political lobbying follows the principles of integrity, compliance, openness and traceability and takes place within the framework of binding group-wide policies. Competition and antitrust legislation, as well as other legal provisions, are also taken into account. See also → **Political engagement and lobbying activities**.

Material topics and resilience

Of the ten topics considered in the double materiality assessment, nine were identified as material. Material impacts were allocated to the sub-topics of the ESRS. The impacts related to corporate citizenship are considered to be an entity-specific topic and assigned to → **S3 Affected communities**. "Affected communities" is the only one of the ten topics considered that was not identified as material but is still reported because it is entity-specific. The description of the material impacts can be found at the beginning of each of the following chapters.

List of material topics for the Porsche AG Group in 2024

| <u>E</u> ENVIRONMENT | | | | |
|-----------------------------|--|--------|--|-----|
| E1 | Climate change | p. 196 | — Climate change mitigation | ⊕ ⊖ |
| | | | — Energy | ⊕ ⊖ |
| E2 | Pollution | p. 219 | — Pollution of air | ⊕ ⊖ |
| | | | — Pollution of water | ⊕ ⊖ |
| | | | — Substances of very high concern | ⊕ ⊖ |
| | | | — Microplastics | ⊕ ⊖ |
| E3 | Water and marine resources | p. 229 | — Water | ⊕ ⊖ |
| E4 | Biodiversity and ecosystems | p. 234 | — Direct impact drivers of biodiversity loss | ⊕ ⊖ |
| | | | — Impacts on the state of species | ⊕ ⊖ |
| | | | — Impacts on the extent and status of ecosystems | ⊕ ⊖ |
| | | | — Impacts and dependencies on ecosystem services | ⊕ ⊖ |
| E5 | Resource use and circular economy | p. 242 | — Resource inflows, including resource use | ⊕ ⊖ |
| | | | — Resource outflows related to products and services | ⊕ ⊖ |
| | | | — Waste | ⊕ ⊖ |
| <u>S</u> SOCIAL | | | | |
| S1 | Own workforce | p. 270 | — Working conditions | ⊕ ⊖ |
| | | | — Equal treatment and equal opportunities for all | ⊕ ⊖ |
| S2 | Workers in the value chain | p. 297 | — Working conditions | ⊕ ⊖ |
| | | | — Equal treatment and equal opportunities for all | ⊕ ⊖ |
| | | | — Other work-related rights | ⊕ ⊖ |
| S3 | Affected communities | p. 306 | — Corporate citizenship (entity-specific) | ⊕ ⊖ |
| S4 | Consumers and end-users | p. 312 | — Personal safety of consumers and/or end-users | ⊕ ⊖ |
| <u>G</u> GOVERNANCE | | | | |
| G1 | Business conduct | p. 318 | — Corporate culture | ⊕ ⊖ |
| | | | — Protection of whistle-blowers | ⊕ ⊖ |
| | | | — Political engagement and lobbying activities | ⊕ ⊖ |
| | | | — Management of relationships with suppliers including payment practices | ⊕ ⊖ |
| | | | — Corruption and bribery | ⊕ ⊖ |

⊕ Material positive impact ⊖ Material negative impact ⊕/⊖ Non-material impact

Significant impacts

E1 Climate change

- Contributing to climate change mitigation by reducing GHG emissions in the value chain
- Contributing to climate change through GHG emissions in the value chain
- Promoting the change in energy mix to green energy in the entire value chain

E2 Pollution

- Deterioration of local air quality and ill health due to production processes and product use that cause high levels of air pollution
- High level of water pollution caused by production processes
- Use and improper handling of substances of very high concern
- Release of microplastics into the environment

E3 Water and marine resources

- Contribution to high consumption, withdrawal and discharge of water resources

E4 Biodiversity and ecosystems

- Support of activities that contribute to biodiversity loss
- Endangerment of species due to production activities and product use
- Degradation of the state of ecosystems in the company's own activities and in the value chain
- Negative impacts on ecosystem services due to resource exploitation, production and product use

E5 Resource use and circular economy

- Low and sustainable resource consumption due to sustainable material procurement and resource use optimization
- Contribution to the circular economy by reducing resource outflows related to products and services
- Contribution to resource depletion through significant waste generation along the value chain

S1 Own workforce

- Promoting secure employment and fair and healthy working conditions
- Promoting a diverse and inclusive working environment that provides equal treatment and equal opportunities

S2 Workers in the value chain

- Ensuring the well-being of workers in the value chain
- Endangering the well-being of workers in the value chain
- Ensuring equal treatment and equal opportunities for workers in the value chain
- Ensuring human rights for workers in the value chain
- Endangering human rights for workers in the value chain

S3 Affected communities

- Strengthening affected communities/environmental projects through corporate citizenship initiatives

S4 Consumers and end-users

- Health and safety of customers

G1 Business conduct

- Contributing to social welfare gains by fostering integrity/ethical conduct
- Encouraging employees and other stakeholders to report unethical behavior or misconduct because there is a culture of trust and transparency, and effective systems are in place
- Supporting informed decision-making based political engagement including lobbying activities
- Cooperative partnership based on fair business practices (e.g. fair and prompt payment practices)
- Fostering a culture of integrity within the industry and building trust and respect among stakeholders by committing to the fight against corruption and bribery

RESILIENCE ANALYSIS

In October 2024, the Porsche AG Group carried out a resilience analysis based on the results of the double materiality assessment and the → [Climate risk and scenario analysis](#).

The resilience analysis examines the Porsche AG Group's ability to withstand external influences and crises and qualitatively assesses how well the Porsche AG Group's strategy and business model are suited to addressing the material impacts.

Resilience has been assessed using criteria such as the scope and quality of existing policies, actions and targets, the consideration of impacts, risks and opportunities in the sustainability strategy, and challenges in implementing adaptation measures and

strategies. Indirect factors such as the integration of ESG criteria into incentive schemes, the influence of the Porsche AG Group on the indirect value chain, the ESG expertise of the Executive Board and the involvement of relevant stakeholders have also been considered.

The time horizons considered in the resilience analysis are the same as those in the materiality assessment and climate scenario analysis. The resilience analysis applies to the same consolidation group as the non-financial reporting based on the CSRD, covering the entire Porsche AG Group including all group companies. It refers to the company's own business activities as well as the upstream and downstream value chain.

Resilience in terms of environmental aspects

The Porsche AG Group is able to manage its significant impacts related to climate change. In particular, a large number of strategic initiatives within the BEV transformation strategy will increase resilience to the impacts of climate change in the short-, medium- and long-term.

In the short-term, various operational actions address the impact of climate change. Climate risks are minimized by the electrification of the product portfolio and the use of electricity from renewable energies along the value chain. There are several challenges to this: potential business interruptions in the supply chain, an unexpected development of sales markets for BEVs and regulatory developments related to the consequences of climate change.

In addition, the Porsche AG Group addresses the material negative impacts related to pollution, the consumption, withdrawal and discharge of water resources as well as biodiversity and ecosystems. The two production sites in Leipzig and Stuttgart-Zuffenhausen are primarily responsible for the environmental impact of their own operations and have their own local targets. Environmental requirements for the supply chain are addressed through a cascading clause in the → **Code of Conduct for Business Partners** and specifications. The Porsche AG Group complies with legal environmental requirements and addresses industry-specific challenges.

The Porsche AG Group is also able to manage its material impacts related to the circular economy in the short-, medium- and long-term. The topic of a circular economy is given consideration as a strategic field of action in the strategy and planning process. Furthermore, operational policies, actions and targets promote resilience.

To fully cover the positive and negative impacts on the circular economy, the Porsche AG Group is continuously working on expanding existing actions and pilot programs.

Resilience in terms of social aspects

Strategic adjustments and operational policies improve the Porsche AG Group's resilience with regard to material social impacts. In the Strategy 2030 Plus, "People and Culture" is defined as a priority area of the "Transformation" cross-functional strategy and "Diversity" is one of the strategy fields of the "Sustainability" cross-functional strategy. The Strategy 2030 Plus is described in detail in → **Strategic direction of the Porsche AG Group** in the management report. The Porsche AG Group is able to have a positive impact on its own workforce across all time horizons.

The Porsche AG Group is also capable of managing its positive and negative impacts on workers in the value chain. A key tool for this is the → **Sustainability rating (S-rating)**. ESG criteria for suppliers are also included in the Code of Conduct for Business Partners and in specifications for specific materials. Resilience is given over medium- and long-term time horizons. Short-term changes or disruptions in the supply structure pose a challenge.

The Porsche AG Group is able to address its material positive impact on affected communities in particular through corporate citizenship initiatives via the "Partner to society" strategy field within the "Sustainability" cross-functional strategy. Additionally, it can address material impacts on consumers and end-users in the short-, medium-, and long-term.

Resilience in terms of business conduct

The Porsche AG Group is able to address its material impacts in the area of business conduct over and beyond all time horizons. These are managed, in particular, through a variety of policies and extensive operational actions.

The group policies listed in this report are addressed to the companies of the Porsche AG Group, which must implement them through a corresponding company policy. The Group Works Council represents the interests of workforce during the policy preparation process. Policies are regularly reviewed using standardized procedures as part of the policy management review and approval process. The Executive Board of Porsche AG adopts the group policies, which are binding for Porsche AG and must be complied with by employees. The relevant group policies and documents are made available to employees of Porsche AG on the intranet.

STAKEHOLDER ENGAGEMENT

The business activities of the Porsche AG Group touch the lives and interests of many stakeholders around the world. The Porsche AG Group consults and communicates with various stakeholder groups regularly to take their views into account in decision making. Consultation and engagement are continuous and regular because an open, transparent exchange of information and arguments paves the way for mutual understanding and acceptance.

The Porsche AG Group understands stakeholder engagement to mean systematically and continuously engaging with stakeholder groups in society, actively listening to them and taking their views into account when developing strategies. A stakeholder is any individual or group with an interest in a decision or activity of the Porsche AG Group because they have a direct or indirect influence over its actions or are themselves affected by them.

Porsche AG Group stakeholders

- > **Residents and communities**

- > **Customers and business partners**

- > **Investors and analysts**

- > **Media**

- > **Employees**

- > **Policymakers and associations**

- > **NGOs/nonprofit organizations**

- > **Scientific community and experts**

- > **Competitors**

The Porsche AG Group performs regular internal analyses to identify its most important stakeholder groups. The Porsche AG Group considers the following to be its key stakeholders: local residents and communities, customers and business partners, investors and analysts, the media, employees, policymakers and associations, nongovernmental and charitable organizations, the scientific community and experts and competitors.

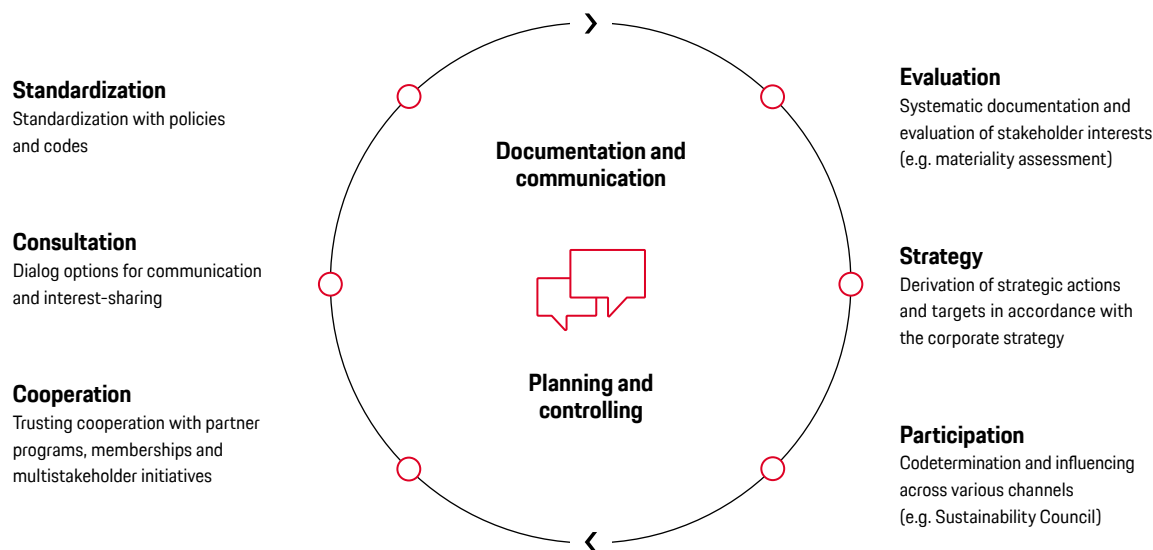
Stakeholder management

The Porsche AG Group operates a holistic stakeholder management system based on the balanced scorecard approach. This allows for the expectations of the individual stakeholder groups to be systematically recorded and important social trends to be derived from them.

The Porsche AG Group considers the interests and points of view of various stakeholders continuously and factors them into its strategic plans and business decisions, and sustainability is no exception. In turn, the stakeholders can learn more about the current and future activities of the Porsche AG Group as well as the requirements and general conditions. By changing perspectives in this way, the Porsche AG Group aims to understand other positions, overcome challenges through cooperation and build long-term partnerships.

By closely involving its stakeholders, the Porsche AG Group can identify and evaluate changes in market conditions and customer behavior as well as market potential at an early stage and react strategically to reduce risks and take advantage of opportunities. The perspectives of the relevant stakeholders play a key role in the decision-making process at all levels of the company and the strategy, both in assessing the status quo and in the future direction of new initiatives. The business model is an essential part of the strategy, which either builds on or defines the business model.

The Porsche AG Group's focus on significantly increasing the proportion of electrified vehicles takes into account the requirements and expectations of stakeholders for modern and sustainable mobility solutions, for example, as part of annual review processes. At the same time, the fundamental business model—the sale of vehicles in the luxury segment—the core competence of the Porsche AG Group, remains unchanged.



List of associations

- > **UN Global Compact**

- > **German Environmental Management Association**

- > **German Business Ethics Network**

- > **KLIMAWIN**

The management bodies of the Porsche AG Group are also regularly informed about stakeholder interests as part of the sustainability management reporting processes and include these in their strategic discussions on various topics. The sustainability management processes are described in the following section on → **Governance**.

Stakeholder dialog

The Porsche AG Group uses different media and consultation formats as well as various internal and external channels to communicate with its stakeholders. Employees are engaged via employee representatives, employee surveys and feedback discussions with superiors and also regularly informed about a wide range of topics via internal communication channels and events. The Porsche AG Group maintains contact with customers through the dealer network and sales, for example, at customer events or in customer surveys. The opinion of the

general public is taken into account via media reviews and sustainability ratings. Investors are included by inviting them to capital market events organized by the Investor Relations department. The Porsche AG Group promotes economic, environmental, and social topics through Porsche AG's involvement in networks, sustainability initiatives and working groups. This is also an integral part of the stakeholder dialog.

The Porsche Sustainability Council consists of external specialists in business, science, politics and civil society and institutionalizes the stakeholder dialog on sustainability. The Sustainability Council regularly advises the Executive Board and top management regarding the strategic focus of sustainability.

→ **Sustainability organization**

More information about the inclusion of stakeholder interests and views

In → **S1 Own workforce**, the Porsche AG Group explains how the interests and rights of the workforce are included through the participation of employee representatives in co-determination and on committees and the Supervisory Board. Other tools are information and dialog through internal communication and employee surveys. The representative body for severely disabled employees also ensures employees' special needs are taken into account.

The interests of workers in the value chain are included through various indirect and direct formats, such as the Porsche AG

Group's participation in the automotive industry dialog on the German Federal Government's National Action Plan (NAP) for Business and Human Rights and other cross-industry initiatives. Minimum standards for how direct suppliers treat their workforces are set out in the → **Code of Conduct for Business Partners** and reviewed as part of the sustainability rating (S-rating). See also → **S2 Workers in the value chain**.

The views of consumers and end-users on numerous topics are actively solicited by the Porsche AG Group on a regular basis, for example, through customer surveys covering aspects such as purchasing, product quality, user experience with displays and controls, Porsche Connect services, charging of electric and hybrid vehicles and service. Further information about this can be found in → **S4 Consumers and end-users**.

Affected communities can be assigned to the "Society" stakeholder group, where they are integrated via various stakeholder dialog formats. → **Stakeholder dialog**, → **S3 Affected communities**

GOVERNANCE

Administrative, management and supervisory bodies

EXECUTIVE BOARD

In accordance with Article 8 of the Articles of Association, Porsche AG's Executive Board is composed of at least two people. The Executive Board, which had eight members as of December 31, 2024, has sole responsibility for managing the company in the company's best interests. In addition to Management, the other Board portfolios are: Procurement, Car-IT, Research and Development, Finance and IT, Human Resources and Social Affairs, Production and Logistics as well as Sales and Marketing.

The Supervisory Board considers various aspects, including diversity, in the composition of the Executive Board. The Executive Board should also have a sufficient mix of ages. Efforts are made to achieve a higher proportion of women than the statutory minimum. The law requires that the Executive Board have at least one woman and one man as members. The current share of women on the Executive Board is 12.5%.

Additionally, the Supervisory Board places particular emphasis on the professional profiles and professional and general experience of the Executive Board members, including international experience. More information about the skills of the members of the Executive Board can be found in

→ **G1 Business conduct**.

The aforementioned requirements for the composition of the Executive Board aim to ensure that it has sufficient experience

that is relevant to the segments, products and geographical locations of the Porsche AG Group.

The Executive Board of the Porsche AG Group deepens its sustainability-related expertise in regular meetings with the external members of the → **Porsche Sustainability Council**. The Sustainability Council also discusses external stakeholder requirements, e.g. potential legislation and new regulations, with the entire Executive Board and reflects on corresponding implementation options for Porsche AG.

The members of the Executive Board are sufficiently aware about matters relating to anti-corruption and bribery due to their role and the Porsche-specific "Code of Conduct for the Management Board," which contains specific guidelines on how to deal with invitations and gifts. In addition, the members of the Executive Board must regularly complete e-learning modules, e.g. on topics relating to corruption, bribery, fraud prevention and human rights. The Executive Board also has access to a learning program offered by Porsche AG on various ESG topics (e.g. sustainability matters in the supply chain, diversity, environmental compliance). At its meeting, the Executive Board is comprehensively informed about any changes to internal compliance guidelines.

SUPERVISORY BOARD

The Supervisory Board of Porsche AG consists of 20 members, ten of whom are shareholder representatives elected by the Annual General Meeting. The other half are employee representatives elected by the employees in accordance with the German Co-Determination Act. Seven of these employee representatives are employees of Porsche AG, the other three are trade union representatives. As of December 31, 2024, the Supervisory Board had eight women members, which corresponds to 40%.

The Supervisory Board is not an executive body. The shareholder representatives on the Supervisory Board are of the opinion that four shareholder representatives are currently independent within the meaning of recommendation C.6 of the German Corporate Governance Code (DCGK). These are Ms. Micaela Le Divelec Lemmi, Ms. Melissa Di Donato Roos, Dr. Christian Dahlheim, and Dr. Hans Peter Schützinger. This corresponds to a 40% share of independent members.

Members of the Supervisory Board Dr. Hans Michel Piëch, Dr. Ferdinand Oliver Porsche, Dr. Wolfgang Porsche, and Hans Dieter Pötsch have all belonged to the Supervisory Board for more than twelve years and thus fulfill one of the indicators set out in recommendation C.7 of the DCGK for lack of independence from the company and the Executive Board. However, taking all the circumstances of the specific case into account, the shareholder side still considers these members of the Supervisory Board to be independent of the company and the Executive Board. The work of the Supervisory Board and its

committees shows that Dr. Hans Michel Piëch, Dr. Ferdinand Oliver Porsche, Dr. Wolfgang Porsche, and Mr. Hans Dieter Pötsch continue to unreservedly possess the required critical distance from the company and its Executive Board to allow them to appropriately monitor and assist the Executive Board in managing the company. To properly perform its supervisory and advisory duties, the Supervisory Board as a whole must collectively have the required expertise, i.e. knowledge, skills and professional experience. This requires the members of the Supervisory Board to be collectively familiar with the sector in which the company operates—i.e. the automotive industry—and to be able to assess the business conducted by the company. In addition, the Supervisory Board members as a whole must collectively have expertise relating to sustainability issues relevant to the company. If necessary, the Supervisory Board can also seek advice from external experts on ESG matters. Attention should be paid to diversity, a broad range of experience and appropriate representation of both genders when seeking qualified individuals to best strengthen the specialist and managerial expertise of the Supervisory Board as a whole in line with these targets.

The qualification matrix for the Supervisory Board shows that certain Supervisory Board members have expertise in the area of sustainability. → **G1 Business conduct**

In the reporting year, the Supervisory Board received training on selected sustainability topics, such as ESG management, decarbonization, sustainability in the supply chain and its obligations in the context of sustainability reporting in accordance with the CSRD. The training courses were conducted by the Porsche Sustainability Council and external consultants.

The members of the Supervisory Board have sufficient awareness about anti-corruption and bribery due to their various roles and the training formats they have already completed. The Supervisory Board undergoes additional training on preventing and combating corruption and bribery due to its special position as the company's supervisory body.

In the reporting year, the entire Supervisory Board received detailed and target group-specific training on anti-corruption and bribery from an external consultant, partly due to the four new Supervisory Board members.

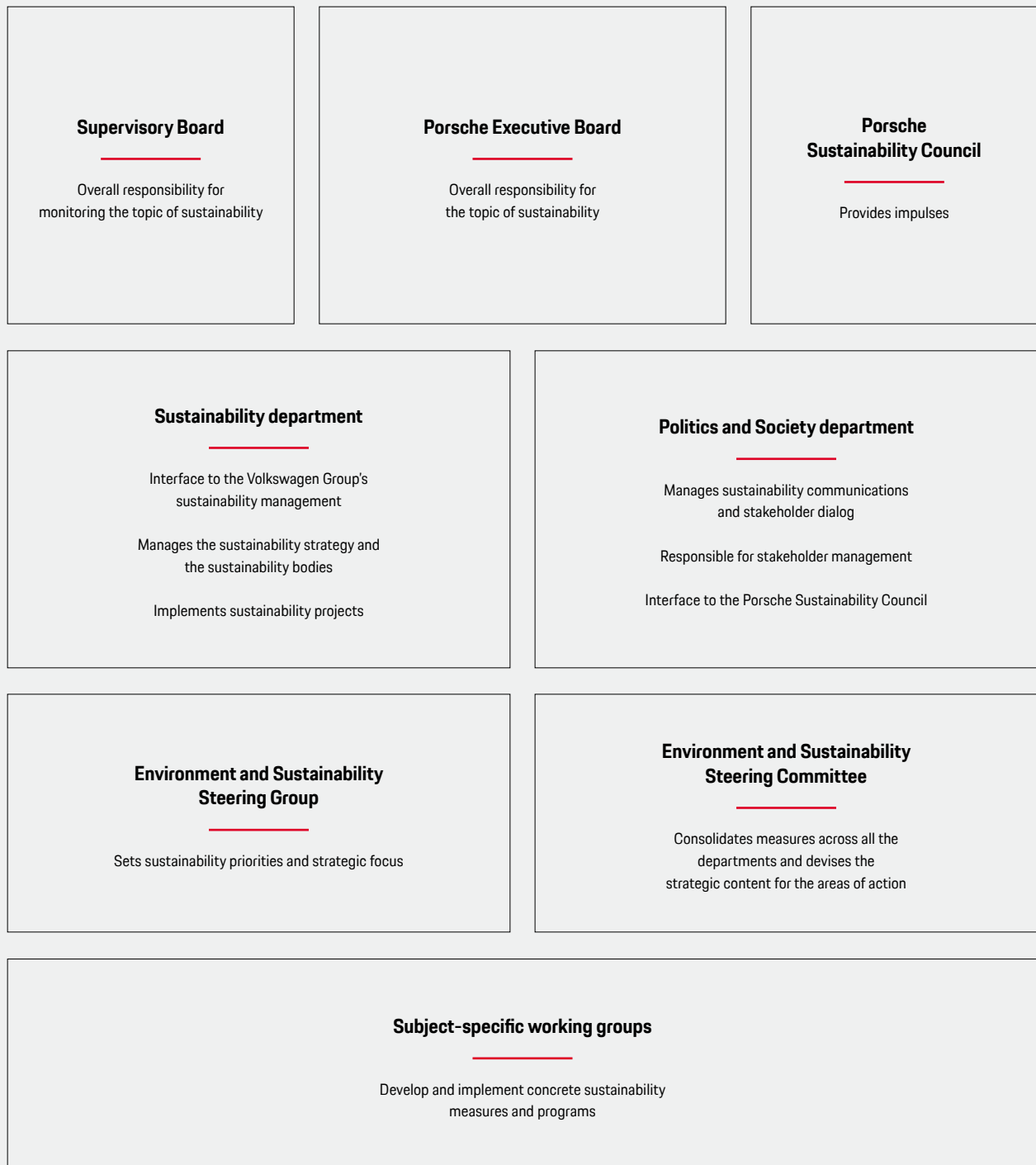
Sustainability organization

Cross-functional and overall responsibility for sustainability lies with the Chairman of the Executive Board of Porsche AG, supported by the Member of the Executive Board responsible for Production and Logistics and the Member of the Executive Board responsible for Procurement. The latter two act as overseers of the sustainability strategy. In these roles, they are also responsible for monitoring impacts, risks and opportunities. They are supported in strategic decision-making and development by the internal Environment and Sustainability Steering Group and Environment and Sustainability Steering Committee and the external Porsche Sustainability Council.

The entire Executive Board determines the fundamental strategic direction and concrete sustainability targets in regular strategy workshops. It also decides on particularly far-reaching actions and flagship projects. The Environment and Sustainability Steering Group, which determines the focal points and direction of the sustainability strategy, is composed of the heads of the main departments. It can be expanded flexibly as required and generally meets once a quarter and prepares the Executive Board's decisions regarding the sustainability strategy.

The Environment and Sustainability Steering Committee is a cross-departmental body comprising representatives of all the relevant departments and determines the direction and content of the sustainability strategy. It also handles decisions regarding the road map and objectives within the strategy. The committee met nine times in the reporting year. The Environment and Sustainability Steering Committee forms working groups to prepare, evaluate, and refine individual topics, projects and initiatives related to sustainability. These assignments are issued by the Environment and Sustainability Steering Group, to which the Steering Committee reports.

An overview of the sustainability organization





The Porsche Sustainability Council 2024: Adnan Amin, Raffaella Rein, Prof. Dr. Mette Morsing, Prof. Dr. Sarah Jastram, Prof. Dr. Matthias Finkbeiner and Prof. Dr. Lucia Reisch (from left to right)

Another key body is the Porsche Sustainability Council. It was formed in 2016 and institutionalizes the stakeholder dialog on sustainability. The members are independent and not bound by instructions. The Executive Board has given the Council far-reaching rights to information and consultation, as well as rights of initiative. External specialists in business, science and civil society regularly advise the Executive Board and top management regarding the strategic focus of sustainability and on current relevant and strategic issues. In 2024, the Porsche Sustainability Council met once with the Supervisory Board of Porsche AG, once with selected members of the Executive Board of Porsche AG and once with the Chairman of the Executive Board of Porsche AG. In the reporting year, the focus was on the Porsche AG Group's product strategy and on shaping the transformation phase toward electromobility.

The Sustainability department within the General Secretary and Corporate Development division is responsible for implementing the sustainability strategy and works continuously to optimize it. It realizes sustainability projects and manages the sustainability bodies of Porsche AG. It also serves as an interface with the Volkswagen Group, where it represents the Porsche AG Group's central sustainability management.

The Politics and Society department of the Communications, Sustainability and Politics division is responsible for internal and external sustainability communications, strategic stakeholder involvement, and non-financial reporting. It engages in sustainability networks and represents the office of the Porsche Sustainability Council.

SUSTAINABILITY MANAGEMENT

Sustainability means maintaining intact environmental, social and economic systems with long-term viability at a global, regional and local level. The Porsche AG Group can influence these systems in various ways, and actively assumes responsibility for contributing to their sustainability.

Sustainability is enshrined as a central cross function in the → **Porsche Strategy 2030 Plus**. Throughout the group, it is anchored in the organization with a clear internal structure and defined responsibilities. This way, the Porsche AG Group wants to address material topics systematically and effectively.

The many years of experience of the Porsche AG Group's Executive Board members in various areas within the Porsche AG Group or the Volkswagen Group as well as in other companies, combined with the regular meetings with the Sustainability Council, enable corporate decisions and the strategic direction to include sustainability matters.

In principle, the entire Executive Board of the Porsche AG Group is responsible for the management of impacts, risks and opportunities. This is regulated in the Rules of Procedure for the Executive Board. The responsibilities of the Supervisory Board are set out in the Rules of Procedure for the Supervisory Board of the Porsche AG Group. The responsibility for impacts, risks and opportunities arises from both the duty to monitor the Executive Board of the Porsche AG Group as well as the tasks of the Audit Committee in connection with non-financial reporting.

The rules of procedure for the Environment and Sustainability Steering Group and Environment and Sustainability Steering Committee mainly regulate the tasks, responsibilities and skills relating to the focus, direction and content of the Sustainability cross-functional strategy.

Alongside the rules of procedure, the Group Sustainability Policy contains binding rules for the entire Porsche AG Group concerning the organization, internal processes, topic management, project implementation and communication of relevant sustainability topics. They enable the Porsche AG Group to ensure that the sustainability strategy is known and implemented in the Porsche AG Group. More information about the group policy can be found in → E1 Climate change.

Those overseeing the sustainability strategy report to the entire Executive Board on their topics on an ad hoc basis. The material impacts of the individual topics are managed operationally in the respective Executive Board portfolios.

To control and measure sustainability in business processes and contributions to ESG aspects in a targeted way, the Porsche AG Group launched a software-based ESG management system in 2021. Furthermore, the Porsche AG Group determined performance indicators, which illustrate material non-financial ESG contributions and transparently demonstrate the Porsche business model's contribution to sustainable development. Some examples of these are the decarbonization index (DCI) or the proportion of women in management.

Strategy workshops are held regularly to define the strategic direction and target-setting for sustainability. Target achievement is generally reported to and reviewed by the overseers of the sustainability strategy on a quarterly basis. Additional targets are defined and monitored directly by the responsible departments.

Risks and opportunities related to sustainability topics are managed by the Porsche AG Group's risk management. This has been expanded to include an additional process for identifying sustainability risks and opportunities. The risk management processes of the Porsche AG Group are described in the

→ Report on risks and opportunities. No special controls or procedures are used for managing impacts.

When decisions are made on important transactions, all relevant information relating to sustainability matters is prepared and provided to the Porsche AG Group's Executive Board. This information is taken into account in the decision-making process.

Reporting on the topic of sustainability is generally submitted to the full Executive Board once a year as part of the Porsche AG Group's overall strategy.

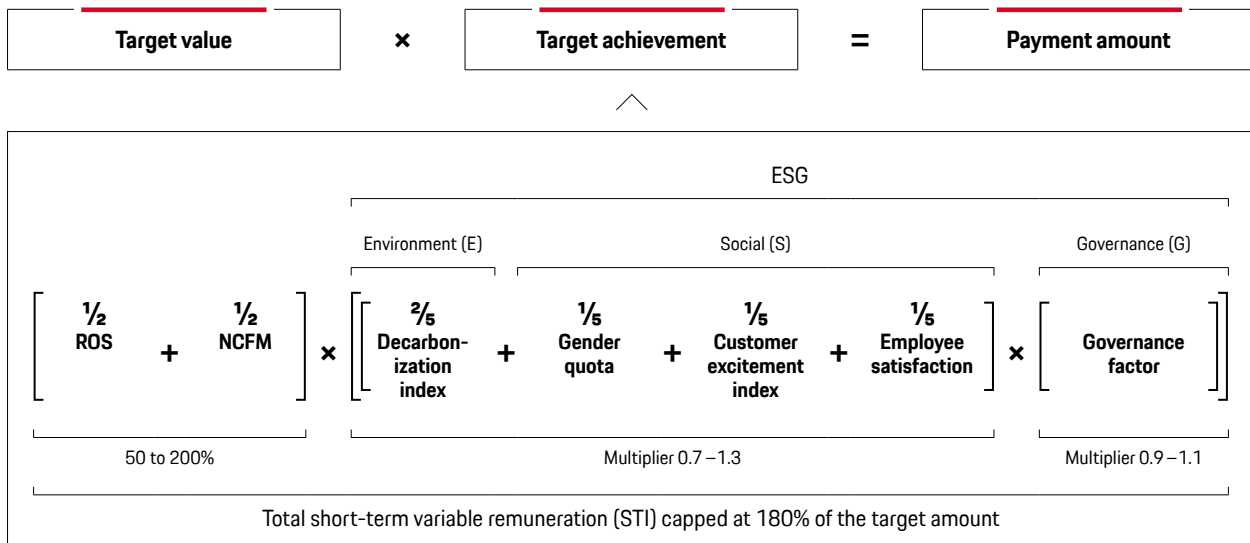
In the reporting year, the Porsche AG Group's Executive Board and Supervisory Board dealt with, among other things, the following topics in connection with the material impacts of the Porsche AG Group:

- Decarbonization program
- Electrification of the product portfolio and reduction of fleet emissions
- Sales and distribution planning
- Resource efficiency program
- Occupational health and safety
- Report of the Business and Human Rights Council on the implementation of the LkSG
- Promotion of equal opportunities and diversity
- Corporate citizenship
- Customer excitement index
- Integrity and management culture (Porsche Code)
- Report on the whistleblower system
- German Corporate Governance Code and training on anti-corruption and bribery
- (Geo-)political developments

Sustainability in remuneration

The remuneration of the Executive Board of Porsche AG consists of fixed and variable remuneration components as well as fringe benefits. The current Executive Board remuneration system implements the legal requirements and complies with the recommendations of the German Corporate Governance Code (DCGK).

Since the reporting year 2023, sustainability topics have been an integral part of the remuneration system for the Executive Board of Porsche AG via the ESG factor. This affects the variable remuneration (annual bonus), which is made up of the following performance criteria:



The annual bonus is a short-term variable remuneration component based on target achievement during the reporting year. It is aligned with the financial targets of Porsche AG and the ESG factor. The payment amount is calculated by multiplying the individual target amount by the sum of the weighted financial sub-target achievement levels and then by the ESG factor. The annual bonus can range between 0 and 180% of the target amount (cap). The resulting amount is paid out to the Executive Board members, subject to malus provisions.

The financial targets include the return on sales (ROS) of the Porsche AG Group and the net cash flow margin (NCFM) of the Porsche AG Group's automotive segment.

In the reporting year 2023, the climate-related metric decarbonization index (DCI) was established as a criterion for the environmental sub-target in the Executive Board's remuneration system. The DCI aims to provide an overview of the CO₂ equivalent emissions along the value chain (production, use and end-of-life) based on an assessment of environmental impacts such as the carbon footprint over the entire life cycle of a vehicle. See also → **E1 Climate change**.

Employee satisfaction was added alongside the gender quota and the customer excitement index as another ESG criterion for the social sub-target in the reporting year. The weighting of the ESG sub-targets was adjusted. See also → **S1 Own workforce** and → **S4 Consumers and end-users**.

Employee satisfaction is a broader reflection of sustainability aspects and places people more prominently at the center of Porsche AG's actions. Porsche AG also believes that a high level of employee satisfaction has a positive impact on the external

perception of the company as a highly attractive employer in an increasingly competitive environment for employees and applicants. Employee satisfaction is calculated using an annual employee survey. The results of the "Porsche Puls" provide an index score that is defined as a target in the Executive Board remuneration system.

The Supervisory Board uses the governance factor to convey its satisfaction with the Executive Board's actual conduct in relation to integrity and compliance expectations.

The four ESG criteria reflect the following sub-targets of the Porsche AG Group: diversity as a relevant factor for the company's success, customer satisfaction as an expression of Porsche products continuously being improved, employee satisfaction as a significant indication of the company's leading position as an employer, and the DCI to represent the Porsche AG Group's climate change mitigation efforts.

The ESG factor is calculated from the weighted ESG sub-targets environment (decarbonization index) (40%) and social (each equally weighted: gender quota, customer excitement index and employee satisfaction) (60%) and the governance factor of 1.0. The ESG factor for the reporting year is 1.16.

The Supervisory Board of Porsche AG sets the target values for each reporting year. After the end of the reporting year, target achievement is reviewed and the payment amount determined. The Chairman of the Supervisory Board is actively involved in approving and updating the remuneration structures. It prepares corresponding proposals and develops recommendations that are then submitted to the full Supervisory Board for a decision. This structured approach ensures that the remuneration policy is always up to date and effectively supports the company's targets. The following

overview shows the threshold, target and maximum values set by the Supervisory Board for reporting year for the decarbonization index (DCI), gender quota, customer

excitement index and employee satisfaction, along with the actual figures and multiplication factor achieved in the reporting year.

| | Environment | | Social | | | |
|------------------------------------|-----------------------|------------------------------------|--|---|---------------------------|-----------------------|
| | Decarbonization index | | Gender quota for the first reporting level | Gender quota for the second reporting level | Customer excitement index | Employee satisfaction |
| tCO ₂ e/vehicle | 2024 | % | 2024 | 2024 | 2024 | 2024 |
| Maximum value (1.3) | 57.3 | Maximum value (1.3) | 20.9 | 19.1 | 48.0 | 77.3 |
| Target value (1.0) | 58.3 | Target value (1.0) | 19 | 17.4 | 46.0 | 75.3 |
| Threshold (0.7) | 59.3 | Threshold (0.7) | 17.1 | 15.7 | 44.0 | 73.3 |
| Actual ¹ | 57.3 | Actual | 22.0 | 18.8 | 45.5 | 75.4 |
| Target achievement (factor) | 1.29 | Target achievement (factor) | 1.3 | 1.25 | 0.93 | 1.02 |

¹ Including voluntary CO₂ offsets through climate change mitigation projects

The remuneration of the Supervisory Board of Porsche AG comprises fixed remuneration plus a flat rate for attending meetings. It is aligned with the recommendations of the German Corporate Governance Code (DCGK G. 18) and is not tied to ESG factors.

Since 2023, ESG targets have also been firmly anchored in the remuneration system for the management of Porsche AG and selected national subsidiaries. In the reporting year, this criterion was also implemented for Porsche AG's employees covered by collective bargaining agreements.

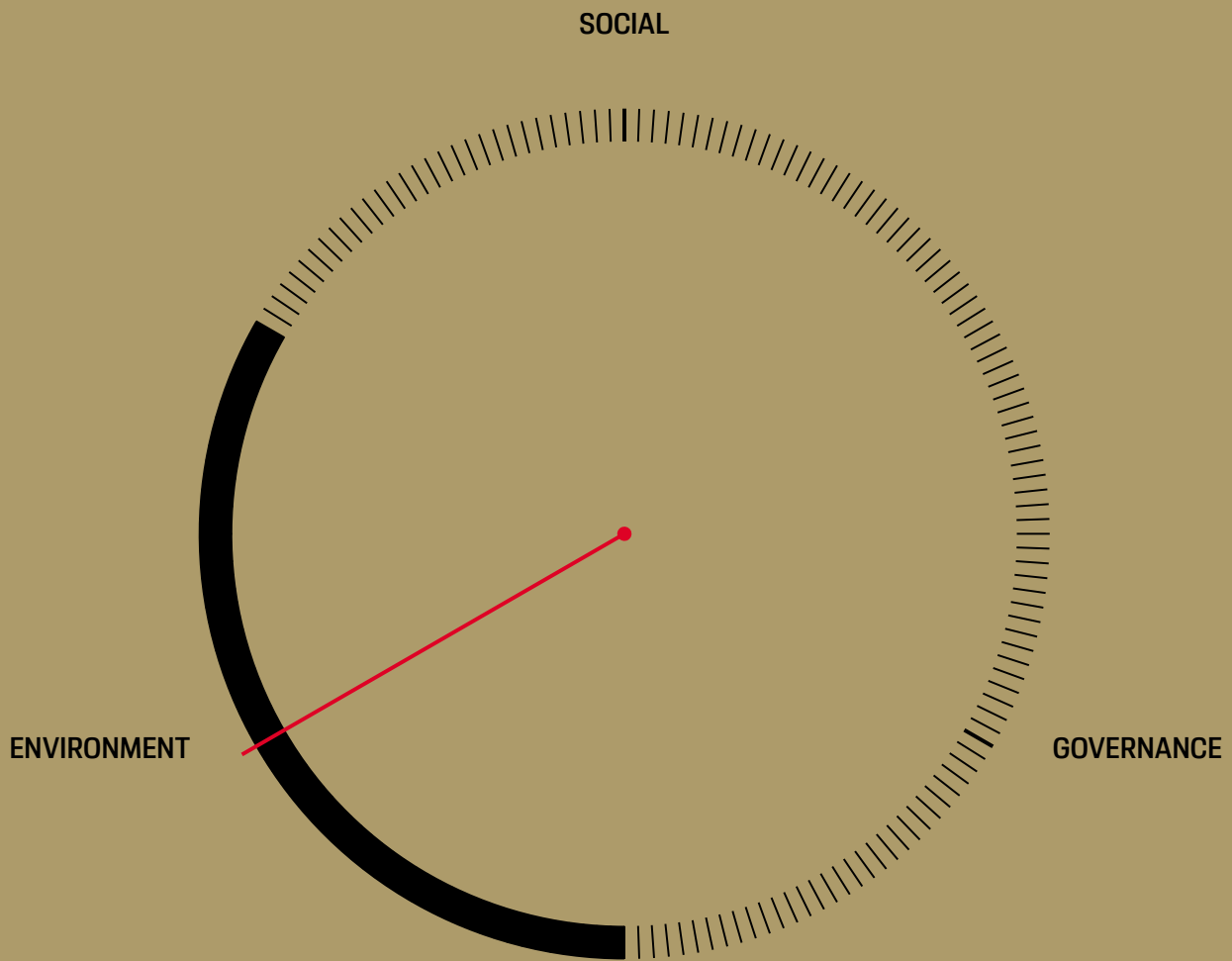
Internal control and risk management system in the context of the non-financial statement

The CSRD ICS was gradually added to the accounting-related internal control system (ICS) over the course of the reporting year in order to meet sustainability reporting requirements. The aim is to mitigate material risks throughout the reporting process by implementing risk-mitigating actions and to reduce the risk of a material misstatement within the non-financial statement.

In order to keep the reporting process secure, the material risks were identified during a process analysis and assessment. Corresponding risk-minimizing controls have been defined for these risks and implemented along the CSRD reporting process. These range from the definition of roles and responsibilities, data collection and data calculation through to the complete and correct transfer of the report details to the report. The

CSRD ICS includes all group companies that are included in the CSRD consolidated group. The data supplied by the group companies is secured by both decentralized and centralized controls.

Additionally, to mitigate the risk of a material misstatement in the non-financial statement, a risk-oriented concept was developed on a data point basis, which mainly looks at how susceptible the sustainability-related data points are to error and what the potential reputational damage would be. The aforementioned aspects of the risk-oriented concept made it possible to differentiate the centrally specified control depth and documentation requirements to safeguard data points subject to reporting. A group-wide system for the design of the CSRD ICS was defined and is continuously developed further. The regular review of the identified material risks along the reporting process as well as the risk-related report content and the associated controls such as the identification of potential control weaknesses and their elimination are all carried out using standardized procedures as part of the continuous monitoring and remediation processes. The results are reported to the Executive Board and Supervisory Board of Porsche AG.



27%

of new vehicles delivered to customers in the reporting year were electrified.

62.25_t

CO₂ per vehicle is the decarbonization index (DCI) for the reporting year.

43.5%

is the environmental impact of Porsche's own vehicle production per vehicle, measured in terms of the average "reduction of the environmental impact of production" (UEP).

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E1 CLIMATE CHANGE

| Topic | Significant impacts | Value chain | | | Most relevant time horizon | | |
|----------------------------------|--|-------------|---|---|---|---|---|
| | | → |  | → |  |  |  |
| Climate change mitigation | Contributing to climate change due to GHG emissions in its own business activity and value chain | ■ | ■ | ■ | □ | ■ | □ |
| Energy | Promoting the change in energy mix to green energy in its own business activity and value chain | ■ | ■ | ■ | □ | ■ | □ |

→| Upstream  Own business activity |→ Downstream  Short-term (less than 1 year)  Medium-term (1 to 5 years)  Long-term (more than 5 years)

Advancing climate change is a challenge for the global automotive industry. Newly developed vehicles and drive systems as well as actions designed to improve energy efficiency and climate change mitigation in the supply chain, along the value chain of the vehicle manufacturing process and during vehicle use, are intended to contribute to the reduction of global greenhouse gas emissions. The Porsche AG Group is also working to actively reduce the impact of its activities on the environment and climate.

At the same time, the Porsche AG Group supports international efforts to solve global environmental problems and is committed to the climate targets agreed in Paris Agreement in 2015. These include keeping the global average temperature rise to a maximum of 2°C above pre-industrial levels and pursuing efforts to limit it even further to 1.5°C.

Realizing the Porsche AG Group's ambition depends upon various factors, e.g. technological progress that has not yet been fully developed, and also on regulatory or economic developments that are outside the Porsche AG Group's direct control and may therefore not be realizable.

The Porsche AG Group closely monitors the global markets and, depending on their development, continuously reviews its

product strategy and product range structure for vehicles, including the drive types offered. It intends to pursue the target of a 1.5-degree reduction pathway as long as possible.

To this end, the goal of the Porsche AG Group is to continuously reduce its emissions along the value chain of its vehicles while also making increasingly efficient use of energy in the company's own business activity.

The Porsche AG Group therefore analyzes various climate scenarios, identifies and assesses climate-related risks and opportunities and takes appropriate action. These are explained in detail in → [Climate risk and scenario analysis](#).

The Porsche AG Group is aware of its impact on the environment along the value chain. The materiality assessment carried out in the reporting year primarily identified climate change mitigation and environmental and energy management at its own sites as key fields of action for the Porsche AG Group. At an early stage, the Porsche AG Group already developed a decarbonization strategy along the vehicle value chain and set up a decarbonization program with specific targets and actions. This is explained in the → [Transition plan](#).

The section below describes the approaches, policies and actions used by the Porsche AG Group to manage its impacts, opportunities and risks related to climate change mitigation and energy in order to conduct its business activity in the most resource-efficient manner possible.

A defined transition plan and the other approaches described are embedded in the → **Sustainability strategy** and thus also in the Porsche AG Group's Strategy 2030 Plus. Decarbonization is one of the key fields of action in the "Sustainability" cross-functional strategy.

IMPACTS, RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

Climate change was identified as a material topic for the Porsche AG Group in a materiality assessment carried out in the reporting year.

Impacts, risks and opportunities related to climate change mitigation

With regard to climate change mitigation, the Porsche AG Group has identified one actual negative impact as material. The Porsche AG Group contributes to climate change through greenhouse gas emissions in the company's own business activity and in the upstream and downstream value chain. The emissions are caused, among other things, by greenhouse gas-intensive processes in the upstream supply chain for raw materials and vehicle parts, in the value chain of the vehicle manufacturing process and in logistics regarding the transport of goods and products. The vehicles that the Porsche AG Group produces and sells also contribute to greenhouse gas emissions in the downstream value chain through their use. Climate change, with its impacts on the environment, has consequences for people and society and poses major challenges worldwide. The identified impact is reflected in the business decisions of the Porsche AG Group, as mitigating the impacts of climate change is firmly embedded in the Porsche Strategy 2030 Plus with the "Decarbonization" strategy field in the "Sustainability" cross-functional strategy.

In addition, the Porsche AG Group also makes a potential positive contribution to climate change mitigation, as it is working to reduce greenhouse gas emissions at its own vehicle production sites and in the upstream and downstream value chain. This contribution can be achieved on the one hand with a product strategy implementing a gradual increase in the proportion of battery-powered electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs) in the product portfolio as well as an additional efficiency improvement for vehicles and their drive systems. On the other, a contribution can be made in the upstream value chain by increasing the use of more

environmentally sustainable materials in future vehicle projects and by using electricity from renewable energy sources. In the use phase, utilizing electricity from renewable energy sources can help reduce greenhouse gas emissions. The Porsche AG Group, therefore, supports the expansion of renewable energies. The impact can be positive for the environment and people as a reduction in greenhouse gas emissions can mitigate the effects of climate change.

The reduction of greenhouse gas emissions is embedded in the → **Sustainability strategy** of the Porsche AG Group, which identifies "decarbonization" as a key field of action and defines → **Targets** that are intended to contribute to achieving the goals of the Paris Agreement. The increasing electrification of the Porsche vehicle portfolio will promote the potentially positive impact on climate change in the medium-term.

The Porsche AG Group has identified a potential relevant opportunity that creates the possibility to enhance its reputation through sustainability activities. The growing importance of sustainability among all stakeholders offers the Porsche AG Group the opportunity to further improve its market position through targeted communication of its sustainability attributes and to create additional sales incentives. In particular, the economical use of raw materials, the increasing use of more ecologically sustainable materials in vehicles, the focus on climate-friendly drive technologies, such as BEVs and PHEVs, and other sustainability aspects along the value chain, such as electricity generated from renewable energy sources, can give a reputation boost among customers. These effects on reputation can in turn help to increase demand for the vehicles. The → **Sustainability strategy** of the Porsche AG Group and the related ambitious targets and actions support the public perception of the Porsche brand as a company promoting sustainability.

The Porsche AG Group has also identified a potential financial risk in connection with the climate-related technology transition, which could arise from a failure to meet market requirements in the product range. Such risks can arise in particular from misjudging market and segment trends in the area of electromobility as well as from changes in political conditions and related requirements for certain technologies.

The continuous development of and investment in new technologies and processes form the basis of the Porsche AG Group's business activities. Potential technology-related risks can occur along the value chain, which may be due to the limited availability, demand or approval of specific sustainable technologies. These can potentially result in a loss of sales.

This potential financial risk is managed by constantly monitoring market, competitive and legal requirements and by adopting a flexible product policy which, in addition to the focus on significantly increasing the proportion of electrified vehicles, such as BEVs and PHEVs, still also includes models with combustion engines. Project success is also monitored and appropriate action is taken to minimize financial and operational risks. Potential risks in connection with high-voltage batteries include the targeted development of Porsche's own vertical integration in the core technologies and the use of synergies within the Volkswagen Group.

Another climate-related potential financial transition risk for the Porsche AG Group results from introducing emissions legislation. Emissions and fleet legislation currently in place is being continuously tightened worldwide. This is causing an increase in legal requirements, which may entail risks in terms of implementation and compliance, e.g. CO₂ fleet emissions deviating from the legal target as a result of technical and infrastructure limitations. Legal requirements define specific maximum limits for CO₂ fleet emissions. Any failure to meet these fleet emission targets can lead to fines and, in the worst case, a sales ban.

This potential financial climate-related transition risk affects the CO₂ emissions of all vehicles in the Porsche AG Group's fleet, which means that the downstream value chain is also affected in addition to the company's own business activity.

The Porsche AG Group is taking action to avoid or further reduce this potential risk. On the one hand, consumption technology is continuously improved, with the product portfolio being aligned with current legal requirements. On the other hand, sales of new BEVs can be optimized depending on demand. In addition, emissions from the Porsche AG Group are offset within the Volkswagen Group's existing emission pools as required. The last option is to consider external credit purchases or compensation payments to the responsible authorities.

The potential financial risk is reinforcing the Porsche AG Group's goal of further developing its product portfolio toward BEVs and PHEVs in order to enable compliance with CO₂ limits in the long-term.

Potentially necessary adjustments in the development and production of vehicles affect the Porsche AG Group's own business activity. The impacts can go as far as a sales ban, which would affect, among other things, the sales function and the dealer network in the downstream value chain.

The Porsche AG Group therefore proactively monitors regulatory and market-specific requirements in order to be able to take any necessary changes into account at an early stage. In this respect, the Porsche AG Group complies with the emission and fleet limits agreed and specified within the Volkswagen Group. Change requirements are defined in a regular working group and analyzed in project teams. Appropriate development measures are then introduced.

The new EU Batteries Regulation tightens the requirements with regard to the provision of information, product requirements and recycling and reuse requirements for all battery types. This climate-related transition risk has an effect on all new vehicles and after-sales parts with batteries. Given the steadily increasing significance of BEVs for the Porsche AG Group, sales and purchasing are also affected in addition to development and production, which means that the potential financial risk is located along the entire value chain. The risk is managed by an operational cross-departmental project team with an established working and steering group.

In addition, the Porsche AG Group identified a potential financial climate-related transition risk in connection with the development of the fast-charging infrastructure for BEVs.

The availability of a nationwide fast-charging infrastructure in the sales markets is an important prerequisite for the Porsche AG Group's volume targets—the number of BEVs sold. Failure to meet the development targets for the fast-charging infrastructure poses a potential financial risk to sales of all BEV models. This is particularly the case for sales function and the dealer network in the downstream value chain. This potential financial risk is managed centrally by continuously monitoring the development of the fast-charging infrastructure and by introducing various initiatives and cooperations to accelerate the development of infrastructure worldwide, something in which the Porsche AG Group is involved.

Impacts related to energy

The materiality assessment prepared in the reporting year identified a further positive impact related to energy. The Porsche AG Group is promoting the change in the energy mix to renewable energy sources in the value chain of its vehicles. The positive impact results from switching to greenhouse-gas-reducing processes and products aimed at reducing energy consumption from fossil fuel sources along the upstream and downstream value chain and in the company's own business operations. In addition to switching to renewable energy sources, these include more energy-efficient processes and products with the lowest possible consumption during use. The impact is positive for the environment and people as switching to renewable energy sources can mitigate the effects of climate change. "Decarbonization" is firmly embedded in the Porsche AG Group's → [Sustainability strategy](#).

Risks related to climate change adaptation

The Porsche AG Group has identified a relevant potential financial risk of operations possibly being interrupted due to potential hazards caused by natural disasters in the supply chain. Extreme weather events such as storms or flooding may occur in some of the regions where the company's direct suppliers are located. Possible consequences of the company's operations being interrupted due to these physical environmental risks in the supply chain include delivery delays, production downtime or an increase in operating costs for the Porsche AG Group.

To enable the best possible risk response, the Porsche AG Group analyzes its suppliers for possible physical hazards caused by natural disasters on a risk basis. The focus here is on critical tier 1 suppliers. For these critical tier 1 suppliers, risk analyses were carried out, taking into account material-specific data, technology clusters and monopolies. In addition, new direct suppliers are analyzed for flood and storm hazards on a case-by-case and risk basis. In the reporting year, the Porsche AG Group had to issue a profit warning in connection with flooding at a supplier.

CLIMATE RISK AND SCENARIO ANALYSIS

In the reporting year, the Porsche AG Group carried out a detailed climate-related scenario analysis in accordance with the requirements of the European Sustainability Reporting Standards (ESRS).

When analyzing climate risks, a distinction is made between physical and transition risks: Physical risks are those arising from the consequences of climate change, such as extreme weather events or droughts. Transition risks are transitional events resulting from the transition to a decarbonized economy. These include, for example, risks arising from regulatory actions or changes in consumer behavior.

The climate risk analysis considers risks that can affect both the company's own operations and the upstream and downstream value chain. Short-, medium- and long-term time horizons were examined and care was taken to ensure that the climate scenarios used are broadly consistent with the critical climate-related assumptions made in the financial statements.

Analysis of physical climate risks

Physical climate risks result from natural events and can have potentially harmful impacts on the environment and people, assets or environmental resources. A distinction is made here between acute and chronic risks: acute climate hazards occur suddenly and have short-term impacts, while chronic climate hazards are continuously present over a longer period of time and can cause long-term damage.

For the assessment of physical risks, the Porsche AG Group has examined relevant objects of investigation with significant assets and business activities—e.g. its own sites, suppliers, infrastructure, sales markets—for any climate hazards that are potentially of relevance. The climate hazards for investigation were selected on the basis of publicly available information and assessments made by relevant departments and site managers.

The acute climate hazards involving floods, droughts, cold snaps/frost, heat waves, heavy precipitation, forest and wildfires, cyclones/hurricanes/typhoons, storm surges, land subsidence, landslides and tornadoes as well as the chronic climate hazards of heat stress, water scarcity, temperature changes and rises in sea levels were identified as potentially relevant for the sites.

In order to achieve results that are as valid and robust as possible, the Porsche AG Group evaluated extensive climate data taking a risk-based approach and used an external analysis tool to analyze the probability of occurrence, scope and duration of the relevant climate hazards for the identified sites using geographical coordinates for the time horizons up to the year 2050. This selected time horizon is based on the useful life of the assets, strategic planning and capital allocation plans.

The high-emissions scenario SSP5-8.5 of the Intergovernmental Panel on Climate Change (IPCC) was used to make the assessment. This scenario assumes strong economic and population-related growth, characterized by continued dependence on fossil fuels and a low prioritization of climate change mitigation actions. This combination leads to high emissions and accelerated climate change with a global temperature rise of up to 5°C by the end of the century. Using this high-emissions pathway helps identify potential worst-case risks for the Porsche AG Group.

For the sites under the company's own operation, the analysis showed that the climate hazards involving flooding, droughts, cold snaps and frost in particular could have a negative impact on the company's own business activity and assets. While cold snaps and frost were identified as relevant over a short- and medium-term time horizon, floods and droughts are relevant in the medium-term and especially in the long-term.

As appropriate control actions such as air conditioning and flood protection actions have already been successfully implemented, this does not result in any material net risks for the sites under the company's own operation.

For the supply chain, the results of the natural disaster risk analysis of the sites of selected direct suppliers are evaluated by Procurement. Based on this, risk-relevant information and specific actions to reduce the identified climate hazards are obtained from the direct suppliers. Within the upstream supply chain, direct suppliers in particular and the associated provision of necessary materials and raw materials are exposed to hazards caused by natural disasters over a short-, medium- and long-term time horizon. Potential physical risks of relevance were identified for the upstream supply chain, which are presented in more detail under

→ **Impacts, risks and opportunities related to climate change.**

For the downstream supply chain, the analysis revealed that climate hazards such as flooding, rising sea levels, storm surges and cold snaps or frost could pose negative risks for sales processes and vehicles at the respective sites. The climate hazards of cold snaps or frost and storm surges were classified as relevant in the short-, medium- and long-term. Flooding has been identified as a relevant climate hazard in the medium- and long-term. Rising sea levels are particularly relevant in the long-term for coastal sites. As appropriate control measures such as higher and reinforced dikes and storm surge gates have already been successfully implemented, no significant net risks were identified for the sites in the downstream supply chain.

Analysis of transition climate risks

Transition risks and opportunities are climate-related transition events that arise from transitioning to a lower-carbon economy. These risks are assigned to the areas of politics and law, technology, market and reputation.

The International Energy Agency's "Net Zero Emissions by 2050 Scenario" (NZE2050) was used as the basis for determining and assessing climate-related transition events. The version of the IEA 2050 Scenario updated in 2023 was used here to ensure that the emissions pathways and climate targets used are based on the latest scientific findings. New technological developments, such as advances in renewable energies, energy storage and CO₂ capture technologies were taken into account when updating the scenario. The normative scenario is compatible with the highest level of ambition of the Paris Agreement and focuses on limiting global warming to 1.5°C. The NZE2050 Scenario was selected to examine the strongest transitory impacts for the Porsche AG Group. It shows what is needed in the most important sectors by the various players and by when in order to achieve a reduction to net zero by 2050. For the Porsche AG Group, the sector-specific actions for the transportation sector are mainly of relevance here.

To make the transition to an economy that is as sustainable as possible, the Porsche AG Group offers BEV and PHEV models as drive systems alongside conventional combustion engines. In the reporting year, 27% of new vehicles delivered to customers were electrified—whether they were all-electric models or plug-in hybrids. The Porsche AG Group's vehicle product portfolio aims to significantly increase this proportion. The ramp-up of electrification depends largely on customer demand, the development of electromobility in the different regions of the world and regulatory incentive schemes. For the transition phase, the Porsche AG Group is positioning itself as flexibly as possible with a mix of combustion-engined, plug-in hybrid and all-electric vehicles. This component of the Porsche product strategy thus supports the assumptions of the IEA's NZE2050 Scenario, at the heart of which is the increased use and political incentivization of environmentally friendly key technologies such as electric vehicles. For example, the NZE2050 Scenario envisions that BEVs, PHEVs and fuel cell vehicles (FCEVs) will make up around 64% of all cars sold worldwide in 2030. In addition, the scenario assumes that political measures will have to be implemented to restrict sales of new vehicles with combustion engines from 2035 onwards and to promote electrification.

In addition to this, the Porsche AG Group assumes that synthetic fuels, referred to collectively as e-fuels, could represent another relevant option when it comes to more environmentally friendly key technologies. These can be produced by synthesizing hydrogen—using renewable energy—and CO₂. These regenerative fuels have the potential to drive combustion engines in a way that is virtually carbon neutral.

Based on these assumptions, the Porsche AG Group has analyzed climate-related transition risks and opportunities using the defined time horizons for a period up to 2050. This analysis included relevant business activity and assets along the value chain. The climate-related transition events identified were assessed taking into account the probability of occurrence, loss and duration of impact.

Potential climate-related transition risks associated with the transition to a lower-carbon economy and society were identified, particularly in relation to political and regulatory conditions, technological challenges and uncertainties regarding customer behavior. These primarily have an impact on the product portfolio, sales planning, procurement and research and development across all defined time horizons.

A relevant potential transition opportunity was also identified. Increased and credible communication and the implementation of strategic sustainability matters are seen as potential sales drivers. The transition risks and opportunities are presented in more detail in → **Impacts, risks and opportunities related to climate change.**

TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

In the reporting year, the Porsche AG Group devised a transition plan based on the existing decarbonization approach of the sustainability strategy. Implementation of the strategy is established in a decarbonization program that coordinates the necessary requirements and actions to achieve Porsche AG's strategic goals across the group. The Porsche AG Group sees the decarbonization of its business activity and value chain not only as a strategic mission, but also as an opportunity for its own business model.

Decarbonization targets and program

The Porsche AG Group intends to lower its average greenhouse gas emissions along the value chain and over the vehicles' life cycles. The Porsche AG Group has developed its reduction pathway targeted for Scope 1 and Scope 2 emissions using the current methodology of the "Science Based Targets initiative" (SBTi) based on existing 1.5-degree climate scenarios.

The target for the use phase of the vehicles, which comprises Scope 3 emissions, is based on the reduction targets of the SBTi methodology for car manufacturers (Land Transport Science-Based Target-Setting Guidance). The version updated in the reporting year enables car manufacturers to align their CO₂ reduction efforts with a 1.5-degree target pathway. To achieve a 1.5-degree near-term target, 67% of absolute Scope 3 emissions must be reduced by around 42% by 2030 compared to the base year 2023. From 2023 to 2030, the Scope 3 target specified by the Porsche AG Group fulfills this SBTi reduction requirement with a target reduction in CO₂ emissions during the use phase of newly produced vehicles of at least 42%.

Alongside this, the Porsche AG Group is also using the “XDC Model” by “right” as a second way of documenting the intended 1.5-degree compatibility. The “XDC Model” compares the absolute emissions (Scope 1 to 3) of a company with its economic performance. The resulting emission intensity is then compared with a sector-specific 1.5-degree target value based on emission budgets, which is used to derive the company’s climate impact. In the reporting year, the Porsche AG Group’s target trajectory fulfills the 1.5-degree requirement according to the “XDC Model” (version 3.4.5) from the base year 2023 until 2030.

A detailed, quantified presentation of the decarbonization targets set can be found in → **Targets** and → **Metrics**.

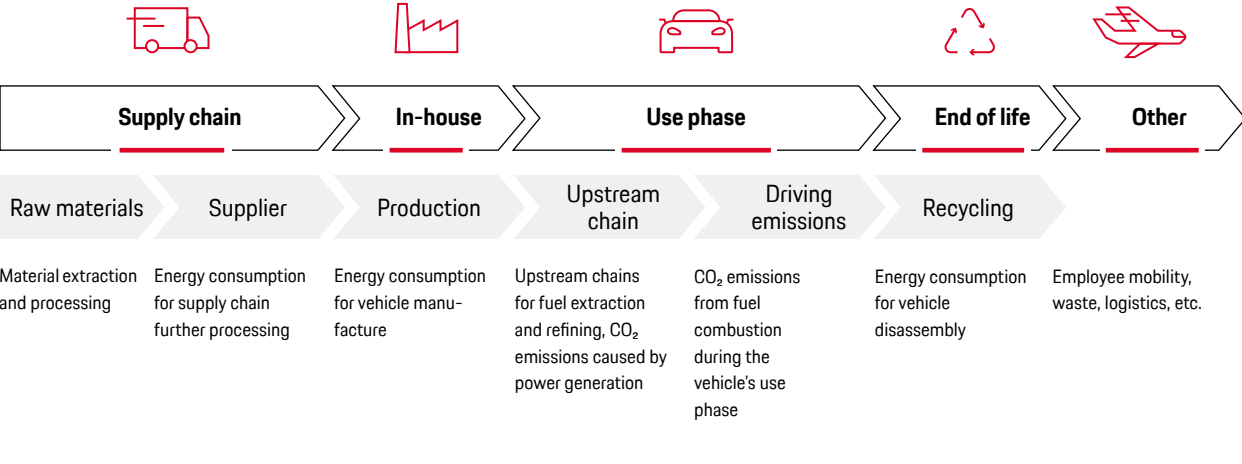
The decarbonization program coordinates all activities to achieve the strategic targets along the life cycle of the vehicles. The program has one clear priority: it prioritizes actions that help avoid or reduce greenhouse gas emissions. Only then does the Porsche AG Group consider offsetting. If emissions cannot be avoided for technical reasons or at reasonable economic cost, the Porsche AG Group reserves the right to offset these emissions, if possible, via carbon offset projects that meet strict, internationally recognized standards.

The Porsche AG Group measures the success of its decarbonization program with the decarbonization index (DCI). The DCI calculation covers the main parts of the Porsche AG Group. For the purpose of recording CO₂ emissions, these are, above all, Porsche AG and Porsche Leipzig GmbH. Outside the

Porsche AG Group, the CO₂ emissions from the supply chain and vehicle use phase are also relevant.

The DCI presents the model-based average emissions per newly produced vehicle along the value chain—from production and use to end of life—as comprehensively as possible in CO₂ (including CO₂, CH₄, N₂O, HFCs, PFCs and SF₆) (tCO₂e/vehicle). The DCI’s reporting relates to the current status of the methods and is stated in CO₂e. For the sake of legibility, CO₂ is used in this report. Among other things, the DCI is based on life cycle assessments which Porsche AG performs in accordance with the ISO 14040/44. Individual assumptions and values as well as data from life cycle inventory databases are used for these. In this index, the CO₂ emissions in the use phase are calculated over 200,000 km per vehicle with reference to average consumption figures of the primary market regions (EU+3 (Iceland, Norway, the United Kingdom of Great Britain and Northern Ireland), China and the USA). The consumption figures are calculated in accordance with the respective statutory review cycle. The intensity of the CO₂ emissions from the electricity used to charge electric vehicles is also calculated on the basis of energy mixes of the primary market regions. Supply chains and recycling emissions stem from the vehicle life cycle assessments. Vehicle maintenance is not included in the calculation. As a strategic indicator with a transparent and comprehensive calculation, the DCI is intended to support the Porsche AG Group in reducing its CO₂ footprint.

Decarbonization Index



Together with the Volkswagen Group, potential differences in methodology in the emissions reports that occur from year to year are recorded and evaluated in accordance with the Greenhouse Gas Protocol. The Greenhouse Gas Protocol requires the recalculation of corporate emissions in the event of material new information or if changes occur. In the reporting year, the base year of the current climate change mitigation targets for the Scope 3 inventory (2023) was recalculated for the first time. The recalculation includes the following topics for Scope 3 CO₂ emissions in the use phase: Use of updated emissions factors for fossil fuels with increased accuracy and standardization of the calculation method and database for 2023 with the current reporting. As a result, the DCI increases in the base year by plus 3.01 tCO₂ per vehicle to now 65.75 tCO₂ per vehicle. This new value is used to report a methodologically consistent assessment of decarbonization progress compared to the base year.

In the reporting year, the DCI stood at 62.25 tCO₂e per vehicle, which represents a slight decrease of 5.3% compared to the base year 2023.

In addition to the greenhouse gas emissions reported in the scope of the DCI, the Porsche AG Group has collected data on further CO₂ emissions for the first time in the reporting year and has reported the aggregated absolute CO₂ emissions. Scope 3.1 includes non-production materials and contracted services (such as the production of the Porsche Cayenne at the Volkswagen Group plant in Bratislava or the Porsche 718 at the Volkswagen Group plant in Osnabrück) and Scope 3.4 includes logistics emissions from the vehicle production sites in Bratislava and Osnabrück. In addition, the main group companies of the Porsche AG Group are also taken into account with their relevant CO₂ emissions (Scope 1, 2, 3.1, 3.3, 3.4, 3.5, 3.6, 3.7). In contrast to the procedure for absolute emissions, the definition of the DCI as a key indicator remains unchanged.

→ Metrics

The successful decarbonization of vehicles requires consistent management throughout the Porsche AG Group, from product strategy to the value chain.

The Porsche AG Group evaluates its vehicle product strategy in preparatory processes and committees and develops recommendations based on input from the relevant internal specialist departments. The Executive Board holds regular strategy workshops and planning rounds for this purpose. Decarbonization targets are included directly in the product strategy and product emergence process. These are initially set by the → **Sustainability organization** committees and then verified

when setting targets for the vehicle projects and signed off on by the responsible committee of the Executive Board. The Porsche AG Group has established a CO₂ target control system in its vehicle projects. Using this system, it can forecast emissions continuously during the product emergence process, define reduction measures, and make decisions based on DCI indicators that reflect the economic efficiency of a decarbonization measure.

The Decarbonization working group processes all the Porsche AG Group's cross-departmental activities relevant to the DCI. In particular, the working group coordinates the implementation of the strategic program and prepares decisions for the Environment and Sustainability Steering Committee. The Steering Committee meets regularly and reports on the DCI to the chain of committees responsible from the Environment and Sustainability Steering Group right through to the sustainability strategy overseers for the Executive Board. DCI planning and progress is regularly reported to the entire Executive Board. The Steering Committee decides on target suggestions at company level and for the relevant company departments, which are signed off by the Steering Group and then the Executive Board.





Since 2023, the DCI targets have been incorporated as part of the ESG factor in the remuneration system for the Executive Board of the Porsche AG Group and the management of Porsche AG and selected group companies. In the reporting year, this target was also implemented for Porsche AG's employees covered by collective bargaining agreements. Further information can be found in → **Sustainability in remuneration**.

The transition plan and its emissions reduction targets are firmly embedded in the sustainability strategy as part of the Porsche AG Group's Strategy 2030 Plus. "Decarbonization" is one of the fields of action of the → **Sustainability strategy**.

The targets for Scope 1, Scope 2 and Scope 3 emissions set out in the transition plan were approved by the Porsche AG Group's Executive Board in the reporting year. The actions aimed at achieving the targets are presented to the Executive Board and implemented by the group companies. The underlying process is described in → **Sustainability organization**.

Decarbonization levers

In order to achieve the targets set, the Porsche AG Group has identified the following decarbonization levers along the value chain of its own vehicles:

| | |
|---|--|
| <p>Vehicle product strategy </p> <ul style="list-style-type: none"> — Increasing the proportion of BEVs in the vehicle product portfolio, particularly in combination with other actions in the use phase (e.g. the use of renewable energy in the vehicle use phase). | <p>Vehicle production and own sites </p> <ul style="list-style-type: none"> — Renewable energies (e.g. electricity from renewable energy sources such as solar, wind or hydropower and biomethane) at Porsche AG's own vehicle production and development sites and at the sites of selected group companies. |
| <p>Supply chain </p> <ul style="list-style-type: none"> — Demand for direct suppliers to use renewable energy in manufacturing processes for vehicle components. — Increasing use of more environmentally sustainable materials in vehicles. | <p>Use phase </p> <ul style="list-style-type: none"> — Renewable energies in the use phase. — Continuous increase in vehicle efficiency. |

These decarbonization levers are addressed by the → **Actions** of the transition plan, which are described in a separate section.

VEHICLE PRODUCT STRATEGY

The vehicle product portfolio forms the core of the Porsche AG Group's activities to achieve the climate targets that have been set. The significant transition of vehicle models to electric mobility is therefore a focal point in the reduction of greenhouse gas emissions: With a typical intensity of the CO₂ emissions from the electricity used to charge electric vehicles (e.g. with the average European electricity mix), an electric vehicle produces less CO₂ emissions over its life cycle than a comparable vehicle with an internal combustion engine that is mainly powered by fossil fuels.

During the use phase of an electric vehicle, renewable energy sources such as wind and solar power can also be used to further improve the greenhouse gas balance. The vehicle product strategy is one of the greatest levers for the Porsche AG Group to reduce its existing CO₂ footprint. This is why the vehicles on offer are to be gradually converted, modified or replaced, thus intensively driving forward the electrification and hybridization of its own vehicle portfolio.

In the reporting year, 27% of new vehicles delivered to customers were electrified—whether they were all-electric models or plug-in hybrids. The Porsche AG Group's vehicle product portfolio aims to significantly increase this proportion. The ramp-up of electrification depends largely on customer demand, the development of electromobility in the different

regions of the world and regulatory incentive schemes. For the transition phase, the Porsche AG Group is positioning itself as flexibly as possible with a mix of combustion-engined, plug-in hybrid and all-electric vehicles.

As part of its electrification strategy, the Porsche AG Group is systematically expanding its range of BEVs and PHEVs. The all-electric Taycan—now in its second generation—has been available since 2019. The all-electric Macan was launched in the reporting year. The portfolio of the Panamera and Cayenne model series has also been successively expanded to include PHEV models. These will continue to be designed with high performance in mind and electric ranges suitable for everyday use.

A sporty hybridization of the Porsche 911, the 911 Carrera GTS T-Hybrid, was launched in the reporting year. The lightweight and powerful T-Hybrid system features a newly developed electric turbocharger. An integrated electric motor, positioned between the compressor and turbine wheel, also works as a generator. The energy generated is extracted from the exhaust gas flow.

Further information on the new Macan and other planned models can be found in → **Actions**.

SUPPLY CHAIN

The Porsche AG Group also looks at the vehicle supply chain to help it achieve its decarbonization target. Extracting and processing raw materials and processing them through to the finished components generates CO₂ emissions along the supply chain on account of the energy and processes used.

The Porsche AG Group assumes that the share of CO₂ emissions relating to the supply chain could also continue to rise as the share of all-electric vehicles increases because the value chain for high-voltage battery cells in particular is more energy- and CO₂ intensive than that for combustion engines.

This can be countered in the value chain by using electricity from renewable energy sources, switching to processes with lower CO₂ emissions or by using secondary materials. As the materials are already specified during the development process of a vehicle, corresponding changes must be defined right at the beginning of vehicle development. This is why the Porsche AG Group has targets for vehicle projects that are firmly set in the product emergence process. The targets are broken down at system level and translated into requirements at component level.

These are taken into account as binding requirements for direct suppliers in the procurement process. More information can be found in → **Policies with a focus on the value chain.**

Porsche AG is also working constantly in vehicle and platform projects within the Volkswagen Group to further reduce the CO₂ footprint in the supply chain. Using this long-term strategy of aligning vehicle development on a small number of platforms allows for synergies in development and production, which can also make a potential contribution to climate change mitigation. One example is a high-voltage battery developed together with partners, which can be used to implement lower-carbon materials and more carbon-efficient processes for several vehicles.

In the reporting year, Porsche AG entered into further partnerships with manufacturers of raw materials to improve the CO₂ footprint of Porsche vehicles in this way. Among other things, Porsche AG and a Norwegian aluminum producer agreed to work together on low-carbon aluminum and aluminum with a high proportion of recycled material. In addition, they also intend to develop a plan for a more ecologically sustainable value chain for battery materials and their recycling. The focus here is on how to design efficient and closed cycles for the high-voltage batteries of Porsche electric vehicles. Additional information can be found in → **E5 Resource use and circular economy.**

VEHICLE PRODUCTION AND OWN SITES

Porsche's own vehicle production is an important lever for achieving the decarbonization targets it has set itself. To this end, the use of electricity from renewable energy sources such as solar, wind and hydropower as well as biomethane is being promoted at selected Porsche AG Group sites. Since 2017, Porsche's own vehicle production and development sites at Porsche AG and Porsche Leipzig GmbH have been using electricity exclusively from renewable energy sources.

Since 2020, the Porsche AG vehicle production site in Stuttgart-Zuffenhausen has only been using biomethane from waste and residual materials for space and process heating and for production processes. This has been the case for the production of the Porsche Taycan since the end of 2019. The switch to biomethane at the vehicle production site in Leipzig and the research and development site in Weissach was made in 2021.

Porsche AG and selected group companies have defined their minimum criteria for new buildings, to go beyond the minimum energy efficiency requirements required by law.

The reduction of CO₂ emissions at the vehicle production sites in Stuttgart-Zuffenhausen and Leipzig is also having a positive impact on the decarbonization index (DCI).

The two vehicle production sites in Stuttgart-Zuffenhausen and Leipzig as well as the development site in Weissach were net carbon neutral in the reporting year.

In order to reduce other indirect greenhouse gas emissions, the Porsche AG Group is also focusing on the group companies' own vehicle fleets and has set itself the target of gradually converting these to electromobility.

USE PHASE

The Porsche AG Group is continuously working on decarbonizing the use phase of its vehicles and again implemented → **Actions** in the reporting year.

For electric vehicles, the CO₂ footprint of the use phase depends on the type of electricity generation. As new BEVs increase the demand for electricity in the markets, Porsche AG is involved in long-term indirect commitments with operators of wind and solar plants to promote the expansion of renewable energies.

The Porsche AG Group also continues to expand its charging infrastructure. Over 1,000 high-performance charging points have been put into operation for customers at more than 600 dealer sites to date. These are tailored to the Porsche Taycan and Porsche Macan and future Porsche vehicles with their 800-volt charging architecture. The Porsche AG Group is also planning to set up its own fast-charging stations along main traffic routes in Germany, Austria, Switzerland, northern Italy and the United Kingdom. In addition to this, it is involved in the further expansion of the public fast-charging infrastructure, which also includes IONITY's network of currently more than 700 fast-charging parks in Europe. In addition, Porsche Destination Charging is helping the Porsche AG Group expand the existing infrastructure for AC charging. There are more than 6,700 charging points in 92 countries. The Porsche Charging Service also enables access to charging points from various providers. More than 800,000 charging points in over 23 European countries are currently connected.

Porsche AG is also working on continuously improving the efficiency and thus the range of its BEVs. To this end, the new "Systems Engineering" development methodology was introduced in 2023 and a separate organizational unit was established within the development division at Porsche AG. The new unit centralizes all variables relating to vehicle efficiency in the concept phase and takes responsibility for them until the end of series development. The reduction of fuel and energy consumption has been defined as a key project goal in this framework.

In addition to the transition to all-electric vehicles and the decarbonization of the use phase through electricity from renewable energy sources, Porsche AG is also committed to solutions to further reduce CO₂ emissions from existing combustion engines. Here, the Porsche AG Group is investigating, among other things, synthetic, liquid fuels referred to collectively as e-fuels. These fuels, produced using electricity from renewable energy, could partially replace fossil fuels. Together with partners from science and industry, Porsche AG is working on developing these alternative fuels on an industrial scale.

Implementation and further information

INVESTMENTS TO IMPLEMENT THE TRANSITION PLAN

The actions to electrify the Porsche AG Group's product portfolio are a key component of the transition plan. These actions fall under economic activity 3.3 "Manufacture of low-carbon technologies for transport" according to the → **EU Taxonomy**. In 2024, the taxonomy-aligned capital expenditure (CapEx) came to €3,371 million and operating expenditure (OpEx) to €564 million.

As the share of BEVs increases, expenditure on the production of low-carbon technologies for transport is also likely to rise. Over the next five years, capital expenditure on economic activity 3.3 under the CapEx plan is expected to total around €8 billion.

EXPOSURE TO COAL, OIL AND GAS-RELATED ACTIVITIES

The Porsche AG Group focuses on the manufacture, sale and marketing of passenger cars. Its main business activity is the manufacture of motor vehicles (NACE code C.29.10, Manufacture of motor vehicles). The Porsche AG Group has not made any investments in industries associated with investments in coal, oil and gas activities.

COORDINATED EU BENCHMARKS

Under the "Climate Benchmark Regulation," which affects certain financial service providers such as capital management companies, the exclusion criteria for benchmarks aligned with the Paris Agreement were reviewed. The Porsche AG Group is not excluded from the EU Paris-aligned benchmarks. This means that shares and bonds of the Porsche AG Group meet the strict requirements of the regulation and can be integrated into investment funds that use terms such as "environment" or "sustainability" in their name.

LOCKED-IN GHG EMISSIONS

In the course of the transition to a future economic system with reduced greenhouse gas emissions, production facilities for the manufacture of emissions-intensive products in particular, as well as capital goods that do not meet the requirements of such an economic system, may lose value and become stranded assets. The Porsche AG Group is facing up to this challenge with a forward-looking investment plan and by adapting its product portfolio.

Existing vehicles with combustion engines can also lose value in a future economic system with reduced greenhouse gas emissions. The Porsche AG Group would therefore also like to demonstrate how the fossil CO₂ emissions of existing vehicles can be reduced by using renewable energy sources.

Overall, the GHG emissions potentially tied up in assets and vehicles are not currently expected to limit any of the defined emission reduction targets from being achieved.

PROGRESS AND TARGET ACHIEVEMENT

The implementation of the transition plan is progressing. Actions were implemented in the reporting year and contribute to a target achievement. → **Actions**

FURTHER STRATEGIC APPROACHES

Further approaches to increasing resource efficiency in vehicle production

In addition to the transition plan for climate change mitigation with the associated decarbonization program, the Porsche AG Group is also pursuing other approaches to manage its impacts, opportunities and risks related to climate change mitigation and energy in order to conduct its business activity in the most environmentally friendly manner possible.

The issues of energy and CO₂ emissions, along with other relevant topics, are the focus of a strategic vision for vehicle production and development with the lowest possible environmental impact at selected sites of the Porsche AG Group.

This vision sees the Porsche AG Group recording and calculating resource consumption for its vehicle production sites in Stuttgart-Zuffenhausen and Leipzig as well as for the development site in Weissach using the Volkswagen Group's impact points method. The indicator includes values for energy consumption and CO₂ emissions, and the impact assessment is also taken into account via a multiplier for relevance.

A detailed description of the impact points method can be found in → **E2 Pollution**.

The materials required to manufacture vehicles consume the most resources in the Porsche AG Group's business activities. Technology, processes and logistics in particular can all have a positive effect on resource consumption.

Since 2014, the environmental impact of Porsche's own vehicle production has been calculated using indicators for the consumption of energy and water as well as the amount of CO₂ emissions, solvents and waste per vehicle. The weighted average of these indicators is known as the "reduction of the environmental impact of production (UEP)." Targets for the UEP are described under → **E2 Pollution**.

Certifications

In annual audits, Porsche AG and selected group companies have independent third parties conduct spot checks to ensure that the applicable environmental and energy laws are being observed and that the **Environment Compliance Management System (ECMS)** meets the requirements of ISO 14001 and ISO 50001.

The Stuttgart-Zuffenhausen site plays a pioneering role when it comes to certifications: the site of Porsche AG has met the requirements of the European Eco-Management and Audit Scheme (EMAS) for over 25 years, the environmental management standard ISO 14001 since 1999 and the energy management standard ISO 50001 since 2011.

Porsche AG's "Plant 4" at Stuttgart-Zuffenhausen has a gold certificate in accordance with the system standard for districts of the "German Sustainable Building Council" (DGNB). This award is based on evaluations involving 27 different sustainability criteria. Porsche Leipzig GmbH has a DGNB district certification with a platinum rating for the Leipzig site, whose recertification extends beyond the reporting year.

Porsche Leipzig GmbH, the Research and Development Center in Weissach including its external sites, Porsche Logistik GmbH in Sachsenheim, and Porsche Werkzeugbau GmbH have also all been certified as compliant with ISO 14001 and ISO 50001.

Environmental management and compliance

The Porsche AG Group's sustainability management encompasses the management of all activities within the defined fields of the → **Sustainability strategy**, including decarbonization.

As part of the ECMS, the Porsche AG Group regularly reviews the effectiveness of its environmental and energy actions. The ECMS defines roles and responsibilities with regard to design, implementation and monitoring. It also stipulates that environmental aspects must be taken into account during the strategy, planning and decision-making processes. As part of the Porsche AG Group's overall management system, an organized and structured Environmental Compliance Management System ensures that national and international environmental and energy law requirements are implemented. The ECMS requirements are based on specifications of the Volkswagen Group. More information on the ECMS is provided under → **Policies**.

Within Porsche AG, the ECMS is the responsibility of the Executive Board. Further development and monitoring at Porsche AG is the responsibility of the Environmental and Energy Management department. The department translates the Volkswagen Group's specifications into its own specifications for the group companies, each of which is responsible for implementing them.

The Environmental Compliance Management Committee was formed in 2022 and consists of members from different divisions and group companies. The committee reports on high-level strategic targets and objectives as well as compliance with the law at German company sites. The committee met four times in the reporting year at a national level.

The sites of the Porsche AG Group have their own environmental and energy management officers. Among other things, they advise and monitor key environmental and energy figures, check their plausibility and coordinate environmental and energy management audits. The related operational and strategic responsibilities within Porsche AG are assumed by the Environmental and Energy Management department, which is interconnected through partnerships with the relevant and affected departments.

In addition to the general environmental compliance of its business activities, the compliance of products with environmental laws and regulations plays a key role in the corporate governance of the Porsche AG Group. This is also managed using the Product Compliance Management System (PCMS).

The PCMS forms a cross-departmental and group-wide framework and supports the departments in complying with statutory and regulatory requirements of the country of production and the sales markets of Porsche AG and selected group companies, with internal and external standards as well as contractually agreed customer requirements and externally communicated commitments for Porsche vehicles over their service life. To this end, the PCMS is connected to existing structures (e.g. management systems, committees) and supports the improvement of processes related to product compliance.

Compliance with legal requirements demands that the relevant data be collected at an early stage as well as consistent management based on this with regard to the targets. This is done within the framework of vehicle type approval in the development departments of Porsche AG, which are supported by the Technical Conformity department, in cross-divisional bodies and in cooperation within the Volkswagen Group. Actions include, for example, adapting the vehicle product portfolio, including adjusting the drive type, changing the product substance and technology and sales management.

POLICIES

The issues of climate change mitigation and energy in connection with the abovementioned impacts and the approaches described are regulated in several policies of the Porsche AG Group as well as other requirements.

Policies with a focus on the company's own business activities

The **Group Sustainability Policy** is the leading document for sustainability management in the Porsche AG Group. It regulates a uniform approach and describes the responsibilities and minimum requirements for operational implementation.

The aim is to go beyond compliance with legal requirements by acting as sustainably as possible in order to secure the company's long-term success, contribute to sustainable development and strengthen and uphold society's acceptance of the company. Social and environmental concerns must be included in the company's considerations and decisions alongside economic aspects.

The General Secretary and Corporate Development division is responsible for managing and implementing the sustainability strategy as well as sustainability management in cooperation with the departments involved. The Executive Board defines the sustainability strategy for the Porsche AG Group and monitors target achievement. The Porsche AG Group's sustainability management is described in detail under → **General disclosures**.

The **Group Environmental Compliance Management System (ECMS) Policy** is based on the specifications of the Volkswagen Group and standardizes the procedure, responsibilities and processes in connection with environmental and energy-related matters under the ECMS within the Porsche AG Group. The group companies are obliged to implement the requirements in their own policies and for selected group companies to establish an environmental management system certified in accordance with ISO 14001. Based on the Porsche AG Group's environmental and energy policy, the group companies must define long-term strategic environmental and energy targets and corresponding action plans. They also describe minimum reporting requirements and operational environmental risk management.

The group policy sets out requirements relating to environmental protection and compliance. Site managers are required to examine the use of renewable energies and come up with appropriate actions.

The objectives and action plans of selected group companies are coordinated annually with the Porsche AG Group's central Environmental and Energy Management. Employees regularly receive basic or job-specific training on policy content.

Management of compliance of Porsche vehicles, including with environmental laws and regulations, is also governed by the **Group Product Compliance Management System (PCMS) Policy**. The policy regulates how minimum standards and product compliance requirements are handled. The aim of these requirements is to minimize the risk of binding obligations for products manufactured and placed on the market not being fulfilled.

The PCMS has its own office at Porsche AG, which supports the responsible departments in implementing and monitoring product compliance requirements. Responsibility for the PCMS at Porsche AG Group level lies with the Executive Board of Porsche AG.

The policy also stipulates that employees and managers involved with the PCMS should receive regular information and training on product compliance.

In the long-term, the Porsche AG Group is committed to vehicle production and development with the lowest possible environmental impact at selected sites of the Porsche AG Group. In order to minimize the use of resources and CO₂ emissions for new buildings and conversions as well as in the use phase of buildings and facilities, Porsche AG uses a **manual on environmental requirements**. Against the backdrop of the Porsche Strategy 2030 Plus, the principles of sustainable development are to be taken into account wherever possible in all planning and decision-making processes over the life cycle of the company's own buildings. To achieve this, wastage and resource usage must be continuously reduced, recycling processes initiated and future technologies established.

In the area of climate change mitigation, it stipulates that actions aimed at increasing energy efficiency must be taken into account when planning buildings and facilities.

In addition, the use of refrigerants with low global warming potential when operating refrigeration systems or the use of alternative fuels (e.g. biomethane) for gas-burning plants should be examined. The manual also sets out processes for appropriate resource-efficient planning and for monitoring and measuring energy efficiency.

The manual is available as a supporting document on the intranet.

The path to vehicle production and development with the lowest possible environmental impact at selected sites of the Porsche AG Group is defined in a corresponding **site checklist**, among other things. This evaluates qualitative aspects of a site in eleven fields of action—environmental compliance, architecture and perception, planning, digitalization, water, energy and CO₂, material, soil, biodiversity, pollutants, mobility—and includes a comprehensive list of criteria for energy efficiency.

More information on vehicle production and development with the lowest possible environmental impact at selected sites of the Porsche AG Group and the associated assessment methods can be found in → **E2 Pollution**.

Porsche AG has also adopted the **"Environmental protection" resource regulation**, while Porsche Leipzig GmbH has adopted the **"Energy and resource efficiency" resource regulation**. They set out environmental requirements for contractors in the design and construction of buildings and facilities. These are subject to both statutory and internal group regulations.

In the area of climate change mitigation, it is stipulated that actions reducing emissions generally be carried out using state-of-the-art technology. When designing buildings and facilities, energy consumption is to be minimized within the framework of economic efficiency and low-emission materials are always the preferred option. For example, refrigerants with low global warming potential must be used in air conditioning and refrigeration systems. Greenhouse gas emissions are to be avoided through energy optimization in the design, construction and operation of the facilities, internal energy use and the use of thermal insulation.

Compliance with the resource regulations is monitored by the respective environmental department of Porsche AG and Porsche Leipzig GmbH. The resource regulations are available to business partners on the Volkswagen Group's procurement platform. Employees can access them on the intranet.

In preliminary processes and committees, the Porsche AG Group evaluates its product strategy and develops recommendations based on input from the relevant internal specialist departments. The Executive Board holds regular strategy workshops and planning rounds for this purpose. Decarbonization targets are included in the product strategy and product emergence process. These are initially set by the sustainability organization committees and then verified when setting targets for the vehicle projects and signed off on by the responsible committee of the Executive Board.

Policies with a focus on the value chain

The Porsche AG Group also takes responsibility climate change mitigation and energy beyond its own activities along the upstream supply chain. Porsche AG therefore sets out

corresponding requirements for direct business partners and direct suppliers of production materials in several policies:

The **Code of Conduct for Business Partners** sets out binding requirements for business partners with regard to sustainability. It is described in detail under → **G1 Business conduct** as is the sustainability assessment of direct suppliers using the sustainability rating (S-rating).

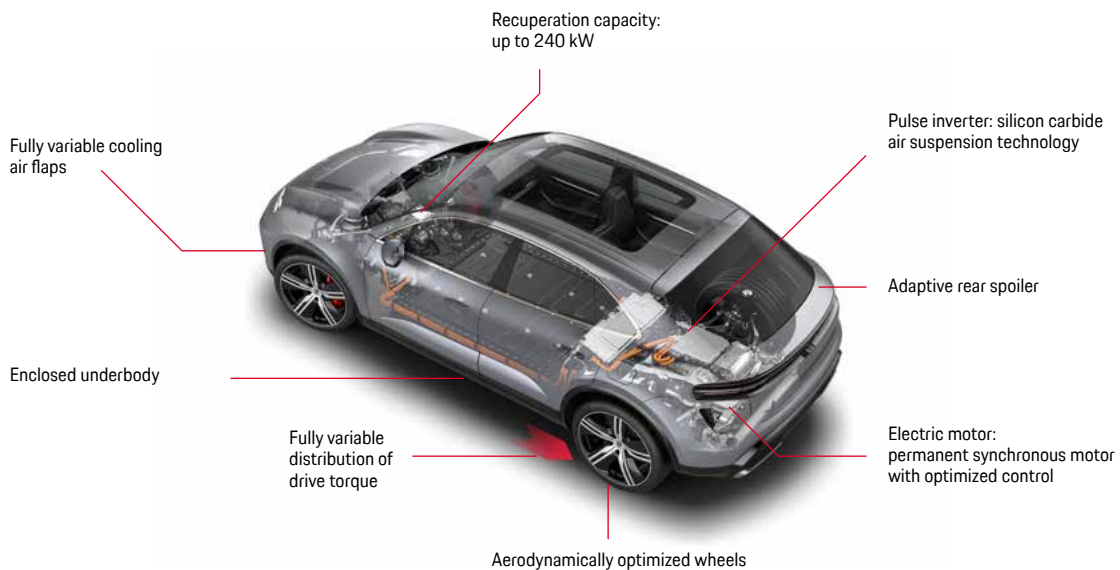
With regard to climate change mitigation and energy, the Code of Conduct for Business Partners requires direct business partners of the Porsche AG Group to take appropriate actions to reduce air emissions, including greenhouse gas emissions. In addition, they must also work toward reducing greenhouse gas emissions in their upstream supply chain, for example by increasing the use of renewable energy sources. Actions must also be taken to ensure that energy is used as efficiently as possible.

In addition, direct suppliers of products supplied to the Porsche AG Group must disclose information on total energy consumption in MWh and CO₂ emissions in tons (Scope 1, 2 and 3) at product level on request, in order to enable the Porsche AG Group to be managed in this regard.

Beyond the Code of Conduct for Business Partners, the Porsche AG Group sets specific requirements for direct suppliers of components for relevant all-electric vehicle projects currently under development. See the description of the “supply chain” decarbonization lever under → **Transition plan**.

In order to support the tracking and management of target values in the supply chain, relevant processes in the context of decarbonization were integrated into the brand product emergence process, which forms the basis for the timing and content of the Porsche AG Group's vehicle projects.

Selected actions for maximum vehicle efficiency



The initial top-down decarbonization targets are broken down into main system or system level over the course of the project according to a "Systems Engineering" logic and pursued by defined departments within the development organization. The status of target achievement is reported to project-specific committees and to the Porsche AG Group's Executive Board upon reaching certain reporting milestones.

In order to track technical actions to reduce global warming potential in the supply chain, the Porsche AG Group has developed an internal, IT-supported tracking system and implemented it in relevant vehicle projects. The planned actions are requested from direct business partners and direct suppliers of the Porsche AG Group by means of policies governing specific materials and raw materials, and their implementation is agreed as part of the procurement processes by the procurement organization. Corresponding requirements documents, i.e. **specifications**, were developed together with the Volkswagen Group and rolled out in the Porsche AG Group. To enable that the agreed reduction actions are implemented in the supply chain, verification documents are obtained from relevant direct business partners before production of new vehicle models has started. Based on the evidence obtained, a systematic assessment of the reduction achieved is carried out with a vehicle-specific product life cycle assessment in accordance with ISO 14040/14044.

Furthermore, specifications require all direct suppliers of production materials for vehicles to switch their production to certified electricity from renewable energy sources. This has applied to all new production material contracts of all-electric series vehicle projects awarded since July 2021. Almost all direct suppliers of production materials have committed to meet this requirement.

ACTIONS

In order to continuously reduce greenhouse gas emissions over the life cycle of Porsche vehicles, the Porsche AG Group has defined appropriate decarbonization levers in its → **Transition plan**. This is to be achieved primarily by electrifying the vehicle portfolio and consistently implementing actions along the vehicle life cycle, from the supply chain to production through to the downstream use phase.

The actions described in the following section contribute to the Porsche AG Group's decarbonization targets, which are described under → **Targets**.

Actions to electrify the product portfolio

In the reporting year, the Porsche AG Group rolled out the largest model launch program in the company's history to date with the third model generation of the Panamera, followed by the next generation of the all-electric Taycan sports car. In 2024, the next generation of the Macan was launched as an all-electric version and a sporty hybridization of the Porsche 911, the T-Hybrid, was introduced in the 911 Carrera GTS.

BEV models accounted for 12.7% of sales in the reporting year, while PHEV models accounted for 14.3% (2023: 12.8% and 9.2%, respectively). The proportion of electrified vehicles in the reporting year thus came to 27% (2023: 22%).

Actions to decarbonize the supply chain

In the reporting year, the Porsche AG Group was able to save around 102,512 tCO₂ in its Taycan models and the new all-electric Macan by using more environmentally sustainable materials and electricity from renewable sources when manufacturing the cells found in high-voltage batteries. In addition, there are further actions for production materials at vehicle production sites in the Volkswagen Group, which save roughly another 39,622 tCO₂.

CO₂ emissions expected in the future depend on the production volume of the vehicle projects and are therefore not quantified. However, the Porsche AG Group is planning to further expand its CO₂ reduction actions in future vehicle projects.

In order to check the implementation of the agreed reduction actions in the supply chain, verification documents were collected from relevant business partners for the all-electric Macan in 2023. Based on the evidence obtained, a systematic assessment of the reduction achieved was carried out with a vehicle-specific product life cycle assessment in accordance with ISO 14040/14044.

Further actions related to the use of more environmentally friendly materials are described in

→ **E5 Resource use and circular economy**.

Actions to decarbonize vehicle production

In the reporting year, CO₂ emissions were reduced at Porsche's two vehicle production sites in Stuttgart-Zuffenhausen and Leipzig and at the development site in Weissach by using electricity from renewable energy sources and biomethane. Heat from solid biomass (wood chips) is also used at the Leipzig site. Contrary to the requirements of the Greenhouse Gas Protocol, reporting biomethane with zero tons of CO₂/MWh will only be possible in future in accordance with CSRD and ESRS requirements if the requirements of the European Emissions Trading System (EU ETS) are met. This was not fully the case in the reporting year, resulting in special effects when calculating CO₂ emissions in the reporting year. These are described in more detail in the following section → **Metrics**.

Actions to decarbonize the use phase

The Porsche AG Group is committed to expanding the use of renewable energies. The Porsche AG Group intends to enter long-term indirect commitments with operators of wind and solar plants to promote the expansion of renewable energies. These plants are to provide new capacities to generate enough electricity from renewable energies to match the vehicles' imputed energy requirements. The funds required to implement the action are part of the regular financial planning. This approach has been used since 2021 for the newly produced fleet of the Taycan Sport Turismo and Taycan Cross Turismo models in the respective year. In 2023, the approach was extended to all Taycan models and, in the reporting year, to the all-electric Macan, among others. In total, approximately 824,704 tCO₂ were saved in the reporting year.

The Porsche AG Group is striving to become a technological leader on the road to electrification and is also focusing on continuous efficiency improvements.

In the reporting year, the Porsche AG Group launched the next generation of the Macan as a purely battery-powered electric vehicle. This model combines the Porsche AG Group's design DNA with aerodynamics designed to optimize range and fuel consumption. Thanks to Porsche Active Aerodynamics, the new Macan is one of the most aerodynamic SUVs on the market. Aerodynamically optimized 20-inch wheels are fitted as standard for maximum efficiency. Among other things, fully variable cooling air flaps, a completely closed underbody and an adaptive rear spoiler contribute to the drag coefficient of 0.25.

As with the Taycan, the Porsche AG Group uses permanent synchronous electric motors for the Macan, offering high efficiency and consistent reproducibility of the power output. To optimize efficiency, silicon carbide (SiC) is used instead of silicon as the semiconductor material in the rear-axle pulse inverter.

The operating strategy also plays an important role in the overall efficiency of a vehicle. Depending on the selected driving mode and the driving situation, the torque in the new Macan is distributed fully variably between the front and rear axles. It comes exclusively from the rear axle drive under stable, moderate driving conditions. This maximizes the efficiency potential of the SiC pulse inverter while ensuring the needs-oriented driving stability of an all-wheel drive vehicle. The ability to recover energy up to 240 kW during deceleration demonstrates the focus on efficiency during sporty driving.

An all-electric Cayenne is to be launched on the market in the medium-term. The Porsche AG Group also plans to offer the 718 Boxster and Cayman models as all-electric models. In the medium-term, there are also plans to expand the product portfolio with a new, all-electric model in the SUV segment above the Cayenne.

TARGETS

The Porsche AG Group intends to lower its average greenhouse gas emissions along the value chain and over the vehicles' life cycles. The reduction pathway was developed based on existing 1.5-degree climate scenarios and specific targets were formulated at the vehicle level and requirements at the component level in consultation with the relevant internal experts. Realizing the Porsche AG Group's ambition depends upon various factors, e.g. technological progress that has not yet been fully developed, and also on regulatory or economic developments that are outside the Porsche AG Group's direct control and may therefore not be realizable.

The Porsche AG Group closely monitors the individual global markets and, depending on their development, continuously reviews its product strategy and product range structure for vehicles, including the drive types offered. It intends to pursue the target of a 1.5-degree reduction pathway as long as possible.

Target with regard to the electrification of the product portfolio (BEV share)

The BEV share is defined as the proportion of purely battery-powered electric vehicles in relation to deliveries, i.e. the total number of vehicles delivered to end customers.

In the reporting year, 27% of new vehicles delivered to customers were electrified—whether they were all-electric models or plug-in hybrids. The Porsche AG Group's vehicle product portfolio aims to significantly increase this proportion. The ramp-up of electrification depends largely on customer demand, the development of electromobility in the different regions of the world and regulatory incentive schemes. For the transition phase, the Porsche AG Group is positioning itself as flexibly as possible with a mix of combustion-engined, plug-in hybrid and all-electric vehicles.

In the reporting year, the proportion of purely battery-powered electric vehicles (automotive BEV share) stood at 12.7%.

Targets for production and own sites (Scope 1 and 2)

The Porsche AG Group's targets include Scope 1 and 2 as defined in the Greenhouse Gas Protocol.

In the reporting year, a special effect relating to Scope 1 emissions was recorded at Porsche's own vehicle production site in Stuttgart-Zuffenhausen and at the development center in Weissach. According to the new CSRD requirements, biomethane can only be counted toward the CO₂ footprint with zero tons of CO₂/MWh if there is evidence that meets the criteria of the Renewable Energy Directive II ("REDII"). It was not possible to provide full evidence in the reporting year, but this is planned for the following reporting year. Therefore, to further secure the designation as carbon-neutral sites, voluntary carbon credits were acquired for a volume of 33,300 tCO₂ emissions to offset the aforementioned special effect.

The Porsche AG Group has set itself the target of reducing CO₂ in Porsche's own business activity (Scope 1 and 2) by 76% in the period from 2016 to 2030.

The target relates to the Porsche AG Group. The SBTi modeling methodology was used to derive the Scope 1 and Scope 2 targets. This is to ensure 1.5-degree conformity in line with the → **Transition plan**.

In the reference year 2016, some 192,400 tCO₂e was emitted in Scope 1 and 2. This value was determined on the basis of the Scope 1 and Scope 2 emissions published in the 2016 annual report for the vehicle production sites and selected Porsche AG sites (market-based) in the amount of 164,159 tCO₂, plus a retrograde estimate of the emissions of group companies that were not yet part of the GHG accounting in 2016. In the reporting year, Scope 1 and Scope 2 emissions for the Porsche AG Group amounted to 215,244 tCO₂e (location-based) and 91,180 tCO₂ (market-based). Further information and a table providing an overview of the emissions-related targets can be found in → **Metrics**.

Target in the downstream value chain (Scope 3)

In the reporting year, the Porsche AG Group adjusted its CO₂ reduction target to bring it in line with the reporting requirements of the CSRD. The previous specific target to reduce CO₂ emissions during the vehicle use phase was converted into an absolute target and the base year was adjusted from 2022 to 2023.

The Porsche AG Group aims to reduce the absolute greenhouse gas emissions of the use phase (Scope 3 emissions) of newly produced Porsche vehicles by 2030 by at least 42% compared to 2023.

The Porsche AG Group's Scope 3 target is based on the reduction targets of the SBTi Land Transport Guidance and the "XDC Model" from "right", and is therefore also considered to be in line with the 1.5-degree target for the reporting year. Further information can be found in → **Transition plan**.

In the reference year 2023, a total of 16,672,762 tCO₂ (after base year recalculation) was emitted in Scope 3 (use phase). In the reporting year, emissions amounted to 13,279,811 tCO₂.

Further information and a table providing an overview of the emissions-related targets can be found in → **Metrics**.

METRICS

Metrics on energy consumption and energy mix

Energy consumption, energy mix, energy generation and energy intensity

| MWh | 2024 |
|---|----------------|
| Total energy consumption | 882,852 |
| Total energy consumption of fossil fuels | 223,610 |
| Fuel consumption from coal and coal products | – |
| Fuel consumption from crude oil and petroleum products | 152,441 |
| Fuel consumption from natural gas | 36,847 |
| Fuel consumption from other fossil sources | 218 |
| Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources | 34,104 |
| Total energy consumption from nuclear sources | – |
| Total energy consumption from renewable sources | 659,242 |
| Fuel consumption from renewable sources | 285,542 |
| Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources | 358,174 |
| Consumption of self-generated non-fuel renewable energy | 15,526 |
| Energy intensity associated with activities in high climate impact sectors (MWh/€ million) | 22.0 |
| Generation of non-renewable energy | 39,035 |
| Generation of renewable energy | 227,612 |

In the reporting year, the Porsche AG Group's total energy consumption amounted to 882,852 MWh.

The vast majority of the energy consumed came from renewable sources. For the Porsche AG Group, this resulted in an energy intensity of 22 MWh/€ million for the reporting year.

→ **Energy consumption, energy mix, energy generation and energy intensity**

Methods and assumptions

Energy consumption is determined using utility bills and additional information from the local energy suppliers of the respective group companies as well as other information from meter readings and load profiles. Where possible, actual values are used to calculate the annual totals. Months for which no actual values are available are extrapolated. The values for self-generated energy are measured directly or calculated on the basis of the amount of fuel used.

To determine energy intensity, those sales revenues and energy consumption values associated with activities in high climate impact sectors must be taken into account. All activities in the Porsche AG Group contribute directly or indirectly to the manufacture of motor vehicles and motor vehicle parts (NACE Code 29.10) and are therefore classified as high climate impact sectors. Total sales revenue and total energy consumption are therefore taken into account in the calculation.

The sales revenue of the Porsche AG Group can be found in

→ **Notes to the consolidated financial statements – Sales revenue.**

Metrics on gross GHG emissions

GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

Scope 1 GHG emissions amounted to 76,989 tCO₂e in the reporting year. This figure is higher than that reported in last year's sustainability report, as the regulatory requirements regarding Scope 1 accounting have changed with the CSRD. The Porsche AG Group uses biomethane at its two vehicle production sites in Zuffenhausen and Leipzig as well as at its development site in Weissach. According to the previous reporting based on the GHG Protocol, the emissions caused by burning biomethane were set at 0 tCO₂e. According to the CSRD, this is only possible if sustainability certificates pursuant to the requirements of RED II are available for the biomethane used. These certificates could not be obtained for the total amount for the reporting year due to existing contractual obligations. As a result, the biomethane emissions have been included in the Scope 1 emissions. Next year, the Porsche AG Group plans to obtain the relevant sustainability certificates so that biomethane can again be recognized as a greenhouse gas-neutral energy source also in accordance with the CSRD.

Market-based Scope 2 GHG emissions amounted to 14,191 tCO₂e in the reporting year. This figure reflects the widespread use of electricity from renewable energies within the Porsche AG Group.

In the fiscal year 2024, the largest share of the GHG emissions determined within the Porsche AG Group at 19,981,165 tCO₂e were attributable to indirect emissions in the value chain (Scope 3 GHG). The main driver of Scope 3 emissions was the production (Scope 3.1 category) and use (Scope 3.11 category) of Porsche vehicles produced in the reporting year.

The GHG intensity of the Porsche AG Group, which is calculated from total GHG emissions and consolidated sales revenue, was 500.8 tCO₂e/€ million in the fiscal year 2024, taking into account market-based Scope 2 emissions.

GHG intensity in the Porsche AG Group

| tCO ₂ e/€ million | 2024 |
|--------------------------------|-------|
| GHG intensity (location-based) | 503.9 |
| GHG intensity (market-based) | 500.8 |

Gross Scopes 1, 2, 3 and Total GHG emissions

| tCO ₂ e | 2024 |
|---|------------|
| Gross Scope 1 GHG emissions | |
| Gross Scope 1 GHG emissions | 76,989 |
| Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%) | 94.4 |
| Gross Scope 2 GHG emissions | |
| Gross location-based Scope 2 GHG emissions | 138,255 |
| Gross market-based Scope 2 GHG emissions | 14,191 |
| Gross Scope 3 GHG emissions | |
| Total Gross indirect (Scope 3) GHG emissions | 19,981,165 |
| 1 Purchased goods and services | 5,555,629 |
| 2 Capital goods | 339,913 |
| 3 Fuel and energy-related activities | 62,227 |
| 4 Upstream transportation and distribution | 337,642 |
| 5 Waste generated in operations | 57,193 |
| 6 Business travel | 69,843 |
| 7 Employee commuting | 24,285 |
| 8 Upstream leased assets | 4,783 |
| 9 Downstream transportation | – |
| 10 Processing of sold products | – |
| 11 Use of sold products | 13,279,811 |
| 12 End-of-life treatment of sold products | 26,045 |
| 13 Downstream leased assets | 148,147 |
| 14 Franchises | 75,647 |
| 15 Investments | – |
| Total GHG emissions | |
| Total GHG emissions (location-based) | 20,196,409 |
| Total GHG emissions (market-based) | 20,072,345 |

There were no significant Scope 1 and Scope 2 GHG emissions outside the Porsche AG financial consolidated group in the fiscal year 2024.

The biogenic emissions of CO₂ from the combustion or biodegradation of biomass must be disclosed separately. Direct biogenic CO₂ emissions (Scope 1) are emissions resulting from the use of biogenic fuels at the sites. Indirect location-based biogenic CO₂ emissions (Scope 2) are emissions caused by the use of biogenic fuels by external energy suppliers, e.g. through the generation of electrical energy and heat. With regard to Scope 2 emissions, biogenic emissions can currently only be determined for the location-based approach.

Biogenic CO₂ emissions from the combustion or biodegradation of biomass

| tCO ₂ e | 2024 |
|--------------------------|---------|
| Scope 1 | 103,775 |
| Scope 2 (location-based) | 41,158 |

Methods and assumptions

SCOPE 1 AND SCOPE 2 EMISSIONS

To determine Scope 1 emissions and biogenic Scope 1 emissions, the Porsche AG Group uses the emissions factors from the group-wide internal standard for determining and documenting environmental indicators (Volkswagen Group Standard 98000) as well as emissions factors defined by the VDA (VDA report "Emissions factors for electricity, district heating and fuels" from 2022). This ensures that uniform emissions factors are used throughout the group. To determine Scope 1 emissions, the conventional energy volumes used are multiplied by the respective emissions factor (tCO₂/MWh). Scope 1 GHG emissions include GHG emissions from mobile equipment, e.g. company vehicles, trucks, forklift trucks and from the incineration of fuels for heat generation (e.g. CHP).

When determining Scope 2 emissions, a distinction must be made between the market-based and the location-based method. For the location-based Scope 2 emissions and biogenic Scope 2 emissions, the purchased energy volumes are multiplied by the uniform group-wide emissions factors mentioned above. In the market-based approach, the calculation is based on supplier-specific emission factors and, for the group companies, on the emission factors from the VDA standard, the Volkswagen Group standard 98 000 and, for electricity, on country-specific factors from the Energy Institute. No different reporting periods have to be taken into account.

SCOPE 3 EMISSIONS

In cooperation with the Volkswagen Group, Porsche AG and selected group companies calculate the volume of greenhouse gas emissions, in tons of CO₂ per vehicle, all along the value chain using the Decarbonization Index (DCI). The methods and assumptions used to calculate Scope 3 emissions are documented in an internal manual and updated annually.

The emissions factors used to calculate Scope 3 emissions are largely derived from a generic, representative database that is subject to a fee. In addition, factors from other sources are also used for individual Scope 3 categories (e.g. GHG Protocol).

For the reporting year, the Porsche AG Group has also recorded the CO₂ emissions for the entire Porsche AG Group for the first time in addition to the DCI. The greenhouse gas emissions collected as part of the DCI are supplemented by the relevant emissions of the group companies in the following categories: Purchased goods and services, Upstream transportation and distribution, Fuel and energy-related activities (not included in Scope 1 or Scope 2), Waste generated in operations as well as Business travel and Employee commuting. In addition, the production volumes (Scope 1 and 2) for the production of the Cayenne at the Volkswagen Group's plant in Bratislava and the Boxster and Cayman at the Volkswagen Group's plant in Osnabrück are included in the "Purchased goods and services" category. The emissions from the "Upstream" and "Downstream transportation and distribution" categories resulting from the production of these two series have also been included for the first time. The values originate from the Volkswagen Group DCI. Non-production materials and spend-based services have also included in the "Purchased goods and services" category for the first time. In total, 12 of the 15 Scope 3 categories were calculated and reported for the reporting year in accordance with the Scope 3 standards published by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute. Categories 3.10 (Processing of sold products) and 3.15 (Investments) are not included. Category 3.9 (Downstream transportation) does not include any transport not commissioned by Porsche AG; the commissioned transports are included in category 3.4 (Upstream transportation and distribution). Emissions from after-sales and motorsport have not been commissioned either.

The following methods are used to calculate or measure the values in the individual categories:

- Scope 3.1:
The CO₂ emissions in category 1 relate to the supply chain emissions of all passenger cars produced in the reporting year. They were calculated on the basis of life cycle assessments (LCAs). All vehicle LCAs have been independently certified to ISO 14040/44. Spend-based data is used for other purchased goods and services of the Porsche AG Group. Scope 1 and Scope 2 emissions from the Volkswagen production sites in Bratislava and Osnabrück are also recorded for the Cayenne, Boxster and Cayman produced in the reporting year.
- Scope 3.2:
Emissions from capital goods are calculated on the basis of expenditure using financial data from Volkswagen AG.
- Scope 3.3:
Group-wide energy consumption is recorded annually in the Volkswagen Group's internal environmental information system and in Porsche's own data collection system for the group companies of Porsche AG and converted into CO₂ equivalents using emissions factors for the various energy sources from a representative generic database.
- Scope 3.4:
This figure corresponds to the CO₂ emissions from the provision and use of energy sources, both from incoming and outgoing transports commissioned by Porsche AG as well as transport processes between the sites of the Porsche AG Group worldwide. In addition, the logistics emissions of the Volkswagen production sites in Bratislava and Osnabrück are recorded for the Cayenne, Boxster and Cayman produced in the reporting year.
- Scope 3.5:
Group-wide waste generation is recorded annually in the Volkswagen Group's internal environmental information system and in Porsche's own data collection system for the group companies of Porsche AG and converted into CO₂ using emissions factors for the various waste streams from a representative generic database.
- Scope 3.6:
The data collected covers all travel activities of the Porsche AG Group that were booked via central framework agreements with external service providers (travel agencies, car rental providers and flight shuttle providers). If no primary data is available for individual group companies, an extrapolation was made using an emissions factor based on the number of employees. Some individually booked travel services are not included.
- Scope 3.7:
From 2024 onwards, the emissions are based on a calculation that takes into account the global employee figures (direct and indirect) of the Porsche AG Group and region-specific, external, generic metrics on the modal split, transportation mode-specific emissions factors and average commuting distances and working days.
- Scope 3.8 and 3.13:
Emissions from rented and leased assets are calculated on the basis of financial data from Volkswagen AG and using emissions factors.
- Scope 3.9:
The transports commissioned by Porsche AG are included in category 3.4.
- Scope 3.10:
Category 10 comprises emissions from the processing of sold products and is not reported at group level due to its low materiality.
- Scope 3.11:
The CO₂ emissions comprise the well-to-wheel emissions of all passenger cars produced in 2024, assuming a lifetime distance traveled of 200,000 km. The calculation is based on the weighted average fleet emissions [gCO₂/km] in the main European markets (EU27, United Kingdom, Norway and Iceland), China and the USA according to the current legal driving cycles. Region-specific emissions factors for fuel and electricity supply chains from a representative generic database were used to calculate the corresponding well-to-tank emissions. As these generic emissions factors were updated in 2024, the historical emissions have also been updated to reflect this.
- Scope 3.12:
The CO₂ emissions in category 12 relate to the potential end-of-life emissions of all passenger cars produced in the reporting year. They were calculated on the basis of LCAs. All vehicle LCAs have been independently certified to ISO 14040/44.
- Scope 3.14:
Since the reporting year 2022, the calculation has been based on an annual evaluation of the CO₂ emissions of the Volkswagen Group's dealership and service partners based on the energy consumption of the sites and country-specific emissions factors. The country-specific emissions factors come from a representative generic database.
- Scope 3.15:
Category 15 comprises emissions from various types of investments and is not reported at group level due to its low materiality.

In general, there may be differences in the evaluation of Scope 3 emissions depending on the reporting period. For example, various divisions such as Logistics and Franchises report some figures from the prior reporting year.

DISCLOSURE OF SIGNIFICANT CHANGES AND THEIR IMPACT ON THE COMPARABILITY OF GHG EMISSIONS

It should be noted that the prior-year non-financial statement in the Porsche AG Group's annual report only considered the emissions data of Porsche AG and the second major production site in Leipzig. The absolute emissions data provided in this report, on the other hand, cover the entire Porsche AG Group.

In order to establish comparability between the base year (2023) and the reporting year, Porsche AG and the Volkswagen Group carried out a base year recalculation for the first time for the Scope 3 emissions, which transfers changes in method that have occurred in the meantime to the base year.

TOTAL EMISSIONS AND GHG INTENSITY

To determine the total GHG emissions, the calculated emission volumes in Scope 1 to 3 are added together. GHG intensity is calculated by dividing total GHG emissions by the net sales revenue of the Porsche AG Group. The sales revenue of the Porsche AG Group can be found in the → **Notes to the consolidated financial statements – Sales revenue.**

Metrics on the use of carbon credits

There are currently no actions already implemented at the Porsche AG Group to remove and store GHG either in the company's own operations or in the value chain.

The Porsche AG Group is pursuing an ambitious decarbonization program. Actions to avoid and reduce GHG emissions take the utmost priority. The Porsche AG Group is therefore taking action to transition its energy supply to less carbon intensive or renewable energy sources. The Porsche AG Group only resorts to offsetting if emissions cannot be avoided technically or with reasonable economic effort. The carbon offsetting approach is used for all emissions categories from Scope 1 to Scope 3.

In the reporting year, the Porsche AG Group offset a total of 1,490,506 tCO₂e. Only carbon credits that meet recognized international standards are used. To further ensure quality, Porsche AG Group assesses its offset projects according to its own standards in addition to the external certification standards. In the reporting year, only emissions credits that comply with the Verra and Gold standards were used.





Use of carbon credits in the Porsche AG Group





| tCO ₂ e | 2024 |
|---|-----------|
| Total carbon credits canceled | 1,490,506 |
| Share from removal projects (%) | 100.0 |
| Share from reduction projects (%) | 0.0 |
| Recognized quality standard 1: Verra (%) | 66.0 |
| Recognized quality standard 2: Gold Standard (%) | 34.0 |
| Share from projects within the EU (%) | 0.0 |
| Share from carbon credits used as a corresponding adjustment in accordance with Art. 6 of the Paris Agreement (%) | 0.0 |

Internal carbon pricing

The Porsche AG Group sees the decarbonization of its value chain as a strategic task. Effective decarbonization can only be achieved by means of a stringent control mechanism. Porsche AG therefore works internally, for example in the context of vehicle projects, with a CO₂ target control system that continuously calculates the CO₂ emissions of vehicle projects and evaluates and decides on measures to reduce them in the development process on the basis of marginal costs[€/tCO₂]. The financial resources required to achieve the decarbonization targets are included in the corporate planning.

E2 POLLUTION

| Topic | Significant impacts | Value chain | | | Most relevant time horizon | | |
|--|---|-------------|---|---|---|---|---|
| | | → |  | → |  |  |  |
| Pollution of air | Deterioration of local air quality and ill health due to production processes and product use that cause high levels of air pollution | ■ | ■ | ■ | □ | ■ | □ |
| Pollution of water | High level of water pollution caused by production processes | ■ | ■ | ■ | □ | ■ | □ |
| Substances of very high concern | Use and improper handling of substances of very high concern | ■ | ■ | ■ | ■ | □ | □ |

→| Upstream  Own business activity |→ Downstream  Short-term (less than 1 year)  Medium-term (1 to 5 years)  Long-term (more than 5 years)

The Porsche AG Group's business activities result in emissions into and pollution of air, water and soil. In the upstream supply chain, this is the case, for example, during raw material extraction, production of vehicle components and logistics. In the Porsche in-house vehicle production, emissions are generated during body construction, in the paint shop and in the assembly process, for example. In the use phase, the greenhouse gas emissions from the electricity supply and generation play the most significant role for all-electric vehicles, while for vehicles with internal combustion engines it is the exhaust emissions. Other emissions into air, water and soil may also occur.

The topic of pollution is closely connected to impacts on climate change, water resources, biodiversity, resource use and circular economy, which are discussed in the corresponding chapters of this non-financial statement. The approaches, policies and actions that the Porsche AG Group uses to minimize other pollutant emissions into air, water or soil and to achieve the safe handling of substances of (very high) concern as far as possible are described here.

IMPACTS RELATED TO POLLUTION

Pollution was identified as a material topic for the Porsche AG Group in a materiality assessment carried out in the reporting year.

Impacts related to air pollution

With regard to air pollution, the Porsche AG Group has identified an actual negative impact. The Porsche AG Group contributes to the deterioration of local air quality at its own vehicle production sites and in the upstream and downstream value chain as a result of production processes, logistics and product use. This can lead to ill health in humans and animals and to environmental damage. The impact can also arise from the development and sale of vehicles and their use in the downstream value chain.

The identified impact may in turn affect the Porsche AG Group's business model and value chain as legal requirements may restrict activities and therefore may require adjustments.

Impacts related to water pollution

Another actual negative impact related to water pollution was identified. The Porsche AG Group potentially contributes to water pollution resulting from production processes in the upstream and downstream value chain and at its own sites. Any pollutant discharged into water can affect the health of humans and animals and damage the natural environment.

The identified impacts may in turn affect the Porsche AG Group's business model and value chain as future legislation may sanction water pollution and therefore require changes in the value chain.

Impacts related to substances of very high concern

The materiality assessment revealed a potential negative impact in connection with substances of very high concern. The use and improper handling of substances of very high concern can affect people and the environment and lead to ill health in humans, flora and fauna.

To ensure that substances of very high concern are handled properly, corresponding action is taken in accordance with internal regulations in the event of deviations from the intended use or a disruption to operations. Despite all efforts, improper handling can occur both in Porsche's own vehicle production and along the value chain from raw material extraction to recycling. There is a link to the Porsche AG Group's business model as some substances of very high concern are difficult to substitute. Future legislation could restrict or prohibit the use of such substances and in turn lead to possible adjustments in the business model or the upstream and downstream value chain.

In the reporting year, the Porsche AG Group also identified a medium- to long-term financial risk in connection with per- and polyfluoroalkyl substances (PFAS). The EU Commission has proposed a set of actions for this group of particularly persistent chemicals to address the emissions into the environment resulting from the use of PFAS. This includes the restriction of the manufacture, use and placing on the market of PFAS in the EU Chemicals Regulation REACH.

Due to the fact that PFAS is used and distributed in the majority of the Porsche AG Group's products, the potential ban may affect the upstream and downstream value chain and the company's own business activities. This results in potential cost and sales risks as well as compliance and legal risks. In addition, the switch to PFAS-free, more sustainable materials is associated with high research and development costs. Porsche AG monitors and manages the identified risk through a dedicated working group.

STRATEGIC APPROACH

The Porsche AG Group is aware of the potential impact of its business activities on the environment and is actively working to reduce pollution of air and water at its own sites and, where possible, in the upstream and downstream value chain. The Porsche AG Group has therefore defined environmental protection as one of the four pillars of its environmental and energy policy. The target of avoiding negative environmental impacts on air, water and soil as far as possible is also embedded in the Strategy 2030 Plus and in the Sustainability cross-functional strategy. More information about this strategy is provided in the sustainability strategy section in [→ General disclosures](#).

Porsche AG and Porsche Leipzig GmbH are pursuing the target of vehicle production with the lowest possible environmental impact at selected sites of the Porsche AG Group with a program launched specifically for this purpose. Explicit steps toward more sustainable production are being developed and implemented. In addition, resource consumption is assessed using two assessment methods—the site checklist and the impact points method.

The site checklist uses 142 environmental criteria to collect qualitative characteristics of a factory in order to assess its ecological status. The checklist analyses the aspects of a site in eleven fields of action: environmental compliance, architecture and perception, planning, digitalization, water, energy and CO₂, material, soil, biodiversity, pollutants, mobility. This makes it possible to assess the environmentally relevant characteristics of a site, (some of) which cannot be expressed in figures. Examples of these include projects and measures geared toward maintaining biodiversity, establishing environmentally friendly employee mobility and promoting the circular economy.

In addition, a quantitative assessment of resource use is carried out for Porsche AG and Porsche Leipzig GmbH using overarching environmental metrics, which are recorded and calculated according to the Volkswagen Group's impact points method. Further information on the impact points method can be found in [→ Targets](#).

In the future, the assessment methods will also be integrated into the audits of the [→ Environmental Compliance Management System](#) so that the continuous improvement to achieve vehicle production with the lowest possible environmental impact at selected sites of the Porsche AG Group can be transparently presented and reviewed for strategic management purposes.

At an organizational level, the management of [→ Actions](#) and [→ Targets](#) related to emissions into air, water and soil is firmly anchored in the Porsche AG Group's sustainability management and in specific sustainability-related management systems such as the Environmental Compliance Management System (ECMS). Sustainability management and the ECMS are also described in detail in [→ E1 Climate change](#).

All environmental protection activities are coordinated by the Environmental and Energy Management department. Planning and implementation are carried out independently at the group companies and sites. The sites of the Porsche AG Group have their own environmental and energy management officers. Among other things, they advise and monitor key environmental and energy figures, check their plausibility and coordinate environmental and energy management audits.

Pollution is divided into the following aspects: pollution of air and water, pollution of living organisms and food resources and substances of very high concern. The approaches used by the Porsche AG Group to manage these aspects in a positive way are described below.

Reducing emissions in vehicle production and development

In addition to reducing greenhouse gas emissions, the Porsche AG Group endeavors to reduce other emissions into air in its own vehicle production.

Porsche AG and Porsche Leipzig GmbH record, measure and monitor significant emissions at their sites. These include emissions such as carbon dioxide (CO₂), nitrogen oxides (NO_x), carbon monoxide (CO) and sulfur dioxide (SO₂), which mainly occur during combustion processes. Emissions such as chlorinated or fluorinated hydrocarbons (CHC or HFC), which mainly originate from refrigerants, are also recorded. Measurements are also taken of volatile organic compounds (VOC) which can be released during painting processes in particular, but also in the saddlery. Technical measures are being taken to minimize these emissions as far as possible.

At the Stuttgart-Zuffenhausen site, an electrostatic separator in the paint shops initially binds excess paint mist. At "Paint Shop I" in Stuttgart-Zuffenhausen, a wet chemical air purification system also filters released solvents so they can be recycled. Around 70% of the purified exhaust air returns to the recirculated air. The remaining approximately 30% of the exhaust air contains a concentration of solvents that is significantly lower than the legal limit of 30 grams per square meter of vehicle surface. The concentration is approximately 6.27 g/m² below this limit. At "Paint Shop II" in Stuttgart-Zuffenhausen, the concentration is around 27 g/m² below this limit thanks to the regenerative thermal oxidizer integrated in the exhaust gas aftertreatment system. At the Leipzig site, the concentration in the paint shop is approximately 26.4 g/m² below the limit. In the reporting year, no refrigerants included in Annexes A, B, C, or E to the Montreal Protocol on Substances that Deplete the Ozone Layer were emitted in the course of the vehicle production at Porsche AG and Porsche Leipzig GmbH.

The Eco DryScrubber is used as separator at the Leipzig site. This technology is based on dry separation using limestone powder as a binder. The used limestone powder is subsequently processed into cement and clinker in a cement plant.

Additional improvements in the reporting year are described in → **Actions**.

In line with the responsible use of water as a resource, the Porsche AG Group focuses not only on the efficient use of water, but also on the avoidance of emissions into water, the reduction of pollution when discharging water and on greater soil and groundwater protection when using potentially water-polluting substances.

The effluents from vehicle production are pretreated in process-specific facilities, such as chemical-physical treatment systems and light liquid separators, to remove harmful substances and reduce the impact of harmful substances discharged into the water bodies. The wastewater is regularly analyzed and monitored in accordance with the requirements of the authorities. The existing wastewater limits were not exceeded in the reporting year. Further information on the topic of water can be found in → **E3 Water**.

Porsche AG and Porsche Leipzig GmbH record relevant emissions in effluents, such as chemical oxygen demand (COD), phosphorus (P), nitrogen (N), zinc (Zn) and nickel (Ni), at their vehicle production and development sites. Regular analyses are carried out to check compliance with pollution limits set by the authorities.

Facilities for handling water-polluting substances, such as media supply systems, filling stations or storage facilities, must be constructed and operated in such a way that precautionary measures are taken against the leakage of water-polluting substances by means of technical or organizational protective devices and retention volumes. All plants and equipment for handling potentially water-polluting substances belonging to Porsche AG and Porsche Leipzig GmbH that are subject to inspection are recorded, assessed and documented in a database and inspected by an expert organization.

The vehicle production sites in Stuttgart-Zuffenhausen and Leipzig and the Research and Development Center in Weissach are certified specialist firms under the German Water Management Act (WHG), which are allowed to install, repair, clean, and shut down certain facilities for handling potentially water-polluting substances.

In the reporting year, operational disruptions at Porsche AG with potential impacts on soil or water were essentially limited to instances of minor damage when transporting, loading, or unloading containers, as well as hydraulic leaks from transport vehicles, which were remedied internally. There were no reportable events with an impact on soil or water at Porsche Leipzig GmbH in the reporting year either.

With regard to the production of all-electric vehicles, the Porsche AG Group's meets the DNSH criteria pursuant to the → **EU Taxonomy**, which for the Porsche AG Group's business model result in particular from Annex C of Delegated Regulation (EU) 2021/2139. In particular substances of very high concern must, for example, be subjected to a substitution check. The requirement to carry out the substitution check is stipulated in VW standard 91101.

Handling substances of very high concern

The production of vehicles requires several different chemical substances along the supply chain. Some of these chemical substances can have dangerous properties and constitute a potential health or environmental risk. Substances that qualify as substances of concern (SOC) or, within the meaning of the EU chemicals regulation REACH, as substances of very high concern (SVHC) are particularly relevant.

Porsche AG has established requirements and processes to ensure that substances of very high concern are avoided and substituted at the vehicle development stage.

With regard to the use and handling of chemicals, there are processes in place within the Porsche AG Group to achieve compliance with legal requirements for safe use in production and in vehicles. The vehicle production sites in Stuttgart-Zuffenhausen and Leipzig and the development site in Weissach produce hazardous waste, such as waste oil, acids, bases and mixed solvents, which are classed as dangerous goods when they are transported.

By means of internal approval and control processes, Porsche AG and Porsche Leipzig GmbH continuously monitor compliance with current legislation and internal rules on the use of hazardous substances. These processes are part of the group-wide → **Environmental Compliance Management System**. Relevant departments, such as Environmental Protection, Fire Protection, Occupational Safety, and Health Management, examine the hazardous substance and either approve it for use or order the testing of alternative materials. The existing processes are regularly aligned with current requirements and substances.

In this context, Porsche AG already examines the use of alternative substances in its analyses and evaluations.

Porsche AG has contingency plans and hazard prevention measures in place that are specially tailored to company-specific environmental risks and aimed at avoiding or minimizing negative environmental impacts. Further information can be found in → **Policies**.

The production sites in Stuttgart-Zuffenhausen and Leipzig and the development site in Weissach each have their own fire department that can arrive quickly on the scene and take appropriate action in the event of an incident.

Reducing emissions in the upstream value chain

The Porsche AG Group is committed to responsible procurement and therefore also requires its direct suppliers in the value chain to take action to avoid environmental impacts. This is achieved through both general and material-specific requirements. More information can be found in → **Policies with a focus on the value chain**.

Despite the sustainability requirements for direct suppliers, the Porsche AG Group has no direct influence on these aspects. This applies in particular to the extraction and processing of raw materials further upstream in the supply chain, e.g. for chemical processes in the production of copper ore. In this context, the Porsche AG Group and the Volkswagen Group are therefore jointly involved in initiatives dedicated to a more sustainable production in countries exporting raw materials. Information on this can be found in → **Actions**.

Reducing emissions in the vehicle use phase

The Porsche AG Group is also working to reduce emissions into air, water and soil during the vehicle's use phase and in the downstream value chain. The Porsche AG Group is required to comply with the regulatory requirements for emissions into air in those markets where Porsche vehicles are sold and/or registered. These are mainly requirements related to regulating CO₂ emissions, the registration of zero emission vehicles and limited emissions. Further information about this can be found in → **E1 Climate change**.

Compliance with legal requirements demands that the relevant data be collected at an early stage as well as consistent management based on this with regard to the targets. This is done, e.g. within the framework of vehicle type approval in the

responsible departments of Porsche AG and selected group companies, in cross-divisional bodies and in cooperation within the Volkswagen Group. Actions include, for example, adapting the vehicle product portfolio, including adjusting the drive type, changing the product substance and technology, sales management and the use of regulatory flexibilities. Further information can be found in → **Actions**.

POLICIES

Pollution is governed by numerous frameworks and policies of the Porsche AG Group.

Policies with a focus on the company's own business activities

The **Group Environmental Compliance Management System (ECMS) Policy** is based on the specifications of the Volkswagen Group and standardizes the procedure, responsibilities and processes in connection with environmental and energy-related matters under the ECMS within the Porsche AG Group. It also applies to pollution. An organized, structured Environmental Compliance Management System ensures that the environmental and energy requirements of national and international legislation as well as internal requirements are implemented.

The group policy and the ECMS are described in detail in → **E1 Climate change**.

The **manual on environmental requirements** of Porsche AG and Porsche Leipzig GmbH sets extensive guidelines to minimize pollution in new buildings and conversions as well as in the use phase of buildings and facilities. It sets out basic requirements for resource efficiency. With regard to the protection of water, the manual stipulates that such facilities must be constructed and operated using the best available technology. The use or handling of water-polluting substances must be kept to a minimum. Requirements for noise and light emissions also exist.

The ambition of achieving vehicle production and development with the lowest possible environmental impact at selected sites of the Porsche AG Group is specified, for example, in a topic-specific **site checklist**. The manual and the site checklist are also described in more detail in → **E1 Climate change**.

Porsche AG has also adopted the "**Environmental protection**" **resource regulation**, while Porsche Leipzig GmbH has adopted the "**Energy and resource efficiency**" **resource regulation**. They each set out environmental requirements for contractors in the design and construction of buildings and facilities. These are subject to both statutory and internal group regulations. Among

other things, the resource regulations govern the use and avoidance of substances hazardous to the environment as well as comprehensive actions for air pollution control and water protection. Compliance with these resource regulations is monitored by the respective environmental department. The resource regulations are available to direct business partners on the Volkswagen Group's procurement platform. Employees can freely access them on the intranet.

In the **Group Hazard Prevention Management Policy**, the Porsche AG Group defines a procedure for efficient and effective hazard prevention organization to reduce or avoid incidents. The framework conditions are intended to ensure uniform implementation of the concept within the Porsche AG Group. The target is to ensure that, by means of greater plant safety and a systematic and continuous approach, potential hazards can be identified, assessed and eliminated at an early stage using appropriate means. The respective site's management or legal representatives are responsible for the implementation of the hazard prevention management.

At Porsche AG, the contingency plans and reporting chains are communicated to employees, affected areas and contractors on a regular basis, and employees are trained according to their role in hazard prevention. Drills are also carried out on a regular basis.

This policy thus addresses the impact that substances of very high concern may be handled incorrectly, which was identified in the materiality assessment. Incidents and emergency situations should be avoided wherever possible and, if they occur, their impacts on people and the environment should be mitigated.

Policies with a focus on the value chain

The Porsche AG Group also has the ambition to fulfill its responsibility beyond its own activities along the upstream supply chain when it comes to pollution.

Porsche AG sets out corresponding requirements for direct business partners and direct suppliers in several policies in order to reduce pollution in the value chain as far as possible:

The **Code of Conduct for Business Partners** sets out binding requirements for direct business partners with regard to sustainability. It is described in detail in → **G1 Business conduct** as is the sustainability assessment of direct suppliers using the sustainability rating (S-rating).

With regard to pollution, the direct business partners undertake not to cause any harmful soil change, water pollution, air pollution, harmful noise emissions or excessive water consumption that could lead to significant harm of the natural food and drinking water resources or human health. The direct business partners take appropriate action to refrain from or avoid the use of substances of concern or very high concern and materials with an adverse impact on the environment or health (e.g. carcinogenic, mutagenic, teratogenic substances) within the framework of applicable law and under consideration of the Porsche AG Group's applicable regulations.

In addition, direct business partners are obliged to comply with the requirements of international conventions and other existing legal instruments relating to the production, use, handling and disposal of certain substances (in particular the requirements of the 2013 Minamata Convention on mercury and the 2001 Stockholm Convention on persistent organic pollutants). Direct business partners in the supply chains (smelters or refineries) of conflict minerals (tin, tantalum, tungsten and gold) commit to using only raw materials that meet the requirements of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Furthermore, only raw materials that have been tested by the Responsible Minerals Initiative (RMI) or similar organizations may be used.

In order to implement sustainable procurement of raw materials and parts via the upstream supply chain wherever possible, **specifications** for various raw materials were developed together with the Volkswagen Group and rolled out in the Porsche AG Group. They describe the sustainability requirements for the raw material supply chain with regard to human rights, social and environmental standards and apply to the corresponding sourcing requests of the Porsche AG Group.

The specifications are part of the Volkswagen Group's raw material due diligence management system (RMDDMS) and were available for battery raw materials, mica and leather in the reporting year. Additional specifications for natural rubber are being tested on a pilot basis in the Porsche AG Group beyond the reporting year. The specifications are available to the employees involved on the intranet.

The specifications for leather require direct suppliers to produce and process leather responsibly. For example, they set out strict criteria to avoid water pollution during the tanning process. To comply with these requirements, evidence of a Leather Working Group (LWG) certification has to be provided.

The specifications for battery raw materials (lithium, nickel, cobalt and natural graphite) require the direct suppliers of the Porsche AG Group to implement due diligence obligations with regard to air pollution, water consumption, biodiversity and hazardous substances, among other things.

In addition to the Code of Conduct for Business Partners and the specifications, several standards of the Volkswagen Group are relevant with regard to the value chain. They define specific requirements for direct suppliers of materials and vehicle components and also apply to the vehicles of the Porsche AG Group. The Board of Management of the Volkswagen Group is responsible for the standards. They are available to direct business partners on the Volkswagen Group's procurement platform and accessible to employees on the intranet.

The Volkswagen Group standard "91101 Environmental Standard for Articles – Material and Chemical Conformity" governs the requirements for the scope of supply of direct suppliers with regard to the use of substances, mixtures and articles that are prohibited or subject to restrictions by law or internal regulations of the Volkswagen Group. Numerous substances may not be used at all or may only be used with strict limits. For other substances, it is mandatory to always examine the use of alternatives.

The Volkswagen Group standard explicitly stipulates that the use of SVHC within the meaning of the REACH regulation that are listed in the ECHA (European Chemicals Agency) candidates list is to be generally avoided. Over and above the legal requirements, the Volkswagen Group requires that substances listed in Annex XIV of the REACH regulation that require authorization are no longer regularly used in new developments, even if the authorization requirement only enters into force after use in series production.

The Volkswagen Group standard "Verification and Release Requirements for the Delivery of Chemicals" also deals with the registration, evaluation and restriction of substances of concern as process materials, operating materials and genuine parts. Chemicals in category 1A or 1B that are classified as carcinogenic, mutagenic or teratogenic must not be used under any circumstances. Substances of concern should be avoided as far as possible.

ACTIONS

The Porsche AG Group takes various actions at its vehicle production sites and in the upstream supply chain to avoid or reduce pollution of air, water and soil at the sites and in the upstream and downstream value chain as far as possible.

Action plans for the reporting year were drawn up and implemented accordingly. The following actions were continuously implemented, tracked and reported during the reporting year:

Actions related to vehicle production

Some of the actions taken to avoid environmental emissions in the company's own vehicle production are described in other chapters of this non-financial statement: decarbonization actions in → **E1 Climate change**, certifications of production sites also in → **E1 Climate change**, actions to reduce water consumption and wastewater in → **E3 Water**. Development projects for the recycling of high-voltage batteries are discussed in → **E5 Resource use and circular economy**.

In the reporting year, the Weissach Development Center switched to dip coating for the painting of 3D-printed components. Dip coating reduces paint consumption, paint loss and waste (e.g. spray cans) compared to the previous spray-painting process. The switch was carried out and completed in 2024.

In another project, the cold chamber at the test bench in the overall vehicle test building at the Development Center in Weissach was retrofitted so that a refrigerant with lower global warming potential (GWP) can be used, which would be less harmful in the event of a leakage.

In addition, the Porsche AG Group carried out surveys in accordance with the DNSH (Do No Significant Harm) criterion of the → **EU Taxonomy** at its direct suppliers in the reporting year in order to be able to assess the substitutability of substances of very high concern (SVHC), taking into account e.g. technical and economic criteria. In the reporting year, substitution checks were carried out for the Porsche AG all-electric models. More information can be found in → **EU Taxonomy**.

Actions related to the value chain

In order to avoid emissions into air, water and soil as far as possible also in the upstream and downstream supply chain, the Porsche AG Group and the Volkswagen Group are jointly involved in several initiatives dedicated to the more sustainable extraction of raw materials and the responsible use of resources. These can also contribute to a reduction of emissions.

For example, Porsche AG has been working with the Volkswagen Group since 2021 as part of the Responsible Lithium Partnership initiative to investigate the impact of brine and water use in Chile and is committed to more sustainable lithium mining. Further information can be found in Actions under → **E3 Water**.

Further actions related to decarbonization and resource efficiency in the supply chain are described in → **E1 Climate change**.

TARGETS

The Porsche AG Group is aware of the potential impact of its business activities on the environment and is actively working to reduce pollution of air, water and soil at its sites and in the upstream and downstream value chain. The overarching target of avoiding negative environmental impacts, such as pollutant emissions into air and water, to the greatest possible extent is thus embedded in the Strategy 2030 Plus and in the Sustainability cross-functional strategy. See → **Strategy, business model and value chain** under general disclosures for further details.

In coordination with the relevant internal experts, the Porsche AG Group has defined quantitative targets related to greenhouse gas emissions (targets for Scope 1, 2 and 3 emissions, decarbonization index (DCI)). They are explained in detail in → **E1 Climate change**.

Although the Porsche AG Group does not yet have specific targets related to other emissions into air and water, it manages the identified negative impacts on air and water quality as part of several environmental indicators.

Porsche AG and Porsche Leipzig GmbH measure and calculate resource consumption at the vehicle production sites according to methods of the Volkswagen Group – the Reduction of the environmental impact of production (UEP). The Volkswagen Group has defined five KPIs to measure the overall resource efficiency of a vehicle production site. These indicators include values for energy and water consumption, but also information on CO₂ emissions, solvents and waste. With regard to emissions into air, water and soil, the UEP indicator also includes emissions into air of volatile organic compounds (VOC emissions) per vehicle.

The weighted average of these KPIs is known as UEP and has been determined since 2014 with the aim of reducing the environmental impact per vehicle produced by Porsche by 45% between 2014 and 2025. In the reporting year, a reduction of 43.5% was achieved, or 39.9% using the CSRD methodology for biomethane accounting. Detailed information about the different methodologies is contained in → **E1 Climate change**.

From 2025 onwards, the UEP will be replaced by the impact points method. The impact points also take a multiplier for relevance into account to assess the impact. The impact points also cover the environmental aspect of air pollutants. The indicator also includes VOC emissions and also nitrogen oxides (NO_x) and dust (Particular Matter, PM) during vehicle production. The aspects of water pollution, wastewater, waste and energy are also taken into account when calculating the impact points.

METRICS

Metrics on the pollution of air and water

With regard to air pollution, relevant pollutant emissions relate to volatile organic compounds (VOC), chlorinated hydrocarbons (CHC), fluorinated hydrocarbons (HFC), nitrogen oxides (NO_x), particulate matter (PM), carbon monoxide (CO) and sulfur dioxide (SO₂).

With regard to water pollution, relevant parameters are zinc, nickel, organic pollutants (total organic carbon, TOC) and fluorides.

In accordance with regulatory requirements, reporting only needs to include emission quantities from facilities that exceed certain thresholds set out in the European Pollutant Release and Transfer Register (E-PRTR). There are no facilities in the Porsche AG Group that exceed any of these thresholds. Nevertheless, in order to create transparency with regard to the pollution of air and water, the corresponding pollutant emissions of the vehicle production sites, including the development site in Weissach, are reported.

Emissions into air and water

| t | 2024 |
|------------------------|--------|
| Air emissions | |
| VOC | 114.89 |
| CHC | – |
| HFC | 0.58 |
| NO _x | 31.00 |
| PM | 0.12 |
| CO | 29.51 |
| SO ₂ | 0.33 |
| Water emissions | |
| Zinc | 0.14 |
| Nickel | 0.01 |
| TOC | 90.24 |
| Fluorides | 2.02 |

Methods and assumptions

Different methods are used to determine the quantities of pollutants. With regard to air pollution, the emission quantities for NO_x, SO₂, CO and PM are calculated by multiplying the primary energy used per fuel for combustion by fuel-specific emissions factors. As far as possible, actual values are used to calculate the primary energy used. Months for which no actual values are available are extrapolated. The emissions are calculated as separate measurement is not possible at the individual facilities. For HFC and CHC gases, the emission quantities are calculated based on the quantity of refrigerant refilled. Solvents (volatile organic compounds, VOCs) that occur in exhaust air purification in the paint shop (vehicle production sites) are determined using a daily measuring system (in accordance with the Technical Instructions for Air Quality Control (TA Luft) and the 31st German Ordinance on the Implementation of the Federal Environment Protection Act German Solvent Ordinance (31. BImSchV)). Monthly averages are then calculated and used to extrapolate the emissions for the year as a whole.

The level of pollutants in the wastewater is determined by an external accredited laboratory. Samples are taken randomly. Authorities do not require continuous measurement of pollutant quantities, which involves significantly more effort and expense than periodic measurements. The analysis procedure is regulated by the German Waste Water Ordinance. Based on the random samples, the Porsche AG Group calculates the total amounts of pollutants by extrapolating the measured quantities of pollutants to the total volume of wastewater. The latter is calculated from the difference between water withdrawal and water consumption.

Metrics on substances of very high concern

The production of vehicles requires several different chemical substances along the supply chains. In light of the electrification of the product portfolio, the need for chemical raw materials (e.g. for high-voltage batteries) is expected to increase further in the future. Some of these chemical substances can have dangerous properties and constitute a potential health or environmental risk. The Porsche AG Group has established requirements and processes to ensure that substances of very high concern (SVHC) are generally avoided and substituted at the vehicle development stage.

If SVHCs are purchased as such or in mixtures or used during production, they are checked, recorded and approved in advance by internal chemical management processes. It is not currently possible to fully assess the quantities of SVHCs in this regard, as the purchasing and distribution processes in the Porsche AG Group are not controlled uniformly using a central IT system. The extent to which SVHCs could potentially arise from the formation of new chemical compounds during the production process is currently not recorded and needs to be investigated. It can currently be assumed that this is not the case to a relevant extent.

At present, it is not possible to record all SVHCs that could potentially be emitted by the facilities of the Porsche AG Group.

Employees at the sites of the Porsche AG Group should always act in accordance with the applicable legal requirements. The sites and plant technology have been approved by the authorities in accordance with these requirements. To ensure group-wide compliance with all binding obligations in connection with production-related emissions, the Porsche AG Group has implemented the three lines model. The first line is the risk owner (operator), who is supported by the second line by means of influence and control (e.g. audits). The third line is risk assurance (internal audit), which provides independent assurance on the effectiveness of governance, risk management and internal controls. The production sites of the Porsche AG Group are also certified by accredited auditors in accordance with the ISO 14001 and ISO 50001 standards.

SUBSTANCES OF VERY HIGH CONCERN IN THE VEHICLES PRODUCED

In the reporting year, the Porsche AG Group identified SVHCs contained in the Porsche vehicles produced. Lead was by far the most relevant substance of very high concern, which is allocated to the toxic for reproduction category (Article 57c). It is mainly found in lead starter batteries of Porsche vehicles. If the batteries are used and disposed of properly, no lead or lead compounds are released into the environment. In addition to lead, the vehicles contained other SVHCs to a lesser extent.

→ Substances of very high concern in the Porsche AG Group

Substances of very high concern in the Porsche AG Group

| t | 2024 |
|---|--------------|
| Substances of very high concern as part of products or services | 2,883 |
| Carcinogenic (Article 57a) | 14 |
| Mutagenic (Article 57b) | 0 |
| Toxic for reproduction (Article 57c) | 2,832 |
| PBT (Article 57d) | 0 |
| vPvB (Article 57e) | 7 |
| Endocrine disrupting properties (Article 57f – environment) | 15 |
| Endocrine disrupting properties (Article 57f – human health) | 0 |
| Respiratory sensitizing properties (Article 57f – human health) | 5 |
| Specific target organ toxicity after repeated exposure (Article 57f – human health) | 0 |
| Probable serious effects on human health (and/or) the environment which give rise to an equivalent level of concern (Article 57f) | 10 |





Methods and assumptions





The SVHC quantities are determined based on a reference vehicle approach. One vehicle model is assessed for each of the five vehicle segments (two-door sports cars, SUVs with internal combustion engines, purely battery-powered SUVs, sedans with internal combustion engines and purely battery-powered sedans). The assessment is carried out using component-specific supplier data. Based on the production volume, the SVHC quantities of the reference vehicles are extrapolated to the vehicles produced in the reporting year for each segment. Finally, segment-wide totals are calculated for each substance and the substances are allocated to the hazard classes for substances of concern, as required by the regulators. This results in the totals per hazard class as shown in the table. In addition, a total amount of SVHCs is shown aggregating all hazard classes. As individual substances can be allocated to several hazard classes, this aggregated total amount does not result from adding the sums of each hazard class.

With regard to the method used, the following points should also be noted:

- The focus of the assessment is limited to vehicles as the main product of the Porsche AG Group. Insignificant secondary products such as lifestyle products or after-sales products are not assessed.
- Pursuant to Art. 33 (1) of the REACH Regulation, any supplier of an article containing an SVHC in a concentration above 0.1% weight by weight has to provide the recipients of the article with sufficient information. The analysis performed can only include the SVHC concentrations reported by the suppliers.
- The data used for the system-supported assessment currently includes all components from tier 1 suppliers. At present, semi-finished products and materials are not yet fully reportable. The missing data is supplemented using weight-based extrapolations. Going forward, the Porsche AG Group intends to collect this data comprehensively and a system is currently being developed.

E3 WATER

| Topic | Significant impacts | Value chain | | | Most relevant time horizon | | |
|--------------|---|-------------|---|---|---|---|---|
| | | → |  | → |  |  |  |
| Water | Contribution to high consumption, withdrawal and discharge of water resources | ■ | ■ | □ | □ | ■ | □ |

→| Upstream  Own business activity |→ Downstream  Short-term (less than 1 year)  Medium-term (1 to 5 years)  Long-term (more than 5 years)

The Porsche AG Group uses water within its own business activities for numerous purposes, such as social areas, production, non-production facilities and technical building equipment. The use of water is necessary in many areas and on-site water treatment is becoming increasingly important. Resources from oceans or seas are not used directly due to local conditions. Therefore, the Porsche AG Group does not have a direct impact on biodiversity and underwater ecosystems. A large proportion of water withdrawal and water consumption is attributable to the upstream value chain, where water resources are also used in the extraction of raw materials and the production of parts.

IMPACTS RELATED TO WATER

In the area of water—water consumption, water withdrawal and water discharge—an actual negative impact was identified in the course of the materiality assessment carried out in 2024. The Porsche AG Group contributes to high consumption as well as high withdrawal and discharge of water. This applies to the company's own business operations and, in particular, to the upstream value chain including the extraction and processing of raw materials.

STRATEGIC APPROACH

In its environmental and energy policy, the Porsche AG Group has set itself the target of conserving resources as far as possible and reducing resource consumption. In the case of water, this is to be achieved by reducing freshwater withdrawal, water discharge and emissions into wastewater at all Porsche's own production sites—with the aim of achieving its goal of producing its own vehicles with the lowest possible environmental impact.

Sustainable water management

The Porsche AG Group aims for its own vehicle production to have a minimal negative impact on the environment. There are many ways to influence water withdrawal and water consumption, and these can be improved through targeted actions in plant engineering, process design and user behavior.

Examples of this include using water efficiently based on efficient processes and circulation systems as well as the careful handling of contaminated wastewater from vehicle production.

Specifically, the strategic approach focuses on the following: reducing water withdrawal, increasing water reuse, using water efficiently, minimizing pollution and implementing the ban on the deterioration of ecological and chemical water quality of the receiving water as well as wastewater management.

Water withdrawal is required for many steps of vehicle production. Porsche AG and selected group companies are therefore prioritizing ways of using water efficiently. However, on-site water treatment is also becoming increasingly important. → **Actions** in both areas are described in the corresponding section.

The wastewater generated in vehicle production, such as wastewater from the paint shop, is pretreated in approved wastewater treatment systems where pollutants are removed or reduced. The wastewater is regularly analyzed and monitored in accordance with the requirements of the authorities. Porsche AG and Porsche Leipzig GmbH are classified as indirect dischargers: wastewater from these sites consists of wastewater from sanitary facilities, wastewater from vehicle production and rainwater, among other things, all of which is discharged into public sewers. There is no direct discharge into marine areas.

Protection of water – handling of water-polluting substances

Alongside the efficient use of water, the responsible handling of water resources in the Porsche AG Group primarily focuses on minimizing pollution in wastewaters and on greater groundwater protection when potentially water-polluting substances are used. Water pollutants of all hazard classes are transported, filled into containers, stored or reused on site. Detailed information on the pollution of water is presented in → **E2 Pollution**.

Water consumption in areas at water risk

The vehicle production sites of the Porsche AG Group are part of the local water cycle and influence the water resources available in the relevant region through water withdrawal, water pollution and wastewater treatment. In regions with scarce resources, such as hot and dry countries, responsible use is particularly necessary to avoid further depletion of existing resources. An efficient use of water in vehicle production and closed-loop recycling are therefore indispensable.

Porsche AG and selected group companies use the Water Stress Indices of Verisk Maplecroft to analyze and evaluate their sites. According to these indices, none of the vehicle production sites are situated in an area exposed to high or extreme water stress.

Water use in the upstream value chain

Water consumption is partly attributable to the supply chain, in particular to the extraction and processing of raw materials. Therefore, the Porsche AG Group also expects its business partners to use water carefully, for example by requiring them to take appropriate action at their sites and along their supply chains. Appropriate action includes the effective reduction of water consumption, the reuse and recycling of water and the responsible and effective treatment of wastewater to protect the environment and improve the overall water quality. Business partners should, where necessary, work to ensure that people affected by their operations have access to sufficient, safe and affordable water for personal use. The right to water must be respected at all times.

Information on the specific requirements of the → **Code of Conduct for Business Partners** can be found below in → **Policies**.

Despite the sustainability requirements for direct suppliers, the Porsche AG Group has no direct influence on these aspects. This applies in particular to the extraction of raw materials. In this context, the Porsche AG Group and the Volkswagen Group are therefore jointly involved in initiatives dedicated to improving the water situation in countries exporting raw materials. More information on this can be found in → **Actions**.

POLICIES

The topic of water—water consumption, water withdrawal and water discharge—is governed by various frameworks and policies of the Porsche AG Group.

Policies with a focus on the company's own business activities **The Group Environmental Compliance Management System (ECMS) Policy**

is based on the specifications of the Volkswagen Group and standardizes the procedure, responsibilities and processes in connection with environmental and energy-related matters under the ECMS within the Porsche AG Group. It also applies to water consumption and water management. The group policy and the ECMS are described in detail in → **E1 Climate change** and → **E5 Resource use and circular economy**.

The Porsche AG **manual on environmental requirements** sets out additional requirements for the use of water resources. Their targets include the promotion of groundwater renewal, e.g. by reducing surface runoff via the sewer system, expanding the use of rainwater or using innovative sanitation systems.

The manual on environmental requirements is also described in detail in → **E1 Climate change** and → **E5 Resource use and circular economy**.

A potential path to vehicle production and development with the lowest possible environmental impact at selected sites of the Porsche AG Group is specified, for example, in a **site checklist** that covers numerous environmental aspects of the sites. With regard to water withdrawal, the site checklist includes requirements for the sites, such as the proportion of water recycling or the proportion of process water or rainwater used to reduce the consumption of fresh water. It also contains limits for the concentration of pollutants in wastewater. The site checklist is available to all employees involved.

Porsche AG has also adopted **resource regulations**. The **Environmental protection** resource regulation governs the procurement of systems and inputs from an environmental perspective. With regard to water, it requires the use of water-saving technologies and the pursuit of multiple reuse or closed-loop recycling of water. Accordingly, the extent to which recycling or reuse is possible must be checked for all systems that consume water. The resource regulation is made available on the intranet and is the responsibility of the Executive Board of Porsche AG.

The **Volkswagen group standard "Group Environmental Indicators"** defines indicators for water withdrawal, water consumption and water discharge, which are to be determined in a globally standardized process at all sites. They include, for example, the reuse of water by establishing water cycles at the production sites. The VW standard is available on the intranet of the Porsche AG Group and is the responsibility of the Volkswagen Group Board of Management.

Policies with a focus on the value chain

The Porsche AG Group also takes its responsibility beyond its own activities along the upstream supply chain when it comes to water. Porsche AG therefore sets out corresponding requirements for direct business partners and direct suppliers in several policies:

The **Code of Conduct for Business Partners** sets out binding requirements for business partners with regard to sustainability. It is described in detail in

→ **S2 Workers in the value chain.**

With regard to water, direct business partners are required to take suitable and appropriate action to minimize water consumption at their sites or along their own supply chains, giving priority to regions affected by water scarcity. Direct suppliers of the Porsche AG Group must provide information on total water consumption at product level on request.

In addition, several specific policies on materials and raw materials address the topic of pollution in the upstream supply chain. These **specifications** were developed together with the Volkswagen Group and rolled out in the Porsche AG Group.

For example, the specifications for leather require the direct players in the supply chain to comply with the Leather Working Group certification, which sets out explicit requirements for the efficient use of water and for wastewater treatment. The specifications for mica require processors in the mica supply chain to apply the Global Workplace Standard of the Responsible Mica Initiative, which also sets out requirements relevant in this context. The specifications for battery raw materials (lithium, nickel, cobalt and natural graphite) require direct suppliers to implement due diligence obligations with regard to water consumption and hazardous substances, among other things.

The Porsche AG Group has not currently developed a policy that links the product design of vehicles to water-related challenges as the identified material impact is limited to the upstream value chain and the company's own business activity.

ACTIONS

Porsche AG and selected group companies monitor the impact of production on the environment, including all relevant air and water pollution, water and energy consumption and waste, if possible.

At its site in Stuttgart-Zuffenhausen, for example, Porsche AG has met the requirements of the European Eco-Management and Audit Scheme (EMAS) since 1996, the environmental management standard ISO 14001 since 1999 and the energy management standard ISO 50001 since 2011. Annual surveillance audits are carried out and a recertification is scheduled every three years.

The Porsche AG Group takes various actions at its vehicle production sites and in the upstream supply chain to minimize its water consumption, water withdrawal and water discharge and to have a positive impact on the environment. To this end, an action plan on the topic of water was prepared in 2023 with medium-term actions (until 2025) and longer-term actions (2027 to 2030) for the vehicle production sites.

The following actions have been continuously implemented, tracked and reported during the reporting year:

The Porsche AG Group applies procedures that save as much water as possible at its production sites and has issued central policies. Wastewater is pretreated in specific wastewater treatment systems, such as physicochemical treatment systems and light liquid separators, to remove harmful substances and reduce the environmental impact of harmful substances discharged into the groundwater. More information on pollutants in connection with water discharge can be found in → **E2 Pollution.**

In the paint shops, for example, water is conserved by using cascade rinsing to recycle water, while bath treatment helps to extend life in pretreatment and in dip coating. The activation and deactivation times of the spray nozzles are also highly optimized in the rinsing process.

In the reporting year, a system was adjusted in order to reuse the wastewater generated during pretreatment in the paint shop and thus further reduce the consumption of fresh water.

Systems, e.g. for testing vehicle watertightness or washing plants, are operated in a closed loop, where possible.

The wastewater generated in vehicle production is regularly analyzed and monitored in accordance with the requirements of the authorities.

Regarding technical building equipment, evaporative coolers are optimized, which also makes it possible to save water.

Actions related to water-polluting substances

At the Porsche AG site in Stuttgart-Zuffenhausen, water pollutants of all hazard classes are filled into containers, stored, used or transported on site. For the protection of soil and groundwater, technical protective devices are fitted, and organizational measures are taken at facilities for handling water-polluting substances in order to mitigate the risk of production interruptions and reduce the environmental impact of harmful substances discharged into the groundwater by raising awareness among employees, fitting technical protective devices to the production systems and installing binding-agent stations at outdoor locations.

All plant and equipment for handling water-polluting substances belonging to Porsche AG and selected group companies that are subject to inspection are recorded, assessed and documented in a database.

In addition, the fire department at the Stuttgart-Zuffenhausen site has been involved in the process of handling water-polluting substances since September 2021. It can arrive on the scene quickly and take action in the event of an incident.

More detailed information on water emissions and pollutants can be found in → **E2 Pollution**.

Actions related to products

In the reporting year, the Porsche AG Group continued a study started in 2023 in cooperation with the Technical University of Berlin on the water footprint of the Porsche Macan Turbo Electric. The study estimates the water footprint and identifies potential hot spots in terms of materials and life cycle stages. In the coming year, the results will be used to develop optimization measures to reduce water consumption.

Actions focusing on the supply chain

In order to positively impact the use of water resources in the upstream supply chain, the Porsche AG Group and the Volkswagen Group are jointly involved in several initiatives dedicated to a more sustainable extraction of raw materials and a more responsible use of resources—including water.

Through the Volkswagen Group, Porsche AG has been a member of the Responsible Lithium Partnership in Chile since 2021, an initiative coordinated by “Deutsche Gesellschaft für Internationale Zusammenarbeit” (GIZ) and funded by companies in the upstream supply chain of Porsche AG. The initiative aims to achieve a more responsible use of resources

and a more sustainable lithium extraction in Chile's Salar de Atacama region through multi-stakeholder dialog. The region is one of the most important mining areas for the raw material lithium. A working group of the Responsible Lithium Partnership is focusing in particular on water and the impact of using brine and water.

In the reporting year, representatives from indigenous communities, mining, tourism, agriculture and public authorities worked together on possible solutions to water challenges in the Salar de Atacama region, where around a quarter of the world's lithium is extracted. In spring 2024, the participants of the initiative agreed on a joint action plan to protect and manage the water resources of the Salar watershed with foresight.

TARGETS

Porsche AG and Porsche Leipzig GmbH manage the negative impact identified with regard to water at their production sites by setting qualitative and quantitative targets in coordination with the relevant internal experts.

With the Porsche Strategy 2030 Plus, Porsche AG aims to reduce water withdrawal, water consumption, the amount of water discharged and emissions into wastewater at all Porsche vehicle production sites, i.e. for production to have a minimal negative impact on the environment. More detailed information on the Porsche Strategy 2030 Plus can be found in

→ **General disclosures**.

The Porsche AG Group records the use of water resources as part of overarching environmental indicators. The Reduction of the environmental impact of production (UEP) indicator measures the strategic reduction of resources and emissions at the vehicle production sites. It includes water consumption per vehicle, among other factors. Porsche AG and Porsche Leipzig GmbH annually disclose the environmental indicators. These figures are reported in → **E2 Pollution**.

The UEP water indicator shows the total consumption of fresh water per vehicle at each site. Since 2014, the company has reduced the water withdrawal per vehicle produced by Porsche itself by more than 16%. The UEP water indicator is therefore within the linear target corridor for the overarching UEP indicator.

From 2025 onwards, the UEP will be replaced by the Impact Points method in order to continue on the reduction path. The impact points indicator also considers water discharge and local water risks.

METRICS

Metrics on water consumption

Water consumption is the difference between water withdrawal and water discharge. It therefore describes the amount of water that is no longer available for further use, ecosystems or local communities. For the Porsche AG Group, water consumption mainly results from evaporative loss that occurs during production processes.

The production sites as the main water consumers withdraw water from the public drinking water networks. It can therefore be assumed that the water sources used are of sufficient quality and quantity.

In the reporting year, the Porsche AG Group recorded water consumption of 162,722 m³. This results in a water intensity at the Porsche AG Group of 4.1 m³ per € million. Water consumption in areas with high water stress amounted to 25,362 m³ in the reporting year.

Water consumption and water intensity in the Porsche AG Group

| m ³ | 2024 |
|---|----------------|
| Water consumption | 162,722 |
| in areas with high water stress | 25,362 |
| Reclaimed and reused water | – |
| Water intensity (m ³ /€ million) | 4.1 |

Methods and assumptions





To determine evaporative loss, the losses from evaporative coolers, supply and exhaust air systems, paint shops and other systems are measured using internal water meters or, where this is not possible, calculated. The water consumption of the other group companies is calculated using a key determined by random sampling. As a result, 46.4% of water consumption was measured directly and 53.6% was estimated using qualified approximation when collecting the data.





The MapleCroft tool was used to analyze water consumption in areas at water risk. This tool focuses on the availability of water and indicates the water stress level of relevant areas. The water stress index takes into account areas that are under extreme or high water stress.

For determining water intensity, total water consumption is compared to the sales revenue of the Porsche AG Group. The corresponding sales revenue of the Porsche AG Group can be found in → **Notes to the consolidated financial statements – 1. Sales revenue.**

In addition, the Porsche AG Group distinguishes between reclaimed and reused water. Reclaimed water refers to water that has been treated on site before it is used again. Reused water refers to water that is used again without treatment. For determining water reuse, only actions are considered that are designed to be used across multiple systems or processes. Water that is used again (with or without prior treatment) in the same process or in the same system and merely extends life is not included. Examples of this are closed-loop recycling in washing plants or circulating water in the wash-out process at the paint shop.

E4 BIODIVERSITY AND ECOSYSTEMS

| Topic | Significant impacts | Value chain | | | Most relevant time horizon | | |
|--|---|-------------|---|---|---|---|---|
| | | → |  | → |  |  |  |
| Direct causes of biodiversity loss | Support of activities that contribute to biodiversity loss | ■ | ■ | □ | □ | ■ | □ |
| Impacts on the state of species | Endangerment of species due to production activities and product use | ■ | ■ | □ | □ | ■ | □ |
| Impacts on the extent and condition of ecosystems | Degradation of the state of ecosystems in the company's own activities and in the value chain | ■ | ■ | □ | □ | ■ | □ |
| Impacts and dependencies on ecosystem services | Negative impacts on ecosystem services due to resource exploitation, production and product use | ■ | ■ | ■ | □ | ■ | □ |

→| Upstream  Own business activity |→ Downstream  Short-term (less than 1 year)  Medium-term (1 to 5 years)  Long-term (more than 5 years)

Biodiversity is essential for ecological stability. The protection of biodiversity goes far beyond the mere protection of nature and is one of the most urgent global challenges next to climate change. The Porsche AG Group recognizes this and is therefore actively committed to preserving biodiversity at relevant sites.

For the Porsche AG Group, the protection of biodiversity also includes the continuous identification and gradual minimization of the impacts of its business activities on the diversity of living organisms and species in water, on land, and in the air.

The topic of biodiversity and ecosystems comprises four aspects that the Porsche AG Group considered in its materiality assessment carried out in the reporting year:

- Main causes of biodiversity loss, including e.g. climate change, resource and land usage, pollution
- Impacts on species
- Impacts on ecosystems
- Impacts on ecosystem services, such as plant pollination, and, conversely, dependencies on these services

The following chapter describes the approaches, policies and actions used by the Porsche AG Group to promote the preservation of biodiversity and minimize negative impacts on the state of species, ecosystems and ecosystem services.

IMPACTS AND RISKS RELATED TO BIODIVERSITY AND ECOSYSTEMS

In the materiality assessment carried out in 2024, the area of biodiversity and ecosystems was identified as a material topic for the Porsche AG Group due to several impacts. "Support of activities that contribute to biodiversity loss," "Endangerment of species due to production activities and product use" and "Degradation of the state of ecosystems in the company's own activities and in the value chain" were identified along the upstream value chain and in the company's own business activities. In addition, the "negative impacts on ecosystem services due to resource exploitation, production and product use" also have an impact on the downstream value chain.

If the activities of the Porsche AG Group lead to degradation or endangerment of ecosystems, this may have negative impacts on people and the environment.

The negative impacts in the upstream value chain arise primarily from production and logistics activities and in the procurement of raw materials and the manufacture of intermediate products. Mining and production activities in the vicinity of areas that provide ecosystem services can also be included.

The Porsche AG Group promotes and contributes to adverse land-use changes in the upstream value chain and in its own operations. In this context, land usage and land sealing at the sites of the Porsche AG Group and players in the value chain can have a negative impact on the environment.

Through its business activities and business relationships, the Porsche AG Group is potentially contributing to the resulting impact on the state of species and the degradation of ecosystems. In the future, the impact on biodiversity and the state of ecosystems may also affect the Porsche AG Group's value chain, should legal regulations sanction intrusions into biodiversity and thus cause potential changes in the value chain.

A potential financial risk may arise for Porsche AG in connection with the EU Deforestation Regulation (EUDR). The EUDR particularly aims to minimize the EU's contribution to global deforestation and forest degradation related to the production of certain relevant agricultural commodities. Existing procurement and distribution processes therefore need to be reviewed and, if necessary, adapted. This has an effect on the entire value chain. Non-compliance with the legal requirements of the EUDR may lead to fines or import or sales bans. In order to minimize risks, Porsche AG plans to integrate the EUDR requirements into its internal processes and contract documents. To ensure due diligence in the supply chain, an IT tool is to be deployed and further actions are to be derived. In addition, Porsche AG relies on specific training and awareness-raising measures for suppliers to strengthen their awareness of legal requirements and sustainability standards.

Business activities in or adjacent to biodiversity-sensitive areas

Porsche AG and Porsche Leipzig GmbH have conducted a check to determine whether the company's sites are located close to biodiversity-sensitive areas and to analyze potential dependencies and impacts on biodiverse areas in need of protection.

Eight relevant sites of Porsche AG and Porsche Leipzig GmbH in or close to biodiverse areas in need of protection were located in a site analysis. In this context, Natura 2000 areas (EU Birds and Habitats Directive) or key biodiversity areas are considered to be such areas. The analysis included Porsche's own production sites (vehicles, components and powertrains) and technical development centers.

The analysis revealed that there are a total of ten conservation areas in the vicinity of the investigated sites:

The Stuttgart-Zuffenhausen production site, for example, is located in the immediate vicinity of the "Glemswald und Stuttgarter Bucht" area of conservation and fauna-flora habitat. "Brösen, Glesien und Tannenwald" is another area of conservation and fauna-flora habitat in the vicinity of the Leipzig production site. The Development Center in Weissach is located near the "Strohgäu und unteres Enztal" area of conservation and fauna-flora habitat, among others.

The conservation areas include 72 protected habitats and are home to 167 protected animal and plant species. The analysis did not identify any direct negative impact attributable to the activities at the sites of Porsche AG and Porsche Leipzig GmbH.

In the reporting year, the impacts and dependencies on biodiversity were analyzed in a detailed study using the ENCORE tool. This includes an analysis at sector level to assess potential risks, impacts and dependencies in the relevant industry.

On the one hand, the evaluation shows how dependent individual sectors and their products and services are on biodiversity and ecosystem services. On the other, the effects that the sectors as such have on biodiversity and ecosystem services are taken into account. ENCORE refers exclusively to the potential impacts that might arise from production (including development and testing activities), without taking into account the related impacts in the supply chain (e.g. metal production or extraction of raw materials).

The results show the potential impact of the business activities of Porsche AG and Porsche Leipzig GmbH (vehicle and parts/component manufacturing) on the environmental aspects of soil, water, biodiversity and atmosphere.

The analysis showed that vehicle production (including development and testing activities) has potential impacts on seven of the 13 impact categories considered. Disturbance due to noise or light emissions is the only potential impact rated as very high, which affects biodiversity. However, by complying with legal requirements (noise limits, noise protection measures and lighting regulations) and recommendations of nature conservation associations, potential negative impacts on biodiversity can be reduced and sensitive areas around the relevant sites can be protected.

Emissions of pollutants to soil and water were assessed as a potentially medium impact on biodiversity. Here too, potential

negative impacts are reduced by complying with legal limits and using modern plant technology and safety systems. The environmental management system also provides for contingency plans and processes to avoid impacts on the environment.

The development and manufacture of vehicles can have a negative impact on land use. Porsche AG and Porsche Leipzig GmbH counteract this impact by reducing land usage as far as possible and enhancing existing green spaces in a high-quality and nature-oriented way to add value to nature and improve biodiversity. In order to make these impacts measurable, a new indicator regarding biodiversity was piloted at selected sites of the Porsche AG Group in 2024. More information on this new indicator can be found in → **Targets**.

In summary, both Porsche's own vehicle production and the production of parts and components have a potential medium impact on the considered environmental aspects of soil, water, biodiversity and the atmosphere. This potential medium impact is addressed by the environmental management system in conjunction with targeted actions.

In addition, the assessment found that the automotive industry is to a potentially medium to very low extent dependent on 14 of the ecosystem services considered, such as soil and sediment retention, flood control and storm surge mitigation. Overall, the business activities at the Porsche AG and Porsche Leipzig GmbH sites have a potentially low dependency on soil, water and the atmosphere, while there is a potential medium dependency on biodiversity.

The impacts of development and production on the degradation of soil and desertification was assessed as not material.

As part of the procedure described in the analysis for dealing with harmful impacts of construction work, the plants themselves or their operation that are relevant for certain subjects of protection, such as endangered species, including the assessment of risks, no deviations were identified that would have required corrective or supplementary actions. In principle, all sites of the Porsche AG Group act in accordance with legal requirements. However, if there is any evidence of negative impacts due to activities at the sites, the causes are analyzed and remedial actions are considered.

The impacts and dependencies described apply to the selected sites listed in the following table.

| General information | | | | Activity | Biodiversity sensitive areas | | | |
|---------------------|-------------|-----------------------------|---------|---|--|------------------------------------|-----------------------------|------------------------------|
| No. | Category | PAG site | Country | Industry (ENCORE) | Number of conservation areas (radius 4.5 km) | Name of conservation area | Number of protected species | Number of protected habitats |
| 1 | Production | Porsche plant Zuffenhausen | Germany | Manufacture of motor vehicles | 2 | Glemswald and Stuttgarter Bucht | 13 | 15 |
| | | | | | | Vogelinsel Max-Eyth-See | 1 | 0 |
| | | | | | | Brösen, Glesien and Tannenwald | 2 | 1 |
| 2 | Production | Porsche plant Leipzig | Germany | Manufacture of motor vehicles | 3 | Leipziger Auensystem | 12 | 8 |
| | | | | | | Leipziger Auwald | 61 | 0 |
| 3 | Production | Porsche plant Asperg | Germany | Manufacture of parts and accessories for motor vehicles | 2 | Strohgäu and unteres Enztal | 9 | 14 |
| | | | | | | Nördliches Neckarbecken | 10 | 13 |
| | | | | | | Strohgäu and unteres Enztal | 9 | 14 |
| 4 | Production | Pilot center Sachsenheim | Germany | Manufacture of motor vehicles | 3 | Stromberg nature conservation area | 13 | 21 |
| | | | | | | Stromberg bird sanctuary | 25 | 0 |
| 5 | Development | Development center Weissach | Germany | Manufacture of motor vehicles | 1 | Strohgäu and unteres Enztal | 9 | 14 |
| 6 | Development | Development site Welcherath | Germany | Manufacture of motor vehicles | 1 | Ahr Hils | 21 | 0 |
| 7 | Development | Development site Hemmingen | Germany | Manufacture of motor vehicles | 1 | Strohgäu and unteres Enztal | 9 | 14 |
| 8 | Development | Development site Rutesheim | Germany | Manufacture of motor vehicles | 2 | Glemswald and Stuttgarter Bucht | 13 | 15 |
| | | | | | | Strohgäu and unteres Enztal | 9 | 14 |

STRATEGIC APPROACH

Biodiversity and ecosystems change are closely linked to other environmental aspects. In addition to land usage, these include the environmental impacts of the Porsche AG Group related to energy, water and waste—from the extraction of raw materials, through transport and production, to the use of the products. Other factors include the direct exploitation of organisms and the spread of invasive alien species. These aspects of the impacts on biodiversity and ecosystems are also discussed in the environment chapters → **E1 Climate change** and → **E2 Pollution** of this non-financial statement.

The Porsche AG Group's environmental and energy policy addresses the negative impacts on biodiversity and ecosystems. This policy aims to conserve resources as far as possible and to reduce resource consumption as much as possible at all Porsche vehicle production sites. Further information can be found in → **E2 Pollution**.

Biodiversity is one of the eleven strategic fields of action along the path to vehicle production and development with the lowest possible environmental impact at selected sites of the Porsche AG Group. It stipulates that Porsche AG takes the conservation and protection of biodiversity into account in its economic activities and aims to reduce negative environmental impacts in the future. This includes, for example, the implementation of voluntary actions to promote biodiversity and the continuous assessment of nature-oriented areas at the sites as well as the continuous assessment of the impacts of the vehicle production sites and the Weissach development site on biodiversity using the → **Site checklist**. The Porsche AG Group endeavors to reduce land use at its sites as far as possible and thus contribute to the preservation of biodiversity.

The topic of biodiversity is also firmly established in the Porsche AG Group's processes at organizational level, for example in the Environmental Compliance Management System. Activities and results are regularly tracked and reported. Detailed descriptions of general environmental

management, including certifications, can be found in
→ **E1 Climate change**.

The Porsche AG Group's Environmental and Energy Management department is responsible for providing expert advice and preparing guidelines on biodiversity activities for Porsche's own vehicle production sites and selected group companies.

The Procurement Strategy, Organizational Development, Sustainability and Business Development department is responsible for biodiversity activities in the upstream supply chain.

The Porsche AG Group recognizes that its impact on biodiversity is largely indirect due to its complex supply chains. The extraction and processing of some of the raw materials for the automotive industry is associated with potential environmental risks such as deforestation as well as air and water pollution due to the use of harmful chemicals. Potential factors influencing the value chain include the exploitation of mineral raw materials and rare earths. In this context, extraction can also take place in countries with species-rich ecosystems and low standards—sometimes in connection with potential intrusions into nature and the landscape. The use of natural resources can also have an impact, e.g. farming of natural rubber for the production of tires.

The Porsche AG Group is committed to responsible procurement and therefore also requires its direct business partners in the value chain to protect ecosystems. More information about this can be found in the Code of Conduct for Business Partners in → **Policies**.

Despite the sustainability requirements for direct suppliers, the Porsche AG Group has no direct influence on these aspects. This applies in particular to the extraction of raw materials in biodiversity-sensitive areas. In this context, the Porsche AG Group and the Volkswagen Group are therefore jointly involved in initiatives dedicated to improving biodiversity in countries exporting raw materials.

POLICIES

The topic of biodiversity and ecosystems is governed by various frameworks and policies of the Porsche AG Group.

Policies with a focus on the company's own business activities

The **Group Environmental Compliance Management System (ECMS) Policy** is based on the specifications of the Volkswagen Group and standardizes the procedure, responsibilities, and processes in connection with environmental and energy-related matters under the ECMS within the Porsche AG Group. It also applies to biodiversity and ecosystems. The group policy and the ECMS are described in detail in → **E1 Climate change**.

Biodiversity is also one of the eleven defined fields of action regarding the ambition to produce and develop vehicles with the lowest possible environmental impact at selected sites of the Porsche AG Group. A corresponding **manual** of Porsche AG addresses the topic of biodiversity and ecosystems in various dimensions. Specifically, Porsche AG endeavors to preserve and protect biodiversity in its economic activities and also takes → **Actions** to offset the impact of its activities on biodiversity. Furthermore, employees are made aware of the topic and actively involved. The manual is also described in detail in → **E2 Pollution**.

The path to vehicle production and development with the lowest possible environmental impact at selected sites of the Porsche AG Group is described in a corresponding **site checklist**, which, in addition to many other environmental aspects, also contains requirements for the promotion of biodiversity. Criteria such as the observation and registration of conservation areas in the vicinity of the sites or the implementation of support programs for the education on biodiversity and environment are taken into account.

The checklist also requires the implementation of specific → **Actions** such as planting native plant species on the factory premises, creating nature-oriented green spaces and supporting threatened or endangered species through the protection and creation of habitats on or off site. In order to ensure a nature-oriented design of the open spaces at the sites and to support biodiversity, Porsche AG and Porsche Leipzig GmbH have each developed a **biodiversity guideline**. The document contains specific instructions for planting and measures to create green spaces tailored to the local conditions. Among other things, the guideline contains specific requirements for construction projects that involve intrusions in existing green spaces, as well as for their maintenance and redesign.

Policies for the protection of biodiversity and ecosystems with a specific focus on operating sites in or near conservation areas and biodiverse areas in need of protection have not been drawn up yet. Nor has the Porsche AG Group developed any policies so far on the topics of land use and agriculture, oceans/seas and combating deforestation.

Policies with a focus on the value chain

The Porsche AG Group also integrates biodiversity and ecosystems into its upstream and downstream supply chain. To this end, it has defined corresponding requirements for its direct business partners and direct suppliers in several policies:

The **Code of Conduct for Business Partners** sets out binding requirements for business partners with regard to sustainability. Further information about this can be found in → **G1 Business conduct**.

As regards biodiversity and ecosystems, direct business partners are expected to ensure the protection of natural ecosystems, in particular the protection of endangered wildlife habitats, and the sustainable use of natural resources. Preferably, the Porsche AG Group's direct business partners should strive for supply chains that avoid deforestation within the framework of applicable law and international regulations on biodiversity. These international regulations include resolutions and recommendations on biodiversity from the Center for Biological Diversity (CBD) and the International Union for Conservation of Nature (IUCN). They should also take suitable and appropriate action to exclude raw materials derived from deep sea mining from their supply chains.

In addition to the Code of Conduct for Business Partners, several specific policies on materials and raw materials for agricultural intermediates address biodiversity and ecosystems in the upstream supply chain. These **specifications** were developed together with the Volkswagen Group and rolled out in the Porsche AG Group.

For example, direct leather suppliers must disclose the country of origin of the raw materials and provide evidence of a leather-specific sustainability certification from the Leather Working Group (LWG). Specifications for natural rubber, which are also aimed at sustainable land use and agriculture, are being tested on a pilot basis in the Porsche AG Group beyond the reporting year.

Social consequences due to biodiversity-related impacts are currently not specifically addressed in any of the abovementioned Porsche AG Group policies.

ACTIONS

In the reporting year, the Porsche AG Group implemented actions related to biodiversity, in particular at Porsche's own vehicle production sites.

Actions related to biodiversity at the sites

Porsche AG is increasingly implementing ecological principles and nature-oriented projects at its sites. In this way, it is seeking to promote biodiversity, create valuable habitats and implement the principles of sustainability also in nature-oriented outdoor areas, thereby contributing to the protection of nature and the environment.

STUTTGART-ZUFFENHAUSEN SITE

Together with landscape planning and species conservation experts, a guideline for the Stuttgart-Zuffenhausen site has been developed. It contains specific instructions for future planting and green space creation measures, such as planting suggestions and care tips.

Back in 2021, Porsche AG already turned an area of around 2,000 square meters at the Stuttgart-Zuffenhausen site into a green recreational space for employees and the local neighborhood as part of its commitment to nature-oriented company premises. The willows and native plants planted here also provide retreats for insects. Also, in 2023 and 2024, additional areas were continuously turned into nature-oriented spaces, creating high-quality habitats for plants and animals. In the reporting year, for example, one area was enhanced by native plants that are appropriate for the location, deadwood logs, sandy areas and quarry stones to create new habitats for reptiles and insects, among others. Birds also find shelter in the wild shrubs and trees. The planting of the area was part of the "Porsche hilft" projects, for which Porsche AG employees can volunteer and actively support the planting campaign under the supervision of a professional landscape gardener. Further information about "Porsche hilft" can be found in → **S3 Affected communities**.

WEISSACH SITE

Actions to realize nature-oriented company grounds are also continuously promoted at the Weissach site. In the reporting year, two large nature-oriented ponds were completed, providing habitats for a diverse range of animal and plant species in and around the standing water. Designed especially as a suitable retreat for amphibians, such as newts and toads, other animal species such as dragonflies and birds will also benefit from the ponds. Around the ponds, various habitat structures, such as marshes and flower meadows, were created on this area of more than 3,000 square meters, for example by planting shrubs and various types of hedges and trees. The area is well protected and forms a connection between the woods and the factory premises, allowing the various animal and plant species to develop sustainably.

LEIPZIG SITE

Biodiversity projects were also continued in the reporting year on the premises of Porsche Leipzig GmbH. The off-road circuit includes grazing land for wild oxen, Exmoor ponies and sheep. The former military site also offers diverse habitats for plants, insects, birds and numerous native wildlife species. It is also home to around three million honey bees.

In the reporting year, further green spaces around the off-road circuit were turned into nature-oriented areas with flower meadows and shrubs and mowing cycles were adjusted to further improve habitats for insects.

Corporate citizenship projects related to biodiversity

The Porsche Safari initiated in 2018 has also been continued at the Leipzig site in the reporting year. The environmental education project in cooperation with the Auwaldstation Leipzig invites children and families to explore the off-road area's biodiversity accompanied by an environmental educator.

In addition, the Porsche AG Group initiated numerous other employee activities as part of its → **Corporate citizenship projects** in 2024 that contribute directly or indirectly to the preservation and improvement of biodiversity. Activities included tree planting, clean-up campaigns, environmental education and training as well as support for research and science.

TARGETS

Porsche's own vehicle production has a potential negative impact on land use. The Porsche AG Group wants to counteract this impact by reducing land use (land used for its own production) and by enhancing existing green spaces in a nature-oriented way, thus creating added value for nature and biodiversity.

Currently, the Porsche AG Group has not yet formulated a measurable, outcome-oriented and time-bound target within the meaning of the ESRS that could serve as a key performance indicator for the material negative impacts "Support of activities that contribute to biodiversity loss," "Endangerment of species due to production activities and product use," "Degradation of the state of ecosystems in own activities and in the value chain" and "Negative impacts on ecosystem services due to resource exploitation, production and product use." It is important for the Porsche AG Group to set sustainable and ambitious targets, the fulfillment of which will make a significant contribution to biodiversity and ecosystems. To this end, the targets should ideally be based on evidence while at the same time complying with the legal provisions arising from the ESRS, among other things. A corresponding target for the Porsche AG Group's impact on biodiversity and ecosystems is to be developed in coordination with the Volkswagen Group in 2025.

With this goal in mind, the Volkswagen Group developed a new biodiversity-related indicator in the reporting year, which was tested on a pilot basis at the sites of Porsche AG and Porsche

Leipzig GmbH. This indicator will make it possible to assess land usage and set targets in this area in the future. The indicator places the factory premises in relation to the results of actions taken to conserve and enhance biodiversity. Depending on their contribution to biodiversity, the spaces enhanced by Porsche's own sites are weighted with a quality factor.

METRICS





Impacts related to biodiversity and ecosystems change





As part of the materiality assessment, land-use change in the sense of land sealing was identified as a negative factor at Porsche AG Group possibly significantly influencing biodiversity and ecosystems. This may happen, for example, by expanding or building new sites. In the reporting year, the Porsche AG Group sealed an area of 45 ha.

Methods and assumptions

The determination of the area sealed by the Porsche AG Group in the reporting year takes into account all areas where the soil was covered in an air- and watertight manner in the reporting year, which means that rainwater cannot seep away or can do so only under difficult conditions. These include areas covered by buildings (without green roofs), asphalt, jointless concrete and paving with tight joints. If a sealed area is unsealed (e.g. land renaturation), this is also taken into account. In this case, the unsealed area is deducted from the total sealed land.

E5 RESOURCE USE AND CIRCULAR ECONOMY

| Topic | Significant impacts | Value chain | | | Most relevant time horizon | | |
|---|--|-------------|---|---|---|---|---|
| | | → |  | → |  |  |  |
| Resource inflows, including resource use | Low and sustainable resource consumption due to sustainable material procurement and resource use optimization | ■ | ■ | ■ | □ | □ | ■ |
| Resource outflows related to products and services | Contribution to the circular economy by reducing resource outflows related to products and services | □ | ■ | ■ | □ | □ | ■ |
| Waste | Contribution to resource depletion through significant waste generation along the value chain | □ | ■ | ■ | □ | □ | ■ |

→| Upstream  Own business activity |→ Downstream  Short-term (less than 1 year)  Medium-term (1 to 5 years)  Long-term (more than 5 years)

The Porsche AG Group uses energy, water and numerous other resources and raw materials in the course of its business activities. Vehicle production is the largest consumer of resources.

Technology, processes and logistics can all have a positive effect on resource consumption. The factors energy consumption and greenhouse gas emissions are discussed in detail in → **E1 Climate change**, water use is discussed in → **E3 Water** and the handling of resource outflows and emissions is also described in → **E2 Pollution**.

The Porsche AG Group aims to handle raw materials responsibly in its own activities as well as in the upstream and downstream value chain and is increasingly aligning its processes toward a resource-conserving future. In addition to efficient production processes and the long-lasting use of the vehicles and the materials used in them, the concept of a circular economy is a key factor. This also includes waste avoidance and the promotion of recycling and reuse.

The following chapter describes the approaches, policies and actions that the Porsche AG Group uses to address resource inflows, resource outflows, waste and circular economy in the most resource-efficient manner possible.

IMPACTS AND RISKS RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

Resource inflows and outflows and waste were identified as a material topic for the Porsche AG Group in a materiality assessment carried out in 2024.

Impacts and risks related to resource inflows, including resource use

A positive impact was identified in terms of resource inflows and resource use. The Porsche AG Group contributes to low and sustainable resource consumption by procuring material as sustainably as possible and optimizing resource use. This includes the use of recycled and recyclable materials in the upstream value chain, the use of resources in the most sustainable and efficient way possible through the optimization of processes within the company's own operations, and the promotion of recyclability of the company's own products at the end of their service life. In this way, the necessary interventions in the environment during the extraction of resources and during disposal are reduced.

A potential risk was also identified related to resource inflows and resource use, but was not classified as material. As resources become increasingly scarce, the number of regulatory requirements for the use of secondary materials increases. These requirements relate to the proportion of recycled material that must be used in new products. There is a potential risk that the legal requirements for use may not be met due to limited availability of secondary materials or failure to meet quality requirements. Potential regulation has an impact on the company's own business activities as well as on the upstream and downstream value chain, as vehicles or components that do not meet the legal requirements are excluded from the respective sales markets. In order to minimize the emerging potential risk, the Porsche AG Group monitors regulatory requirements and market developments in a targeted manner and communicates them to the relevant departments as part of an internal standard process. The proportion of secondary material used in selected vehicles is continuously reviewed.

Impacts related to resource outflows related to products and services

Another positive impact related to resource outflows was identified. The Porsche AG Group contributes to the circular economy by reducing resource outflows related to products and services. This is done in the company's own operations and by business partners in the downstream value chain by designing products with the recyclability at the end of their service life in mind and by extending the service life of products by offering repair services.

Impacts related to waste

The 2024 materiality assessment also revealed a negative impact related to waste for the Porsche AG Group. The Porsche AG Group contributes to resource consumption through waste generation in its own business activity and in the downstream value chain. This includes the disposal of Porsche end-of-life vehicles and the waste generated in Porsche's own vehicle development and production, which have negative impacts on the environment because waste must be disposed of or recycled using energy. Resource depletion is a consequence of the business model, as vehicles have a limited service life.

STRATEGIC APPROACH

The Porsche AG Group aims to minimize the negative environmental impact of its entrepreneurial activities throughout the product life cycle—from raw material extraction until end-of-life—to minimize the consumption of energy and resources and to support international treaties and initiatives to solve global environmental problems.

The Porsche AG Group's sustainability strategy defines decarbonization and circular economy as two of the six focus topics, which are linked to clear targets, metrics and actions. Those related to decarbonization are explained in more detail in → **E1 Climate change**, while those related to circular economy are described here, where currently possible. A comprehensive description of the sustainability strategy can be found in → **General disclosures**.

Resource efficiency

The Porsche AG Group's long-term target is its own vehicle production and development with a minimal negative environmental impact at selected sites. Therefore, Porsche AG and selected group companies have launched a resource efficiency program for all sites and areas of vehicle production.

Technology, processes and logistics can all have a positive effect on resource consumption. Aside from energy consumption, examples of this include using water efficiently based on circulation systems and the careful handling of potentially contaminated wastewater from Porsche's own production. This also includes waste avoidance and the promotion of recycling and reuse.

Porsche's own vehicle production sites in Stuttgart-Zuffenhausen and Leipzig as well as the development site in Weissach aim to measure the environmental impacts of a site both completely and absolutely to derive specific steps toward more sustainable production. Using measurement methods and management tools developed specifically for this purpose within the Volkswagen Group, the quantitative environmental impact of the production sites is measured and reduced, particularly in the fields of action of climate change mitigation and energy, emissions, water and waste. Using the impact points method, the environmental impact is calculated on the basis of resource use and emissions. More information on the ambition of achieving vehicle production and development with the lowest possible environmental impact at selected sites of the Porsche AG Group can be found in → **E2 Pollution**.

At an organizational level, resource use, resource efficiency and resource conservation are firmly embedded in the Porsche AG Group's **sustainability management** as well as in specific sustainability management systems, such as the Environmental Compliance Management System (ECMS). Sustainability management and the ECMS are also described in detail in **→ E1 Climate change**.

Activities relating to the use and efficiency of resources are coordinated by the Porsche AG Group's Sustainability department. Planning and implementation are carried out independently at the group companies and sites. The sites of the Porsche AG Group have their own environmental and energy management officers. Among other things, they advise and monitor key environmental and energy figures, check their plausibility and coordinate environmental and energy management audits. The related operational and strategic responsibilities are assumed by the Porsche AG Environmental and Energy Management department, which has been interconnected through partnerships with the relevant and affected departments since 2019. This made it possible to intensify existing communication and collaboration.

Circular economy

Resource efficiency and conservation also include the transition to a circular economy by applying circular principles in the value chain. The closed-loop recycling of resources, materials and water helps to reduce the negative environmental impacts of resource consumption and counteract the shortage of raw materials. At the same time, the use of secondary materials and the establishment of material cycles can help to reduce the Porsche AG Group's CO₂ emissions and thus further promote decarbonization. This development also promotes innovations relating to material development, recycling technologies and business models.

The strategy field of a circular economy is therefore one of the key elements of the Porsche AG Group's sustainability strategy. Five defined fields of action address topics such as the battery raw material cycle, the use of circular materials in Porsche vehicles, most sustainable possible product design, long-term spare parts supply and circular economy concepts for Porsche sites.

Among other things, the aim is to achieve a closed raw material cycle for batteries. Batteries and their battery cell modules should be used in the vehicle for as long as possible and subsequently be used in internal energy storage systems, among other things. In addition, their raw materials can be reused in new batteries after advanced recycling processes. The aim is also to reduce the share of virgin resources in other areas of the vehicle—wherever technically and economically possible—and to increasingly use more ecologically sustainable materials.

In addition, the longevity of Porsche vehicles and the associated long service life of the materials used are to be further enhanced. A fundamental component is the possibility to repair, which is to be improved through the extended availability of spare parts and Porsche Classic parts as well as the reconditioning of selected components. The prerequisite for this is a sufficient degree of disassembly of assemblies into individual parts so that repairs and life-extending measures can be carried out.

In addition, an approach that is holistic as possible strengthens circular economy concepts and reduces waste at the production sites. Further information on this can be found in **→ Actions**.

Porsche AG has paved the way organizationally, on a strategic level and within the individual divisions and series, for the targets related to circular economy to be pursued in a systematic manner. It has integrated the strategically defined vehicle and project goals for circular materials into the target system and related processes of selected model series. Selected company departments, such as procurement, are included in the implementation. Further information about this can be found in **→ Targets**.

The departments coordinate the projects and monitor progress. In addition, cross-project coordination takes place in the Circular Economy working group. This is made up of representatives from the Sustainability department and the relevant departments from the areas of environment, development, production, procurement, sales and quality. The working group discusses the status of the strategy field targets set and the associated projects and, if necessary, derives new measures and further projects. Relevant project results are regularly reported to the Executive Board.

Use of resources in the value chain

The Porsche AG Group is committed to responsible procurement and therefore also requires its business partners in the value chain to comply with the relevant environmental and

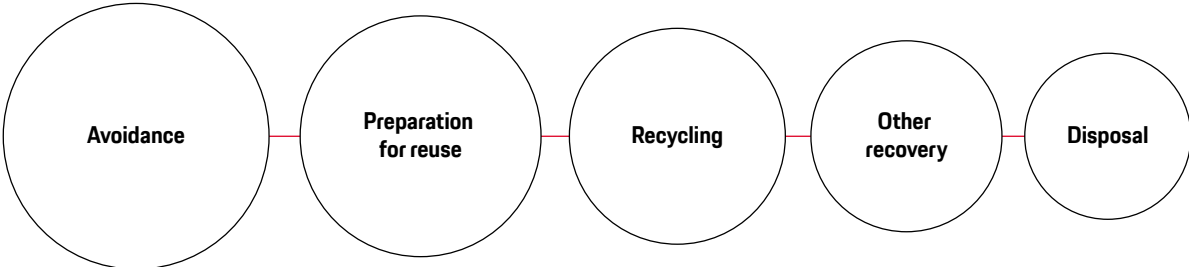
energy laws and to use resources efficiently. Further information can be found in → **Policies with a focus on the value chain** and in more detail in → **E1 Climate change**.

Waste management

The waste management plan of Porsche AG and selected group companies aims to reduce the amount of waste and to recycle unavoidable waste in a high-quality manner, closing loops in the process. It is based on the national Circular Economy Act (KrWG) and sets out a five-tier waste hierarchy:

- Avoidance
- Preparation for reuse
- Recycling
- Other recovery (such as energy generation)
- Disposal

Five-tier waste hierarchy



For example, it prioritizes waste avoidance using low-waste technology and sustainable, economical disposal solutions designed to increase material recycling.

Actions as part of the waste management plan are reflected in the resource efficiency program in → **E1 Climate change**. The Porsche AG Group also intends to further reduce waste as part of the Porsche Strategy 2030 Plus. Materials are therefore to be recycled instead of being disposed of as waste. This will reduce the need for primary resources.

Waste is recorded at the sites of Porsche AG and selected group companies and assessed using the impact points method, which is described in → **E1 Climate change**. This makes it possible to evaluate waste reduction actions or the introduction of recycling measures.

When planning new production facilities, Porsche AG and selected group companies generally already consider where waste is likely to be generated. In particular, the design of facilities and processes must ensure that waste is avoided or reduced to a minimum in order to apply the Circular Economy Act. A waste management plan is therefore already developed at the planning stage and low-waste processes and technologies are incorporated. Further legal requirements generally relate to the classification according to waste management legislation and the lawful disposal of waste including appropriate documentation.

When issuing invitations to tender for waste disposal services, Porsche AG and selected group companies pay special attention to disposal facilities that offer recycling.

According to the waste management plan, unavoidable fractions of waste are to be systematically sorted and collected at source. Consequently, all waste receptacles and collection points feature standardized signage based on the various waste fractions. The valuable materials in the waste can then be used better in the subsequent waste disposal process.

Thanks to an electronic waste register, sites of Porsche AG and selected group companies are able to draw up waste balances, track progress toward targets and comply with legal documentation obligations.

POLICIES

Resource use and circular economy is governed by numerous frameworks and policies of the Porsche AG Group.

Policies with a focus on the company's own business activities

The **Group Environmental Compliance Management System (ECMS) Policy** is based on the specifications of the Volkswagen Group and standardizes the procedure, responsibilities, and processes in connection with environmental and energy-related matters under the ECMS within the Porsche AG Group. It also applies to resource use and circular economy. The group policy and the ECMS are described in detail in → **E1 Climate change**.

The Porsche AG **manual on environmental requirements** describes far-reaching and comprehensive actions that must be taken with regard to environmental and energy management in new and converted buildings and facilities. In addition to the environmental protection requirements to be complied with, the document contains a catalog of actions to increase resource and energy efficiency and to avoid waste.

The path to vehicle production and development with the lowest possible environmental impact at selected sites of the Porsche AG Group is specified, for example, in a corresponding **site checklist**. This assesses qualitative aspects of a site in eleven fields of action—environmental compliance, architecture and perception, planning, digitalization, water, energy and CO₂, material, soil, biodiversity, pollutants, mobility. The manual and the site checklist are also described in more detail in → **E2 Pollution**.

Porsche AG has also adopted the **"Environmental protection" resource regulation**, while Porsche Leipzig GmbH has adopted the **"Energy and resource efficiency" resource regulation**.

These set out the environmental instructions for contractors in the planning and construction of buildings and facilities. These are subject to both statutory and internal group regulations. The resource regulations require contractors to use materials and operate in a resource-efficient manner. The expected energy and material flows must be determined in the planning phase. There are also specific requirements for waste management, which aims to avoid waste and recycle in a closed loop, wherever possible. The resource regulations are also available to business partners on the Volkswagen Group's procurement platform. Employees can access them on the intranet.

The **Group Scrapping or Alternative Use of Obsolete Items Policy** regulates how obsolete items are handled. Group-wide it stipulates that alternative use within the Porsche AG Group always takes priority over scrapping or transfer to third parties, taking economic efficiency into account. This is intended to ensure that items are used for as long as possible and waste is reduced.

Policies with a focus on the value chain

The Porsche AG Group also takes responsibility for resource use and waste handling beyond its own activities along the upstream supply chain. It therefore sets out corresponding requirements for direct business partners and direct suppliers in several policies:

The **Code of Conduct for Business Partners** sets out binding requirements for business partners with regard to sustainability. It is described in detail in → **G1 Business conduct** as is the sustainability assessment of direct suppliers using the sustainability rating (S-rating).

As regards resource use and circular economy, the Code of Conduct for Business Partners stipulates that it is the business partners' responsibility to take appropriate action to ensure efficient resource use, the reuse and recycling of resources, the prioritization of renewable resources as well as the avoidance of waste and its proper disposal. In addition, business partners are required to comply with international conventions on the movements of hazardous waste. With these requirements, the Code of Conduct for Business Partners helps to promote the material positive impacts in terms of resource use and circular economy in the value chain and minimize the negative impacts.

In order to implement sustainable procurement of raw materials and parts via the upstream supply chain wherever possible, **specifications** for various raw materials were developed together with the Volkswagen Group and rolled out in the Porsche AG Group. They describe the sustainability requirements for the raw material supply chain with regard to human rights, social and environmental standards and apply to the corresponding sourcing requests of the Porsche AG Group.

The specifications are part of the Volkswagen Group's raw material due diligence management system (RMDDMS) and were available for battery raw materials, mica and leather in the reporting year. Additional specifications for natural rubber are being tested on a pilot basis in the Porsche AG Group beyond the reporting year. The specifications are available to the employees involved on the intranet.

The Volkswagen Group relies on the application of the preventive RMDDMS to ensure responsible sourcing of raw materials. This system is designed to identify, assess and mitigate risks in supply chains of selected high-risk raw materials and is consistent with global normative guidelines, including the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the OECD Due Diligence Guidance for Responsible Business Conduct. In the reporting year, the Volkswagen Group updated the underlying group-wide raw material policy.

The RMDDMS, which is also used by the Porsche AG Group, is described in detail in → **E1 Climate change** and → **E2 Pollution**.

To improve the data used for life cycle assessments (LCA) of its products, the Porsche AG Group requires suppliers of certain components to provide primary data. These suppliers are therefore required to identify and disclose specific environmental data, using **LCA requirement documents**. Moreover, in conjunction with the Sustainability Targeting Annex, these specifications for materials and raw materials also specify targets for the proportion of secondary material for copper (cathode), aluminum, plastics and steel. In the case of plastics, some bio-based solutions can also be considered in order to meet the requirements. If the use of recyclates is excluded, technical reasons must be given. Furthermore, the Porsche AG Group assesses the impact of these actions on the greenhouse gas balance based on its suppliers' self-disclosures on the use of secondary materials and reduced-carbon primary materials and takes this into account when awarding contracts.

The **Volkswagen Vehicle Environmental Standard** is also a relevant topic with regard to the value chain. This standard relates to the recycling requirements, the use of recyclates and the recyclability of vehicles produced by the Volkswagen Group and provides instructions to that end. It contains specifications on materials and substances used in the vehicle, in vehicle parts and powertrains, as well as on supplies used. The standard was established by the Board of Management of the Volkswagen Group and also applies for vehicles of the Porsche brand.

In accordance with legal requirements, the standard stipulates that vehicles must be at least 85% recyclable and at least 95% recoverable. To comply with legal requirements, it also stipulates extensive requirements for dismantling, for example in order to be able to remove operating fluids or to recycle assemblies. Recycled materials or materials with added recyclates have to be prioritized over primary materials to support the circular economy.

ACTIONS

The Porsche AG Group takes various actions at its production sites and in the upstream supply chain to reduce resource consumption and the disposal of resources, including waste, as much as possible.

To this end, action plans for the reporting year were drawn up as part of the strategy field of a circular economy, among others, and implemented accordingly. The following actions have been continuously implemented, tracked and reported during the reporting year:

Actions related to resource efficiency in production

The actions taken related to resource efficiency are mainly described in other chapters of this non-financial statement: Actions related to decarbonization and certifications of production sites can be found in → **E1 Climate change** and actions to reduce water consumption in → **E3 Water**.

In order to reduce the carbon footprint of the expansion of the body shop at the Stuttgart-Zuffenhausen site completed in

2024, and to incorporate aspects of the circular economy in accordance with the Cradle to Cradle (C2C) principle into the planning, the planning and construction process was supported by an external specialist planner from 2020. As a result, the carbon footprint of the erected building was reduced by around 40% compared to the original plan. For example, around 4,100 tCO₂e were saved thanks to various measures (use of low-carbon concrete and recycled materials, etc.). In addition, the potential for raw material storage of the building was determined, which is intended to increase the recyclability of the materials if the building is dismantled.

Actions related to circular economy

In terms of circular economy, the Porsche AG Group pursues several courses of actions. These include, for example, the increased use of recyclable materials, secondary materials and renewable raw materials in vehicles. It also promotes the reuse and recycling of materials, for example in second-life projects with high-voltage vehicle batteries.

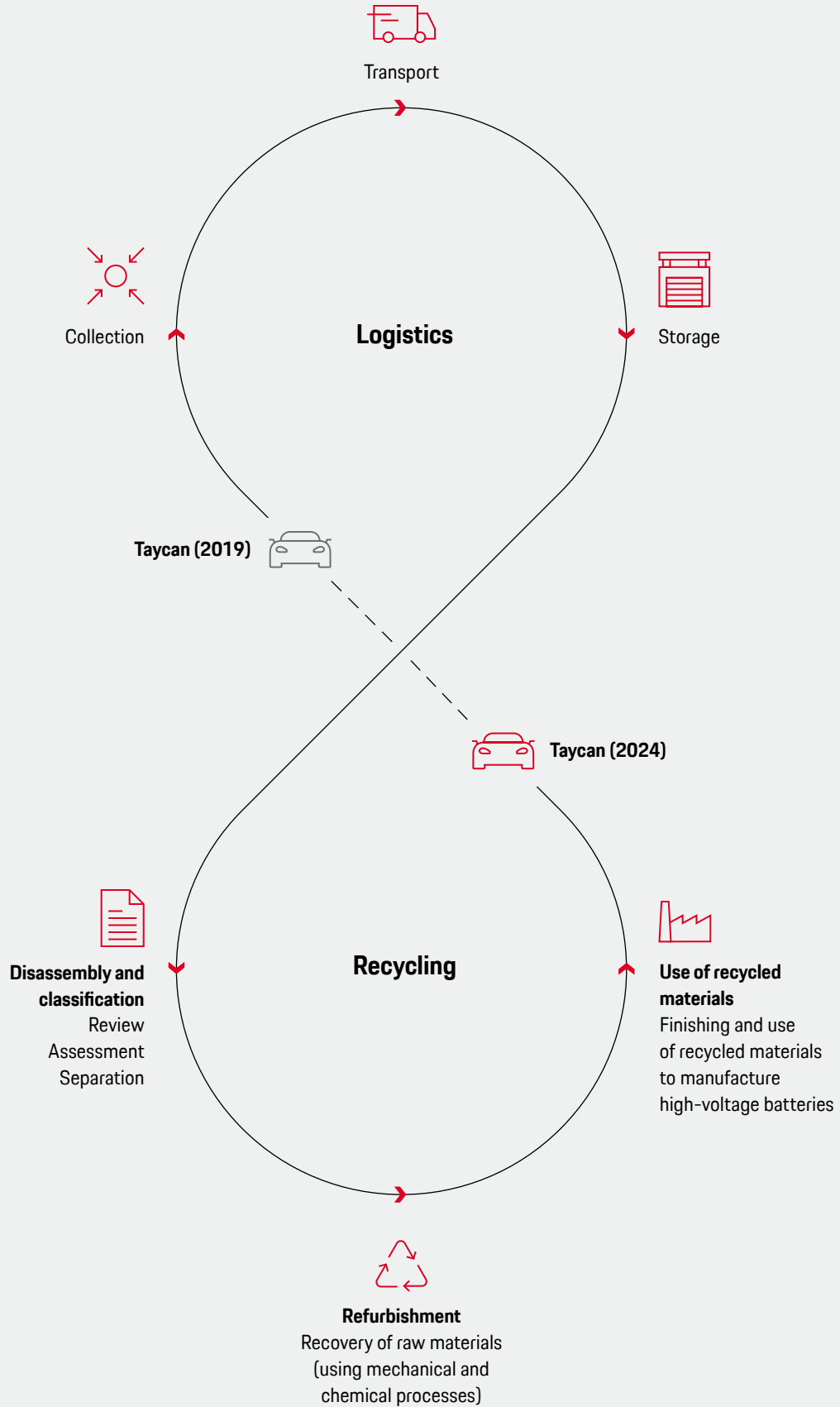
VEHICLE DEVELOPMENT

Aspects of the circular economy will also be increasingly integrated into the development of Porsche vehicles. For example, the recyclability of Porsche vehicles is increasingly being taken into account in the development stage. This means that specific requirements, such as those relating to the possible remanufacturing of components, can already be taken into account at an early stage. In the reporting year, a process was developed to analyze existing and future series with regard to remanufacturing. In the future, identified components are to be systematically integrated into the remanufacturing process.

At the same time, the longevity of Porsche vehicles is to be further enhanced. In the reporting year, Porsche AG carried out projects to improve repairability, which, for example, make it possible to repair dual-clutch transmissions in a more resource-efficient way or to expand the scope of Porsche Dynamic Repair—gentle repair methods that facilitate the maintenance of genuine vehicle parts in an installed state—by adding tools and methods.

Recycling process for high-voltage batteries

of the Porsche AG Group



In the reporting year, an active product influence also improved the dismantling of the Porsche Macan electric battery drive. The Porsche AG Group began implementing this project in 2022. To make this possible, appropriate special tools and spare parts were made available to the workshops and Porsche centers.

BATTERY RECYCLING

Together with the Volkswagen Group and other development partners, the Porsche AG Group is optimizing the recycling process for high-voltage batteries, which contain large amounts of valuable raw materials that can be reconditioned and reused. Three pilot projects were carried out in the reporting year to test a battery raw material cycle. The focus was on the mechanical processing of batteries and the refinement of the resulting black mass into recyclates that can be used in batteries. The pilot extended beyond the reporting year and the projects are expected to be completed in 2025. The results will be used to establish a battery recycling network.

In a model project, Porsche AG also evaluated second-life concepts for the time after the actual use phase of high-voltage batteries. In the reporting year, a stationary power storage system made from used Taycan batteries was installed at the Porsche plant in Leipzig. It consists of 4,400 individual battery modules which are grouped into four battery containers. Part of the electricity for the storage system is generated by the factory's own solar power plants with a peak output of 9.4 MW. The batteries were taken from pre-series and factory vehicles and are now used as stationary power storage systems after the end of their useful lives.

PACKAGING MATERIAL

Porsche AG has set itself the internal target of further reducing the use of materials that cannot be recycled: As part of a project, the proportion of recycled plastics in internally used PE flat bags in after-sales supply was increased to an average of 60-70% in the reporting year. In 2024, the proportion of non-recyclable foams used in after-sales could be reduced by around 7.5 t compared to the prior year.

In the future, the disposable packaging used for vehicle components in the Porsche AG Group will also be made exclusively from recyclable materials. The use of non-recyclable materials in disposable packaging used for vehicle components will therefore be contractually precluded when new contracts are awarded. In 2023, Porsche AG and selected group companies, together with other Volkswagen Group brands, began working on technical solutions for existing component packaging in order to reduce non-recyclable material as far as possible. These activities were continued in the reporting year. Since the start of the project in 2023, the proportion of non-recyclable materials could be reduced by around 40%. By the end of 2025, the proportion is to be increased to 80%.

TARGETS

The Porsche Strategy 2030 Plus, which is explained in → **General disclosures**, aims to minimize energy and resource consumption. This also includes avoiding waste and supporting the recycling of components such as battery modules. Depending on the target dimension, these targets are used to meet legal requirements or to manage ambitions that go beyond them in consultation with the relevant internal experts.

Porsche AG and Porsche Leipzig GmbH manage the identified positive contribution to low and sustainable as possible resource consumption and the circular economy through various environmental indicators. See here also the detailed explanation in → **E1 Climate change** (targets for Scope 1, Scope 2 and Scope 3 emissions, decarbonization index (DCI)).

Targets related to the reduction of virgin resources

In connection with the ambition to produce and develop vehicles with the lowest possible environmental impact at selected sites of the Porsche AG Group, resource use is measured through overarching environmental indicators that are recorded and calculated according to the method of the Volkswagen Group—the Reduction of the environmental impact of production (UEP) indicator and the impact points method, which will replace the UEP from 2025.

Both indicators include values for energy and water consumption, but also for emissions, wastewater and waste, among other things. In addition, the impact points take a multiplier for relevance into account to assess the impact.

A detailed description of the overarching indicators and their targets can also be found in → **E2 Pollution**.

Targets related to circular economy

The Porsche AG Group is working to continuously reduce its demand for primary raw materials. Therefore, specific quantitative targets for the use of circular materials have been defined. These apply to newly developed, purely battery-electric vehicle models.

The Volkswagen Group specified group-wide ambitions for all group brands, including Porsche AG, for the first time in the reporting year: The plan is for 40% of the materials used in the Volkswagen Group's products to be made from recycled products by 2040. The weight of the materials is used to measure the percentage of recycled products. Porsche AG aims to help achieve this ambition as far as is technically and economically possible.

In order to systematically track the targets, the specified vehicle and project targets for circular materials were integrated into the target system and related processes of selected model series. In addition, Porsche AG has developed and implemented an internal tracking system that is constantly being improved. Tracking takes place upon reaching project-specific reporting milestones.

The legal requirements for the recyclability of vehicles and the country-specific collection obligations for end-of-life vehicles in the EU member states set the bar high for these targets. The EU End-of-Life Vehicles Directive 2000/53/EC, which stipulates that at least 85% of the vehicle weight must be reusable and/or recyclable and at least 95% must be reusable and/or recoverable, is therefore already taken into account in the Porsche AG Group's vehicle development process.

Targets related to waste

The Porsche AG Group also manages the waste-related impact as part of its general targets related to the avoidance or reduction of waste at its own vehicle production sites and targets related to the support of the circular economy.

The Porsche AG Group uses an electronic waste register to record and measure the waste generated at its production sites and to prepare waste balances. These can be found in → **Metrics**. In the waste category, the overarching indicator UEP considers the quantity of disposable waste per vehicle produced by Porsche AG and Porsche Leipzig GmbH. As some recyclable waste at the Porsche AG site in Stuttgart-Zuffenhausen was reclassified as "for removal" in the reporting year, the UEP for the waste category increased by almost 12% compared to 2014.

METRICS

Material resource inflows

Porsche vehicles are extremely complex products consisting of several thousand individual parts. With regard to the criteria of raw material criticality, supply chain risk and relevance for sustainability, individual particularly relevant components can be identified, such as steering wheels, aluminum rims, aluminum exterior parts, HV batteries, permanent magnets, generators, wiring harnesses, brake discs, material groups depending on semiconductors (such as infotainment, control units, radio, etc.) and catalytic converters.

Below the component level, individual resources and materials play a key role in the production of Porsche vehicles. In terms of weight, the most relevant materials used in Porsche's own vehicle production are steel/cast iron, light metals, plastics and copper.

With the electrification of the vehicle portfolio, this is shifting in that the focus is now on certain raw materials required for the production of high-voltage batteries, for example. This is all the more true as the exploitation of these raw materials can be associated with negative environmental impacts and human rights risks. The Porsche AG Group is therefore committed to improving the conditions under which raw materials are extracted and to facilitating their closed-loop recycling.

In the Volkswagen Group, and therefore also in the Porsche AG Group, 18 raw materials are currently assessed as particularly risky and are therefore subject to a separate Raw Material Due Diligence Management System. These include the battery raw materials cobalt, lithium, nickel and graphite, the conflict minerals tin, tantalum, tungsten and gold (3TG) as well as aluminum, copper, leather, mica, steel, natural rubber, platinum group metals, rare earths, cotton and magnesium. For leather, mica and battery raw materials with high sustainability risks, comprehensive ESG requirements for the supply chain are defined through specifications.

To reduce resource consumption, the recycle content of some metallic raw materials such as copper or aluminum and plastics has already been requested from selected suppliers. In addition, the Porsche AG Group intends to increasingly use renewable raw materials and recyclates in vehicles, wherever it is technically and economically feasible and makes sense from a sustainability perspective.

In view of the increasing complexity of supply chains and the challenges related to geopolitics and material availability, the Volkswagen Group as a whole is planning to set up and establish a central group raw material procurement to secure critical and strategic raw materials for focus components.

WATER AS A RESOURCE INFLOW IN OPERATIONS AND VALUE CHAIN

Water plays an important role both in the supply chain and in vehicle production. The water consumption is partly attributable to the supply chain, in particular to the extraction and processing of raw materials. For example, the extraction of raw materials, which are central to the ramp-up of e-mobility, sometimes involves non-sustainable consumption of water.

This makes it all the more important to take actions that minimize water consumption, especially in regions where water is scarce. Water is also an important input factor in the Porsche AG Group's own production. Various process steps depend on a sufficient supply of water resources. Negative impacts on bodies of water are avoided through comprehensive water protection concepts at the production sites.

PROPERTY, PLANT AND EQUIPMENT AS RESOURCE INFLOWS

As the Porsche AG Group did not open any new production sites in the reporting year, there were no material resource inflows in this regard.

Metrics on resource inflows

Total material consumption for vehicle production in the Porsche AG Group amounted to 621,679 t in the reporting year, of which 0.2% was made up of sustainably sourced biological materials.

Total material consumption for vehicle production in the Porsche AG Group

| t | 2024 |
|--|----------------|
| Total material consumption | 621,679 |
| Proportion of sustainably sourced biological materials of total material consumption (%) | 0.2 |

Biological materials play a subordinate role due to the technical requirements for passenger cars. Leather is the most relevant biological material in Porsche vehicles. Due to the potential negative impacts on people and the environment in the leather supply chain, the strict requirements of Volkswagen Group's material-specific specifications for leather apply to leather suppliers. All direct suppliers must undergo a leather-specific audit by the Leather Working Group and at least achieve the bronze level. The requirements for direct suppliers do not currently refer to the cascading principle and do not contain any specifications on the use of recycled or reused leather. Sustainability specifications for other biological materials that refer to an external sustainability standard were not defined in 2024.

The proportion of secondary materials used for the vehicles produced in the Porsche AG Group could not be determined for the reporting year. A method to obtain this information is currently being developed.

Methods and assumptions

To determine the total material consumption for the vehicles produced, the percentage material composition is evaluated for a representative vehicle of each model series. The evaluation categories are derived from VDA standard 231-106 "Material classification in motor vehicle construction: Structure and nomenclature." One evaluation category refers to modified organic natural materials, which can thus be assigned to biological materials. The other evaluation categories are to be subsumed under technical materials. The weight data for each material group can be calculated for each representative vehicle using the measured percentage material components. Finally, the total number of vehicles produced and the average weight per model series can be used to aggregate material consumption totals per material group, which are then added up to determine the total material consumption.

Regarding the proportion of sustainably sourced biological materials, it was reviewed for which of the subcategories of biological materials suppliers are required to comply with an external sustainability standard. In the reporting year, this was only the case for leather. Therefore, the metric was determined based on the proportion of leather of total material consumption. In a first step, the weight of the leather used was again determined based on reference vehicles of each model series. When extrapolating to the total number of vehicles produced, the actual leather interior of the vehicles was taken into account.

It should be noted that the survey of reference vehicles per model series is limited in that it does not take into account the customization of the vehicles produced. In addition, some insignificant components of the total material consumption in the production of the Porsche AG Group have not been taken into account. On the one hand, this concerns secondary products such as tools or after-sales products. On the other, only the materials found in the vehicles are taken into account. Materials used that are not contained in the final vehicle are not included.

Metrics on resource outflows

CIRCULAR PRODUCT DESIGN

The Porsche AG Group's most important products are Porsche vehicles. The product design of Porsche vehicles is based on the principles of circular economy.

With regard to recyclability and recoverability, all vehicles produced in the reporting year comply with the regulations applicable in the EU, according to which each vehicle must be at least 85% recyclable and at least 95% recoverable.

With regard to repairability, the Porsche AG Group makes every effort to ensure that the vehicles are as repairable as possible. Issues and requirements from after-sales (technical service) regarding the maintainability and repairability of vehicles are already incorporated into the development of new vehicles and tracked at an early stage of the process. The purpose of this product influence is to derive repair concepts, taking into account the necessary degree of disassembly of parts and components. Based on the repair concept, all other media required for technical service will follow, e.g. repair guides or spare parts management. In addition, extensive requirements regarding the repairability of components are defined in the Porsche specifications for suppliers. For example, suppliers must present a cost-effective maintenance and repair concept. In addition, the modules and systems supplied must be designed according to the modular principle so that components can be replaced wherever it is economically feasible. As there is currently no established system available to assess the repairability of vehicles, no disclosures can be provided in this regard.

To ensure that vehicles last as long as possible, the Porsche AG Group ensures that spare parts are available and that vehicles can be repaired for as long as possible, even beyond the guaranteed period. This involves reissuing spare parts that have already been discontinued or refurbishing and reusing used spare parts.

The Porsche AG Group takes extensive measures to recycle and reuse in after-sales. Specifically, around 5,000 spare parts (gearboxes, navigation systems, starter motors, etc.) are placed on the market as refurbished old parts every year. The goal is to reuse and recycle even more parts in the future and to design more parts so that they are reusable and recyclable.

RECYCLABLE PROPORTION IN VEHICLES PRODUCED

In accordance with the European Directive on end-of-life vehicles, all vehicles produced by the Porsche AG Group in the reporting year are at least 85% recyclable. The values are determined pursuant to UN R133 in accordance with ISO 22628 standard (Road vehicles – Recyclability and recoverability – Calculation method). The collected data is checked by a testing service as part of the type approval and forms part of the homologation.

Metrics on waste

As an automotive manufacturer, production and development waste is of critical importance for the Porsche AG Group. The most relevant waste stream is metal waste, consisting of sheet metal stamping waste, castings and shavings, for example. The most important materials included in metal waste are aluminum and steel. In addition to metal waste, plastic waste plays an important role, which is primarily produced during the mechanical processing of structural vehicle parts. Polypropylene is the most common material in plastic waste. A third important waste stream is paint and coating waste. When painting the vehicles, the resulting paint sludge may contain solvents, pigments, resins, fillers and additives. Packaging material is also an important waste stream that primarily results from the delivery of components. Electronic waste is also common in production. Hazardous waste in vehicle production is mainly generated as part of the chemical surface treatment and coating of body components, the replacement of used oils and lubricants and through the use of cleaning agents and solvents.

In the reporting year, the Porsche AG Group produced waste totaling 36,524 t. The proportion of non-recycled waste was 31.7% and the total amount of hazardous waste was 8,860 t.

Waste generated in the Porsche AG Group

| t | 2024 |
|---|---------------|
| Total waste | 36,524 |
| Total waste for recovery | 30,509 |
| Waste for recovery – preparation for reuse | 1,349 |
| thereof non-hazardous waste | 1,236 |
| thereof hazardous waste | 114 |
| Waste for recovery – recycling | 23,605 |
| thereof non-hazardous waste | 17,106 |
| thereof hazardous waste | 6,499 |
| Waste for recovery – other recovery operations | 5,555 |
| thereof non-hazardous waste | 4,187 |
| thereof hazardous waste | 1,368 |
| Total waste for removal | 6,015 |
| Waste for removal – incineration | 1,404 |
| thereof non-hazardous waste | 697 |
| thereof hazardous waste | 707 |
| Waste for removal – landfill | 3,704 |
| thereof non-hazardous waste | 3,647 |
| thereof hazardous waste | 57 |
| Waste for removal – other disposal operations | 908 |
| thereof non-hazardous waste | 792 |
| thereof hazardous waste | 116 |
| thereof radioactive waste | – |
| Non-recycled waste | 11,570 |
| Proportion of non-recycled waste (%) | 31.7 |
| Total hazardous waste | 8,860 |

Methods and assumptions

The amounts of waste generated at the production and development sites are recorded and documented in the waste management system using registered weighing slips, handover certificates and individual disposal certificates. Waste is classified according to the List of Wastes Ordinance. At the other sites, information from the waste disposal companies is used to determine the amount of waste generated. Where possible, actual values are used to calculate the annual totals. Months for which no actual values are available are extrapolated.

Non-recycled waste includes waste for removal as well as waste that flows into other recovery processes.

EU TAXONOMY

Doing business in an environmentally sustainable way is one of the central challenges of our time. The European Union (EU) has defined criteria for determining the degree of environmental sustainability of companies. With environmentally sustainable investments in development activities and in property, plant and equipment in line with the EU Taxonomy Regulation, the Porsche AG Group is today already shaping the future in an environmentally sustainable way as envisioned by the EU Taxonomy.

Background and objectives

As part of the European Green Deal, the EU has placed the topics of climate protection, the environment and sustainability at the heart of its political agenda in order to achieve climate neutrality by 2050. The financial sector is expected to play a decisive role in realizing this objective, and in 2021 the EU therefore published the Strategy for Financing the Transition to a Sustainable Economy. This aims to support financing for the transition to a sustainable economy and contains suggestions for measures in the areas of financing the transition to sustainability, inclusiveness, the financial sector's resilience and contribution as well as global ambition. The strategy is based on the EU Action Plan from 2018 on financing sustainable growth and contains the EU Taxonomy (Regulation (EU) 2020/852 and associated delegated acts) as the main building block alongside disclosures and tools.

The EU Taxonomy is a classification system for environmentally sustainable economic activities. An economic activity is considered taxonomy-eligible if it is listed in the EU Taxonomy and can potentially contribute to realizing at least one of the following six environmental objectives:

EU Taxonomy classification system

- > Climate change mitigation

- > Climate change adaptation

- > Sustainable use and protection of water and marine resources

- > Transition to a circular economy

- > Pollution prevention and control

- > Protection and restoration of biodiversity and ecosystems

An activity is only considered environmentally sustainable, i.e. taxonomy-aligned, if it meets all three of the following conditions:

- The activity makes a substantial contribution to one of the environmental objectives by meeting the screening criteria defined for this economic activity, e.g. level of CO₂ emissions for the climate change mitigation environmental objective
- The activity meets the Do-No-Significant-Harm (DNSH) criteria defined for this economic activity. These are designed to prevent significant harm to one or more of the other environmental objectives, e.g. from the production process or by the product
- The activity is carried out in compliance with the minimum safeguards, which apply to all economic activities and relate primarily to human rights and social and labor standards

The EU Taxonomy contains wording and terminology that are still subject to some uncertainty in interpretation and that could lead to amendments in the reporting following later clarification by the EU. There is ultimately the risk that the indicators disclosed as taxonomy-aligned should have been evaluated differently. The interpretations of the Porsche AG Group are set out below.

Economic activities of the Porsche AG Group

The activities of the Porsche AG Group comprise the development, production and sale of passenger cars. They also include financial services and other services and activities. Activities in these areas are suited under the EU Taxonomy to making a substantial contribution to the environmental objective of climate change mitigation by increasing low-carbon mobility.

The analysis of the economic activities in the context of the EU Taxonomy has not revealed any activities that contribute specifically to any of the other five environmental objectives for the Porsche AG Group.

Activities are mainly allocated to economic activity "3.3 Manufacture of low-carbon technologies for transport" and minimally to economic activity "3.18 Manufacture of automotive and mobility components" as listed in the EU Taxonomy's environmental objective of climate change mitigation. Changes may be made to the economic activities in the future as the rules around the EU Taxonomy are dynamically evolving.

Economic activity "3.3 Manufacture of low-carbon technologies for transport"

The Porsche AG Group allocates all activities in the group associated with the development, production, sale (including financial services), operation and servicing of vehicles to this economic activity. This includes all passenger cars manufactured by the Porsche AG Group, irrespective of their drive technology, and also includes genuine parts.

The Porsche AG Group has detailed the vehicles manufactured by model and drive technology and analyzed the CO₂ emissions associated with them in accordance with the currently applicable requirements. In this way, the Porsche AG Group has identified those vehicles among all of its taxonomy-eligible vehicles that meet the screening criteria and with which the substantial contribution to climate change mitigation is measured. These include all of the Porsche AG Group's all-electric vehicles (BEVs). They also include passenger cars with CO₂ emissions of less than 50 g/km pursuant to the WLTP until December 31, 2025. This encompasses some of the plug-in hybrids.

Economic activity "3.18 Manufacture of automotive and mobility components"

Components that play an important role in reducing greenhouse gas emissions are reported in this economic activity. Here, the Porsche AG Group allocates the sale of engines and powertrains for battery electric vehicles produced by it to third parties; this essentially relates to the sale of these components to Volkswagen Slovakia and AUDI AG.

At this stage, other activities that are directly associated with the primary business and that in the Porsche AG Group's view should also be allocated to these economic activities have initially not been included or have been interpreted as taxonomy-non-eligible. This is because, as the rules of the EU Taxonomy currently stand, it is still unclear under which economic activity they should be recorded in accordance with Delegated Regulation (EU) 2021/2139. These activities particularly include the sale of engines and powertrains as well as parts deliveries, the sale of independent products and licensed production by third parties. According to the current assessment, hedging transactions and individual activities that the Porsche AG Group presents primarily under "Other revenue" in the consolidated financial statements do not conform to the descriptions of economic activities in the EU Taxonomy, and have therefore been initially classified as being taxonomy-non-eligible.

Do No Significant Harm (DNSH)

The DNSH criteria were analyzed in the reporting year for economic activities covered by "3.3 Manufacture of low-carbon technologies for transport" and "3.18 Manufacture of automotive and mobility components."

These analyses were mainly performed for the all-electric vehicles of the Porsche AG Group and for each production site where passenger cars are or will be produced that meet the screening criteria for the substantial contribution of economic activities "3.3 Manufacture of low-carbon technologies for transport" and "3.18 Manufacture of automotive and mobility components," or that are to meet them in the future according to the Porsche AG Group's five-year planning—based on the current requirements.

The EU Taxonomy contains wording and terms that are subject to interpretation uncertainties and occasionally goes beyond the other regulations applied in current operations. Below, the Porsche AG Group sets out its interpretation and describes the main analyses it used to examine whether there was any significant harm to the other environmental objectives. The assessments confirm that the Porsche AG Group meets the requirements of the DNSH criteria in the reporting year for the sites where passenger cars and components are produced as well as for the all-electric vehicles and their components manufactured there.

CLIMATE CHANGE ADAPTATION

The Porsche AG Group performed a climate risk and vulnerability assessment to identify which production sites may be affected by physical climate risks. The physical climate risks identified were analyzed on the basis of the lifetime of the relevant fixed asset.

The Porsche AG Group's climate-based DNSH assessment is based on "Representative Concentration Pathway (RCP) scenario 8.5" and "Shared Socioeconomic Pathway (SSP) scenario 5-8.5" by 2050 and thus assumes the highest concentration of CO₂ according to the Intergovernmental Panel on Climate Change (IPCC). The relevance of the identified threats was assessed for the local environment and, if appropriate, the actions needed to mitigate the risk have been developed.

SUSTAINABLE USE AND PROTECTION OF WATER AND MARINE RESOURCES

The economic activities of the Porsche AG Group with respect to the sustainable use and protection of water and marine resources were evaluated looking at the three following criteria: preserving water quality of used surface waters, carrying out an environmental impact assessment (EIA or similar processes) that takes into account the impact on water resources and taking action to avoid water stress. Risks identified in the course of EIA or similar investigations are examined and, if relevant, result in measures and official requirements. The Porsche AG Group based the analysis primarily on ISO 14001 certificates, findings from site approval procedures and other external data sources with regard to sites in regions with a greater exposure to risks.

TRANSITION TO A CIRCULAR ECONOMY

Environmentally compatible waste management in the manufacturing process, the reuse and use of secondary raw materials and a long product lifespan are key parts of the Porsche AG Group's environmental management system. The strategy field of a circular economy is part of the Porsche AG Group's sustainability strategy and is divided into several fields of action. Here, cross-functional teams work on various key topics—including recycling concepts for high-voltage batteries, the use of circular materials in Porsche vehicles, sustainable product design for the remanufacturing of vehicle components. The strategy field also covers circular economy projects at the sites.

In the long-term, the Porsche AG Group is committed to vehicle production and development with the lowest possible environmental impact at selected sites of the Porsche AG Group.

The product-related requirements for passenger cars and light commercial vehicles are reflected in the implementation of the statutory end-of-life vehicle requirements in conjunction with the type approval of the vehicle models. In addition to this, there are targets and actions for the use of recycled materials in new vehicles.

POLLUTION PREVENTION AND CONTROL

An economic activity is considered to be environmentally sustainable if this activity does not result in a substantial increase—compared to the situation before the activity commenced—of pollutant emissions in the air, water or soil. The automotive sector generally is already heavily regulated, as can be seen, among other things, from the publicly available Global Automotive Declarable Substance List (GADSL). Approval and monitoring processes are implemented with the aim of ensuring compliance with the current legislation and internal regulations applicable to the business operation. In this context, the Porsche AG Group's analyses and evaluations already also explore the use of alternative substances.

In June 2023, the EU Commission revised the DNSH criterion of the EU Taxonomy. There is room for interpretation as to the effects of the changed requirements for internal processes with regard to substitution checks for substances of very high concern (SVHC) and, from the reporting year, for other taxonomy-relevant substances.

The Porsche AG Group has defined requirements and processes to ensure that taxonomy-relevant substances are generally avoided and substituted. Based on this, the Porsche AG Group

includes the vehicle-related materials and components in its analyses with regard to the substances they contain in order to evaluate the substitutability of taxonomy-relevant substances, taking into account technical and economic criteria. Corresponding substitution checks have been initiated for the sites where passenger cars and components are produced as well as for the all-electric vehicles and their components manufactured there. These must be carried out with the professional and technical support of suppliers. Proof of compliance with the new regulations for the plug-in hybrids and their components currently in production was not provided in the reporting year.

PROTECTION AND RESTORATION OF BIODIVERSITY AND ECOSYSTEMS

In order to verify compliance with the requirements on biodiversity and ecosystems, the relevant areas were identified. Where biodiversity-sensitive areas are located close to a production site, the company checked whether a nature conservation assessment had been performed and whether nature conservation actions had been defined in the environmental approvals and subsequently implemented. Whether a site's conservation status had changed was also checked.

Minimum safeguards

The minimum safeguards consist of the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the Fundamental Conventions of the International Labour Organization (ILO) and the International Bill of Human Rights. The assessments confirmed that the Porsche AG Group met the requirements of the minimum safeguards in the reporting year. The Executive Board and Group Works Council of Porsche AG are committed to respecting human rights and to promoting good working conditions and fair trade. The German Supply Chain Due Diligence Act (LkSG) stipulates certain due diligence obligations to avoid human rights and environmental risks. These include carrying out risk analyses, establishing preventive and remedial actions and providing a complaints mechanism.

For its supply chain, the Porsche AG Group has systematically added processes and measures to respect human rights to its company-wide risk and supplier management systems. For its own business, the Porsche AG Group uses its compliance risk assessment to map the human rights and environmental issues within the Porsche AG Group. The risk assessment forms the basis for identifying appropriate actions.

The Porsche AG Group operates a multistage complaints management system that provides internal and external complainants with a confidential communication channel for reporting potential breaches of human rights and violations of environmental duties.

If the Porsche AG Group determines that a violation of a human rights or environmental obligation has occurred or is imminent in its own business or at one of its direct suppliers, it takes immediate action to prevent or end such violations or to minimize the extent of the violation. If the Porsche AG Group has factual indications of a potential violation of a human rights or environmental obligation by an indirect supplier, the Porsche AG Group exercises the available legal and actual options to take immediate action to prevent or end such violations or to minimize the extent of the violation.

The Executive Board of Porsche AG has delegated the implementation of the obligations arising from the monitoring of the Porsche due diligence with regard to human rights and environmental matters to the Business & Human Rights Council, which is made up of members from various disciplines and reports directly to the Executive Board.

Key performance indicators in accordance with the EU Taxonomy Regulation

The EU Taxonomy defines sales revenue, capital expenditure and operating expenditure as the key performance indicators that must be reported. The Porsche AG Group explains these in the following. The tables prescribed by the EU Taxonomy are also included at the end of this section.

The figures for sales revenue, capital expenditure and operating expenditure relate to the fully consolidated companies included in the Porsche AG Group's financial statements.

The financial figures relevant for the Porsche AG Group are based on the IFRS consolidated financial statements for the fiscal year 2024. By differentiating between economic activities, we have avoided double counting. Where possible, the Porsche AG Group has directly assigned the figures within an economic activity. For example, the financial figures were compiled based on the vehicle model and drive technology. This applies both to the vehicles themselves and to the corresponding financial services and other services and activities. Where this was not possible for capital expenditure and operating expenditure, the figures were broken down using allocation formulas. Allocation formulas were based on the planned vehicle volumes. This data and planning form part of multi-year operational planning covering the next five years, which corresponds to the planning prepared by the Executive Board and presented to the Supervisory Board as of the end of the fiscal year.

SALES REVENUE

Turnover defined in the EU Taxonomy corresponds to sales revenue as reported in the IFRS consolidated financial statements, which amounted to €40,083 million in the fiscal year 2024. See → **Notes to the consolidated financial statements – Sales revenue.**

Of this total, €37,969 million, or 94.7% of consolidated sales revenue, was attributable to economic activity "3.3 Manufacture of low-carbon technologies for transport" and classified as taxonomy-eligible. This includes sales revenue after sales deductions from the sale of new and used vehicles, from sales of genuine parts, from the rental and lease business, from interest and similar income as well as sales revenue directly related to vehicles, e.g. workshop and other services.

Taxonomy-eligible sales revenue of €49 million, or 0.1% of consolidated sales revenue, was attributable to economic activity "3.18 Manufacture of automotive and mobility components" and classified as taxonomy-eligible. This includes the sale of engines and powertrains for all-electric vehicles to third parties.

Of the taxonomy-eligible sales revenue attributable to economic activity "3.3 Manufacture of low-carbon technologies for transport," €8,818 million, or 22.0%, met the screening criteria used to measure the substantial contribution to climate change mitigation. This includes all of the all-electric vehicles and certain plug-in hybrids, of which 84 thousand vehicles were sold in 2024, 72.6% more than in the prior year. The increase in sales of taxonomy-eligible vehicles was mainly due to the ramp-up of the recently launched Macan.

In addition, the total taxonomy-eligible sales revenue attributable to economic activity "3.18 Manufacture of automotive and mobility components" met the screening criteria used to measure the substantial contribution to climate change mitigation.

Taking into account the DNSH criteria and the minimum safeguards, €4,816 million (2023: €5,143 million) or 12.0% (2023: 12.7%) of consolidated sales revenue attributable to economic activity "3.3 Manufacture of low-carbon technologies for transport" and €49 million or 0.1% of consolidated sales revenue attributable to economic activity "3.18 Manufacture of automotive and mobility components" were taxonomy-aligned. The taxonomy-aligned sales revenue of economic activity "3.3 Manufacture of low-carbon technologies for transport" includes only all-electric vehicle models in the reporting year.

Of the Porsche AG Group's total sales revenue in the fiscal year 2024,

- €38,018 million (2023: €39,175 million), or 94.8% (2023: 96.7%), was taxonomy-eligible sales revenue
- €4,865 million (2023: €5,243 million), or 12.1% (2023: 12.9%), was taxonomy-aligned sales revenue

EU Taxonomy: sales revenue

| Economic activities | Sales revenue | | Substantial contribution to climate change mitigation | | Compliance with DNSH criteria | Compliance with minimum safeguards | Taxonomy-aligned sales revenue | |
|--|---------------|----------------|---|----------------|-------------------------------|------------------------------------|--------------------------------|----------------|
| | € million | % ¹ | € million | % ¹ | Y/N | Y/N | € million | % ¹ |
| A. Taxonomy-eligible activities | 38,018 | 94.8 | 8,867 | 22.1 | Y | Y | 4,865 | 12.1 |
| 3.3 Manufacture of low-carbon technologies for transport | 37,969 | 94.7 | 8,818 | 22.0 | Y | Y | 4,816 | 12.0 |
| of which taxonomy-aligned BEVs | | | | | Y | Y | 4,816 | 12.0 |
| 3.18 Manufacture of automotive and mobility components | 49 | 0.1 | 49 | 0.1 | Y | Y | 49 | 0.1 |
| B. Taxonomy-non-eligible activities | 2,065 | 5.2 | | | | | | |
| Total (A + B) | 40,083 | | | | | | | |

¹ All percentages relate to the total amount of sales revenue.

CAPITAL EXPENDITURE

Capital expenditure (CapEx) refers to the following items in the IFRS consolidated financial statements: additions to intangible assets, additions to property, plant and equipment and additions to leased assets. These are presented in → Notes to the consolidated financial statements – Intangible assets, → Notes to the consolidated financial statements – Property, plant and equipment, → Notes to the consolidated financial statements – Leased assets. Additions from business combinations, each of which is reported under “Changes in consolidated group,” are also included. By contrast, additions to goodwill are not included in the calculation.

In the fiscal year 2024, additions in the Porsche AG Group as defined above amounted to:

- €2,015 million from intangible assets
- €2,142 million from property, plant and equipment
- €4,019 million from leased assets (mainly vehicle leasing business)

Additions from changes in the consolidated group, which amounted to €49 million in the fiscal year 2024, must also be added to this figure. Total capital expenditure to be included in accordance with the EU Taxonomy therefore came to €8,225 million.

All capital expenditure is associated with economic activity “3.3 Manufacture of low-carbon technologies for transport.” The taxonomy-eligible capital expenditure for the fiscal year 2024 amounted to €8,225 million or 100% of the group’s capital expenditure.

To determine the substantial contribution, the financial figures were compiled based on the vehicle model and drive technology, in the same way as for sales revenue. Where possible, capital expenditure was directly attributed to vehicles. It was included if the vehicles in question make a substantial contribution to the climate change mitigation objective. Any capital expenditure directly attributable to vehicles that do not meet the screening criteria was not included. Capital expenditure that was not clearly attributable to a particular vehicle was taken into account on a proportionate basis using allocation formulas. Allocation formulas were used based on the planned all-electric vehicle volumes for the group companies. Depending on the primary business activity, the overarching Porsche AG Group allocation formulas were used for sales companies, for example, and allocation formulas based on the site were used for production companies. Calculated in this way, capital expenditure relating to vehicles that meet the screening criteria for the substantial contribution amounted to €3,609 million.

Taking into account the DNSH criteria and minimum safeguards, capital expenditure of €3,371 million (2023: €2,743 million) was taxonomy-aligned. This represents 41.0% (2023: 38.4%) of the group's total capital expenditure. Of this, €1,236 million related to intangible assets, €1,194 million to property, plant and equipment and €941 million to leased assets. The taxonomy-aligned capital expenditure in the reporting year relates exclusively to all-electric vehicle models; this figure includes additions to capitalized development costs of €1,072 million and additions to property, plant and equipment of €1,194 million. In both absolute and proportionate terms, taxonomy-aligned capital expenditure

increased slightly compared to the prior year. This increase is primarily attributable to higher additions to leased assets.

Of the Porsche AG Group's total capital expenditure in the fiscal year 2024,

- €8,225 million (2023: €7,151 million), or 100% (2023: 100%) was taxonomy-eligible capital expenditure
- €3,371 million (2023: €2,743 million), or 41.0% (2023: 38.4%) was taxonomy-aligned capital expenditure

EU Taxonomy: capital expenditure

| Economic activities | Capital expenditure | | Substantial contribution to climate change mitigation | | Compliance with DNSH criteria | Compliance with minimum safeguards | Taxonomy-aligned capital expenditure | |
|--|---------------------|----------------|---|----------------|-------------------------------|------------------------------------|--------------------------------------|----------------|
| | € million | % ¹ | € million | % ¹ | Y/N | Y/N | € million | % ¹ |
| A. Taxonomy-eligible activities | 8,225 | 100.0 | 3,609 | 43.9 | Y | Y | 3,371 | 41.0 |
| 3.3 Manufacture of low-carbon technologies for transport | 8,225 | 100.0 | 3,609 | 43.9 | Y | Y | 3,371 | 41.0 |
| of which additions to capitalized development costs for BEVs | | | | | Y | Y | 1,072 | 13.0 |
| of which additions to property, plant and equipment for BEVs | | | | | Y | Y | 1,194 | 14.5 |
| 3.18 Manufacture of automotive and mobility components | - | - | - | - | - | - | - | - |
| B. Taxonomy-non-eligible activities | - | - | - | - | - | - | - | - |
| Total (A + B) | 8,225 | | | | | | | |

¹ All percentages relate to the total amount of capital expenditure.

OPERATING EXPENDITURE

The operating expenditure (OpEx) reported by the Porsche AG Group for the purposes of the EU Taxonomy comprises non-capitalized research and development costs, which can be taken from → **Notes to the consolidated financial statements – Intangible assets**. The Porsche AG Group also includes the expenditure for short-term leases recognized in the consolidated financial statements, which can be found in → **Notes to the consolidated financial statements – IFRS 16 (Leases)** and expenditure for maintenance and repairs.

The allocation of operating expenditure to the economic activities followed the same logic as that described for capital expenditure.

All operating expenditure is associated with economic activity "3.3 Manufacture of low-carbon technologies for transport" and has been classified as taxonomy-eligible by the Porsche AG Group.

Where possible, non-capitalized research and development costs were directly attributed to vehicles. It was included if the

vehicles in question make a substantial contribution to the climate change mitigation objective. Any non-capitalized research and development costs directly attributable to vehicles that do not meet the screening criteria were not included. Non-capitalized research and development costs that were not clearly attributable to a particular vehicle were taken into account on a proportionate basis using allocation formulas. For these and other operating expenditure, the same allocation formulas were used as for capital expenditure. Of the taxonomy-aligned operating expenditure of €564 million (2023: €555 million), 77.1% (2023: 64.1%) was attributable to non-capitalized research and development costs. The taxonomy-aligned operating expenditure is in line with that of the prior year. The share of capitalized research and development costs in taxonomy-aligned operating expenditure increased significantly as a result of the growing number of environmentally sustainable vehicle projects in line with the EU Taxonomy.

EU Taxonomy: operating expenditure

| Economic activities | Operating expenditure | | Substantial contribution to climate change mitigation | | Compliance with DNSH criteria | Compliance with minimum safeguards | Taxonomy-aligned operating expenditure | |
|--|-----------------------|----------------|---|----------------|-------------------------------|------------------------------------|--|----------------|
| | € million | % ¹ | € million | % ¹ | Y/N | Y/N | € million | % ¹ |
| A. Taxonomy-eligible activities | 1,279 | 100.0 | 565 | 44.2 | Y | Y | 564 | 44.1 |
| 3.3 Manufacture of low-carbon technologies for transport | 1,279 | 100.0 | 565 | 44.2 | Y | Y | 564 | 44.1 |
| 3.18 Manufacture of automotive and mobility components | - | - | - | - | - | - | - | - |
| B. Taxonomy-non-eligible activities | - | - | - | - | - | - | - | - |
| Total (A + B) | 1,279 | | | | | | | |

¹ All percentages relate to the total amount of operating expenditure.

CAPEX PLAN WITHIN THE SCOPE OF THE EU TAXONOMY

According to the requirements of the EU Taxonomy, a distinction must be made as to what extent the taxonomy-aligned capital and operating expenditure a) relate to assets or processes associated with environmentally-sustainable economic activities or b) are part of a plan to expand taxonomy-aligned economic activities or to convert taxonomy-eligible economic activities into taxonomy-aligned economic activities (CapEx plan). The CapEx plan within the scope of the EU Taxonomy shows the total amount, i.e. the sum of all capital expenditure and operating expenditure expected to be incurred to expand taxonomy-aligned economic activities or to convert taxonomy-eligible economic activities into taxonomy-aligned economic activities in the reporting year and during the five-year operational medium-term planning.

The CapEx plan in terms of the EU Taxonomy relates to economic activity "3.3 Manufacture of low-carbon technologies for transport" as listed in the environmental objective of climate change mitigation.

Additions from leased assets (mainly vehicle leasing business) are already based on existing environmentally sustainable activities, which is why they were not included in the CapEx plan. The Porsche AG Group allocated additions from intangible assets and property, plant and equipment as well as non-

capitalized research and development costs to the CapEx plan if they result in a conversion or expansion. To do this, the Porsche AG Group compared the expected average taxonomy-aligned production volume of all-electric vehicles from the multi-year operational planning with the taxonomy-aligned all-electric vehicles of the reporting year and used this ratio to apportion the taxonomy-aligned capital expenditure. The Porsche AG Group took the share exceeding the current taxonomy-aligned production volume of all-electric vehicles into account accordingly.

As a result of this, €1,338 million (2023: €1,741 million) of the taxonomy-aligned capital expenditure and €239 million (2023: €268 million) of the taxonomy-aligned operating expenditure in the reporting year were allocated to the CapEx plan as defined by the EU Taxonomy. The total capital expenditure expected to fall under this CapEx plan within the scope of the EU Taxonomy in the reporting year and during the five-year operational medium-term planning amounts to around €8 billion (2023: €15 billion). There were substantial changes to the CapEx plan on account of the changed market expectations and adjusted five-year operational medium-term planning, primarily as a result of the decline in production volumes.

TABLES PURSUANT TO EU TAXONOMY
Sales revenue 2024

| | Code | Sales revenue | Proportion of sales revenue, 2024 | Substantial contribution criteria | | | | | | |
|---|-------------|----------------|-----------------------------------|-----------------------------------|---------------------------|-------------------------|-------------------------|-------------------------|-------------------------|------|
| | | | | Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Bio-diversity | |
| | | | | Y; N; N/EL ² | Y; N; N/EL ² | Y; N; N/EL ² | Y; N; N/EL ² | Y; N; N/EL ² | Y; N; N/EL ² | |
| Economic activities | € (million) | % ¹ | | | | | | | | |
| A. Taxonomy-eligible activities | | | | | | | | | | |
| A.1. Environmentally sustainable activities (taxonomy-aligned) | | | | | | | | | | |
| Manufacture of low-carbon technologies for transport | CCM 3.3 | 4,816 | 12.0 | Y | N/EL | N/EL | N/EL | N/EL | N/EL | N/EL |
| Manufacture of automotive and mobility components | CCM 3.18 | 49 | 0.1 | Y | N/EL | N/EL | N/EL | N/EL | N/EL | N/EL |
| Sales revenue of environmentally sustainable activities (taxonomy-aligned) (A.1) | | 4,865 | 12.1 | 12.1 | - | - | - | - | - | - |
| Of which enabling | | 4,865 | 12.1 | 12.1 | - | - | - | - | - | - |
| Of which transitional | | - | - | - | | | | | | |
| A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) | | | | | | | | | | |
| Manufacture of low-carbon technologies for transport | CCM 3.3 | 33,153 | 82.7 | EL | N/EL | N/EL | N/EL | N/EL | N/EL | N/EL |
| Sales revenue of taxonomy-eligible, but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2) | | 33,153 | 82.7 | 82.7 | - | - | - | - | - | - |
| Sales revenue of taxonomy-eligible activities (A.1 + A.2) | | 38,018 | 94.8 | 94.8 | - | - | - | - | - | - |
| B. Taxonomy-non-eligible activities | | | | | | | | | | |
| Sales revenue of taxonomy-non-eligible activities (B) | | 2,065 | 5.2 | | | | | | | |
| Total (A + B) | | 40,083 | 100.0 | | | | | | | |

¹ All percentages relate to the total sales revenue of the group.

² Y: Yes, taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective; N: No, taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective; N/EL: Not eligible, taxonomy-non-eligible activity for the relevant environmental objective.

³ EL: Taxonomy-eligible activity for the relevant objective; N/EL: Taxonomy-non-eligible activity for the relevant objective.

DNSH criteria ("Do No Significant Harm")

| | Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Biodiversity | Minimum safeguards | Proportion of taxonomy-aligned (A.1) or -eligible (A.2) sales revenue, 2023 | Category enabling activity | Category transitional activity |
|--|---------------------------|---------------------------|----------|-----------|------------------|--------------|--------------------|---|----------------------------|--------------------------------|
| | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % ¹ | E | T |
| | | | | | | | | | | |
| | | Y | Y | Y | Y | Y | Y | 12.7 | E | |
| | | Y | Y | Y | Y | Y | Y | 0.2 | E | |
| | | Y | Y | Y | Y | Y | Y | 12.9 | | |
| | | Y | Y | Y | Y | Y | Y | 12.9 | E | |
| | | - | - | - | - | - | - | - | | |
| | | | | | | | | | | |
| | | | | | | | | 83.7 | | |
| | | | | | | | | 83.7 | | |
| | | | | | | | | 96.7 | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

Capital expenditure 2024

| | | Substantial contribution criteria | | | | | | | |
|---|----------|-----------------------------------|---------------------------|---------------------------|---------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | Code | CapEx | Proportion of CapEx, 2024 | Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Bio-diversity |
| Economic activities | | € (million) | % ¹ | Y; N; N/EL ² | Y; N; N/EL ² | Y; N; N/EL ² | Y; N; N/EL ² | Y; N; N/EL ² | Y; N; N/EL ² |
| A. Taxonomy-eligible activities | | | | | | | | | |
| A.1. Environmentally sustainable activities (taxonomy-aligned) | | | | | | | | | |
| Manufacture of low-carbon technologies for transport | CCM 3.3 | 3,371 | 41.0 | Y | N/EL | N/EL | N/EL | N/EL | N/EL |
| Manufacture of automotive and mobility components | CCM 3.18 | - | - | Y | N/EL | N/EL | N/EL | N/EL | N/EL |
| CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1) | | 3,371 | 41.0 | 41.0 | - | - | - | - | - |
| Of which enabling | | 3,371 | 41.0 | 41.0 | - | - | - | - | - |
| Of which transitional | | - | - | - | | | | | |
| A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2) | | | | | | | | | |
| Manufacture of low-carbon technologies for transport | CCM 3.3 | 4,854 | 59.0 | EL | N/EL | N/EL | N/EL | N/EL | N/EL |
| CapEx of taxonomy-eligible, but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2) | | 4,854 | 59.0 | 59.0 | - | - | - | - | - |
| CapEx of taxonomy-eligible activities (A.1 + A.2) | | 8,225 | 100.0 | 100.0 | - | - | - | - | - |
| B. Taxonomy-non-eligible activities | | | | | | | | | |
| CapEx of taxonomy-non-eligible activities (B) | | - | - | | | | | | |
| Total (A + B) | | 8,225 | 100.0 | | | | | | |

¹ All percentages relate to the total capital expenditure of the group.

² Y: Yes, taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective; N: No, taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective; N/EL: Not eligible, taxonomy-non-eligible activity for the relevant environmental objective.

³ EL: Taxonomy-eligible activity for the relevant objective; N/EL: Taxonomy-non-eligible activity for the relevant objective.

DNSH criteria ("Do No Significant Harm")

| | Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Biodiversity | Minimum safeguards | Proportion of taxonomy-aligned (A.1) or -eligible (A.2) CapEx, 2023 | Category enabling activity | Category transitional activity |
|--|---------------------------|---------------------------|----------|-----------|------------------|--------------|--------------------|---|----------------------------|--------------------------------|
| | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % ¹ | E | T |
| | | | | | | | | | | |
| | | Y | Y | Y | Y | Y | Y | 38.4 | E | |
| | | Y | Y | Y | Y | Y | Y | - | E | |
| | | Y | Y | Y | Y | Y | Y | 38.4 | | |
| | | Y | Y | Y | Y | Y | Y | 38.4 | E | |
| | | - | - | - | - | - | - | - | | |
| | | | | | | | | | | |
| | | | | | | | | 61.6 | | |
| | | | | | | | | 61.6 | | |
| | | | | | | | | 100 | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

Operating expenditure 2024

| | | Substantial contribution criteria | | | | | | | |
|--|----------|-----------------------------------|--------------------------|---------------------------|---------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | Code | OpEx | Proportion of OpEx, 2024 | Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Bio-diversity |
| Economic activities | | € (million) | % ¹ | Y; N; N/EL ² | Y; N; N/EL ² | Y; N; N/EL ² | Y; N; N/EL ² | Y; N; N/EL ² | Y; N; N/EL ² |
| A. Taxonomy-eligible activities | | | | | | | | | |
| A.1. Environmentally sustainable activities (taxonomy-aligned) | | | | | | | | | |
| Manufacture of low-carbon technologies for transport | CCM 3.3 | 564 | 44.1 | Y | N/EL | N/EL | N/EL | N/EL | N/EL |
| Manufacture of automotive and mobility components | CCM 3.18 | - | - | Y | N/EL | N/EL | N/EL | N/EL | N/EL |
| OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1) | | 564 | 44.1 | 44.1 | - | - | - | - | - |
| Of which enabling | | 564 | 44.1 | 44.1 | - | - | - | - | - |
| Of which transitional | | - | - | - | | | | | |
| A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) | | | | | | | | | |
| Manufacture of low-carbon technologies for transport | CCM 3.3 | 715 | 55.9 | EL | N/EL | N/EL | N/EL | N/EL | N/EL |
| OpEx of taxonomy-eligible, but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2) | | 715 | 55.9 | 55.9 | - | - | - | - | - |
| OpEx of taxonomy-eligible activities (A.1 + A.2) | | 1,279 | 100.0 | 100.0 | - | - | - | - | - |
| B. Taxonomy-non-eligible activities | | | | | | | | | |
| OpEx of taxonomy-non-eligible activities (B) | | - | - | | | | | | |
| Total (A + B) | | 1,279 | 100.0 | | | | | | |

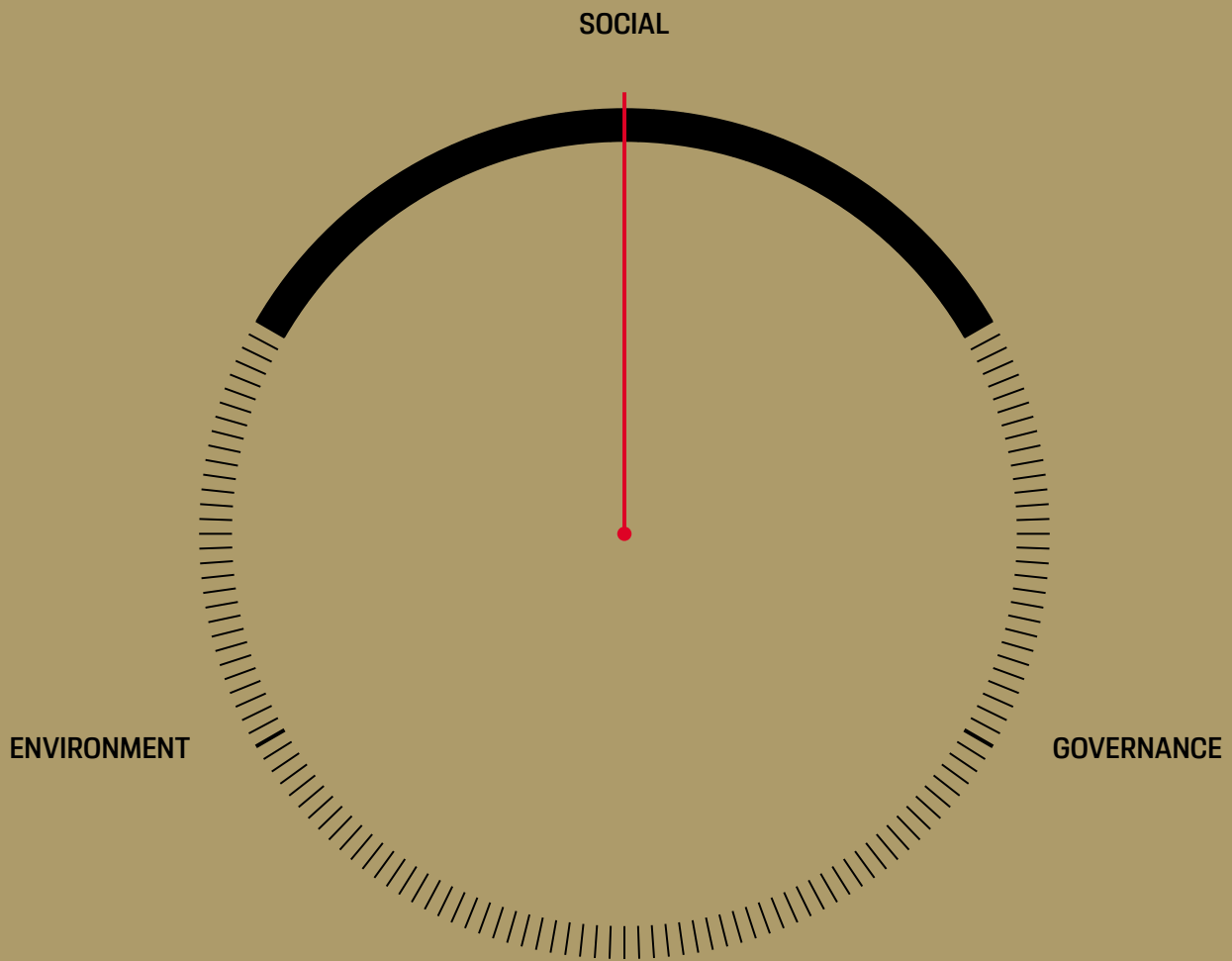
¹ All percentages relate to the total operating expenditure of the group.

² Y: Yes, taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective; N: No, taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective; N/EL: Not eligible, taxonomy-non-eligible activity for the relevant environmental objective.

³ EL: Taxonomy-eligible activity for the relevant objective; N/EL: Taxonomy-non-eligible activity for the relevant objective.

DNSH criteria ("Do No Significant Harm")

| | Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Biodiversity | Minimum safeguards | Proportion of taxonomy-aligned (A.1) or -eligible (A.2) OpEx, 2023 | Category enabling activity | Category transitional activity |
|--|---------------------------|---------------------------|----------|-----------|------------------|--------------|--------------------|--|----------------------------|--------------------------------|
| | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % ¹ | E | T |
| | | | | | | | | | | |
| | | Y | Y | Y | Y | Y | Y | 49.9 | E | |
| | | Y | Y | Y | Y | Y | Y | - | E | |
| | | Y | Y | Y | Y | Y | Y | 49.9 | | |
| | | Y | Y | Y | Y | Y | Y | 49.9 | E | |
| | | - | - | - | - | - | - | - | | |
| | | | | | | | | | | |
| | | | | | | | | 50.1 | | |
| | | | | | | | | 50.1 | | |
| | | | | | | | | 100 | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |



75.4

of 100 points achieved in the Porsche AG annual "Porsche Puls" employee survey.

45.5%

reached for the customer excitement index (CEI).

9.8 million

donated by the Porsche AG Group for long-term corporate citizenship projects.

SOCIAL

270

S1 OWN WORKFORCE

- 270 Impacts related to the company's own workforce
- 271 Characteristics of the affected employees
- 271 Involvement of the workforce
- 273 Complaints process and remedial action

274 Working conditions

- 274 Strategic approach
- 276 Policies
- 278 Actions
- 282 Targets
- 283 Metrics

286 Equal treatment and equal opportunities

- 286 Strategic approach
- 287 Policies
- 289 Actions
- 293 Targets
- 294 Metrics

297

S2 WORKERS IN THE VALUE CHAIN

- 297 Impacts and risks related to workers in the value chain
- 299 Characteristics of the affected workers in the value chain
- 299 Involvement of workers in the value chain
- 299 Complaints process and remedial action
- 300 Strategic approach
- 302 Policies
- 304 Actions
- 305 Targets

306

S3 AFFECTED COMMUNITIES





- 306 Corporate citizenship
- 306 Impacts related to corporate citizenship
- 306 Strategic approach
- 307 Policies
- 307 Actions
- 311 Targets





312

S4 CONSUMERS AND END-USERS

- 312 Impacts and risks related to consumers and end-users
- 312 Involvement of consumers and end-users
- 313 Complaints process and remedial action
- 313 Strategic approach
- 314 Policies
- 315 Actions
- 315 Targets

S1 OWN WORKFORCE

| Topic | Significant impacts | Value chain | | | Most relevant time horizon | | |
|--|---|--------------------------|---|--------------------------|---|---|---|
| | | → |  | → |  |  |  |
| Working conditions | Promoting secure employment and fair and healthy working conditions | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Equal treatment and equal opportunities | Promoting a diverse and inclusive working environment that provides equal treatment and equal opportunities | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

→| Upstream  Own business activity |→ Downstream  Short-term (less than 1 year)  Medium-term (1 to 5 years)  Long-term (more than 5 years)

Employees are one of the four most important stakeholders in the Porsche AG Group alongside the customers, society and investors.

The Porsche AG Group wants to remain an attractive employer in the future. Therefore, this goal is embedded deeply in its HR strategy. For the Porsche AG Group, this primarily means always having employees in mind when making business decisions and embracing its responsibility as an employer.

IMPACTS RELATED TO THE COMPANY'S OWN WORKFORCE

Material positive impacts were identified in the materiality assessment carried out in the reporting year:

Impacts in the area of working conditions

In its materiality assessment, the Porsche AG Group identified a positive actual impact on employees from providing safe workplaces with fair wages and healthy working conditions. This includes, for example, promoting health and safety, ensuring codetermination rights, offering comprehensive training opportunities and facilitating work-life balance.

The positive impact of these aspects within the Porsche AG Group's business activities is firmly anchored in the → **Porsche Strategy 2030 Plus**, which names employees as one of the four most important target groups.

The management of impacts related to working conditions is described in the section of the same name in → **Targets**.

Impacts in the area of equal treatment and equal opportunities

Diversity, equal treatment and equal opportunities are other cornerstones of the Porsche AG Group's HR policy embedded in its strategy. "Diversity" was named as another strategy field of the → **Sustainability strategy**. One way this is reflected is in a diverse and inclusive working environment that provides equal treatment and equal opportunities. The materiality assessment identified that the working environment has an actual positive impact on employees in the Porsche AG Group. Some examples of this are the inclusion of persons with disabilities, gender equality at all levels and the promotion of workplaces that are free of discrimination, violence and harassment. The impact is a result of embedding diversity as an integral part of the strategy.

The management of impacts in the area of equal treatment and equal opportunities is described in the section of the same name in → **Targets**.

CHARACTERISTICS OF THE AFFECTED EMPLOYEES

The behavior of the Porsche AG Group has a direct impact on its own workforce, which includes both salaried employees who are in a direct employment relationship with Porsche AG Group companies and non-employees.

The core permanent workforce of the Porsche AG Group includes full-time and part-time employees on permanent and temporary contracts.

Non-employees, e.g. temporary workers, are employed at Porsche AG and selected group companies temporarily. In various areas of the company, they perform similar work to that of permanent employees over varying periods.

Legislation, collective bargaining agreements and internal rules are in place at Porsche AG and selected group companies to regulate the use of temporary workers, ensuring that they also have uniform standards of working conditions and remuneration.

The Porsche AG Group has a framework in place to ensure that employees under contracts for work and services are also treated in a legally compliant way. More information about this is available in → **Policies related to working conditions**.

INVOLVEMENT OF THE WORKFORCE

The interests and views of the company's own workforce relating to working conditions and employee matters are incorporated into the decisions and actions of Porsche AG and selected group companies. This is done directly or by involving employee representatives through various channels and processes.

Employee representatives are critical for including the interests of employees. Porsche AG's main site is in Germany, which means it is required under the German Works Constitution Act (BetrVG) to engage in corporate codetermination. This Act regulates matters subject to codetermination, which specify when and to what extent employee representatives must be involved in the decisions of Porsche AG and selected group companies.

Corporate codetermination and a constructive, cooperative dialog between the employer and employee representatives are a key part of corporate culture. Porsche AG has a long tradition of open, trusting cooperation and always strives to balance the interests of both sides fairly. This position is codified in the binding Code of Conduct, which applies to the entire Porsche AG Group. More information can be found in → **Policies**.

Respect for human rights is enshrined in the Porsche AG Group's Code of Conduct and its global declaration of intent to observe and promote human rights. Both documents were adopted together with the employee representatives. Moreover, protection of (fundamental) rights is safeguarded by compliance with the legal, collectively bargained and company regulations set out in the policies. More information can be found in → **Policies**.

Employee involvement via elected representatives on the Supervisory Board, works council and committees

Various formats and tools for employee involvement are used to incorporate employee interests into decision-making structures and decisions, mainly by involving the representatives elected by and from the employees.

The works councils elected by the employees ensure that the interests and perspectives of the employees are represented in the company's decision-making, for example, works councils are involved in negotiating company agreements, which means that they can directly influence company rules and regulations, such as those relating to social and fringe benefits, working hours or occupational health and safety.

The works councils of Porsche AG and selected group companies maintain numerous committees and working groups, some of which have equal numbers of employer and employee representatives, who deal with various operational topics and are therefore involved in meetings, consultations and negotiations with company representatives several times a year.

Porsche AG also has works councils represented in its Executive Board Occupational Health and Safety Conference.

The Economic Committee of Porsche AG meets regularly to discuss the company's business matters with the employee representatives several times a year. Members of the Executive Board of Porsche AG are also present at these meetings.

In addition, the interests of employees at Porsche AG are also represented by the employee representatives on the Supervisory Board. In accordance with the statutory provisions of the German Co-Determination Act (MitbestG), half of Porsche AG's Supervisory Board is made up of employee representatives. The Supervisory Board appoints, monitors and advises the Executive Board; it is consulted directly on decisions of fundamental significance for the company. Elections to the Supervisory Board took place in the reporting year and the required number of employee representatives were elected to the Supervisory Board of Porsche AG in delegate elections.

The member of the Executive Board responsible for Human Resources and Social Affairs, who holds the position of Labor Director, oversees personnel and social matters and therefore also for corporate codetermination at Porsche AG. The Principles and Labor Relations department serves as a central interface to the works council and is also organizationally assigned to this Executive Board portfolio. Through this responsibility, the concerns and topics of the employee representatives are communicated directly to the Executive Board of Porsche AG, thus ensuring compliance with corporate codetermination rules. At group companies with elected employee representatives, others, such as the management or the head of HR, take responsibility for the Labor Director's codetermination-related tasks.

Operational staff at Porsche AG, e.g. the HR department, are trained as needed on the basics of codetermination.

Internal communication and employee surveys

The Porsche AG workforce is informed about current events at regular company meetings. In accordance with national laws, employees and their elected representatives are notified punctually and comprehensively of any important operational and organizational changes.

Departmental meetings, information events for employees, specialized focus weeks and digital events are also used for internal communication purposes. Formats like these help employees voice their concerns and speak directly with the experts.

The "Porsche Puls" employee survey is usually conducted once a year to collect feedback from the workforce about the company and its activities. More information can be found in → **Actions related to working conditions**. The results of the survey can be used to gain insights into employee satisfaction, information on work-life balance and how employees are coping with the workload. If needed, the response rate to the employee survey can also be used to draw conclusions about how effective such surveys are.

The statutory requirements stipulate that Porsche AG and selected group companies bear the costs of codetermination. These mainly include costs for works council elections, administrative costs, e.g. equipment for the works council, but also training and external consultations. In addition to the legal requirements, Porsche AG has also established a central works council function alongside the Principles and Labor Relations department.

Formats to consider special needs

To take into account the needs of all employees who may be particularly vulnerable to negative impacts and those who may be marginalized, Porsche AG and selected group companies are in constant contact with company doctors, the representative bodies for severely disabled employees and, where they exist, the diversity networks. This aims to ensure as best as possible the health and well-being of pregnant people, persons with disabilities or health restrictions and minorities.

The representative body for severely disabled employees also offers support and advice in all matters relating to working life and represents the interests of employees in HR actions. Regular meetings are held with the representative body for severely disabled employees to identify needs relating to inclusion, which are then implemented in projects after they have gone through the appropriate review procedures. The Porsche AG Group strives to create an inclusive working environment with equal treatment and equal opportunities for persons with disabilities.

Porsche AG has also set up a Construction Committee, which is responsible for participating and ensuring codetermination in construction projects as well as designing workplaces, work processes and the working environment in a way that ensures that the needs of all employees are taken into account.

COMPLAINTS PROCESS AND REMEDIAL ACTION

Adherence to statutory requirements, internal company policies and the Code of Conduct has utmost priority in the Porsche AG Group. To counteract potential risks of compliance violations at an early stage, the Porsche AG Group has set up a whistleblower system that employees of the Porsche AG Group and external third parties can use to report actual or potential rule violations. More information about this can be found in **→ G1 Business conduct.**

Furthermore, Porsche AG has set up a company complaints desk known as "AGG" (the German abbreviation for the General Equal Treatment Act) to which employees can turn in potential cases of discrimination or to which they can submit a specific complaint. This reporting channel is open to any employees, trainees, interns, applicants and, under certain conditions, former employees.

Complaints received are treated in the strictest confidence; access and viewing rights for complaints received are strictly limited to only a few employees on a need-to-know basis. Once a complaint has been filed, the AGG company complaints desk checks whether discrimination is present based on grounds for discrimination. If the complaint is justified, the necessary labor law or disciplinary actions are initiated immediately on a case-by-case basis.

If employees feel they are being discriminated against, they can always turn to their managers. Alternatively, they can contact the HR department, the social counseling service, the works council or the representative body for severely disabled employees.

Porsche AG operates a multi-stage BHR (Business and Human Rights) complaints procedure, which is defined in the Group Business and Human Rights Policy. More information about this can be found in **→ Policies, → S2 Workers in the value chain and → S3 Affected communities.**

Potential breaches of duty in the company's own business area can be reported to the Porsche whistleblower system, the BHR complaints procedure or the Porsche AG AGG company complaints desk. If it becomes apparent during the processing of a complaint that a breach of duty has occurred or could occur, action is taken to prevent or end such breaches or to minimize the extent of the breach.

The statistics on disciplinary actions, including sanctioned instances of discrimination relating to the diversity dimensions, are evaluated for potential structural fields of action. Appropriate action is taken as needed. This includes, for example, targeted training courses. There was no apparent structural connection between the cases of discrimination in the reporting year. Detailed information about the individual cases cannot be provided for confidentiality reasons.

Working conditions

For the Porsche AG Group, good working conditions and respect for human rights are a fundamental component of responsible business conduct.

The working conditions for the Porsche AG Group's workforce are therefore governed by policies and frameworks that are based on international standards such as the United Nations Guiding Principles on Business and Human Rights, the ILO (International Labour Organization) Declaration on Fundamental Principles and Rights at Work and the ten principles of the UN Global Compact.

Legal basis

In Germany, several laws are in place to implement minimum standards for working conditions (such as the German Part-time and Fixed-term Work Act (TzBfG), German Works Constitution Act (BetrVG), German Hours of Work Act (ArbZG), German Occupational Safety and Health Act (ArbSchG), German Supply Chain Due Diligence Act (LkSG), and many others. Porsche AG and selected group companies not only comply with the applicable minimum statutory standards on working conditions, but also exceed these in their own strategies, concepts and numerous policies. More information can be found in → **Policies**.

Collective bargaining agreements and company regulations

The statutory regulations are complemented or built on by collective bargaining agreements at Porsche AG and selected group companies. For Porsche AG, these are the collective bargaining agreements for the metal and electrical industry. Selected group companies of the Porsche AG Group with elected employee representatives, are also subject to works agreements that regulate working conditions within the scope of corporate codetermination—governed by the German Works Constitution Act (BetrVG).

Working conditions and terms of employment for executives who are not covered by collective bargaining agreements at Porsche AG and selected group companies are also regulated in collective bargaining agreements, such as speaker's committee agreements or policies.

The use of non-employees in temporary work is also regulated in Germany. Additional collective bargaining and company agreements apply at Porsche AG and selected group companies. Information about these can also be found in → **Policies**.

The right to freedom of association is set out in the German Basic Law (GG). There are no indications that the right to freedom of association and collective bargaining is at risk on the sites of Porsche AG and selected group companies. The right to freedom of association should also be communicated to the Porsche AG Group's workforce in other countries in accordance with applicable legal requirements, and the election of employee representatives should be recognized. Suppliers' workforces should also have comparable rights, please refer to → **S2 Workers in the value chain**.

STRATEGIC APPROACH

Occupational health and safety, remuneration, company benefits, working hours and work-life balance are key factors in working conditions, alongside codetermination and social dialog.

The Porsche AG Group pursues management approaches and initiatives that contribute to the positive impacts identified in the area of working conditions:



Occupational health and safety

The Porsche AG Group has a special responsibility to protect its employees and to create a safe and healthy working environment.

Combined with a highly integrated occupational health and safety management system, the health and safety policy “Driven by Safety and Health” is designed to ensure standardized procedures and compliance with legal requirements. The Porsche AG Group aims to avoid accidents at work, physical and mental overloads, and work-related illnesses wherever possible.

The target of sustainable occupational health and safety is to provide employees with a safe and healthy workplace at all times so that unsafe conditions and situations can be avoided.

Therefore, the actions of every manager and employee are guided by the principle of safety to avoid accidents or other health risks from the outset, if possible. An organized and structured occupational health and safety management system should ensure the implementation of local legal requirements and help to prevent accidents at work, occupational illnesses and work-related health hazards, contributing to promoting the health and safety of all employees at the Porsche AG Group.

In addition to occupational safety, preventive health management is material for health in the workplace. Employees of Porsche AG and selected group companies can visit company doctors for advice on health and performance and make use of numerous offers for promoting health in the workplace.

More information about how occupational health and safety is implemented can be found below in → **Policies** and → **Actions**.

Working hours and work-life balance

Where possible, Porsche AG and selected group companies consider the individual needs of the workforce and promote flexible working options regarding workplace and working hours. Further options at Porsche AG and selected group companies range from flexible working hours aligned to the employee’s current phase of life and diverse part-time options or a wide range of flextime policies, such as during parental leave and sabbaticals. In doing so, Porsche AG and selected group companies can give employees a high degree of flexibility.

Employees of Porsche AG and the German group companies are legally entitled to up to three years of parental leave per child so they can care for and raise their children. It is important to Porsche AG to be able to keep in touch with its employees who are away on parental leave. This is why it offers them voluntary parental leave meetings to give them the opportunity to network and exchange ideas with other parents.

More information about work-life balance can be found in the following in → **Policies** and → **Actions**.

Remuneration and employee benefits

Porsche AG pays wages and salaries in line with uniform standards, regardless of gender, religion, origin, age, disability or sexual orientation. The remuneration policies and amounts paid to employees covered by collective bargaining agreements and in management—within and outside the collective bargaining agreement—are based on collectively agreed or company regulations. The basic remuneration is determined based on the work tasks described, with consideration for knowledge and abilities, problem-solving skills, potential influence and fields of responsibility. Collective and company regulations also provide for one-off payments. Furthermore, market-specific particularities and benchmarks are considered for the purposes of offering competitive remuneration. The target is to provide employees with attractive, competitive and non-discriminatory remuneration while identifying and eliminating potential injustices. As a rule, the variable remuneration is performance-based and is calculated based on general or individual performance criteria according to uniform benchmarks and standards.

For the management of Porsche AG and selected group companies, the variable remuneration system is largely based on the Executive Board's remuneration system. Personal performance is also factored into the rate of achievement for the short-term incentive (STI). This performance criterion, which was introduced in the reporting year, consists of the "leadership or management behavior," with "360-degree feedback" and "targets" components. A multiplier made up of special entrepreneurial performance contributions is applied to the resulting score. The long-term incentive (LTI) is based on stock price performance and on the earnings per share (EPS) of Porsche AG as an economic performance indicator.

In addition to the remuneration, Porsche AG and selected group companies offer discounts and employee benefits, such as capital formation benefits or a company old-age pension plan.

Concerning old-age pensions, employer-funded pension entitlements are accrued based on full-time or part-time remuneration at Porsche AG and selected group companies. In accordance with the statutory regulations, a vested entitlement to pension benefits is earned after three years of service. Porsche AG and selected group companies also offer employees the chance to increase their old-age pension benefits—as well as the benefits received by their survivors in the event of death—through deferred compensation from their gross salary.

Porsche AG and selected group companies offer additional benefits to cover employees against the risks of disability and death. Certain groups of employees at Porsche AG and selected group companies are even provided with additional private and work-related accident cover.

POLICIES

Beyond the legal requirements, the Porsche AG Group has group-wide management concepts to address the impacts of its business activities on the working conditions of its employees. The frameworks and policies that define the relevant processes and regulations with which the Porsche AG Group aims to ensure the provision of secure employment and fair and healthy working conditions are described in the following.

Policies related to human rights

In their **declaration of intent to observe and promote human rights**, the Executive Board and group works council of Porsche AG expressly commit to respecting human rights and to promoting good working conditions and fair trade. The **Group Business and Human Rights Policy** also regulates the overarching framework for managing human rights and environmental due diligence in accordance with the LkSG. It also describes the complaints procedure and specifies the option to submit complaints and how complaints received are dealt with. More information about the declaration of intent and group policy can be found in → **Policies related to equal treatment and opportunities**. Details on the complaints procedure can be found in → **S1 Own workforce**, → **S2 Workers in the value chain** and → **S3 Affected communities**.

Policies related to occupational health and safety

Health and safety in the workplace are a top priority for the Porsche AG Group. The **Group Occupational Health and Safety Policy** regulates the organization and responsibility for occupational health and safety and defines basic requirements and objectives for occupational health and safety management. It is based, among other things, on European regulations and policies on occupational health and safety and implements the requirements of the ISO 45001 standard, an internationally recognized standard for an occupational health and safety management system. The Porsche AG Group uses ISO 45001 as a minimum requirement for its occupational health and safety management system to ensure that the group companies are potentially eligible for certification.

The Occupational Safety and Health Protection departments are part of the main Health Management department, which reports directly to the member of the Executive Board responsible for Human Resources and Social Affairs. The Porsche AG Group's own workforce was involved through the employee representatives in the development and implementation of the occupational health and safety management system. The Occupational Safety department is directly involved in decisions through representatives on numerous committees and the "Executive Board Occupational Health and Safety Conference." Employees can submit ideas and suggestions relating to occupational health and safety to the idea management portal or to the annual occupational safety award at any time or consult an occupational health and safety expert or company doctor directly.

Porsche AG uses a range of communication channels to inform the workforce about health and safety in the workplace and thus also the contents of this group policy. All employees are briefed on occupational safety at least once a year to ensure that they are kept up to date on specific hazards and rules of conduct. The intranet also contains a broad range of information and education on health and safety in the workplace. If they need advice, employees can also contact company doctors and occupational health and safety experts who undergo further training in and outside of their own disciplines. Managers are required to attend internal training on their responsibilities and tools used in occupational health and safety.

Within Porsche AG and selected group companies, the specifications of the group policy are reviewed regularly by company doctors and occupational health and safety experts during plant visits with managers, employee representatives and safety officers. Corrective actions are defined in the event of a shortcoming.

The occupational safety committee prepares quarterly compliance reports that involve legally prescribed internal stakeholders, including managers, the works council, safety officers or the representative body for severely disabled employees.

The reports and surveys in connection with the LkSG are used for the annual reviews carried out to determine whether the minimum legal requirements and the requirements of the group policy are being met by the group companies. Porsche AG and selected group companies also carry out internal and external audits.

In addition, the Code of Conduct of the Porsche AG Group describes the requirements for employees that aid occupational safety and health protection.

Policies related to non-employees

Company agreements for the use of employees under

contracts for work and services apply at Porsche AG and selected group companies. Contractors providing employees under contracts for work and services must legally assure Porsche AG and selected group companies that they comply with the relevant statutory occupational health and safety regulations, the applicable accident prevention regulations and all other standards for a safe and hygienic working environment. This is also the case for the statutory and collectively bargained and company working time regulations applicable to the respective contractor. If employees under contracts for work and services are deployed on the factory premises of Porsche AG and selected group companies, the respective regulations on working hours apply. In addition, the employees under contracts for work and services deployed on the factory premises must receive at least the remuneration of the collective bargaining agreements relevant to their sector. If the contractor providing these employees houses them in apartments or lodgings during their assignment at Porsche AG, it contractually assures Porsche AG and selected group companies that it will provide a living and accommodation situation that is appropriate for Germany.

When using temporary workers, Porsche AG and selected group companies adhere to the principle of "same work, same pay." Additionally, they must have agreed a maximum length of service of 48 months (e.g. for temporary workers in the product emergence process) based on the collectively agreed regulations. At Porsche AG and selected group companies, temporary workers with the right qualifications are also given priority over external applicants when it comes to filling a vacancy.

Policies related to working hours and location as well as work-life balance

At Porsche AG and selected group companies, there are various options designed to support the employees' work-life balance.

SPECIAL LEAVE FROM THE COMPANY

In addition to the statutory and collective-agreement regulations for leave, Porsche AG employees are entitled to take up to four weeks of unpaid leave per calendar year in accordance with the **general works agreement regarding unpaid special leave**, provided that the relevant requirements are met. Up to ten days per calendar year can be taken off for voluntary work. The periods of leave are taken without remuneration. Porsche AG supports this type of voluntary work by not reducing one-off payments.

MOBILE WORKING

With the **general works agreement regarding mobile working** that was revised in 2021, Porsche AG facilitates mobile working on up to twelve full days per calendar month. Employees can also work remotely by the hour at any time if the needs of the company permit it. Mobile working across Europe was also launched in 2023. Under certain conditions, this will enable employees in almost every EU member state to work remotely for up to 20 days per calendar year.

The general works agreement applies to all employees of Porsche AG, provided that their work tasks can be done remotely. The agreement does not apply to apprentices, students or interns, who are covered by the 2022 version of the general works agreement on mobile learning, which enables them to access selected training content remotely.

PARENTAL AND CARE LEAVE

Parental leave is regulated by law in Germany, entitling each parent to (unpaid) leave from the day their child is born until it reaches the age of three. Employees must inform Porsche AG and the German group companies within the relevant deadlines if they are planning to take parental leave. Under the collective bargaining agreement, employees receive an additional day of paid leave for the birth of their own child. Care leave is also regulated by law in Germany. Porsche AG and selected group companies also have further company regulations to support the care of relatives. For example, in the Porsche AG, **Porsche Care Leave** regulates leave for employees who need to organize the care of a close relative with an acute need of care, in addition to the statutory entitlements under the German Care Leave Act (PflegeZG). The general works agreement applies to all employees of Porsche AG.

Further policies related to working conditions

The **general works agreement on employment guarantee on-site security** "Tradition. Transformation. Future" that Porsche AG adopted in 2020 contains a comprehensive and forward-looking package of actions to improve competitiveness by increasing flexibility and productivity. Under this agreement, there will be no compulsory redundancies at Porsche AG until 2030. In addition to this, other group companies have also entered into site security agreements, ruling out redundancies until 2025 or 2030.

ACTIONS

The Porsche AG Group uses the aforementioned management concepts and policies to develop actions to promote secure employment and fair and healthy working conditions. These are implemented, tracked and reported on an ongoing basis and during the reporting year.

Actions related to occupational health and safety

PREVENTION: DESIGN OF WORKPLACES, MACHINERY AND EQUIPMENT

To establish safe and healthy workplaces, the Occupational Safety department is involved in the planning and design of new workstations, the conversion of existing workstations and the procurement and conversion of machinery and equipment in accordance with the Group Occupational Health and Safety Policy.

Especially in the design of workstations in production or workshops, occupational safety specialists are involved right from the conceptual phase and accompany the process through design approval to the final acceptance of machinery, equipment and facilities. In addition to this, the responsible departments also regularly inspect work equipment or arrange such inspections.

Porsche AG and selected group companies systematically involve specialists to minimize work-related hazards at their sites. In the reporting year, this was carried out on an ad hoc basis throughout the year.

PREVENTION: RISK ASSESSMENT AND WORKPLACE INSPECTIONS

Work-related hazards are determined and evaluated as part of a risk assessment, as defined in the German Occupational Safety and Health Act (ArbSchG) and in the Group Occupational Health and Safety Policy. This assessment is performed at regular intervals or whenever necessitated by events or changes in the workplace.

In the assessment, the risks are first identified systematically. If a hazard is categorized as a high risk, appropriate actions must be defined and drawn up. Risk assessments and standard operating procedures are prepared with the help of occupational health and safety experts and company doctors.

Within Porsche AG and selected group companies, the specifications of the Group Occupational Health and Safety Policy are reviewed regularly by company doctors and occupational health and safety experts in the course of plant visits with managers, employee representatives and safety officers. In the event of a shortcoming, they define appropriate corrective action. Inspections also verify whether the potential improvements and protective actions defined in the risk assessment have been implemented and are effective in practice.

The Occupational Safety and Health Protection departments are responsible for checking that the obligation to carry out the risk assessment has been fulfilled. The actions cover all sites of Porsche AG and selected group companies and were carried out continuously throughout the reporting year.

PREVENTION: SUPERVISION AND MONITORING OF CONSTRUCTION AND ASSEMBLY SITES

Employees of external companies are also subject to precise codes of conduct designed to preclude hazards as much as possible when they work at the locations of Porsche AG and selected group companies. This applies to construction work for Porsche AG and Porsche Leipzig GmbH as well as the procurement and assembly of machinery and equipment. A set of work instructions governs how statutory duties of cooperation and coordination in connection with occupational health and safety are fulfilled when third-party companies are deployed on the factory premises of Porsche AG and selected group companies.

Construction and assembly work is monitored by construction experts from occupational safety to ensure compliance with health and safety regulations on construction sites and by external service providers.

These experts are involved as early as the planning process for large construction sites, e.g. the construction of a new building, and can advise on occupational health and safety during the setup of the construction site. During construction, site inspections are carried out to ensure that the agreed and legally required safeguards are being met. If the requirements are not met, the construction experts can take sanctions according to a defined escalation plan, such as removing the person contravening safety regulations from the construction site.

The action covers all sites of Porsche AG and selected group companies and was carried out as needed throughout the reporting year.

(RE-)CERTIFICATION TO ISO 45001

To ensure occupational health and safety, the Porsche AG Group has introduced occupational health and safety management systems and certified them to ISO 45001 "Occupational health and safety management system." Following a two-stage audit process in the reporting year, Porsche AG received a recommendation from the auditor for its first ISO 45001 certification in November 2024. In addition, Porsche Leipzig GmbH and the Nardò Technical Center were successfully recertified in the reporting year. Recertification is scheduled to take place every three years.

PREVENTION: FURTHER DEVELOPMENT OF SAFETY STANDARDS AND DIGITALIZATION OF PROCESSES

As part of the continuous improvement process, Porsche AG refines existing policies, processes, operating procedures and other internal requirements and establishing new, up-to-date safety standards and processes.

Projects to update and digitalize the process for working with third-party companies and inspections of work equipment were launched in the reporting year. These projects will continue in 2025. The plan is to use software to track and monitor the use of third-party companies and work equipment inspections.

PREVENTION: SUITABILITY TESTS

To protect third parties and property, the suitability of the employees carrying out certain activities (e.g. test drives, work involving a risk of falling) is checked.

An existing general works agreement at Porsche AG regulating the reasons for and content of suitability tests was reviewed, added to and finalized in the reporting year.

PREVENTION: COMMUNICATION CAMPAIGNS ON OCCUPATIONAL HEALTH AND SAFETY

The employees of Porsche AG and selected group companies are regularly informed about topics relating to occupational health and safety as well as specific hazards and codes of conduct. An annual communication campaign is also carried out on selected topics relating to occupational health and safety. The campaigns are aimed at managers and employees of Porsche AG and selected group companies and promote a culture of safety and aim to encourage health and safety-conscious behavior.

In the reporting year, the occupational safety campaign focused on personal protective equipment, while the health protection campaign focused on addiction, providing knowledge and support options for those personally affected.

MEASUREMENT OF WORKPLACE ACCIDENTS AND TRACKING METHODS FOR MONITORING OCCUPATIONAL HEALTH AND SAFETY

To ensure a safe working environment, indicators related to occupational health and safety are continuously recorded, monitored and improved at Porsche AG and selected group companies. Porsche AG measures the occurrence of workplace accidents in all organizational units with the "occupational accident index" and reports them internally each month. Other indicators include the number of accidents at work, the index of visits to the accident insurance doctor, the number of cases with the accident insurance doctor, the number of first aid cases, the number of days lost, etc.

Porsche AG and selected group companies use software to help document, process and analyze accidents to ensure that they are processed as quickly and transparently as possible. Automated reminder and escalation functions ensure that actions are implemented in good time. The procedure is also defined in process and work instructions: after an accident is reported, a manager performs an accident assessment with the support of an occupational health and safety officer. This serves to define immediate and corrective measures to tackle the cause of the accident.

The action covers all sites of Porsche AG and selected group companies and was carried out continuously throughout the reporting year.

Health management actions

Aside from safety, employees and managers receive occupational health services. The company doctors at Porsche AG and Porsche Leipzig GmbH advise employees on health and physical fitness, offer preventive examinations and assess the results of these examinations.

They support the return of employees to the workplace after an extended illness as part of the occupational reintegration management system. Porsche AG's Health Management department also provides social counseling for people with psychosocial strain and support for those in difficult life situations. The counseling service is available to the whole workforce at Porsche AG and selected group companies.

Additionally, its scope of services includes a wide range of occupational health promotion services. These include the "Porsche Check-up" (a regular health check for employees), vaccinations, courses on nutrition, stress management and exercise for employees of Porsche AG.

The Porsche AG Group has a holistic view of employee health, which is defined as part of health management and is also reflected in the approach and actions taken to maintain and improve mental health. In addition to the systematic assessment of stress factors at work, Health Management helps departments to improve stress levels. Employees can take the "Porsche Check-up" regularly, a preventive examination that also takes mental well-being into account. Affected employees can contact the social counseling service or the company doctors to find the help they need. External cooperation partners provide support for early treatment of mental illnesses. A wide range of presentations and webinars for managers and employees rounds off the comprehensive program. Following a successful campaign to raise awareness about mental health in 2023, the related annual campaign "Understanding and avoiding addiction" was carried out in 2024.

Actions for preventive health management are offered at all sites of Porsche AG and selected group companies and were carried out continuously throughout the reporting year.

Actions related to working hours as well as work-life balance

Flexibility in working hours, where possible, and work-life balance are tremendously important to Porsche AG and selected group companies, so it supports its employees with a wide variety of actions and options.

Those relating to working hours range from flexible working hours aligned to the employee's current phase of life and diverse part-time options to a wide range of flextime policies, such as during parental leave and sabbaticals.

CHILDCARE

Porsche AG and selected group companies have various offers to help their employees who are parents. For example, local cooperation partners ensure that childcare places are available in kindergartens close to individual Porsche AG sites. In emergencies, additional childcare places are also available at daycare centers in Stuttgart. Under certain conditions, parents can also bring their children to work at Porsche AG for a few hours. In the summer, the children of employees can attend a summer day camp organized by Porsche AG that runs throughout the holidays. This offer is also open to children with disabilities.

In the reporting year, work began at the Stuttgart-Zuffenhausen site on the construction of an in-house nursery with up to 80 childcare places for employees' children, which is scheduled to open in fall 2025.

FAMILY SERVICE

With its family service, Porsche AG offers extensive, free and individually tailored advice and support on all aspects of family life—in particular, for expecting parents and employees caring for relatives. Family service is an initiative to improve positive impacts on the workforce.

CARE FOR RELATIVES

In addition to the statutory care leave in Germany, Porsche AG and selected group companies offer "Porsche Care Leave," which, when various criteria are met, enables permanent employees with at least six months of service to care for close relatives for up to three months and continue to receive part of their salary.

The initiative to improve positive impacts covers Porsche AG and selected group companies and was offered continuously throughout the reporting year.

Actions to increase employee satisfaction and employer attractiveness

EMPLOYER BRANDING

The Porsche AG Group wants to remain a highly attractive employer in the future. Consequently, one of the four overriding objectives of the Porsche Strategy 2030 is "Be the top employer of choice." To achieve this, it continuously measures employer attractiveness and draws up corresponding actions for potential improvement. The Porsche AG Group uses external surveys such as the employer rankings from Trendence and Universum, the employer evaluation platforms kununu and Glassdoor as well as internal surveys such as the "Porsche Puls" or applicant surveys. Developments are shared at the Executive Board level and reported on in annual target reviews.

In the reporting year, Porsche AG refined its general image as an employer through the "Porsche Dream Job" employer branding initiative launched last year and set new priorities to address profiles with high strategic relevance in the growing labor market. Porsche AG used specific communication formats for this, such as the "Faces behind" social media series.

COOPERATION WITH UNIVERSITIES AND SCHOOLS

To attract talented young people to its employer brand at an early stage, Porsche AG works with universities and target groups of students, including the racing car engineering student competition "Formula Student Germany." In the area of student marketing, the Ferry Porsche Award was presented to over 180 outstanding schoolchildren in Baden-Württemberg in 2024. In cooperation with the Ministry of Culture, Youth and Sport in Baden-Württemberg, Porsche AG presents this award to talented young people who excel in the field of mathematics, physics and technology.

"PORSCHE PULS" EMPLOYEE SURVEY

Porsche AG regularly reviews the further development of the corporate culture and the management culture. Since 2023, Porsche AG has an annual employee survey called "Porsche Puls," which is specifically tailored to the Porsche AG Group and includes questions about teamwork, employee engagement and strategic issues such as sustainability and diversity in order to gain a picture of employee satisfaction.

In addition to Porsche AG, 29 German and international group companies also participated in the survey in the reporting year. At Porsche AG, it was completed by 19,407 employees. This puts the participation rate at Porsche AG at around 86% (2023: 81%). Porsche AG's overall index in the "Porsche Puls" was 75.4 out of 100 in the reporting year, up 0.6 points on the prior year. The overall index for the Porsche AG Group was 76.8 out of 100 in the reporting year. In the "Porsche Puls" survey for 2024, the question about integrity was given an index score of 75.4 out of 100.

The results of the employee survey are used to identify actions to promote employee satisfaction at various levels of the organization.

TARGETS

With the following qualitative and quantitative targets, the Porsche AG Group is working in collaboration with the relevant internal experts to guarantee the provision of secure employment and fair and healthy working conditions.

Targets related to occupational health and safety

The Porsche AG Group has drafted a conceptual target for occupational health and safety that is enshrined in its occupational health and safety policy and defines the long-term vision of Porsche AG for occupational health and safety.

Porsche AG and selected group companies define annual targets in order to continuously improve health and safety in the workplace. Progress in achieving the targets is reported quarterly to the occupational safety committee.

The Porsche AG Group has set itself the target of ensuring that all vehicle production sites meet the standards of the ISO 45001 for occupational health and safety management systems.

The vehicle production sites of Porsche AG and Porsche Leipzig GmbH were certified, recertified or recommended for certification in the reporting year. This corresponds to an ISO 45001 certification coverage rate of 23.9% of employees at the vehicle production sites of the Porsche AG Group. In addition to the vehicle production sites, the Nardò Technical Center was also recertified to ISO 45001 in 2024, resulting in a group-wide coverage rate of 12.3%.

Targets related to employer attractiveness

Porsche AG has set itself the target of being among the top three employers in the Trendence and Universum rankings by 2030. This is measured by the average ranking in the target groups of students and experienced professionals in the fields of business, engineering and IT. This corresponds to a total of twelve data points. In the defined base year 2024, the average ranking was 3.66.

METRICS

Metrics on working conditions

CHARACTERISTICS OF EMPLOYEES AND ADEQUATE WAGES

The Porsche AG Group defines “employees” as anyone with an active employment contract involved in the Porsche AG Group’s value chain. This includes members of top management as well as those in the passive phase of their partial retirement and trainees, but does not include inactive employment relationships, e.g. employees on parental leave, interns, working students, bachelor’s, master’s and PHD students.

The Porsche AG Group has a total of 42,615 employees across all regions. → **Employees broken down by region and type of employment in the Porsche AG Group**, → **Employees in the Porsche AG Group by gender**

More information about the employees of the Porsche AG Group can be found in the consolidated financial statements.

→ **Notes to the consolidated financial statements – Personnel expenses**,

→ **Notes to the consolidated financial statements – Average number of employees during the year**

In the reporting year, 1,782 employees left the Porsche AG Group, corresponding to a turnover rate of 4.2%. At the time of reporting, there had been no mass layoffs or large-

scale job cuts at Porsche AG or its group companies. Compulsory redundancies are also prohibited until the end of July 2030 based on the existing general works agreement on employment guarantee on site security at Porsche AG and selected group companies.

→ **Further policies related to working conditions**

In the reporting year, the Porsche AG Group had around 2,988 non-employees, including temporary workers provided by external companies and whose activities are controlled by the Porsche AG Group.

The Porsche AG Group attaches great importance to fair and adequate wages that comply with the legal requirements and industry-specific standards. In the reporting year, the remuneration of employees in the Porsche AG Group was in line with the respective reference values for an adequate wage. The only exception here was Singapore, where the remuneration of 9.5% of employees was below the local reference value for an adequate wage. This gap relates exclusively to sales staff whose remuneration includes a substantial variable component. When these variable remuneration components are taken into account, the total income of these employees is significantly higher than the reference value.

Employees broken down by region and type of employment in the Porsche AG Group as of December 31, 2024

| Head count | Germany | Europe (without Germany) | North America excl. Mexico | China incl. Hong Kong | Overseas and emerging markets | Total |
|--------------------------------|---------------|--------------------------|----------------------------|-----------------------|-------------------------------|---------------|
| Total employees | 36,741 | 3,182 | 1,087 | 949 | 656 | 42,615 |
| Permanent employees | 35,607 | 2,374 | 1,083 | 939 | 642 | 40,645 |
| Temporary employees | 1,134 | 808 | 4 | 10 | 14 | 1,970 |
| Non-guaranteed hours employees | – | – | – | – | – | – |
| Full-time employees | 33,824 | 3,001 | 1,061 | 947 | 630 | 39,463 |
| Part-time employees | 2,917 | 181 | 26 | 2 | 26 | 3,152 |

Employees in the Porsche AG Group by gender as of December 31, 2024

| Head count | Female | Male | Other | Not disclosed | Total |
|--------------------------------|--------------|---------------|-------|---------------|---------------|
| Total employees | 8,801 | 33,814 | – | – | 42,615 |
| Permanent employees | 8,128 | 32,517 | – | – | 40,645 |
| Temporary employees | 673 | 1,297 | – | – | 1,970 |
| Non-guaranteed hours employees | – | – | – | – | – |
| Full-time employees | 6,686 | 32,777 | – | – | 39,463 |
| Part-time employees | 2,115 | 1,037 | – | – | 3,152 |

COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOG

In the reporting year, 76.8% of all employees in the Porsche AG Group were covered by collective bargaining agreements.

However, there are no agreements in the Group on the representation of its employees by a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council.

At Porsche AG and selected group companies, working conditions and terms of employment for employees in a direct employment relationship with companies of the Porsche AG Group are also defined by collective bargaining agreements.

Working conditions and terms of employment for executives who are not covered by collective bargaining agreements are guaranteed in speaker's committee agreements or policies.

The following table shows the coverage by collective bargaining agreements and employee representatives. In Germany, 83.7% of employees are covered by collective bargaining agreements. The total percentage of employees in Germany covered by employee representatives is 97.2%. → **Collective bargaining agreements and employee representatives in the Porsche AG Group**

Collective bargaining agreements and employee representatives in the Porsche AG Group

| Coverage rate (%) | Collective bargaining coverage | | Social dialog | |
|-------------------|------------------------------------|---------|---|---------|
| | Employees – European Economic Area | | Workplace representation – European Economic Area | |
| 0–19 | | | | |
| 20–39 | | | | |
| 40–59 | | | | |
| 60–79 | | | | |
| 80–100 | | Germany | | Germany |

OCCUPATIONAL HEALTH AND SAFETY

The Porsche AG Group has a responsibility to protect its employees and to create a safe and healthy working environment in accordance with the applicable international standards. To best implement these efforts, the group uses a health and safety management system to monitor incidents within the workforce. The target is to monitor the number of work-related injuries and illnesses and, if necessary, to take action to reduce these incidents.

In the reporting year, 99.5% of the Porsche AG Group's employees were covered by a health and safety management system based on legal requirements and/or recognized standards or guidelines.

483 recordable accidents at work were registered by employees, resulting in a rate of 7.4 accidents at work per one million hours worked.

There were 5,417 days when employees of the Porsche AG Group were unable to carry out their work due to work-related accidents.

In the reporting year, there was one fatality caused by work-related injuries. This occurred in the category of other workers, e.g. workers in the value chain employed at Porsche AG Group sites.

The figures are broken down in the following table.

Metrics on health and safety

| | 2024 |
|--|-------|
| Health and safety management system | |
| Employees covered (%) | 99.5 |
| Number of fatalities as a result of work-related injuries and work-related ill health | |
| Number of fatalities among employees | – |
| Number of fatalities among workers in the value chain | 1 |
| Number and rate of recordable work-related accidents | |
| Recordable work-related accidents among employees | 483 |
| Rate of recordable work-related accidents per one million hours worked among employees | 7.4 |
| Number of days lost | |
| Number of days lost to work-related injuries among employees | 5,417 |

Methods and assumptions

Here, the Porsche AG Group describes the methods used to compile and evaluate the metrics on working conditions. The company refers to its employment relationships, working conditions, the number of employees and their characteristics, the resulting employee turnover, information on non-employees as well as the metrics covered by the health and safety management system. → **Employees broken down by region and type of employment in the Porsche AG Group**

The relevant data was requested from the group companies to determine whether the employees of the Porsche AG Group receive an appropriate wage. In this context, the Porsche AG Group provided its companies with the reference values for an appropriate wage. The objective reference value within the European Economic Area (EEA) is the statutory minimum wage of a country or, if no such minimum wage exists, a reference value that corresponds to at least the minimum wage of a

neighboring country with comparable socio-economic status. Outside the EEA, there is no uniform methodology for setting a minimum wage. The reference values from the WageIndicator Foundation's Living Wage database are therefore used for all countries outside the EEA where the Porsche AG Group has employees. The underlying values were last updated for this report in October 2024. To assess whether wages are adequate, the group companies report on whether or not their wages are above the corresponding reference values.

The companies in the Porsche AG Group provide data relating to their employment relationships, non-employees and working conditions via their HR system. They also use the HR system to transmit the number of employees and their characteristics to the Porsche AG Group. These figures are actual. Both the number of employees and employee turnover are reported in terms of head count and as of the reporting date.

The group companies also use the HR system to report how many employees have joined or exited their company. The turnover rate is calculated by dividing the employee turnover for the reporting year by the average number of employees (calculated on a monthly basis). Employee turnover includes employees who leave voluntarily or due to dismissal, retirement or death in service. → **Characteristics of employees and adequate wages**

The group companies are surveyed to determine how many employees in the Porsche AG Group are covered by a health and safety management system. The surveys report the number of employees, excluding non-employees, covered by such a system. The percentage is then calculated at group level. The Porsche AG Group follows the same procedure to determine the number of work-related accidents as well as the total number of days lost and work-related fatalities. As part of CSRD reporting, the metric for calculating the accident frequency rate was changed in the reporting year so that significant accidents at work are now included in the calculation regardless of the days lost by the employee. There was also a switch from working days to calendar days to determine days lost. Due to the changed methodologies, they are not comparable with the prior-year figures. → **Occupational health and safety**

The data on collective bargaining coverage is also taken from a survey at the group companies that provide the number of employees and the number of employees covered by collective bargaining agreements. This data is then analyzed centrally to determine a group-wide coverage rate. The group companies are surveyed as to whether there is an employee representative so that the total percentage of employees covered by employee representatives can be recorded. The responses are aggregated at the group level and the percentage is calculated. → **Collective bargaining agreements and employee representatives in the Porsche AG Group**

Equal treatment and equal opportunities

The Porsche AG Group actively champions diversity, equal opportunities and equal treatment, and firmly believes that this is in its best interest as a company. Diversity can lead to new ideas, drive innovation and therefore be a key success factor. The Porsche AG Group strives to create a working environment where employees of all ages and genders, regardless of origin and cultural background, can contribute their different skills and perspectives in the best possible way.

STRATEGIC APPROACH

Porsche AG has defined strategic dimensions for diversity that are based on the legally protected dimensions of diversity — ethnic origin, gender, religion and ideology, disability, age and sexual identity. The aim is to ensure even more diversity at Porsche AG, to promote compliance with the German General Equal Treatment Act and to create an environment that fosters the individuality of each person and values all perspectives.

The fields of action to support more diversity are:

Diversity fields of action

1. Conscious formation of mixed teams

2. Increase the proportion of women

3. Promote ethnic diversity and international experience

4. Facilitate the inclusion of employees with disabilities

5. Support the LGBT*IQ community

6. Improve cooperation between the generations within the workforce

7. Establish an inclusive culture and an understanding of diversity in all companies in the Porsche AG Group

The Culture, Diversity and HR Communications department is responsible for ensuring the long-term implementation of equal opportunities and diversity. It acts as a driver and competent partner and is assigned to Employee Development and Corporate Culture within the Human Resources portfolio of the Executive Board. The targets and actions are regularly coordinated in groups and committees such as the Equal Opportunities working group and reported to the Environment and Sustainability Steering Committee and Environment and Sustainability Steering Group on a regular basis.

Equal treatment and equal opportunities for the Porsche AG Group's own workforce also include the development of employees' skills. The Porsche AG Group sees it as its responsibility to develop both technical and interdisciplinary skills in employees for changing tasks and roles in various future fields.

Employee development and shaping the transformation

1. Identify strategic needs for skills and proactively shape the transformation

2. Qualify and develop employees as needed

3. Help managers shape the transformation

The Porsche AG Group's business model is changing rapidly. Everyday life is increasingly being shaped by e-mobility, connectivity, digitalization and much more. Each of these developments may also have an impact on the organization of Porsche AG and the skills needed within the Porsche AG Group. As an employer, the Porsche AG Group aims to make the transformation sustainable and socially ethical—and both accompany and support its employees in this time of change. With the Porsche Workforce Transformation initiative launched in 2021, Porsche AG is aligning its skills and organization across all departments with the requirements of the future. This entails identifying existing and required skills and then using and enhancing these as best possible in a targeted way. → **Actions**

POLICIES

Equal treatment and equal opportunities are fundamental values for the Porsche AG Group that play an important role in the well-being and cooperation of its own workforce. The following policies are in place to show that the work environment is diverse and inclusive and that it offers equal treatment and equal opportunities.

Beyond the legal requirements, the Porsche AG Group addresses the impacts of its business activities on the equal treatment and equal opportunities of its employees with group-wide framework agreements and policies designed to ensure a diverse and inclusive working environment as well as equal treatment and equal opportunities.

In 2022, Porsche AG's Executive Board and Group Works Council signed off on a **declaration of intent to observe and promote human rights**. This formulates clear rules for human rights and good working conditions, including those relating to diversity and the protection of vulnerable groups.

Porsche AG bases its entrepreneurial actions on the following international standards and is committed to the content and principles stated there: the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles of the UN Global Compact, and the relevant core labor standards of the International Labour Organization (ILO).

The → **Declaration of intent** can be found on the page entitled "Human Rights in the Porsche Group" on the intranet and internet. It applies to the whole workforce of the Porsche AG Group.

The **Group Business and Human Rights Policy** also regulates the overarching framework for managing human rights and environmental due diligence in accordance with the LkSG. It also describes the complaints procedure and specifies the option to submit complaints and how complaints received are dealt with. A more detailed description of the policy can be found in → **S2 Workers in the value chain**. Information about the complaints procedure can be found in → **S1 Own workforce**, → **S2 Workers in the value chain**, → **S3 Affected communities** and → **G1 Business conduct**.

As an additional pledge of their commitment, Porsche AG and selected group companies have signed the **German Diversity Charter**, a voluntary commitment for German businesses, since 2019. The group companies are thus committed to a diverse and non-discriminatory working environment and ensure that all employees—regardless of age, ethnic origin and nationality, gender and gender identity, physical and mental abilities, religion and ideology, sexual orientation and social background—are valued. The Charter is publicly available.

The Porsche AG Group's guidelines regarding human rights, diversity, equal treatment and opportunities in its own workforce are set out as fundamental values in the **Code of Conduct**. Further information about this can be found in → **G1 Business conduct**. The Code of Conduct prohibits any kind of discrimination on grounds of ethnic or national origin, gender, religion, ideology, age, disability, sexual orientation, skin color, political opinion, social origin or other legally protected dimensions. It also promotes inclusion.

A key potential success factor for the implementation of diversity and equal opportunities is creating group-wide awareness of how important these are and what added value they bring to Porsche AG. Each group company must appoint at least one local contact person to whom employees can turn.

Everyone must adhere to the rules on equal treatment and opportunities for all set out in the Code of Conduct, which also refers to internal and external reporting channels for potential breaches of the rules.

To promptly identify and counter possible breaches of equal treatment and equal opportunities for all within the company's own workforce, the availability of channels for employee codetermination and complaints is communicated transparently, e.g. in training sessions and at onboarding events for management. The complaints process is described in detail in → **G1 Business conduct**.

Equal opportunities for all and promoting diversity are also cornerstones in the **Porsche Code leadership model**. The Porsche Code was developed as a way to build on Porsche AG's cultural mission statement and supplements the four core values—passion, pioneering spirit, sportiness, one family—with additional dimensions and behaviors. The Porsche Code provides all employees and managers of Porsche AG with a framework for their daily interactions and is also implemented in selected group companies of the Porsche AG Group. Employees can find the Porsche Code on the intranet.

The **Group HR Compliance Policy** regulates responsibilities, tasks and targets with regard to compliance with legal provisions and internal company policies in the strategic and operational HR work of the Porsche AG Group. It also sets minimum standards for promoting and developing compliance and integrity, including equal opportunity processes and the fostering of diversity in a working environment free of prejudice.

The regulations of the policy are aimed at the responsible bodies in the affected group companies and contain recommendations for implementing specified minimum standards. These regulations apply directly within Porsche AG, i.e. managers and supervisors must ensure that employees are aware of and comply with this policy, taking locally applicable legal, collective and company regulations into account. The Member of the Executive Board responsible for Human Resources and Social Affairs holds overall responsibility for the topic of HR compliance. Operational implementation is managed by the HR departments. The policy is available on the intranet.

The **Group Labor and Social Security Law Policy** aims to ensure that existing labor and social security law regulations, including the German General Equal Treatment Act (AGG), are implemented within the Porsche AG Group in accordance with the law. The policy defines responsibilities, tasks and targets with regard to legal advice in the area of labor and social security law and requires all group companies to set up a complaints management system for discrimination cases in accordance with national legal requirements.

The regulations of the policy contain recommendations for implementing specified minimum standards in the affected group companies. These regulations apply directly within Porsche AG, i.e. managers and supervisors must ensure that employees are aware of and comply with this policy. The policy is available on the intranet.

In order to verify all control activities at department, division and group company level, each group policy contains a control matrix that is coordinated with the general Risk Management department. The control matrix summarizes all necessary control activities and aims to ensure effective monitoring of business processes.

ACTIONS

Promoting diversity and equal opportunities is important to the Porsche AG Group. Besides equal opportunities between the genders, the focus is on the diversity of the international workforce. The Porsche AG Group values openness toward people of different origins and sexual orientations and encourages harmonious, productive cooperation between generations, regardless of whether people have a disability.

The Porsche AG Group derives actions from these fields of action, which were implemented continuously and in the reporting year. On an ongoing basis, the status quo of each action is documented, recorded and regularly discussed with top management.

Actions to promote diversity and combat discrimination

AWARENESS-RAISING AND TRAINING ON DIVERSITY AND EQUAL OPPORTUNITIES

Porsche AG's Culture, Diversity and HR Communication department offers employee training activities to raise awareness and increase knowledge about diversity and equal opportunities across all hierarchical levels. Alongside training for employees, these also include mandatory training for newly appointed line managers and for employees who have recently joined management.

COMMUNICATION AND AWARENESS-RAISING ON DISCRIMINATION

Porsche AG regularly informs employees about how the company complaints desk "AGG" (the German abbreviation for the General Equal Treatment Act) works at events such as those on International Women's Day.

Porsche AG also offered a new digital learning module in the reporting year to raise awareness of (sub)conscious discrimination, highlighting different forms of discrimination so that they can be effectively avoided.

EXPANSION OF DIVERSITY NETWORKS AND THE INTERNATIONAL DIVERSITY COMMUNITY

Porsche AG also expanded its National and International Diversity Community further in the reporting year. This forum is run by group companies of the Porsche AG Group and their diversity managers around the world and provides tools and ideas for putting diversity into practice.

To promote diversity and equal opportunities, the Porsche AG Group also relies on its internal networks and supports their expansion. Diversity networks are key building blocks for giving visibility to underrepresented views and thus promoting equal opportunities. The diversity networks handbook, which provides support from 2021, allows for the creation of employee networks across protected diversity characteristics and defines corresponding framework conditions.

The Porsche women's network She@Porsche has been an established platform for exchanging experiences across departments since 2019. It offers several dialog formats and varied methods of support, e.g. peer counseling, impetus for self-empowerment and insights into the day-to-day working life. This aims to enable better visibility for women at Porsche AG, their closer networking as well as taking female viewpoints into account. In the reporting year, the Member of the Executive Board responsible for Human Resources and Social Affairs took part in an event held to celebrate International Women's Day with lectures and panel discussions.

The Proud@Porsche network for representatives, supporters and interested parties of the "sexual orientation and identity" diversity dimension has also been an integral part of the Porsche AG culture since 2019. It stands up for the concerns of people of all sexual orientations within and outside Porsche AG. For the third time in the reporting year, Proud@Porsche together with representatives of Porsche AG and group companies took part in the Christopher Street Day parade in Stuttgart.

The aim of the fathers' network Väter@Porsche (Fathers@Porsche) is to promote an understanding of the modern father's role, make the needs of fathers in Porsche AG visible and provide a contact point and platform to exchange experiences. Founded in 2023, the network held its first joint event to introduce itself within Porsche AG in the reporting year.

The "Cultures@Porsche" network has been promoting the exchange of international experiences and bringing different perspectives together at Porsche AG since 2023.

The various diversity networks within the Porsche AG Group received positive feedback in the reporting year. A total of 2,780 employees were engaged or involved in the diversity networks.

DIVERSITY DAYS

In a themed week around German Diversity Day in June 2024, Porsche AG highlighted the importance of diversity for joint success and offered numerous formats to promote respect, tolerance and understanding of diversity. There were presentations, ideas, podcasts and opportunities for discussion.

PORSCHE DIVERSITY PERFORMANCE AWARD

In the reporting year, Porsche AG launched the Porsche Diversity Performance Award, which recognizes initiatives and individuals who demonstrate an exceptional commitment to diversity in the workplace and an inclusive corporate culture. The aim is to give more visibility to the topic of diversity and those committed to it. Selected projects and role models were awarded the prize in the fall of the reporting year. The award is to be presented at regular intervals in the future.

DIVERSITY TOOLBOX

In the reporting year, a diversity toolbox also helped managers at Porsche AG stand up for diversity and equal opportunities in their day-to-day work and management routines. The toolbox provides a range of actions, tools and ideas to enable users to experience the diversity in all dimensions and to question traditional ways of thinking and behavior.

HORIZON

The digital "Horizon" platform provides an overview of the diversity of Porsche AG's workforce. Metrics on gender diversity, personal capabilities (severe disability), internationality and generations are evaluated annually by the main company departments.

DIVERSITY CHECK

The diversity check is a new dialog format that was designed and piloted in the reporting year and is to be carried out regularly in the main departments of Porsche AG from 2025. Challenges are to be identified and individual solutions developed by collecting and presenting diversity key figures and results in the organizational units. The aim is to strengthen diversity and establish an inclusive management culture.

MENTORING

Porsche Mentoring is a format for a comprehensive exchange of experiences and changing views on both sides. A matching platform brings together employees with less professional experience with those with more professional experience. This platform aims to promote exchanges of intergenerational experiences and create a greater level of mutual understanding. A pilot project on women's mentoring was carried out in the reporting year. Female mentees are paired with an experienced female manager to support their individual development within the company. The mentoring program is open to employees of Porsche AG and selected group companies worldwide and was continued in the reporting year: In its sixth year, 276 mentoring tandems actively participated in the mentoring format.

Actions related to equal treatment and equal opportunities INCLUSION

Porsche AG launched a project on accessibility in 2023. The first step here is to analyze structural and digital accessibility to then derive actions that should be implemented and integrated into processes and standards.

The construction actions cover both Porsche AG sites in Stuttgart-Zuffenhausen and Weissach.

INCREASING THE PROPORTION OF WOMEN IN MANAGEMENT

Porsche AG has set itself the goal of ensuring a more balanced gender ratio in the overall workforce and increasing the proportion of women in the first and second management levels (see also → **Targets**). To increase the proportion of women in management beyond these targets, Porsche AG implemented a project on the proportion of women in management in the reporting year. The aim is to analyze the challenges involved in increasing the proportion of women in management in more detail and develop actions accordingly.

Numerous managers are taking part in the extensive project; the Executive Board members were also actively involved. Internal communication to raise awareness further started in 2023, while implementation of most actions commenced in the reporting year.

For example, the Porsche Women's Leadership (PWL) program was launched to network female managers and high-potential female employees within Porsche AG and selected group companies. The women's mentoring pilot project was also carried out within this program.

Actions related to employee skills development and social transformation

As part of the strategic skills management system initiated in 2019, the specific and generic development needs from Porsche AG's specialist departments are collected annually by representatives from the respective departments. These are also consolidated in a roadmap that covers the entire range of strategic skills at Porsche AG in the short-, medium- and long-term. Annual reskilling and upskilling programs can thus be targeted to strategically relevant fields of activity.

WORKFORCE TRANSFORMATION INITIATIVE

Launched in 2021, the Porsche Workforce Transformation initiative actively manages the impacts of change within Porsche AG. The initiative aims to make the impacts of the transformation transparent for the company's own workforce, among other things. Future changes are depicted on transformation roadmaps and strategic HR planning is carried out to anticipate and respond to necessary changes in the workforce at an early stage. This enables employees to receive targeted support when developing their skills for new tasks. Porsche AG employees affected by job cuts are given advice and support when searching for new tasks and developing the necessary skills.

A central budget is available for further training as part of the transformation and for building and developing relevant skills in upskilling and reskilling actions.

Both the employer and the employees are driving forward the transformation of the workforce. A general works agreement for Porsche AG was agreed as a first step to pilot various actions, which, after a one-year pilot phase, was extended indefinitely and is to apply permanently. The agreement regulates, among other things, tools for encouraging employee changes, promotions and further development.

KEY TOOLS AND OFFERINGS OF PORSCHE AG IN THE REPORTING YEAR

Various offerings are available for employees of the Porsche AG Group to qualify for specific future roles and develop on a personal level.

In the reporting year, Porsche AG expanded and continued the following offerings at selected group companies, allowing employees to qualify and develop as individually as possible:

In the reporting year, new reskilling and upskilling programs were launched in the areas of IT and automation planning, HV systems, data and artificial intelligence, automotive software, advanced driver assistance systems and autonomous driving. To address specific existing bottleneck clusters, two reskilling programs were set up in the reporting year. With a program tailored to the individual requirements and needs of Porsche AG, these programs aim to ensure that vacancies in much-needed areas of activity can be filled internally. Participants do not need to already have the necessary skills and knowledge; these are developed over a defined period during the program. The programs offer a close integration of theory (state universities and research) and practice (Porsche AG content). Additionally, participants are supported in their individual learning process and thus also receive another new set of skills and tools.

They also specifically promote interdisciplinary skills such as a growth mindset, learnability and self-leadership. This is funded by a corresponding central budget, which can be used for extensive qualification requirements of employee groups and for individual transformation training.

In the reporting year, most interdisciplinary training courses were bundled at a system house provider, thus enabling more effective and efficient processes. The offer was linked to Porsche AG's digital Learning Experience Platform (LXP).

Porsche AG's other offerings in the reporting year included qualification and development meetings for all employees covered by a collective bargaining agreement, work shadowing in other company departments, the digital learning plan for personal development through self-study, the Porsche Digital Academy for developing and expanding digital skills, language training as well as new formats at the Porsche Learning Lab in Stuttgart-Zuffenhausen and Weissach.

In the reporting year, Porsche AG increasingly introduced team formats where learning from each other is the focus. Examples of this are the Porsche Learning Lab workshops, such as the "Teambooster" workshop for jointly developing new skills or the "Weiterdenker" (think ahead) workshop for sharing knowledge. 1,060 employees took part in the formats in the reporting year.

DIGITAL LEARNING PLATFORM

The Learning Experience Platform (LXP) was rolled out for the Porsche AG workforce in 2023. The LXP bundles various learning formats, learning spaces and tools. It guides employees and managers through the range of offers with an AI-supported search engine. It searches internal and external learning platforms and bundles any courses for an employee's individual training and development. Specialists can also prepare and individually adjust their learner journeys.

In the reporting year, the LXP user group was expanded from Porsche AG to include selected group companies.

MANAGEMENT AND TALENT DEVELOPMENT

In the reporting year, Porsche AG further expanded its measures to promote individual leadership and management skills and supplemented these with various qualification programs at all levels—from high-potential employees under collective bargaining agreements to top managers. The goal of the Porsche management programs is to qualify leaders in the areas of strategy and leadership and also to provide participants with networking opportunities within the Porsche AG Group. Examples include the qualification program for newly appointed managers ("MK program"), which was extended to international participants from the Porsche AG Group in the reporting year or the successful continuation of two modular programs for senior and top management. Both programs aim to provide participants with ideas about future-oriented skills and what strategic direction to take their departments in.

The offering on current technology topics, such as artificial intelligence, was also expanded in the reporting year and a training program was developed for managers who have been in their position for a longer period. Special attention was paid to anchoring and communicating the defined leadership criteria. There was also another Leadership Lab with over 1,400 participants held in the reporting year, a face-to-face event for all line managers to strengthen the leadership culture.

The continuous development and identification of talent from employees covered by collective bargaining agreements was also a priority in the reporting year, primarily through the design and introduction of a new development center. This focuses on high-potential employees at the upper pay levels of the collective bargaining agreement, giving them early orientation for the choice of personal career path and using this to determine suitable development actions.

The actions are aimed at managers and high potentials at Porsche AG and selected group companies. They were carried out as needed during the reporting year.

INTERNATIONAL SECONDMENTS

A global presence and international mindset are strategically important for the Porsche AG Group to meet the requirements of an increasingly interconnected world. In terms of management and talent development, the strategy aims to promote the exchange of knowledge and culture by allowing qualified employees to gather international experience. This can be done through international secondments or through exchange and networking in internationally oriented qualification programs.

In the reporting year, employees from Porsche AG and German group companies were seconded to a total of 23 different countries. Various projects were also launched in the area of secondments and principles aimed at increasing the success of assignments and subsequent reintegration and intensifying the knowledge transfer between expats and the home company.

TARGETS

With the following qualitative and quantitative targets, the Porsche AG Group is working in collaboration with the relevant internal experts to ensure a diverse and inclusive working environment that offers equal treatment and opportunities.

Targets related to equal treatment and opportunities

INCREASING THE PROPORTION OF WOMEN IN MANAGEMENT

Porsche AG aims to further increase its diversity by 2030 and therefore wants to create an environment that promotes the individuality of every single employee and appreciates all views. To achieve this, Porsche AG relies on cooperation in mixed teams that combine different perspectives.

One criterion for this is meeting the statutory gender quota. By 2025, it aims to have a 20% share of women at the first management level below the Executive Board and 18% at the second management level. The target was adopted by the entire Executive Board back in 2021 and has been communicated publicly ever since.

In the reporting year, the statutory gender quota increased to 22% (2023: 20%) at the first management level and 18.8% (2023: 17.3%) at the second management level, thus meeting the targets for 2024.

The → **Horizon** platform is used to track the proportion of women in management positions constantly and continuously.

METRICS

Metrics on gender equality and equal work for equal pay

TOP MANAGEMENT

Gender distribution in top management in the Porsche AG Group as of December 31, 2024

| Number of employees | Female | Male | Diverse | Total |
|--------------------------------|--------|------|---------|--------------|
| First management level | | | | |
| Gender distribution | 20 | 124 | – | 144 |
| Gender distribution (%) | 13.9 | 86.1 | – | 100.0 |
| Second management level | | | | |
| Gender distribution | 141 | 738 | – | 879 |
| Gender distribution (%) | 16.0 | 84.0 | – | 100.0 |

AGE GROUPS

Distribution of employees by age group in the Porsche AG Group as of December 31, 2024

| % | 2024 |
|--|------|
| Proportion of employees under 30 years of age | 16.1 |
| Proportion of employees aged between 30 and 50 | 65.6 |
| Proportion of employees over 50 years of age | 18.3 |

PAY GAP AND TOTAL ANNUAL GROSS REMUNERATION

The gender pay gap, defined as the difference of average pay levels between female and male employees, expressed as a percentage of the average pay level of male employees, stood at 15.4% in the reporting year. This figure is significantly influenced by the gender distribution in the hierarchical levels of the Porsche AG Group. → [Gender distribution in top management in the Porsche AG Group](#)

The annual total remuneration of the highest paid individual was 39.6 times the median annual total remuneration of all employees (excluding the highest-paid individual).

Methods and assumptions

To enable the Porsche AG Group to determine the gender distribution in top management, the group companies provide the relevant data via an HR system. The same applies to the age distribution within the group. The Porsche AG Group uses the two levels below the administrative and supervisory bodies when disclosing the gender distribution in the first and second management levels.

The Porsche AG Group uses a three-step process to determine the gender pay gap across all companies. First, the group companies send the corresponding data about “wages per gender” and “hours worked per gender.” For individual group companies, an approximation method was applied to estimate the general managers’ salaries. In the next step, the average hourly wage per gender is calculated in euros after adjustment for currency effects. Finally, the gender pay gap is determined on the basis of the hourly wages.

The Porsche AG Group evaluates the median pay ratio to determine the ratio between the highest-paid person and a full-time equivalent employee. This is done in four steps, starting with the median pay levels of the group companies. In the second step, these are converted into euros using the corresponding exchange rate. The next step is to determine the median pay level for the Porsche AG Group using an approximation method with the input parameters “median pay level of the group companies,” “personnel expenses” and “number of employees.” Finally, the remuneration of the highest-paid employee is compared with the median pay level calculated for the Porsche AG Group.

Metrics on training and skills development

The Porsche AG Group enables its employees to participate in various training and skills development opportunities. In the reporting year, commercial apprentices completed an average of 106.4 training hours while top management participated in an average of 9.6 training hours. The average number of training hours per employee was 21 hours.

Average number of scheduled and unscheduled training hours per employee category

| Average training hours | Scheduled training | Unscheduled training | Total |
|--------------------------------------|--------------------|----------------------|--------------|
| Industrial apprentices | 53.6 | 6.5 | 60.1 |
| Commercial apprentices | 85.0 | 21.4 | 106.4 |
| Students in a work placement program | 96.2 | 6.8 | 103.0 |
| Performance-based wage earners | 4.5 | 1.9 | 6.5 |
| Salaried employees | 21.0 | 6.6 | 27.6 |
| Management | 17.7 | 5.4 | 23.1 |
| Senior management | 15.7 | 3.7 | 19.4 |
| Top management | 6.6 | 3.0 | 9.6 |
| Time-based wage earners | 8.7 | 2.2 | 10.9 |

Methods and assumptions

The first step in collecting training data and costs for vocational training and training sessions is a survey of Porsche AG's group companies, which is then summarized at group level.

Training hours, broken down by scheduled and unscheduled training, are compiled for each employee category. In the second step, the average training time at group level is calculated using the number of employees in each employee category.

The calculation of the average number of training hours and training costs per employee is based on the data from December of the prior year to December of the reporting year.

Metrics on actions against violence and harassment in the workplace

To counteract potential risks of rule breaches at an early stage, the company has set up a group-wide whistleblower system (see → **G1 Business conduct** for a detailed description of the system) that employees of the Porsche AG Group or other third parties can use to report concerns or potential misconduct.

A total of 164 reports were received via the Porsche AG Group's whistleblower system. There are no known reports about the Porsche AG Group to the National Contact Points for OECD Multinational Enterprises.

Of the reports submitted, 35 were potentially severe breaches of the rules, and three of these related to discrimination and harassment. Two of these cases have been confirmed.

Neither of the two potentially severe rule breaches on workforce issues that did not relate to discrimination and harassment were confirmed.

No fines, penalties and compensation for damages were recorded in connection with incidents and complaints of discrimination, including harassment, reported through the Porsche AG Group's whistleblower system.

In the reporting year, there were no severe human rights cases or associated fines, penalties and compensation for damages involving employees of the Porsche AG Group.

Number of incidents, complaints and severe human rights impacts

| | 2024 |
|---|------|
| Reported cases of discrimination and harassment | 3 |
| Complaints filed through the whistleblower system | 164 |
| Complaints to the National Contact Points for OECD Multinational Enterprises | – |
| Cases of severe human rights issues and incidents | – |
| Severe human rights incidents involving violations of the principles of the UN Global Compact, the ILO Declaration and/or the OECD Guidelines for Multinational Enterprises | – |





Methods and assumptions





To determine how many complaints were made about the company's employees, the Porsche AG Group evaluates its whistleblower system for potential and confirmed severe rule breaches. These are categorized by topic as either discrimination and harassment or other workforce issues.

The Porsche AG Group determines the number of severe human rights cases related to its workers based on the number of severe incidents reported at the group level. This includes the number of severe incidents of violations of the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises.

The Porsche AG Group conducts a survey among the group companies to determine the total amount of fines, penalties and compensation for damages in connection with incidents and complaints of discrimination and harassment paid in the reporting year. The Porsche AG Group also centrally compiles and reports the total amount of fines, penalties and compensation for damages related to cases of severe human rights issues and complaints paid in the reporting year for all group companies.

S2 WORKERS IN THE VALUE CHAIN

| Topic | Significant impacts | Value chain | | | Most relevant time horizon | | |
|--|---|-------------|---|---|---|---|---|
| | | → |  | → |  |  |  |
| Working conditions | Ensuring the well-being of workers in the value chain | ■ | □ | ■ | □ | □ | ■ |
| Working conditions | Endangering the well-being of workers in the value chain | ■ | □ | ■ | □ | □ | ■ |
| Equal treatment and equal opportunities for all | Ensuring equal treatment and equal opportunities for workers in the value chain | ■ | □ | ■ | □ | ■ | □ |
| Other work-related rights | Ensuring human rights for workers in the value chain | ■ | □ | ■ | □ | ■ | □ |
| Other work-related rights | Endangering human rights for workers in the value chain | ■ | □ | ■ | □ | □ | □ |

→| Upstream  Own business activity |→ Downstream  Short-term (less than 1 year)  Medium-term (1 to 5 years)  Long-term (more than 5 years)

In the context of sustainability management, the supply chain is becoming increasingly important. More and more new vehicle components and technologies are being added to procurement volumes and the number of suppliers is rising. At the same time, as vehicles are increasingly electrified, the level of demand for certain raw materials—especially to produce high-voltage batteries—is also growing. Porsche AG's entire supply chain encompassed 2,508 direct suppliers of production materials and 5,321 direct suppliers of non-production materials in the reporting year.

For the Porsche AG Group, acting responsibly, sustainability and respect for human rights along the value chain are essential elements of responsible business conduct. Safe and decent working conditions for people and the continuous minimization of environmental impacts—especially in regions where the raw materials required are extracted—can have a major effect on the lives of workers in the value chain.

There are also more stringent legal requirements following the entry into force of the German Supply Chain Due Diligence Act (LkSG) at the beginning of 2023.

The following chapter describes the approaches, policies and actions that the Porsche AG Group uses to promote safe and fair working conditions in the value chain—including respect for human rights, fostering diversity, equal treatment and opportunities, and other basic work-related rights.

IMPACTS AND RISKS RELATED TO WORKERS IN THE VALUE CHAIN

In the materiality assessment carried out in 2024, the area of workers in the value chain was identified as a material topic for the Porsche AG Group due to several impacts.

Impacts in the area of working conditions

In the long-term, the Porsche AG Group's contribution to safe and fair working conditions in the upstream and downstream value chain has a material positive impact on the well-being of workers in the value chain, for example by establishing a Code of Conduct for Business Partners and conducting audits at direct suppliers that include a review of working conditions and health and safety measures.

In addition, the Porsche AG Group is committed to an intensified dialog about promoting positive environmental and social impacts in the value chain.

With that being said, the Porsche AG Group has also identified a potential material negative impact on workers in the value chain that could arise from the switch to alternative drive technologies.

For one, the resulting changes in demand for raw materials and production components may lead to job losses in the value chain. For another, increasing demand elsewhere creates the potential risk of changing working conditions. The impacts result from the Porsche AG Group's business model as it relies on a large number of suppliers. The Porsche AG Group has a share in this impact on account of its business relationships.

Impacts in the area of equal treatment and equal opportunities

In the medium-term, the Porsche AG Group's contribution to equal treatment and equal opportunities creates another material positive impact on the well-being of workers in the value chain for employees in the upstream and downstream value chain, for example by positively shaping and influencing aspects such as combating all forms of discrimination, intimidation, harassment and unjustified disadvantage by business partners, promoting equal rights and appropriate behavior toward employees by business partners, promoting the training and further education of workers in the value chain on sustainability topics (e.g. human rights). The Porsche AG Group has a share in the positive impact through its business relationships as it requires the individual aspects to be implemented.

Impacts and risks in the area of other work-related rights

The materiality assessment conducted in 2024 identified an actual positive impact on respect for human rights in the upstream and downstream value chain as material for the Porsche AG Group.

The impact originates from the Porsche AG Group's contribution to safe and fair working conditions in the upstream and downstream value chain and is achieved by contractually obliging business partners to prohibit child and forced labor, through its human rights focus system (HRFS) and by defining actions to monitor or not to work with high-risk suppliers in the

event of a violation. Other contributing factors are its supplier management actions such as supplier audits including the review of working conditions as well as health and safety actions and actions against bonded labor, modern slavery, human trafficking and data protection abuse. More details about the HFRS can be found in → **Strategic approach**.

In addition, a potential negative impact was identified in relation to threats to human rights of workers in the value chain. This includes the potential risk of child and forced labor in the upstream value chain due to business activities in high-risk regions as well as potential violations of human rights in the upstream and downstream value chain because of the global and complex business model. Components may also come from high-risk sectors and potentially be linked to human rights violations. This negative impact also includes the potential risk that value chain workers may not be provided with adequate accommodation and sanitation. The impact has an influence on the strategy and is anchored in the sustainability strategy via the "Supply chain responsibility" strategy field. It may result from the business model as it relies on a large number of suppliers.

Furthermore, a financial risk from breaches of government regulations to protect human rights was also identified for the Porsche AG Group. Corresponding laws in individual countries demand transparency in supply chains, including import bans on products or components that are suspected of being linked to human rights violations.

Although the Porsche AG Group does not see any risks of child, forced or compulsory labor at its own sites or those of its direct suppliers, these kinds of legal risks may arise from misconduct further upstream in the value chain. Possible impacts of non-compliance are financial sanctions and reputational damage.

Porsche AG meets this challenge with due diligence processes that cover its own business operations as well as the supply chain and other business partners. Porsche AG uses these due diligence processes with risk assessments and prevention measures and controls such as the supply chain grievance mechanism (SCGM) or the group-wide raw materials due diligence management system (RMDDMS) to identify and avoid potential breaches and keep the risks as low as possible.

CHARACTERISTICS OF THE AFFECTED WORKERS IN THE VALUE CHAIN

The activities of the Porsche AG Group can impact workers in the entire upstream and downstream value chain. These include the following groups of workers:

- Workers who work at Porsche-own sites but are not part of the company's own workforce, for example, workers in the areas of waste management, construction, consulting, catering and canteens, machinery services, marketing and events, medical services, legal services, cleaning services, training, security personnel, visa travel management.
- Workers who work for companies in the direct supply chain and upstream value chain, for example, workers in the areas of equipment and work clothing, vehicle components, energy, chemicals, lubricants, research and development, IT hardware, IT development/software, logistics, machinery and tools, raw materials.
- Workers who are active in the company's downstream value chain, for example, workers in the areas of scrapping, call centers, vehicle refurbishment, debt collection, laboratories, logistics, rental services.

Based on the abstract risk assessment, an understanding was developed of which types of workers in the value chain could be affected by negative impacts and which could be more at risk than others. The industry-oriented assessment in the reporting year revealed an increased potential risk in production materials, raw materials and logistics services.

INVOLVEMENT OF WORKERS IN THE VALUE CHAIN

Various exchange formats are available for the Porsche AG Group's own workforce to directly interact with each other. More information can be found in → **S1 Own workforce**.

With workers in the upstream value chain, comparable interaction in terms of intensity and regularity is only possible to a limited extent through representatives. Nevertheless, the inclusion of these workers is promoted via various indirect and direct formats, examples of which are described below.

Several times a year, representatives of Porsche AG engage in dialog with stakeholders as part of the automotive industry dialog on the German Federal Government's National Action Plan (NAP) for Business and Human Rights.

The Porsche AG Group also engages with stakeholders and affected workers in the value chain in other cross-industry initiatives, such as the Responsible Mica Initiative, where Porsche AG is on the Board of Directors. The initiative aims to improve conditions for local workers mining mica in India and Madagascar. There were also direct conversations with workers and communities in the mining areas during trips to the on-site projects in the reporting year.

Since 2020, Porsche AG has also been involved in the CASCADE (Committed Actions for Smallholders Capacity Development) project with Michelin to support rubber farmers in Sumatra, Indonesia. The partners offer on-site training aimed at improving the working and living conditions of small plantation farmers.

COMPLAINTS PROCESS AND REMEDIAL ACTION

Adherence to statutory requirements, internal company policies and the Code of Conduct has high priority in the Porsche AG Group. In order to live up to this, it is important to be aware of and prevent potential misconduct by employees. The Porsche **whistleblower system**, which is described in more detail in → **G1 Business conduct**, processes reports received independently and confidentially.

Porsche AG operates a multi-stage → **BHR** (Business and Human Rights) complaints procedure, which is defined in the Group Business and Human Rights Policy (see → **Policies**) and is operated centrally by Porsche AG for the Porsche AG Group.

The procedure provides internal and external complainants with a confidential communication channel for reporting potential breaches of human rights and violations of environmental duties. It is therefore also available to workers in the value chain. The reporting channels are communicated on the website of Porsche AG and selected group companies.

Any complaints received are processed using a standardized process. In the event of breaches of human rights or environmental obligations in the company's own business area or at a direct supplier, action is taken to prevent or end such violations or to minimize the extent of the violation. If there are specific indications of a potential violation of a human rights or environmental obligation by an indirect supplier, the available legal and actual options are exercised to take immediate action to prevent or end such violations or to minimize the extent of the violation. Depending on how severe the violation is, Porsche AG reserves the right to react appropriately in connection with business partners, up to and including termination of the business relationship.

The procedures and information on how complaints are submitted and processed are described in the rules of procedure for the BHR complaints process. The rules of procedure are publicly accessible on the Porsche AG website and are therefore also available to workers in the value chain.

The BHR complaints procedure and the associated contact options are discussed in employee training sessions. The effectiveness of the BHR complaints procedure is reviewed on a regular and ad hoc basis.

In accordance with the → **Code of Conduct for Business Partners**, the Porsche AG Group's direct suppliers are also obliged to set up a complaints procedure suitable for their company. This is intended to enable both the business partners' own workforce and other persons who could potentially be affected to raise concerns about business ethics, human rights or the environment. More information about the Code of Conduct for Business Partners can be found in → **Policies**.

The supply chain grievance mechanism (SCGM) is used to process reports of breaches of the requirements of the Code of Conduct for Business Partners by direct or indirect (1-tier or n-tier) suppliers of the Porsche AG Group.

The SCGM has a standardized process for the sustainability experts in the Procurement department at Porsche AG to deal with potential indications of breaches of the Porsche AG Group's sustainability requirements. On a case-by-case basis, they are forwarded to an interdisciplinary team of experts for further processing. This is described in the manual regulating sustainability management in supplier relationships.

STRATEGIC APPROACH

The Porsche AG Group's corporate responsibility does not end at the factory gates—it extends along the entire value chain. Respect for human rights and guaranteeing safe, healthy and fair working conditions are a central concern for direct and indirect suppliers and partners in the value chain. They are also expected to ensure equal treatment and opportunities in their own workforce and in their value chain and promote cultural, ethnic and religious diversity and an inclusive culture.

With the expansion of the product portfolio and the growing variety of technologies, the Porsche AG Group has strategically focused on sustainability-oriented management of its direct supplier relationships. "Supply chain responsibility" was defined as a strategy field within the → **Sustainability strategy**, bundling management approaches and actions aimed at environmentally sustainable procurement, compliance with human rights standards, social employment practices and responsible resource management.

Responsible supply chain system (ReSC system)

The Porsche AG Group uses the ReSC system as a management approach to fulfill its human rights and environmental due diligence obligations. The ReSC system was originally developed at the Volkswagen Group and serves as an overarching due diligence approach for procurement.

The goal is to identify, avoid and minimize human rights, social and environmental risks along the supply chain based on a systematic risk assessment. It should also help to put an end to violations and continuously improve direct suppliers' sustainability contributions.

The ReSC system includes the following interrelated elements:

- Risk assessment: A regular risk assessment ensures the early identification of risks in the Porsche AG Group's supply chain.
- Standard measures for all direct suppliers: These proactive and also reactive actions include the Code of Conduct for Business Partners, the → **Supply chain grievance mechanism** (SCGM), media screening, the sustainability rating (S-rating) and training direct suppliers and employees.
- Deep dive measures for high-risk areas: These encompass the human rights focus system (HRFS), the raw materials due diligence management system (RMDDMS) and collaboration with external partners to refine the concept of sustainability in the supply chain.

These elements are described below as well as in → **Policies** and → **Actions**.

The Porsche AG Group identifies the sustainability risks that may arise from its direct business relationships in the upstream and downstream supply chain. Indirect suppliers are also taken into account on an ad hoc and risk-related basis. However, dealers and customers are not included, nor are they covered by the ReSC system.

Sustainability rating (S-rating)

Porsche AG uses the sustainability rating (S-rating) for all direct suppliers of production materials and selected suppliers of non-production materials as a management tool for the supply chain. Using defined criteria, Porsche AG reviews environmental, social and compliance behavior as well as adherence to the Code of Conduct for Business Partners. Information about the specific requirements of the Code of Conduct for Business Partners can be found in the following section on → **Policies**.

The S-rating is based on a self-assessment by direct suppliers of defined sustainability criteria. In the event of negative assessments, Porsche AG initiates a corrective action plan in collaboration with the supplier concerned, which can be reviewed by an independent sustainability auditor. As a matter of principle, the suppliers concerned are not considered for contracts by Porsche AG until they meet the sustainability requirements. More information about the S-rating can be found in → **G1 Business conduct**.

The Volkswagen Group's raw materials due diligence management system (RMDDMS) is a key component of the responsible supply chain (ReSC) system. The RMDDMS describes the process for identifying, assessing and avoiding sustainability risks in raw material supply chains in accordance with the five steps of the OECD Due Diligence Guidance for Responsible Business Conduct and the requirements of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. With this risk-based approach, the Porsche AG Group prioritizes its activities based on the severity and probability of breaches of the law and the company's ability to influence them.

In the reporting year, the Volkswagen Group again conducted an audit and assessment of the 18 raw materials identified as particularly risky. These include the battery raw materials cobalt, lithium, nickel and graphite, the conflict minerals tin, tantalum, tungsten and gold (3TG), and cotton, magnesium, aluminum, copper, leather, mica, steel, natural rubber, platinum group metals and rare earths. The Volkswagen Group publishes an annual Responsible Raw Materials Report.

To be able to respond appropriately to particularly serious human rights and environmental risks, the human rights focus system (HRFS) was implemented together with the Volkswagen Group in the supply chain in 2022. The system aims to identify and address the source of potential particularly high risks in the supply chain in connection with human rights violations and the environment. The Porsche AG Group is particularly committed to protecting those groups along the supply chains that are at a potentially higher risk of human rights violations and the system helps it to do this. The aim is to implement suitable prevention and remedial actions that take into account the diverse and often structural causes of human rights violations.

The Business and Human Rights (BHR) Council, which is made up of members from various disciplines and reports directly to the Executive Board, is responsible for monitoring human rights and environmental due diligence in accordance with the German Supply Chain Due Diligence Act (LkSG) within the Porsche AG Group. The BHR Council is supported in its work by an office.

The BHR Council reports regularly (at least once a year) and on an ad hoc basis to the Executive Board of Porsche AG. The main content of these reports are the results of human rights or the environment risk assessments and the results of following up on complaints received.

POLICIES

The Porsche AG Group bases its entrepreneurial action on the following international standards: the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles of the UN Global Compact, and the relevant core labor standards of the International Labour Organization (ILO).

In Germany, several laws are in place to implement minimum standards for working conditions (such as the German Works Constitution Act (BetrVG), German Hours of Work Act (ArbZG), German Supply Chain Due Diligence Act (LkSG), and many others.

These requirements and standards are implemented in the Porsche AG Group in numerous frameworks and policies for processes and regulations aimed at achieving a positive impact on working conditions in the upstream and downstream value chain. These are described below.

The central document and the basis for cooperation based on trust between the Porsche AG Group and its direct suppliers is the **Code of Conduct for Business Partners**. The Code of Conduct for Business Partners requires direct suppliers to adhere to the shared values and translates these into concrete environmental, social and human rights standards.

The sustainability requirements in the Code of Conduct for Business Partners are based, among other things, on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Minerals Guidance) and the conventions of the ILO, especially the fundamental rights at work and the guiding principles of the "Drive Sustainability" initiative. These form the basis for entrepreneurial action and thus also for all other policies.

The direct suppliers of Porsche AG are forbidden from knowingly engaging in any form of forced or compulsory labor as well as any form of modern slavery, human trafficking or child labor. Business partners undertake to comply with the minimum age pursuant to the applicable law for employees working in their activities and in their supply chains.

Direct suppliers are also required by the Code of Conduct for Business Partners to refrain from any form of discrimination, intimidation, harassment or unjustified disadvantage toward their employees in the working environment. Unequal treatment because of ethnic or social origin, skin color, gender, nationality, language, religion, physical or mental limitations, gender identity, sexual orientation, state of health, age, marital status, pregnancy/parenthood, trade union membership or political conviction—provided that they are based on democratic principles and tolerance toward those with different opinions—is prohibited. Equal treatment also requires equal pay to be paid for work of equal value.

Direct suppliers should grant all employees the right to form and join trade unions and employee representative bodies. In this context, direct business partners agree to remain neutral and condemn any form of discrimination or retaliation based on trade union activities. They also support the right to collective bargaining agreements and the right of trade unions to operate freely and in accordance with applicable labor laws. This right also includes the right to strike and the right to collective bargaining.

The Code of Conduct for Business Partners also includes minimum standards for remuneration (living wage and punctual payment), occupational health and safety at work and fire safety requirements. Suppliers are required to ensure that working hours comply with the applicable national legal requirements and/or the national requirements applicable in the respective economic sector and that the working conditions meet applicable minimum standards, also in terms of hygiene.

Other work-related rights such as access to clean drinking water, minimum hygiene requirements and safety are also contained in the Code of Conduct for Business Partners.

The requirements from the Code of Conduct for Business Partners are an integral part of the supplier contracts. Furthermore, direct suppliers are obliged to pass on the sustainability requirements of the Code of Conduct for Business Partners to their own suppliers in the upstream supply chain and to install appropriate controls to monitor them.

To prevent integrity risks and negative social or environmental impacts along the supply chain, direct suppliers are informed about the content of Porsche AG's Code of Conduct for Business Partners as part of the Volkswagen Group's education measures, for instance, e-learning, and made aware of current challenges in the supply chain.

The Code of Conduct for Business Partners is the responsibility of the Porsche AG's Executive Board. It is available on the Porsche website in German and English.

Policies related to human rights

In 2022, Porsche AG issued a **declaration of intent to observe and promote human rights**, in which the Executive Board and Group Works Council of Porsche AG explicitly commit to observing human rights and promoting good working conditions and fair trade.

The main focuses defined in this declaration are:

- No child labor
- No forced or compulsory labor; rejection of all forms of modern slavery
- Diversity and protection of vulnerable groups
- Prohibition of any form of discrimination
- Tolerance of different opinions
- Ensuring the safety of individuals
- No involvement in unlawful acts
- Good working conditions
- Freedom of association and collective bargaining

Porsche AG has defined clear responsibilities for compliance with and review of human rights and environmental due diligence in accordance with the LkSG. The Executive Board of Porsche AG is responsible for ensuring that its business activities respect human rights and environmental obligations.

The Executive Board of Porsche AG has delegated the monitoring of human rights and environmental due diligence in accordance with the LkSG at the Porsche AG Group to the Business & Human Rights (BHR) Council. More information about this can be found in → **Strategic approach**.

The Declaration of intent is freely accessible on the internet. It applies to all employees of the Porsche AG Group at national and international sites, including group companies over which the Porsche AG Group exercises significant control.

The **Group Business and Human Rights Policy** was adopted in 2022, establishing an overarching framework for managing human rights and environmental due diligence in accordance with the LkSG. It also describes the rules of procedure for the BHR complaints procedure and specifies the channels to submit complaints and how complaints received are dealt with. The rules of procedure are described here in → **Complaints process** while general information about the policy can be found in → **G1 Business conduct**.

Policies related to equal treatment and equal opportunities for workers in the value chain

The topic of equal treatment and equal opportunities for workers in the value chain is explicitly described in the requirements of the aforementioned Code of Conduct for Business Partners. In addition, Porsche AG and selected group companies have signed the **German Diversity Charter**—a voluntary commitment for German businesses—as an additional pledge of their commitment. More information about this is described in the policies under Equal treatment and equal opportunities in → **S1 Own workforce**.

Policies related to other work-related rights

The aforementioned declaration of intent to observe and promote human rights explicitly deals with human trafficking, forced and child labor and thus also applies to workers in the supply chain.

The Code of Conduct for employees of the Porsche AG Group also contains principles on other work-related rights that relate to the value chain, for example, the explicit rejection of child, forced and compulsory labor as well as any form of modern slavery and human trafficking. The Code also describes specific legal regulations for the protection of privacy when handling personal data. The collection, storage, processing and other use of personal data generally require the consent of the data subject, a contractual arrangement or another legal basis. The Code of Conduct is described in detail in → **S1 Own workforce under Working conditions**.

Other policies related to sustainability in the supply chain

The **manual regulating sustainability management in supplier relationships** defines rules for managing sustainability in supplier relationships and describes how to adhere to social standards in the supply chain. It also sets out respect for human rights and → **Anti-corruption regulations** in the context of Porsche's business activities along the value chain. The manual regulating sustainability management in supplier relationships is the responsibility of the main Procurement Central Functions, Strategy, Digitalization, Risk Prevention and Genuine Parts department at Porsche AG.

In addition to the Code of Conduct for Business Partners and the aforementioned group policies, several specific policies on materials and raw materials address human rights and working conditions in the upstream supply chain. These **specifications** were developed together with the Volkswagen Group and rolled out in the Porsche AG Group. They are used when awarding new procurement contracts for production materials. More information about the specifications can be found in → **E5 Resource use and circular economy**.

In the case of battery raw materials, for example, the requirements include the fullest possible disclosure of the raw material origin of cobalt, nickel, lithium and natural graphite and the application of global standards such as the Initiative for Responsible Mining Assurance (IRMA). The Global Workplace Standard of the Responsible Minerals Initiative, which the specifications prescribe for mica, also includes fair and safe working conditions. A pilot project on specifications for natural rubber, another area of relevance, will continue beyond the end of the reporting year.

ACTIONS

As part of its strategic approach to greater sustainability in the supply chain, the Porsche AG Group takes various actions to ensure safe and fair working conditions as well as equal treatment and opportunities in its upstream and downstream value chain as far as possible.

Alongside the aforementioned elements of the → **ReSC system**, this includes the following actions, which are implemented, tracked and reported on an ongoing basis and in the reporting year:

Preventive actions

MEDIA SCREENING

Increasing supply chain transparency is a relevant prerequisite for identifying, preventing and mitigating human rights risks in the upstream supply chain. In addition, Porsche AG relies on new technologies such as IT tools to recognize potential risks and negative impacts, for example, in raw material supply chains. The permanent screening of freely available internet sources including social media provides timely indications of possible violations.

DIALOG ACTIVITIES

Porsche AG is an active participant in the automotive industry dialog on the German Federal Government's National Action Plan (NAP) for Business and Human Rights, which aims to contribute to strengthening human rights and shaping globalization in a socially responsible manner.

As a member of the Responsible Supply Chain Initiative (RSCI) of the German Association of the Automotive Industry (VDA), Porsche AG conducted audits in accordance with the RSCI assessment standard for sustainability in the automotive supply chain in the reporting year and has scheduled further audits for 2025. The aim of the audits is to improve supply chain transparency. These audits also include direct interviews with value chain workers.

Porsche AG conducts strategic sustainability dialogs with selected direct suppliers to continuously exchange information about relevant topics and achieve a greater level of transparency in the value chain. The participants reflect together on opportunities and challenges and determine approaches for sustainable actions.

EMPLOYEE AWARENESS AND TRAINING

In the reporting year, employees in Procurement at Porsche AG and selected group companies were regularly informed and trained on topics and current changes in the area of risk/supplier management. Sustainability in supplier relationships and the S-rating are also part of the training.

Human rights aspects have also been added to the training and communication measures, e.g. with background information, warning signs and recommendations if there is any indication of human rights violations.

QUALIFICATION OF SUPPLIERS

In addition to employees of the Porsche AG Group, employees of selected direct suppliers also receive training on sustainability standards, the S-rating and integrity. These training courses, for instance, are part of supplier development programs that also encompass other project management subject areas. This raises awareness of sustainability-related topics—including human rights—among the company's own workforce and workers in the value chain.

Remedial actions

Potential breaches of human rights or environmental obligations at a direct supplier are dealt with in a standardized process by the sustainability experts in the Procurement department and, on a case-by-case basis, by an interdisciplinary team of experts. This supply chain grievance mechanism (SCGM) is described in more detail under → **Strategic approach**. If there has been a violation, specific action is taken to end such a violation or to minimize its extent.

If there are specific indications of a potential violation of a human rights or environmental obligation by an indirect supplier in the upstream supply chain, the available legal and actual options are exercised to take immediate action to prevent or end such violations or to minimize the extent of the violation.

If violations are detected at a direct supplier during an on-site inspection, a corrective action plan is drawn up together with the supplier, who must then remedy the identified concerns without delay. The effectiveness of remedies is reviewed on a case-by-case basis, for example, as part of a re-audit. Depending on how severe the violation is, Porsche AG reserves the right to react appropriately in connection with business partners, up to and including termination of the business relationship.

Targeted actions for improvement are also developed and identified in the relevant areas for direct suppliers with a negative S-rating. More information about the S-rating can be found in → **G1 Business conduct**.





TARGETS





The Porsche AG Group manages the impacts and risks related to workers in the value chain centrally via the sustainability rating (S-rating) described in → **Strategic approach**.

The Porsche AG Group wants to ensure that its direct suppliers practice more ecologically sustainable procurement, adhere to human rights standards, implement social employment practices and achieve responsible resource management.

The specific target is described within Business conduct under the heading → **Management of relationships with suppliers**.

S3 AFFECTED COMMUNITIES

| Topic | Significant impacts | Value chain | | | Most relevant time horizon | | |
|-------|--|--------------------------|---|--------------------------|---|---|---|
| | | → |  | → |  |  |  |
| - | Strengthening affected communities/ environmental projects through corporate citizenship initiatives | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

→| Upstream  Own business activity |→ Downstream  Short-term (less than 1 year)  Medium-term (1 to 5 years)  Long-term (more than 5 years)

In the materiality assessment carried out by the Porsche AG Group in the reporting year, the entity-specific topic of corporate citizenship was identified as material. This Porsche specific topic was assigned to ESRS S3 Affected communities, as this is the predefined stakeholder group that benefits most from the positive impacts resulting from the initiatives and projects implemented.

Corporate citizenship

The Porsche AG Group has the ambition to help regions and communities located near its sites and around the world to preserve the environment, ensure good working and living conditions and strengthen existing social cohesion. As a company aware of its responsibility, it sees itself as a member of and partner to society.

IMPACTS RELATED TO CORPORATE CITIZENSHIP

In the materiality assessment carried out in 2024, the Porsche AG Group identified the strengthening of affected communities and environmental projects through corporate citizenship initiatives as an entity-specific material positive impact.

In order to realize this positive impact, the Porsche AG Group coordinates and manages various activities: local environmental protection projects can raise environmental awareness and educate participants; educational projects or fundraising and volunteering campaigns aim to strengthen the participating communities.

This actual positive impact reinforces the Porsche AG Group's strategic focus on the topic and highlights its importance for people and the environment. The "Partner to society" strategy field is therefore an integral part of its → [Sustainability strategy](#).

STRATEGIC APPROACH

To strengthen affected communities and environmental projects through corporate citizenship initiatives, the Porsche AG Group is involved in a large number of charitable initiatives in numerous countries via its "Partner to society" strategy field. It actively supports corporate citizenship projects, fundraising campaigns and corporate social responsibility (CSR) activities that are intended to benefit those people whose living environment is directly or indirectly connected to the Porsche AG Group. Through targeted support and training, the personal life situation of young and disadvantaged people, who are confronted with various forms of difficult life circumstances, is to be improved long-term. More information can be found in → [Actions](#).

In the reporting year, the Porsche AG Group further sharpened its strategic approach as a partner to society. Under the motto "Creating chances," the Porsche AG Group aims to support people at work, in their lives and in fulfilling their dreams, primarily through self-help projects. Existing and future social initiatives worldwide focus on "good working and living conditions," "climate change," "education," "integration" and "sports."

Corporate citizenship initiatives are intended to achieve long-term sustainable social added value in the aforementioned areas of impact. They aim to facilitate opportunities, participation and prospects and improve the lives of disadvantaged people.

The strengthening of affected communities through corporate citizenship initiatives is targeted by the Porsche AG Group through the central "Partner to society" core team that coordinates these initiatives. The structure and content focus of this

team was realigned in the reporting year. The team, which has been in charge of the strategy field since 2020, is managed by the Porsche AG Group's main Communications, Sustainability, and Politics department. It meets regularly and consists of representatives from the relevant organizational units of Porsche AG and those responsible for social focus projects. It defines an overarching implementation of the "Partner to society" strategy field, drives forward corporate citizenship projects, bundles them centrally and connects the relevant departments. The team also decides on the funding of projects from a company fund established specifically for the purpose of supporting selected projects in the area of social engagement.

The implementation of sponsorship and donation projects is managed centrally by a dedicated team in the main Communications, Sustainability, and Politics department. CSR sports sponsorship activities are also managed and organized centrally by another team there. The goal of the targeted support is to empower young people to contribute to society through social projects.

POLICIES

The Porsche AG Group has established internal management approaches and guidelines, with which it aims to ensure the uniform and legally compliant implementation of corporate citizenship projects, fundraising campaigns and CSR activities.

The **Group Donations and CSR Sponsorship Policy** covers the basic framework conditions for sponsorship projects and regulates all processes, responsibilities and approval conditions.

Sponsorship projects are primarily implemented at the different sites and are intended to generate long-term added value for society in the core areas of sport, culture, environment, social matters, education and science.

It is group policy that all donations and sponsorship funds must be used consistently, legally and exclusively in the interest of the Porsche AG Group. Only institutions that strive to make a positive contribution to respecting and promoting human rights are supported.

All incoming donation and sponsorship requests must be processed and reviewed using the principle of dual control within the value limits set out in the policy and result in a recommendation for approval or rejection. Local management approves the respective group companies' sponsorship

projects; larger projects require the approval of Porsche AG. Overall responsibility lies with Porsche AG's Communications, Sustainability, and Politics department, which presents an annual donation report of the entire Porsche AG Group to the full Executive Board.

ACTIONS

In the reporting year, the Porsche AG Group sponsored 117 projects with a total of €9.8 million, many of which it has been supporting for years. The donation total for the reporting year also includes a donation in kind of around €2 million. This commitment aims to make a positive contribution to the development of society. The Porsche AG Group would like to position itself as a mediator of social, ecological and societal responsibility. The following sections describe in more detail a number of initiatives that are part of the Porsche AG Group's social commitment.

Social focus projects of "Partner to society"

PORSCHE AFTERSALES VOCATIONAL EDUCATION (PAVE)

The Porsche AG Group has been training highly qualified employees in technical professions for 15 years as part of its "Porsche Aftersales Vocational Education" (PAVE) program. Participants attend training sessions at international locations—in accordance with European standards—and are then given the opportunity to be appointed to the dealer organizations of the Porsche AG Group and other Volkswagen Group brands around the world.

PAVE not only gives young adults, some of whom come from socially disadvantaged backgrounds, access to solid vocational training, but also benefits the dealer organizations by providing them with qualified employees. Long-term, strategic school partnerships embed the vocational training skills locally. The program responds to changes in vocational training requirements flexibly and proactively. PAVE offers highly promising development opportunities for young people, promoting their individual self-determination and achieving improvements to society.

The new Porsche Academy by PAVE vocational training program in Saudi Arabia was launched in the reporting year. By 2030, there should be future-oriented initial training programs for various professions and a modern competence center for teachers in Saudi Arabia.

Another pilot project was launched in the reporting year as part of the international recruitment of skilled workers with foreign PAVE specialists at the Porsche Center Olympiapark in Munich. This project aims to build on migration skills, promote fair migration of skilled workers and create a long-term system that meets the needs of today's working world. In order for this migration to be successful, special attention is given to finding a balance between the needs of skilled workers, countries of origin and companies, also with the aim of strengthening the local labor market. The Porsche AG Group is working on this through cross-border cooperation with various stakeholders and partners.

JOIN THE PORSCHE RIDE

The global "Join the Porsche Ride" initiative aims to highlight the Porsche AG Group's holistic understanding of the notion of social commitment. The project is aligned closely with the United Nations' Sustainable Development Goals (SDGs) and uses these goals to set priorities for the project sites. For example, it includes environmental and sustainability-related education programs for children, the inclusion of people with disabilities and improvements to occupational health and safety.

The subprojects run at selected international sites of the Porsche AG Group. Active, long-term commitment at a local level is essential for the future implementation and maintenance of subprojects, which is why the initiative is supported by the Porsche dealer organization as well as by partnerships with specialized local nongovernmental organizations (NGOs).

The symbol of "Join the Porsche Ride" is a Taycan, which serves as an ambassador of the initiative. In 2022, it set out from Stuttgart-Zuffenhausen and then stopped in Leipzig, Switzerland and France, before continuing on to South Africa, China and Brazil in 2023.

In the reporting year, the Porsche AG Group continued the actions of prior years at the established locations. For example, workshops on "Future sustainable mobility" and "Environmentally friendly use of resources" were held for vocational students at the 24-hour race in Le Mans, France, in cooperation with Porsche Motorsport and Porsche France. During one of the "Join the Porsche Ride" Taycan's stops in Malaysia, an environmental education program was developed in cooperation with an elementary school. Working with Porsche Asia Pacific, Porsche Malaysia and the local contract manufacturer, children play games to introduce them to environmental protection and waste prevention and are given an "Eco-Ambassador" certificate after they have completed several stages.

PORSCHE HILFT

Volunteering is an integral part of the corporate culture of Porsche AG and selected group companies. The "Porsche hilft" initiative lists employees of Porsche AG and selected group companies as volunteers, and Porsche AG provides central funding. The initiative shows that everyone can make an important contribution to society.

A digital platform lists organizations and associations that need volunteer support. They are selected in line with the Strategy 2030 Plus, especially the sustainability matters of engagement and empowerment. Interested employees can find a suitable project on the platform and help directly on site. This shared commitment also has a positive influence on employee cohesion.

Porsche AG is continually expanding this initiative and broadening the range of possible assignments. Employees have welcomed the opportunity to volunteer, with volunteers performing more than 3,645 hours of voluntary work in the year under review. Several examples include:

Some 410 employees at the Stuttgart-Zuffenhausen site teamed up with the Bürgerstiftung Stuttgart for its "Supp_optimal Essen für alle" initiative, which Porsche AG has been supporting since 2020. The initiative provides food and hot meals to homeless people. Porsche AG volunteers distributed around 2,700 meals to people in need on a total of 18 days in the reporting year. Porsche AG also donated €200,000, which equates to around 50,000 meals.

Over 175 employees took part in planting initiatives organized by "Trinkwasserwald e. V." for more and better drinking water. The association is dedicated to environmental education, raising awareness and promoting nature-based forestry. The aim is to ensure that there is enough high-quality groundwater in the long-term by converting damaged coniferous forests into vital mixed deciduous forests. Porsche AG has been supporting the association financially and with volunteers in Stuttgart since 2017. In 2024, Porsche AG volunteers planted around 5,600 trees over four weekends.

In the reporting year, Porsche AG volunteers joined the MHP RIESEN Ludwigsburg inclusion match day, where a Bundesliga basketball match was made accessible for blind, deaf and mobility-impaired people.

Other volunteers made traditional German “Schultüten,” paper cones filled with goodies, for the Caritas Stuttgart back-to-school campaign and donated around €3,000 for elementary school equipment for children at risk of poverty.

On World Cleanup Day in September of the reporting year, more than 350 volunteers from Porsche AG jointly collected over two metric tons of waste from around Porsche sites.

The annual Christmas initiative by Porsche AG employees made the Christmas wishes of disadvantaged children cared for by Stuttgarter Jugendhausgesellschaft come true. Donations were also made to the “Femmetastisch” women’s club and the child protection association Kinderschutzbund Stuttgart. In total, volunteers fulfilled more than 90 wishes and donated around €1,600.

CASCADE

Porsche AG embraces its responsibility to society along its value chain as well. For example, it is involved in numerous social initiatives dedicated to the sustainable extraction of raw materials that ensure human rights and fair working conditions. One of these cooperations is with Michelin, where Porsche AG is campaigning for the more sustainable extraction of natural rubber. The Committed Actions for Smallholders Capacity Development (CASCADE) project champions greater transparency and better working conditions for more than 1,000 small plantation farmers on the Indonesian island of Sumatra. Since the start of the project in 2020, Porsche AG and Michelin have invested a combined total of roughly €1 million in the project. In the reporting year, Porsche AG invested around €100,000.

TURBO FOR TALENTS—YOUTH DEVELOPMENT IN SPORTS

With its Turbo for Talents initiative, Porsche AG has now partnered with six sports clubs in Germany and one in Austria to support young athletes. The children and young people receive competent sports training, learn social values such as team spirit, fairness and respect, and have a chance for personal development. Through development and soccer camps run by the partner clubs, Turbo for Talents can reach other children and young people who are not part of the youth academies and also impart to them the values of Porsche youth development. The soccer world champion and Porsche ambassador Sami Khedira is a prominent sponsor of the program.

In soccer, it has partnerships with VfB Stuttgart, the Stuttgarter Kickers, the Red Bull Soccer Academy in Salzburg, Borussia Mönchengladbach and FC Erzgebirge Aue. In ice hockey, Porsche AG supports talented young people at the Bietigheim Steelers and in basketball, its name is used for the Porsche Basketball Academy in Ludwigsburg—the elite training center for MHP RIESEN Ludwigsburg.

Social projects around the world

PROJECT “LUKAS” FOR CHILDREN WITH DISABILITIES

More than seven million people in Germany live with a serious disability. They and their families often face serious challenges in their day-to-day lives. In 2019, Porsche AG launched the “Lukas” project—a German acronym for “A smile for company children with other strengths.” It supports employees whose children need special support due to a mental and/or physical disability. Since its launch, Porsche AG has donated around €650,000 to its integrative kindergartens as well as nursing and day-care centers. In the reporting year, €135,000 was donated to 24 facilities.

MAKE-A-WISH

To mark the 75th anniversary of Porsche sports cars in 2023, the Porsche AG Group donated around €1.8 million to the Make-A-Wish organization, which makes dreams and wishes come true for seriously ill children and young people. In a nod to the Porsche 356, the first Porsche sports car, the aim is to fulfill 356 wishes within three years and thus give a gift of hope to children and their families in difficult times. Since then, the organization has already fulfilled 223 wishes with the support of the Porsche AG Group.

PORSCHE DO DREAM

Through its “Porsche Do Dream” campaign, Porsche Korea wants to open new opportunities and prospects to disadvantaged children and young people. This includes the “Porsche Dream Up” scholarship program, which supports bright young talents in the fields of art or sport. The “Dream Playground” initiative creates play opportunities in schools. Other projects under the umbrella of this campaign include the “Porsche Dream Circle” for environmental education at a total of twelve schools, two of which in the reporting year, and “Bee’lieve in Dreams,” a honeybee project for greater biodiversity in Seoul, the capital of South Korea. The campaign projects are continuously promoted and developed based on the five areas of impact.

UN TECHO

Porsche Latin America has been supporting the “Un Techo” organization financially and through the engagement of local importers and volunteers since 2012. The organization works to support people in need in areas of poverty in Latin American cities. It provides emergency housing and education programs to improve the quality of life for the families who live there. Through the collaboration with Porsche Latin America, more than 800 shelters have been built in 15 countries so far, 43 of which were built in 13 countries in the reporting year alone.

LITERATURE AND ART FOUNDATION

Porsche China has been supporting the Shanghai Literature and Art Foundation (CC Foundation) since 2017, which offers young Chinese artists opportunities and prospects and brings them into the public eye.

The “Porsche Young Chinese Artist of the Year” competition began a new round in the reporting year, giving up-and-coming young artists a network and a platform to present their art and talent to the public. The competition will run for two years, with the winners to be announced in 2025 as part of the internationally renowned ART021 exhibition in Shanghai.

Selected social projects in sport

TURBO FOR TALENTS: TALENTS HAND IN HAND

The Talents Hand in Hand concept is a subproject of Porsche AG's youth development program → **Turbo for Talents**. In addition to theoretical training by education professionals, the youth teams of the partner clubs engage in practical conversations with social institutions and regional cooperation partners. The focus is on socially relevant topics such as inclusion, sustainable nutrition, health and the responsible use of resources. By taking on social, ecological and societal responsibility at an early age, the projects are a win-win situation for all participating talents and give the young athletes a direct and personal connection to society.

In the reporting year, Porsche AG implemented actions with its partner clubs Borussia Mönchengladbach, VfB Stuttgart and FC Erzgebirge Aue. For instance, the Mönchengladbach U12 and U13 teams took part in a workshop about environmental protection and then cleaned up waste around the Borussia Park grounds.

TURBO FOR TALENTS: PORSCHE KIDS DAYS

Another project of Porsche AG → **Turbo for Talents** youth development program is the Porsche Kids Days, which took place at least once in the reporting year at all partner clubs together with the local Porsche dealer organizations. Children from welfare facilities in the region had the chance to spend an exciting day with the partner club and accompany their sporting idols to top games in the halls or stadiums. After a backstage tour through the hall or stadium, they took part in workshops or short training sessions.

The Porsche Kids Days convey the values of Porsche youth development: tolerance, fairness, passion and respect. At the same time, they aim to raise young people's awareness of their social, ecological and societal responsibility.

TURBO FOR TALENTS: PORSCHE TURBO AWARD

The Porsche Turbo Award has also been an integral part of the → **Turbo for Talents** youth development program since 2020. Once a year, Porsche AG awards prizes to selected up-and-coming

players from its partner clubs in the categories best sporting development, best academic performance and exceptional social engagement.

In May 2024, the award ceremony took place for the ninth time, using the Porsche Experience Center (PEC) at the Hockenheimring as the venue for the third time. After the award ceremony and a panel talk with ambassador Sami Khedira, the young athletes were given the chance to copilot a car on the PEC tracks. In their feedback, the partner clubs and participants described Porsche AG as a motivator for academic, social and sporting excellence.

TURBO FOR TALENTS: GOALS FOR CHARITY

As part of the annual Porsche Soccer Cup, the → **Turbo for Talents** youth development program launched Goals for Charity to raise money for the Baden-Württemberg Sports Federation. For the fourth time, Porsche AG donated €500 for every goal scored. The many successful goals scored by the junior players raised €30,000 for the “Gemeinsam mehr bewegen” initiative in September 2024, which aims to promote the integration of children and young people with a refugee or migration background into sports clubs.

ACES FOR CHARITY

Porsche AG also donated €200 for every ace hit during the Porsche Tennis Grand Prix in April 2024. The total of 178 Aces for Charity were rounded up to a total donation of €60,000 for the tournament's charity partners, the Agapedia Foundation for Children, Soziales und Bildung gGmbH and the Johanniter-Unfall-Hilfe accident support organization in Stuttgart. This campaign has been a core part of the traditional Stuttgart tennis tournament for many years.

RACING FOR CHARITY

Porsche AG carried out the Racing for Charity fundraiser around the 24-hour race of Le Mans for the second time in the reporting year. It donated €750 for each lap driven by the three works Porsche 963 cars. The hybrid prototypes completed a total of 833 laps, and Porsche AG topped up the donation to €911,000, which was donated to the charitable aid organizations Kinderherzen retten e. V. and Interplast Germany e. V. (€350,000 each) and to the Ferry Porsche Foundation (€211,000).

Kinderherzen retten e. V. helps children with cardiovascular diseases from less medically advanced countries live healthy lives thanks to a one-time operation. The doctors at Interplast Germany e. V. perform plastic surgery and treat conditions including accidental injuries and burns in children from crisis areas and developing countries. The Ferry Porsche Foundation supports seriously ill children and their families.

OLYMPIANACHWUCHS BADEN-WÜRTTEMBERG FOUNDATION

Porsche AG has been supporting the OlympiaNachwuchs Baden-Württemberg e. V. Foundation since 2016. It promotes talented young athletes in Olympic disciplines, e.g. athletics, rhythmic gymnastics, fencing, wrestling and cycling, enabling them to combine school, training or studies and family with elite sport.

In the reporting year, the Foundation—with the help of Porsche AG—supported 105 young athletes in 22 sports on their way to the Olympics.

Resources and performance measurement

The national and international group companies usually carry out their sponsorship projects under the “Partner to society” strategic approach independently. The companies’ respective communications departments are generally responsible for the projects.

To validly measure the effectiveness and progress of the sponsorship projects, Porsche AG has developed its own evaluation methodology that incorporates quantitative and qualitative data. An annual evaluation calculates an overall score for how effective and efficient a project is. This allows the main Communications, Sustainability, and Politics department to compare many different sponsorship projects and develop specific potential for improvement. The target is to further improve the average score of all projects each year.

This evaluation methodology applies to all existing donations and CSR sponsorships relating to social sustainability at Porsche AG. One exception is the Turbo for Talents youth development program, where the current status of activities is evaluated by the project team and the existing sponsoring partners (partner clubs) on a weekly basis.

TARGETS

At present, the Porsche AG Group does not have fully quantified targets for its corporate citizenship projects in order to allow for the necessary flexibility in projects and funding levels. However, the Porsche AG Group’s corporate citizenship projects pursue the following overarching “Partner to society” targets under the motto “Creating chances”.

PROMOTING SAFE WORK

The Porsche AG Group wants to support people along the vehicle value chain and advocates for responsible and safe working conditions. This also includes occupational health and safety and ensuring sustainable livelihoods.











ENABLING A SELF-DETERMINED LIFE





Particularly in the area known as the Global South, the Porsche AG Group wants to help people secure their livelihoods and lead a self-determined life in the future.

FULFILLING BIG DREAMS

Fulfilling people’s dreams is a matter close to the heart of the Porsche AG Group. Education and integration in particular aim to strengthen self-realization and secure prospects for the future. The Porsche AG Group aims to specifically engage and support young people via sports projects.

S4 CONSUMERS AND END-USERS

| Topic | Significant impacts | Value chain | | | Most relevant time horizon | | |
|--|--------------------------------|---|---|---|---|---|---|
| | | → |  | → |  |  |  |
| Personal safety of consumers and/or end-users | Health and safety of customers |  |  |  |  |  |  |

→| Upstream  Own business activity |→ Downstream  Short-term (less than 1 year)  Medium-term (1 to 5 years)  Long-term (more than 5 years)

The business activities of the Porsche AG Group influence the lives and interests of many people around the world. Porsche customers—the consumers and end-users of the Porsche AG Group’s products—are a key stakeholder group.

Customers are therefore the focus of one of the four cross-functional strategies of the Porsche Strategy 2030 Plus. The “Customer” cross-functional strategy focuses on the relationship with customers. A central target of the Porsche AG Group is to inspire customers with its products during both the purchase and use phase. It does not just want to meet expectations, it wants to exceed them. More information on the Porsche Strategy 2030 Plus can be found in → [General disclosures](#).

IMPACTS AND RISKS RELATED TO CONSUMERS AND END-USERS

The personal safety and security of customers using the Porsche AG Group’s products and services is paramount. Therefore, Porsche AG considers vehicle safety and the optimal protection of drivers and passengers a high priority. The safety of other road users is also important.

According to the Porsche AG Group’s materiality assessment, guaranteeing the health and safety of customers is essential and has been identified as having an actual positive impact.

In its own business operations and in the downstream value chain, this includes providing comprehensive and effective safety protection for drivers, passengers and road users based on research and development, as well as communicating safety information that is of particular importance for the health and safety of customers.

The ongoing development of autonomous systems in vehicles offers innovative mobility solutions, but presents companies in the automotive industry, such as the Porsche AG Group, with new challenges and risks. In particular, there is a primary risk in the downstream value chain related to product liability in the event of potential accidents attributable to errors in assistance and automation functions. Safety and compliance requirements are already a focus in product development so that risks can be identified at an early stage. Potential accident risks are proactively addressed through targeted actions, such as implementing functional safety and usability processes and continuous monitoring of systems and software. In addition, comprehensive safety tests are conducted, which are a prerequisite for a vehicle’s market readiness. The automation system can be deactivated if necessary to ensure safety.

INVOLVEMENT OF CONSUMERS AND END-USERS

Porsche AG does not directly involve customers in vehicle safety processes. In the area of accident analysis, some customers are interviewed after accidents using standardized questionnaires, provided that they have given their consent. The vehicle safety system specialist department is responsible for integrating customers into the corporate concept.

Nevertheless, the Porsche AG Group welcomes questions, suggestions and concerns from internal and external stakeholder groups alike at any time.

Porsche AG has set up a complaints management system as a central point of contact for complaints and suggestions for improvement. This is described in more detail in → [Complaints process and remedial action](#). In addition, the Porsche AG Group actively solicits and measures the opinions of consumers and/or end-users on a variety of topics—a prerequisite for continuously improving customer satisfaction.

Since 2023, the Porsche AG Group has been using the customer excitement index (CEI) to measure how enthusiastic customers are along the entire life cycle—from initial contact to the purchase and ownership of a product through to potential repurchase. The global customer survey covers the aspects of purchase, product quality, user experience with displays and control elements, Porsche Connect services, charging of electric and hybrid vehicles and service.

The CEI is based on a survey of more than 300,000 customers worldwide each year. The resulting CEI is used as a management tool in the product quality and customer satisfaction forum. It is also relevant for the remuneration of Porsche AG's Executive Board and management.

Aspects of customer excitement

- > Purchase

- > Product quality

- > User experience with displays and control elements

- > Porsche Connect services, charging of electric and hybrid vehicles

- > Service

The CEI is based on customers' expectations and differentiates between "unsatisfied" customers, whose expectations were not met, "satisfied" customers, whose expectations were met, and "excited" customers, whose expectations were exceeded. Only those in the "excited" category are included in the index.

The customer relationship is also measured at other points: The success of providing digital information to consumers and end-users is measured by the number of clicks and open rates of e-mails, posts and videos. In addition, Porsche AG receives relevant information regarding product quality and customer satisfaction from Porsche customers via retail and other—also digital—customer touchpoints. These are also collected from customer ratings and statements they make in market research studies.

COMPLAINTS PROCESS AND REMEDIAL ACTION

Consumers and end-users can contact the general complaints management of the Porsche AG Group for any complaints relating to personal safety. These include breaches of product safety and licensing regulations.

Internal and external whistleblowers can report potential compliance violations by employees or direct and indirect suppliers at any time. They can do this via any of the whistleblower system's six different publicly available reporting channels. There are no complaint channels specifically dedicated to personal safety. The Porsche AG Group's complaints process is described in detail in → G1 Business conduct.

Reports of breaches of product safety and licensing regulations are treated differently to customer concerns relating to products and services. The latter are handled by Porsche customer support. The contact channels listed on the homepage offer customers a way to raise their concerns directly.

STRATEGIC APPROACH

The personal safety of all road users is important to the Porsche AG Group. Therefore, high priority is given to vehicle safety and the optimal protection of drivers and passengers. The safety of other road users outside the vehicle is also important.

The Porsche AG Group is continuously working on improving its vehicle safety systems and has firmly anchored these in Porsche AG's safety strategy, which was adopted by the Executive Board in 2021 and is set to apply until 2030.

The safety strategy aims to ensure a high level of protection for Porsche customers and to make a relevant contribution to road safety worldwide. This goes hand in hand with minimizing the potential consequences of accidents for everyone involved. Developments relate to the main contributions to accident prevention (active safety) and to reducing the consequences of accidents (passive/integral safety).

This is achieved by using state-of-the-art technology with a standardized international safety level, taking into account market-specific requirements.

Porsche AG has defined its own → **Safety standard.**

A comprehensive catalog of requirements describes how the safety standard is to be implemented in a binding manner and adhered to, regardless of the vehicle model or market.

Porsche AG does not use an individual indicator to measure vehicle safety across the board. Rather, vehicle safety goes far beyond a safe overall vehicle with safe structures; it also means, for example, safety for everyone inside and outside of the vehicle, a safe fuel system and safe high-voltage technology.

Porsche AG and the Volkswagen Group coordinate on vehicle safety requirements and procedures in several working groups. This includes the Safety working group that consists of all the safety officers of the brands of the Volkswagen Group and meets three times a year.

The working group synchronizes and harmonizes the safety requirements for all aspects of integral safety (including active and passive safety, pre- and post-crash) to ensure that these are implemented uniformly. It takes into account new legal requirements and the current state of research, and coordinates advance developments, component and function developments worldwide across the entire Volkswagen Group.

Vehicle safety experts analyze the relevance and impact of new requirements resulting from consumer tests and real accident analyses. They also compare the safety targets from consumer tests with the market requirements and harmonize these targets within the brands.

The vehicle safety departments at Porsche AG bear responsibility for the safety of individual vehicle components and systems. They work together centrally in the vehicle development stage. The heads of the relevant specialist area oversee the final approval of safety features.

Vehicle safety

At Porsche AG, for example, one department is responsible for all aspects of front protection, from the structure of the vehicle and the arrangement of components in the front end to energy dissipation, deceleration characteristics intended to protect occupants in the event of a frontal accident, and restraint systems (seat belts and airbags). It also brings together all the necessary development methods—component and system simulations and tests as well as full vehicle testing. This further refines the safety features and improves them until they are ready for series production.

Child safety is another key focal point in the field of vehicle safety. Vehicles and child car seats are designed to provide protection for children of all ages and sizes in the event of an accident.

The protection of other road users, such as pedestrians, is also a key element in the development of vehicle safety. Actions designed to meet the existing pedestrian safety requirements are implemented in cooperation with the Exterior Design department and the attachment development departments (such as fairing and headlights).

Once approved for road use, all Porsche vehicles undergo inspections according to the in-house quality management system at Porsche AG that go beyond the legal minimum. These include a final inspection of vehicle safety from development and production to after-sales.

POLICIES

The Porsche AG Group has established internal strategies and guidelines to effectively and sustainably embed the personal safety of consumers and end-users in the organization.

The central document is the **Porsche AG safety standard.** This is described in a catalog of requirements for vehicle safety systems, which defines how safety standards are to be implemented and adhered to, regardless of the vehicle model or market. It applies to all series and derivatives in all target markets around the world, yet it also contains versions that are specific to individual vehicle projects. The safety standard is updated regularly. Implementing these requirements improves consumer safety when using the vehicles.

On the one hand, the Porsche safety standard ensures conformity with the laws in the target markets; on the other, it also contains some of the Porsche AG standards relating to the safety of Porsche vehicles. These standards can go far beyond the legal requirements. They are based on the current science and technology and consumer protection requirements. From these, Porsche AG also derives specific target specifications for passive vehicle safety to minimize the potential consequences of accidents for everyone involved.

The catalog of vehicle safety requirements is updated regularly. Porsche AG therefore continuously monitors the changing legal situation in every target market as well as the activities of consumer protection organizations. It also performs regular analyses of the current state of vehicle safety technology from a competitive standpoint. Furthermore, field observations and accident analyses provide important information about the safety of Porsche vehicles that is factored into their design.

The safety standard is the responsibility of the Executive Board of Porsche AG and is made available to employees as needed.

During the reporting year, no cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises were reported by customers in the downstream value chain.

→ G1 Business conduct, → S1 Own workforce and
→ S2 Workers in the value chain

ACTIONS

The Porsche AG Group uses the aforementioned management approaches and policies to derive ad hoc actions that aim to help it protect the health and safety of consumers and end-users in the best way possible. These actions are implemented on an ongoing or ad hoc basis and were carried out and followed up on in the reporting year.

The electric Porsche Macan had its world premiere in the reporting year. For the first time, all derivatives have a center airbag as standard that is located on the inside of the driver's seat. In the event of a side impact, this helps protect the driver from the passenger side and can also reduce the risk of injury from head-to-head contact between the two front-seat occupants. The effectiveness of the action is reflected, among other things, in the compliance with Euro NCAP far-side requirements. The plan is to gradually extend this feature to other vehicle model series.

The resources used for the center airbag are specific to each vehicle project and comprise development costs and direct material costs.

TARGETS

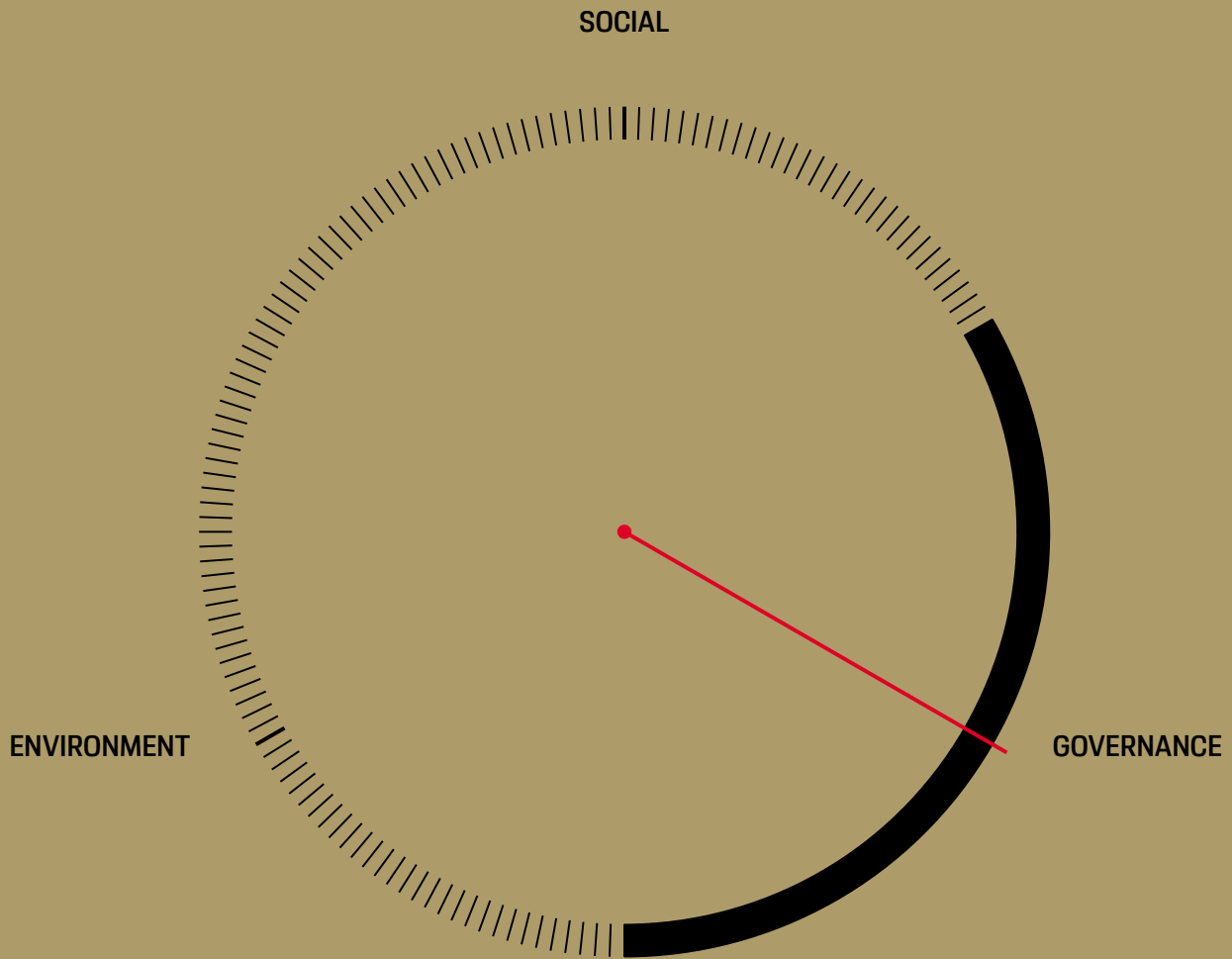
In the materiality assessment carried out in the reporting year, the Porsche AG Group identified the positive impact "Guaranteeing the health and safety of customers" as material. At present, the Porsche AG Group does not yet have a measurable, outcome-oriented and time-bound target that could serve as a key performance indicator. It is important for the Porsche AG Group to set sustainable and ambitious targets, the fulfillment of which will make a significant contribution to the "Personal safety of consumers and end-users."

Porsche AG attaches great importance to vehicle safety in both design and development. Porsche vehicles that have been tested under the Euro NCAP program have all received an overall safety rating of five stars. These include the Macan, the Taycan and the Cayenne.

In order to promote positive information-related impacts for consumers and/or end-users, the Porsche AG Group has set itself a target related to customer satisfaction.

One management tool for customer satisfaction is the customer excitement index (CEI), which is regularly compiled from customer surveys.

The Porsche AG Group has set itself the target of increasing the average share of excited customers throughout the entire customer life cycle in numerous aspects (purchase, product quality, user experience with displays and control elements, Porsche Connect services, charging of electric and hybrid vehicles and service). The aim is to enhance customer relationships and customer satisfaction over the long-term so that Porsche ranks high in the selected customer studies. In the base year 2023, the CEI was 46.7%. In the reporting year, it had fallen slightly to 45.5%.



100%

of the risk functions defined for the Porsche AG Group have rolled out a training concept on money laundering prevention.

92%

of direct suppliers of production material and selected suppliers of non-production material received a positive sustainability rating (S-rating).

19,324

employees at Porsche AG completed the digital Code of Conduct training module.

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BUSINESS CONDUCT

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

335 Targets

335 Metrics

GOVERNANCE

G1 BUSINESS CONDUCT

| Topic | Significant impacts | Value chain | | | Most relevant time horizon | | |
|---|--|-------------|---|---|---|---|---|
| | | → |  | → |  |  |  |
| Corporate culture | Contributing to social welfare gains by fostering integrity/ethical conduct | ■ | ■ | ■ | □ | ■ | □ |
| Protection of whistleblowers | Encouraging employees and other stakeholders to report unethical behavior or misconduct because there is a culture of trust and transparency, and effective systems are in place | ■ | ■ | ■ | □ | ■ | □ |
| Political engagement | Supporting informed decision-making based political engagement including lobbying activities | □ | ■ | □ | □ | ■ | □ |
| Management of relationships with suppliers including payment practices | Cooperative partnership based on fair business practices (e.g. fair and prompt payment practices) | ■ | □ | ■ | ■ | □ | □ |
| Corruption and bribery | Fostering a culture of integrity within the industry and building trust and respect among stakeholders by committing to the fight against corruption and bribery | ■ | ■ | ■ | □ | □ | ■ |

→| Upstream  Own business activity |→ Downstream  Short-term (less than 1 year)  Medium-term (1 to 5 years)  Long-term (more than 5 years)

The Porsche AG Group sees acting and operating with integrity as a foundation for its business activities. Business conduct is an important factor for the success of a sustainable and economically efficient transformation. Compliance with laws and internal policies, the consistent rejection of corruption and bribery, and transparency about the actions taken play a key role in the Porsche AG Group's sustainability efforts.

The business conduct information is divided below into three sections, each of which contains the policies, actions and targets as well as the relevant metrics with which the Porsche AG Group manages the material positive impacts identified:

- Corporate culture: Compliance and integrity including the topics of the whistleblower system, complaints process, corruption and bribery
- Political influence and lobbying activities
- Management of relationships with suppliers including payment practices

IMPACTS AND RISKS IN THE AREA OF BUSINESS CONDUCT

The materiality assessment carried out in the reporting year identified the following material impacts for the various aspects:

Impacts in the area of corporate culture

In its 2024 materiality assessment, the Porsche AG Group identified an actual positive impact on social welfare gains as a result of fostering integrity and ethical conduct. The analysis drew on knowledge already gained from various formats in connection with the corporate culture (e.g. workshops aimed at developing the corporate culture) as well as the Code of Conduct and the Code of Conduct for Business Partners.

The positive impact includes the following aspects that the Porsche AG Group promotes through its business model and corporate strategy: Fairness in dealing with employee representatives in its own business operations; fostering integrity, equal treatment and responsible decision-making processes along the value chain; and acting as a trustworthy and reliable partner in business relationships.

In addition, the materiality assessment identified an actual positive impact on a culture of integrity within the automotive industry and on trust and respect among industry stakeholders.

The Porsche AG Group's commitment to combating corruption and bribery inspires trust and respect among those involved and is also intended to foster a culture of integrity within the automotive industry. The risk assessments carried out within the framework of the compliance management system, the resulting preventive measures and appropriate controls are aimed at systematically ensuring compliance with the laws and internal regulations related to corruption or bribery applicable to the ongoing business operations. The obligation to combat corruption and bribery is primarily based on German criminal law and general German case law and is set out in several → **Policies in the section on corporate culture**, including the Group Avoidance of Conflicts of Interest and Corruption Policy.

An actual positive impact was also identified in connection with the protection of whistleblowers. Employees and other stakeholders of Porsche AG can use the Porsche AG's whistleblower system to report potential instances of misconduct of employees of the Porsche AG Group.

The management of the material impacts is described separately in → **Corporate culture**.

Impacts and risks in the area of political influence and lobbying activities

In its 2024 materiality assessment, the Porsche AG Group identified an actual positive impact in terms of political influence. This was concluded from the controls and procedures implemented to ensure that political lobbying is carried out in accordance with corporate values and standards and the law. Competition, antitrust and other legal provisions are observed. Through its lobbying activities and political influence, the Porsche AG Group has a positive impact on decision-making, as knowledge sharing is the basis for providing the best possible information to political decision-makers. Reputational and economic risks and risks of sanctions are thus reduced.

Political changes and political and regulatory decisions harbor the risk of a negative impact on the economic conditions, business operations and the reputation of the Porsche AG Group. In the value chain, this can have an impact on the Porsche AG Group's supply chains, products and sales markets, among other things. Diminishing opportunities for political lobbying could contribute to this. This is why political debates and political and regulatory frameworks are continuously monitored as a basis for transparent political lobbying.

The management of the material impact is described separately under → **Political influence and lobbying activities**.

Impacts in the area of supplier management

The materiality assessment carried out by the Porsche AG Group in the reporting year identified an actual positive impact in connection with the management of relationships with direct suppliers. In identifying this impact, the analysis took into account knowledge already gained from the purchasing processes and regulations regarding supplier selection, supplier development, supplier management and payment behavior by involving the relevant departments. The processes and rules

also apply in principle to small and medium enterprises. Fair business practices (e.g. fair and prompt payment practices as well as cooperation partnerships) foster cooperation with suppliers in the upstream value chain that is based on partnership and trust.

The management of the material impacts is described separately under → **Management of relationships with suppliers including payment practices.**

Corporate culture: Compliance and integrity

Acting in compliance with the rules and with integrity is vital for the Porsche AG Group's success. The Porsche AG Group rejects any form of corruption, cartelization, money laundering or other white-collar crime.

Law-abiding behavior protects the Porsche AG Group, its bodies and its employees from legal and disciplinary consequences and helps uphold the company's reputation. If there are no explicit rules or if conflicting objectives arise, one needs integrity as an inner compass on how to act in the right way.

In order to permanently embed compliance and integrity in the corporate culture of the Porsche AG Group, the Porsche AG Group has defined a code of conduct and → **Policies**, which are aimed at fostering trusting, honest, correct and fair cooperation with clear rules and a clear attitude.

STRATEGIC APPROACH

The Porsche AG Group pursues management approaches and initiatives that contribute to the positive impacts identified in the areas of corporate culture, compliance and integrity, and reduce the risk of anti-corruption and antitrust regulations being breached. These approaches and initiatives are described below.

Compliance management

The compliance management system of the Porsche AG forms the preventive framework for all principles, measures and processes not related to a specific person, which serve to safeguard and implement compliance in the compliance areas of anti-corruption, antitrust law, data protection, HR compliance and labor law, prevention of money laundering and environmental protection. This aims to prevent breaches of the law and/or policy violations in these areas or to at least make them significantly more difficult.

Porsche AG has its own policies in place for each of the compliance issues mentioned, including for dealing with conflicts of interest, combating corruption or avoiding conduct that violates antitrust law, which can be found in the following section on → **Policies**.

Responsibility for the compliance management methodology at Porsche AG lies with the Legal and Compliance department. The compliance organization is made up of the Chief Compliance Officer and those responsible for their respective areas of compliance. The Chief Compliance Officer provides the Executive Board and the Supervisory Board's Audit Committee with a quarterly report on the progress of implementing the compliance management system (CMS) as well as on significant actions and activities.

At the group companies of the Porsche AG Group, compliance is generally the responsibility of local management. At selected group companies, the responsible heads of Legal and Compliance, as local compliance officers, are tasked with operational compliance management and report to the Executive Board and the central Compliance department of Porsche AG on a regular basis.

The internal compliance risk assessment is used to continuously identify potential risks, define work priorities and derive preventive actions, such as training. This is based on compliance risk analyses that take into account the business model, relevant environmental conditions and the type of business relationships. These analyses are carried out in the main departments of Porsche AG and updated on an ad hoc and recurring basis. The group companies also carry out compliance risk analyses.

Since 2021, the central Compliance department has been conducting compliance monitoring each year in individual departments of Porsche AG and individual subsidiaries of Porsche AG, respectively. In addition to general compliance actions, the focus is on anti-corruption, antitrust law, prevention of money laundering and Business and Human Rights (BHR). Monitoring is a multi-stage process and, in addition to conducting interviews, also includes risk-based monitoring procedures such as spot checks of transactions that are of relevance in terms of compliance with the support of law and consulting firms. The results are compiled in a report that prescribes appropriate action if there is an evident need for improvement.

Integrity

Integrity means doing the right thing because you believe it is the right thing to do, regardless of legal regulations and regardless of economic, social or emotional pressures. Integrity management at Porsche AG has set itself the target of permanently embedding integrity in the corporate culture. Managers and employees should be able to act in accordance with ethical principles, with responsibility, conviction and steadfastness. To foster this value- and attitude-based culture in the best possible way, integrity management at Porsche AG is enshrined within the Human Resources and Social Affairs portfolio in the Executive Board in "Employee Development and Corporate Culture." Each of the group companies of the Porsche AG Group are directly responsible for integrity.

Conduct based on integrity is laid down in the Porsche AG Group's Code of Conduct, which not only emphasizes the importance of honest and ethical conduct and acting with integrity on the part of everyone, but also explicitly highlights the role model function of members of the Executive Board and managers. Integrity is also a core value of the Porsche Code. Integrity also plays an important role in the personnel processes on recruiting, employee retention, personnel development, remuneration and disciplinary action. Minimum standards in this regard are set out in the Group HR Compliance Policy in the following section on → **Policies**.

Reporting on the progress of implementation and on material actions and activities of Porsche AG is presented to the Compliance Council every six months, to the Executive Board on an ad hoc basis and to the Supervisory Board's Audit Committee annually in the form of the integrity report.

Porsche AG and from the reporting year also selected group companies use the → "**Porsche Puls**" employee survey to regularly review the culture of integrity. A poll about acting with integrity and compliant conduct in the company organization is part of the survey.

Corruption and bribery

The Porsche AG Group rejects corruption and bribery in any form. This stance is defined in the Code of Conduct and further group policies, toward the company's own employees and managers as well as direct suppliers, direct business partners and public officials. The Code of Conduct also defines how to correctly handle donations, sponsorships and grants in the form of gifts and invitations; see the following section on → **Policies**.

Responsibility for managing the compliance issue "Corruption and Bribery" lies with the Legal and Compliance department.

Whistleblower system

In order to detect compliance breaches, the Porsche AG Group has established a whistleblower system, which is intended to avert any potential damage to the Porsche AG Group.

All breaches committed by employees of the Porsche AG Group in connection with their employment can be reported via the whistleblower system. This includes any breaches of laws and internal regulations.

Internal and external whistleblowers—employees, business partners and their employees, customers and other third parties—can report potential breaches at any time. Various reporting channels are offered for this purpose, such as email, post, phone or an online tool. There are also external lawyers who act as ombudspersons. Employees can also contact the office responsible for the whistleblower system, their superiors or the local compliance officers (LCO). Employees of the Porsche AG Group are obliged to report any breaches of the rules to the reporting offices. This obligation is subject to any statutory confidentiality requirements (e.g. those of the data protection officers or the works doctors).

Reporting, processing, and discussing information can be done anonymously if preferred. For any reports made online, special IT infrastructure prevents the source of the information from being identified if preferred. Ombudspersons are another reporting option: External lawyers advise on the whistleblower system and enable reports from whistleblowers to be forwarded to the Porsche AG Group's whistleblower system, anonymously if preferred. Within the Porsche AG's group-wide whistleblower system, group companies forward relevant information to the independent Porsche Investigation Office (PAO).

Key performance indicators relevant to the whistleblower system are regularly reported to the Executive Board.

An important pillar of the whistleblower system is the principle of fair proceedings, the aim of which is to ensure the greatest possible protection of whistleblowers, those accused and those employees involved in investigating the misconduct that has been reported. The Porsche AG Group protects all whistleblowers from discrimination and retaliation to the best of its ability. This also applies to those who support the cases being investigated.

Strict confidentiality and secrecy apply throughout the investigation. An investigation is only initiated after a thorough examination and once concrete indications of rule-breaking have been identified. The presumption of innocence applies. Those accused are heard and vindicated if they have been wrongly suspected.

The effectiveness of the proceedings is reviewed. Questions or suggestions for improvement of the whistleblower system can be addressed to the PAO.

Whistleblowers do not have to fear any consequences on the part of the Porsche AG Group under labor law or otherwise. Any discrimination, intimidation or hostility toward whistleblowers as well as retaliation against whistleblowers because of their report will not be tolerated, but will instead be investigated and, if necessary, punished. The PAO is available for whistleblowers who find themselves at a disadvantage because of their report. The PAO is obliged to record a suspected serious breach of the rules and to investigate the facts of the case. The exact requirements for this are set out in the Group Whistleblower System Policy, see → **Policies**.

In the event that any employees breach this policy, rigorous action is taken to clarify the matter and – if necessary – the employees concerned are sanctioned. Depending on the severity of the breach, the consequences range from warnings to termination of employment without notice. Reported misconduct ranges from breaches of internal regulations to offenses against property and personnel matters.

Sanctions are also imposed on direct suppliers in the event of compliance breaches, up to and including immediate termination of the business relationship.

Complaints process

For human rights and environmental complaints relating to the company's own business activities, there is a BHR complaints procedure (Business and Human Rights) in place.

The BHR complaints procedure is defined in the **Group Business and Human Rights Policy** and is operated centrally by Porsche AG for the Porsche AG Group. Porsche AG uses a standardized process for any complaints received.

The Code of Conduct and information on how complaints are submitted and processed are described in the rules of procedure for the BHR complaints procedure. The rules of procedure are publicly accessible on the Porsche AG website and are therefore also available to workers in the value chain.

In 2023, Porsche AG's Executive Board established the Business and Human Rights Council (BHR Council) to monitor due diligence in terms of human rights and environmental matters according to the German Supply Chain Due Diligence Act (LkSG). This council is made up of members from multiple disciplines, is directly linked to the Executive Board and supported by its own office. The majority of the BHR Council's meetings are about events relating to human rights or the environment from the risk assessment and results from following up on complaints received.

If there is any suspicion that a direct or indirect supplier is not complying with sustainability requirements, the **Supply Chain Grievance Mechanism (SCGM)** comes into play. As part of this process, possible reports of breaches of the Porsche AG Group's sustainability requirements in the Code of Conduct for Business Partners are processed. Further information on the Code of Conduct for Business Partners can be found in → **S2 Workers in the value chain**.

POLICIES

Compliance and integrity are the subject of numerous policies and guidelines within the Porsche AG Group.

The **Code of Conduct** for employees summarizes the most important principles and expectations about acting lawfully, sustainably and with integrity for all employees and managers of the Porsche AG Group. For example, dealing with conflicts of interest, gifts and gratuities, combating corruption, appropriate behavior within the Porsche AG Group and toward customers, business partners and public officials as well as taking responsibility for the economy, the environment and society. The Code of Conduct serves as a policy for compliance with legal provisions and internal company policies within the scope of their activities for the Porsche AG Group.

The Code is aimed at all members of the Executive Board, members of management bodies, employees and managers throughout the Porsche AG Group. It is the responsibility of the Executive Board and is publicly available on the internet.

Employees who enter into a traineeship or employment with the Porsche AG Group receive awareness training on the Code of Conduct.

Porsche AG's cultural mission statement uses four main concepts (passion, pioneering spirit, sportsmanship, one family) to show "how we are." The **Porsche Code** was developed as a way to build on the cultural mission statement and supplements it with additional dimensions and behaviors. The Porsche Code provides all employees and managers of Porsche AG with a set of guidelines for their daily interactions with one another.

Integrity is a core value in the Porsche Code and forms a strong foundation for the organization. Employees and managers from different areas were involved in the development process via workshops that were moderated and designed internally. The Porsche Code was adopted by the Executive Board and is available to employees on the intranet. It can be used by the Porsche Group companies for implementation locally.

In addition to the Porsche Code, the **leadership criteria** define additional requirements for management. The role model function "setting an example of integrity and compliance" is one of these requirements. The leadership criteria serve as an assessment benchmark and feedback basis in the context of performance management and form the basis for all aptitude diagnostic procedures with regard to management development. Further information on this can be found in → **Integrity**.

The Porsche AG Group expects compliance with applicable laws and basic ethical values from its own employees and its suppliers and sees shared values as the basis for a cooperation based on trust. The **Code of Conduct for Business Partners** translates these values into specific requirements.

The requirements are primarily derived from applicable laws and, as a rule, form a core part of the contracts. The Code of Conduct for Business Partners also obliges business partners to pass on the requirements to their own suppliers in the upstream supply chain and to set up appropriate controls to make sure they are being complied with.

The Code of Conduct for Business Partners also includes guidelines on business ethics: The Porsche AG Group's direct suppliers may only make decisions based on objective criteria and must not allow themselves to be influenced by extraneous interests or relationships. Any form of corruption and unauthorized payments, including any facilitation payments for official acts, must be rejected and prevented. In addition, the applicable regulations governing anti-money laundering must be complied with. The direct suppliers must also comply with fair and free competition as well as the applicable competition and antitrust regulations and may not enter into any anti-competitive agreements.

The Code of Conduct for Business Partners is the responsibility of the Executive Board. It is available on the Porsche website in German and English.

➔ <https://www.porsche.com/international/aboutporsche/overview/compliance/overview/>

To ensure, for example, that the Code of Conduct for Business Partners is implemented in the value chain, Porsche AG uses the responsible supply chain system (ReSC system) to conduct a risk-based review of selected business partners for adherence to regulations and compliance requirements. Potential improvements in compliance can be promoted through communication and a partnership approach.

With its **declaration of intent to observe and promote human rights**, the Porsche AG Group is committed to respecting human rights and, in particular, to promoting good working conditions and fair trade. The declaration of intent describes the implementation of and compliance with human rights and environmental due diligence obligations pursuant to the LkSG within the Porsche AG Group. The declaration of intent is presented in detail in → **S1 Own workforce**.

The **Group Labor and Social Security Law Policy** aims to ensure that all labor and social security law regulations (including the German General Equal Treatment Act) are implemented within the Porsche AG Group in accordance with the law. The policy defines responsibilities, tasks and targets with regard to legal advice in the area of labor and social security law and requires all group companies to set up a complaints management system for discrimination cases in accordance with national legal requirements. Further information can be found in → **Complaints process** and → **S1 Own workforce**. The policy contains recommendations for the implementation of specified minimum standards and is mandatory, i.e. managers and supervisors must ensure that employees are aware of the requirements of this policy and comply with its provisions.

The **Group Business and Human Rights Policy** serves as an overarching framework for the implementation of and compliance with human rights and environmental due diligence obligations pursuant to the LkSG. In this context, the policy regulates the organization, tasks and responsibilities pursuant to the LkSG within the Porsche AG Group and specifies the existing regulations for the protection of human rights and for compliance with environmental obligations and social standards. This includes both the business activities in the Porsche AG Group's own business and the Porsche supply chains.

The **Group HR Compliance Policy** describes responsibilities, tasks and targets with regard to compliance with legal provisions and internal company policies as well as fostering and further developing compliance and integrity in HR instruments and processes for the companies of the Porsche AG Group. This includes equal opportunity processes and the fostering of diversity in a working environment free of prejudice. Further information can be found in → **S1 Own workforce**.

The requirements for the compliance management system are defined in the **Group Compliance Management Policy**. To this end, the policy sets out requirements for compliance with legal provisions and internal company policies and works toward ensuring the group companies comply with them.

When integrating new companies into the Porsche AG Group, aspects of the corporate culture and minimum integrity requirements are transferred to the new companies, taking into account the respective business model. This is done by means of integration management in the post-merger phase, which is regulated in the **Group Mergers and Acquisitions Policy**.

Policies on conflicts of interest, corruption and bribery

Conflicts of interest, corruption and bribery are the subject of general guidelines such as the Code of Conduct for employees.

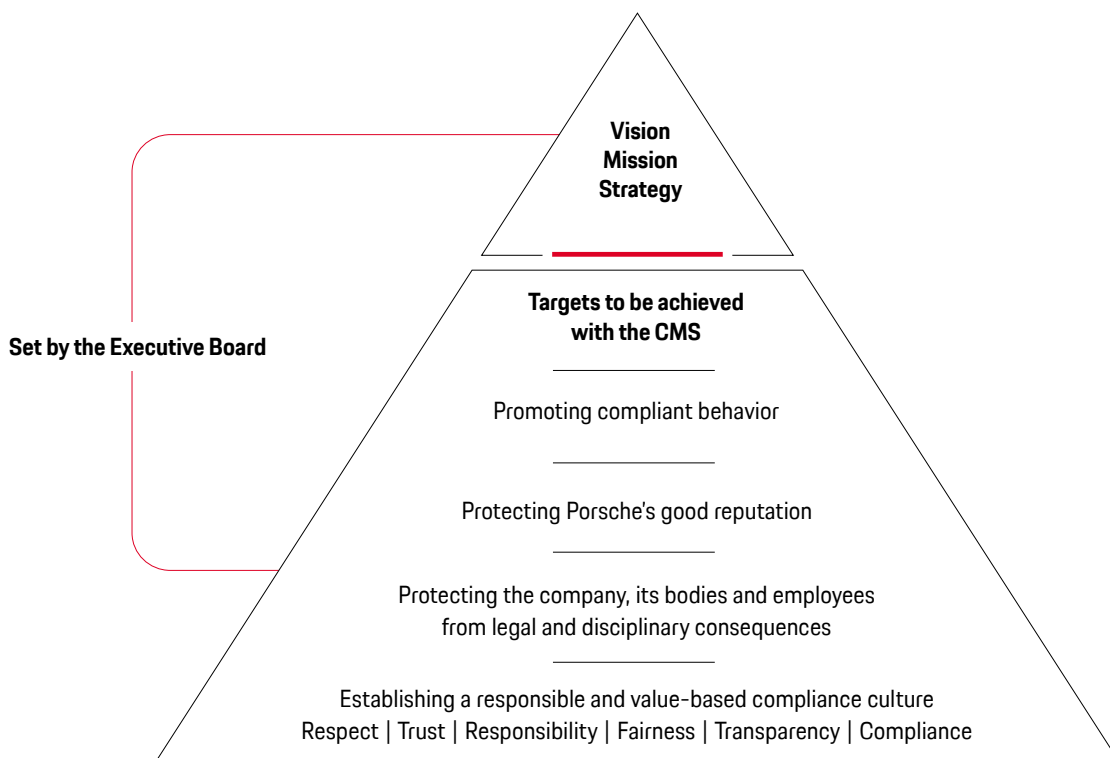
The key policy is the **Group Avoidance of Conflicts of Interest and Corruption Policy**, which provides recommendations for dealing with conflicts of interest and avoiding corruption.

The policy regulates the admissibility criteria for the granting and acceptance of benefits such as gifts and invitations within the scope of business and specifies the permissible scope here for decision-making and action for employees and managers.

It defines anti-corruption-specific requirements for implementing the compliance management system of the Porsche AG Group, including the careful screening of (potential) direct business partners with regard to compliance aspects.

The policy also contains requirements for informing and training employees on anti-corruption regulations and other relevant anti-corruption topics. The compliance officers of the Porsche AG Group companies are responsible for their implementation.

The group policy is reviewed annually for any need for adjustments. New or amended legal requirements and insights from the advisory business are also taken into account by the central compliance help desk.



The issue of corruption and bribery is also addressed in the **Group Donations and CSR Sponsorship Policy**. The policy sets out a uniform approach and basic framework for the implementation of donation-based sponsorship projects and CSR sponsorship activities (active sponsorship). Further information can be found in → **S3 Affected communities**.

The goal is to utilize donations and sponsorship money in connection with the company's social responsibility in a lawful manner and exclusively in the interests of the Porsche AG Group.

The **Group Sponsorship Policy** sets a uniform approach for sponsorship measures, brand partnerships and brand licensing partnerships of the Porsche AG Group, in particular of Porsche Lifestyle GmbH & Co. KG.

The Porsche AG Group uses sponsorship, brand collaborations and brand licensing partnerships to communicate with customers, consumers and end-users, but also to generate profits. Specifically for the Porsche AG Group company Porsche Lifestyle GmbH & Co. KG, entering into brand licensing partnerships is both the basis for the business and the business purpose as defined in the partnership agreement.

Uniform, group-wide guidelines are intended to ensure compliance with legal requirements and to give an outward appearance of uniformity for the Porsche AG Group and its group companies. The policy defines permissible funding areas and prohibited measures and differentiates between the terms sponsorship, brand partnerships and brand licensing partnership.

The **Group Special Vehicle Conditions Policy** provides specific instructions for granting discounts or other benefits in connection with vehicle transactions to certain stakeholder groups. The adopted processes create transparency regarding (planned) special vehicle conditions and compliance with special conditions that have already been approved.

The **Group Antitrust and Competition Law Policy** describes the responsibilities, tasks and targets with regard to legal advice on antitrust and competition law. It also regulates the uniform approach and the necessary compliance measures in the areas of antitrust and competition law. In this respect, it supplements the Group Compliance Management Policy.

The policy describes the risk of breaches of antitrust or competition law regulations in relation to competitors or in relation to companies in the upstream or downstream production stage (e.g. independent Porsche importers/dealers, direct suppliers) or other third parties. The aim is to avoid this with a functioning compliance management system.

The **Group Prevention of Money Laundering Policy** describes the responsibilities and tasks with regard to the prevention of money laundering at Porsche AG and group companies within its scope. The policy is largely based on the German Anti-Money Laundering Act.

The **Group Whistleblower System Policy** sets out rules for dealing with reports of breaches of regulations within the Porsche AG Group. It thus sets the framework for the Porsche AG Group's whistleblower system and aims to ensure compliant behavior in the best possible way by clarifying, remedying and, if necessary, punishing compliance breaches.

The office responsible for the whistleblower system is intended to be the primary (internal) reporting office for potential breaches of regulations; in addition, the policy provides for further reporting channels for internal and external whistleblowers, which are mentioned under

→ **Whistleblower system.**

The policy also describes how reports are investigated. Any breaches identified are responded to appropriately, for example in compliance with the applicable data protection, labor and co-determination laws.

The group policy expressly provides for the protection of whistleblowers. Any discrimination or retaliation against whistleblowers because of their reporting will not be tolerated, and will be investigated and, if necessary, punished in accordance with this policy. Whistleblowers may make a report anonymously, provided that applicable national law does not expressly prohibit this. If they request that their identity not be disclosed elsewhere in the Porsche AG Group, this is ensured within the framework of applicable law.

The provisions of the group policy take into account the requirements of the German Whistleblower Protection Act (HinSchG).

ACTIONS

The Porsche AG Group uses the aforementioned management approaches and policies to derive actions with which it aims to foster integrity and ethical conduct and positively influence the culture of integrity within the automotive industry. These actions are implemented on an ongoing or ad hoc basis and were again carried out, followed up and reported on in the reporting year.

The Porsche AG Group's compliance program includes various preventive and reactive actions. Any need for action and preventive actions are defined continuously or as needed based on a systematic risk analysis that takes the business model, relevant environmental conditions and the type of business relationships into account.

COMPLIANCE ADVICE

Employees at the Porsche AG Group can obtain confidential advice on all compliance issues. A central compliance help desk has been set up at the Porsche AG Group for this purpose.

Porsche Event and Gift Management (PVGGM) advises employees of Porsche AG on benefits in the form of gifts and invitations.

COMMUNICATION AND TRAINING ON COMPLIANCE ISSUES

The managers and employees of Porsche AG and selected group companies receive regular information and training on relevant compliance issues. For example, indirect employees of Porsche AG have taken part in a mandatory digital learning module on the Code of Conduct every two years.

In the reporting year, compliance officers carried out communication initiatives at Porsche AG, such as posting articles and explanatory films online. There were also classroom and virtual events for employee training as well as digital learning modules.

The compliance officers perform compliance training at Porsche AG and selected group companies as part of central HR programs. The compliance officers also organize training for specific departments and target groups, e.g. on legally required or current topics, or on request.

The relevant target groups and key content areas at Porsche AG are defined in a risk-based training concept. There are mandatory training formats in particular for managers, indirect and new employees.

For the reporting year, around 524 employees at Porsche AG received compliance training at classroom and virtual events, and 9,658 participants received compliance training through digital interactive training modules on the topics of anti-corruption, prevention of money laundering and anti-trust law. The digital Code of Conduct training module was completed by 19,324 employees at Porsche AG. This training module covers the directive of the same name and provides information about the whistleblower system and the contact details of the compliance help desk. The training also covers the content of the Avoidance of conflicts of interest and corruption and Human rights policies.

Porsche AG focuses on risk-based and target group-oriented training to reduce corruption risks such as conflicts of interest, improper benefits or money laundering. This involves the relevant employees of Porsche AG receiving regular training on the topic of anti-corruption. For the reporting year, 95.1% of the relevant employees took part in anti-corruption training (or training on the Code of Conduct).

Employees can find further information about compliance-related training and communications at Porsche AG on the intranet.

COMMUNICATION AND TRAINING ON INTEGRITY

As part of integrity management, activities and actions targeting specific groups are carried out in the areas of communication and training. This is done on an ongoing or ad hoc basis, with employees at Porsche AG and selected group companies being trained in integrity on their way to becoming managers. New hires are made aware of these topics through onboarding and integration formats.

The interdisciplinary multiplier network covering the brand, culture, and integrity provides Porsche AG employees with a platform to share their experiences, ideas, and presentations. It helps the ambassadors embed the topic of integrity within the departments. Employees can find bundled information on integrity on the intranet.

Aspects related to integrity are also addressed at all management levels through specific formats, initiatives and events. Managers also have access to a toolbox in their own special integrity section and apply this in day-to-day operations. It features self-reflection tools, dialog formats, and other information and initiatives relating to integrity. This way, as role models, managers can hold their own workshops to hone their understanding of integrity and, working with their employees, define and implement actions designed to improve integrity.

TRAINING ON THE WHISTLEBLOWER SYSTEM

As part of the internal training on compliance, employees are also regularly informed about the whistleblower system and how potential breaches can be reported. Training on the Code of Conduct also includes the reporting channels for submitting reports.

TRAINING ON SUPPLIER RISK MANAGEMENT

Procurement employees of the Porsche AG Group received regular training on topics and current changes in the area of risk management in the reporting year, in particular on financial assessment processes.

INTEGRITY IN INTEGRATION MANAGEMENT

New group companies are systematically introduced to the corporate culture of the Porsche AG Group through integration management. Minimum requirements on culture and integrity are discussed with the companies and their implementation is supported by providing advice on an ad hoc basis.

REVIEW OF BUSINESS PARTNERS

In order to ensure the Code of Conduct is implemented for business partners in the value chain, Porsche AG and selected group companies review their business partners for adherence to regulations and compliance requirements taking a risk-based approach before entering into a contractual relationship. Further information can also be found in the following section **ON → Management of relationships with suppliers.**

REACTIVE ACTIONS AND SANCTIONS

As a key action for responding to potential breaches of compliance, the Porsche AG Group operates a whistleblower system that can be used to report employees at the Porsche AG Group for potentially breaching laws or internal regulations. See the section on the → **Whistleblower system.**

TARGETS

The compliance organization of Porsche AG has developed general compliance targets to be achieved by the Compliance Management System based on general company targets, the corporate strategy and the Porsche AG Group's vision and mission and taking into account the regulations that are of particular importance to the Porsche AG Group. These targets include promoting compliant behavior and upholding the Porsche AG Group's reputation and protecting the company, its bodies and employees from legal and disciplinary consequences. In addition, the Porsche AG Group wants to continuously foster a responsible and value-based compliance culture.

The aim of the integrity management initiatives and actions is to permanently embed a value- and attitude-based culture.

One compliance target is to carry out at least two communication initiatives per year on each compliance topic at Porsche AG. Compliance content and guidelines are to be communicated to the relevant target groups via formats such as films, intranet articles and virtual or classroom training. This target was achieved in the reporting year with six dedicated communication initiatives on the compliance topics of anti-corruption, prevention of money laundering and anti-trust law.

Porsche AG has set itself the target of ensuring that compliance employees take part in at least two training events on the compliance topics of anti-corruption, prevention of money laundering and anti-trust law per year. In terms of subject matter, these training events are to relate to each person's own area of responsibility within Porsche AG. They can be attended internally or externally and participation must be documented, for example by means of a certificate. With the exception of employees who left during the reporting year or only started working in the Compliance department in the second half of 2024, all employees in their respective department took part in at least two training events in the reporting year.

The method used to monitor the three targets was to compare the target and actual values at year-end.

METRICS

Metrics on prevention and detection of corruption and bribery

Within the Porsche AG Group, the functions exposed to an increased risk of corruption and bribery due to their tasks and responsibilities are defined at company level. In terms of anti-corruption, these include the companies that regularly employ indirect employees. In terms of prevention of money laundering, these are the companies that have identified their own money laundering risks. 97.3% of the risk functions defined for anti-corruption at the Porsche AG Group have rolled out an anti-corruption training concept. A training concept on money laundering prevention has been rolled out in 100% of the risk functions defined for the Porsche AG Group.

In the reporting year, there were no matters that led to convictions for violations of anti-corruption and anti-bribery laws or any fines within the Porsche AG Group.

Methods and assumptions

To determine the coverage rate for the topic of anti-corruption, the risk functions of the Porsche AG Group are asked whether indirect employees are employed and whether an anti-corruption training concept has been rolled out. The results are then summarized at group level and a rate is calculated on this basis.

To determine the coverage rate for money laundering prevention, the Porsche AG Group risk functions are asked whether a training concept for money laundering prevention has been rolled out. The results are then summarized at group level and a rate is calculated on this basis.

The number of convictions and the amount of fines for violations of anti-corruption and anti-bribery laws are also requested from the group companies and aggregated in a next step.

Political influence and lobbying activities

The Porsche AG Group is committed to working across party lines to support strong, sustainable global trade. International competition, international business activities, freedom of movement for workers, and a global exchange of knowledge are the main prerequisites for the Porsche AG Group to be competitive. The Porsche AG Group welcomes international frameworks for improved sustainability and supports the Paris Agreement, including the 1.5°C goal. To the Porsche AG Group, these are the foundations of free, sustainable, fair and rules-based international trading relationships. Detailed information about decarbonization can be found in → **E1 Climate change**.

STRATEGIC APPROACH

The Porsche AG Group operates in a complex and heavily regulated field. Whenever possible, the Porsche AG Group evaluates the potential consequences of its business decisions for the company and environment and factors them into its internal processes. Furthermore, the Porsche AG Group plays an active role in helping to structure the regulatory framework for its business operations. All political and regulatory decisions that create an appropriate framework for economic activity are of fundamental importance to the Porsche AG Group.

The Porsche AG Group is committed to creating an appropriate framework for the ramp-up of electromobility. In order to drive electromobility, the charging infrastructure should be expanded in a reliable and ambitious manner. E-fuels should supplement the ramp-up of electromobility. The Porsche AG Group supports environmental and climate targets that are ambitious and at the same time economically feasible.

Remaining impartial in its dealings with political parties and interest groups is essential for the Porsche AG Group. In 2024, the Porsche AG Group did not make any financial or in-kind political contributions, such as party donations or sponsorship of party-political events.

At Porsche AG, the members of the Executive Board, the head of the Communications, Sustainability, and Politics department and the head of the Politics and Society department are responsible for activities relating to political lobbying. In the reporting year, none of the responsible bodies mentioned held positions in public administration or regulatory authorities.

The Politics and Society department is responsible for all political lobbying on behalf of the Porsche AG Group. It is a centralized coordination hub for concerted approaches and actions, and harmonized communication. Its duties also include organizing and supervising programs of political visits and events. Moreover, the department reports to the Executive Board on current political matters and developments regularly. Through its Governmental Affairs Steering Committee, the Politics and Society department coordinates the political activities of the Porsche AG Group while maintaining both a harmonized approach and consistent communication with stakeholders.

Involvement in associations

The Porsche AG Group is a member of the following associations (selection below):

- > **German Association of the Automotive Industry (VDA)**

- > **Südwestmetall (Baden-Württemberg employers' association for the metal and electrical industry)**

- > **Chamber of Commerce and Industry of the Stuttgart Region (IHK)**

- > **Leipzig Chamber of Commerce and Industry (IHK)**

- > **American Chamber of Commerce in Germany e. V. (AmCham Germany)**

- > **Stifterverband (an organization dedicated to education, science, and innovation)**

The Porsche AG Group also actively addresses current political issues through its involvement in selected associations. The Politics and Society department coordinates these activities as well. These activities are also subject to the principles of transparency, traceability, and responsibility. Competition and antitrust legislation, as well as other legal provisions, must always be taken into account. Inter alia, Porsche AG is registered in the Lobby Register (R001768, [↗ https://www.lobbyregister.bundestag.de/](https://www.lobbyregister.bundestag.de/)) to lobby the German Bundestag and the German government as well as the Baden-Württemberg Transparency Register ([↗ https://www.landtag-bw.de/de/der-landtag/transparenzregister](https://www.landtag-bw.de/de/der-landtag/transparenzregister)). The Volkswagen Group (REG number: 6504541970-40, [↗ https://transparency-register.europa.eu/searchregister-or-update_de](https://transparency-register.europa.eu/searchregister-or-update_de)) is registered in the Transparency Register of the European Union. Nardò Technical Center S.r.l. is registered in the Lobby Register of the Apulia region in Italy (identification number 23, [↗ https://lobbying.regione.puglia.it/ords/f?p=122:28::NO](https://lobbying.regione.puglia.it/ords/f?p=122:28::NO)).

Other memberships of Porsche AG in associations are recorded in the Lobby Register for lobbying the German Bundestag and the German government.

POLICIES

Political influence and lobbying activities are regulated in the **Group Principles of Communication and Governmental Affairs Policy**. It requires every political activity to adhere to the principles of integrity, transparency and traceability.

This group policy sets out rules for uniform communication within the Porsche AG Group – from national and international communications to communication with representatives from politics and society or leading representatives of authorities. It, therefore, also offers guidance on contact with political stakeholders and governs the process of political lobbying in coordination with the Volkswagen Group.

The policy is available on the intranet and applies to the entire Porsche AG Group. The Executive Board is responsible for the policy.

Strict national and international regulations on the prevention of corruption and bribery apply to dealings with officials and holders of political office, with which the Porsche AG Group complies. The allocation of donations and sponsorship money in connection with Porsche AG's social responsibility is also clearly regulated to avoid conflicts of interest → **Corporate culture**.

ACTIONS

Through its Politics and Society department, the Porsche AG Group **actively lobbies** for its positions in social and political discourse and decision-making processes.

To this end, the Porsche AG Group regularly engages in a transparent, goal-driven socio-political dialog with governments, parliaments, authorities, associations, institutions, non-governmental organizations and civil society.

The employees of the Porsche AG Group who are tasked with political lobbying regularly coordinate their work with the Public Affairs division of the Volkswagen Group in order to ensure a coordinated approach and action plan as well as uniform communication with dialog partners worldwide for the Porsche AG Group. The Volkswagen Group maintains its own corporate representations, for instance, in Berlin and Brussels. These also take on the political representation for the Porsche AG Group.

As part of its risk assessment, Porsche AG regularly identifies and evaluates relevant political developments as well as regulatory measures and uses these to derive recommendations on how the management of Porsche AG should act, taking into account a network of political decision-makers and external networks, also considering association work, areas of responsibility and priority markets.

TARGETS

Currently, the Porsche AG Group has not yet formulated a measurable, outcome-oriented and time-bound target within the meaning of the ESRS that could serve as a key performance indicator for the material impact "Threat to informed decision-making based on lobbying activities with regard to political engagement." As the impacts were only identified as material in the materiality assessment carried out in the reporting year, there is currently no target. It is important for the Porsche AG Group to set sustainable and ambitious targets, the fulfillment of which will make a significant contribution to business conduct. To this end, the targets should ideally be based on evidence while concurrently complying with the legal provisions arising from the ESRS, among other things.

METRICS

Metrics on political influence and lobbying activities

Below, Porsche AG and its group companies provide insights into their activities and obligations in connection with their political influence.

The Porsche AG Group has not made any direct or indirect financial contributions or contributions in kind for political purposes worldwide.

Methods and assumptions

To determine the financial or in-kind political contributions, the totals of these contributions are requested from the companies of the Porsche AG Group and aggregated at group level by country or geographical region and recipient.

Management of relationships with suppliers including payment practices

As its range of vehicles is increasingly electrified, the supply chain of the Porsche AG Group is becoming increasingly complex: new components and types of technology are involved, and the number of direct suppliers of production materials is rising. The need for potentially high-risk raw materials, especially for high-voltage battery manufacturing, is also increasing. As the proportion of all-electric vehicles increases, the Porsche AG Group anticipates that the share of supply-chain-related carbon emissions could further increase, not taking into account the decarbonization measures. Further information can be found in → **E1 Climate change**.

The legal requirements have also been expanded by the new Supply Chain Due Diligence Act (LkSG). Consequently, the significance of a responsible, environmentally friendly supply chain that respects human rights remains central to the Porsche AG Group.

Because of its products, the size of its production facilities and its global purchasing activities, the Porsche AG Group has a special responsibility to protect the environment and to comply with social standards. This includes respect for human rights and anti-corruption regulations as part of its business activities along the value chain. The Porsche AG Group also accepts this responsibility in its supplier relationships.

STRATEGIC APPROACH

The Porsche AG Group is dependent on a complex supply chain. Disruptions to the supply chain have shown in the past that it is heavily dependent on global and geopolitical stability. Possible consequences of disruptions to the supply chain include losses in profit or a reduction in customer satisfaction.

Preventative supplier risk management

In order to avoid environmental and human rights risks in the global supply chains, the Porsche AG Group has systematically added processes and actions for respecting human rights to its company-wide risk and supplier management system in accordance with the provisions of the LkSG. The Porsche AG Group's responsible supply chain system (ReSC system) aims to identify, avoid or minimize risks along the supply chain involving human rights, society and the environment.

Opportunities in the supply chain can arise through strategic value chain management and new strategic partnerships or the expansion of existing ones. Porsche AG's Risk Management department is responsible for implementing and further developing supplier risk management.

In addition, compliance management is also a key lever for the Porsche AG Group to avoid risks in connection with violations of antitrust or competition law regulations. There may be an increased risk of violations, particularly in relation to competitors in the upstream or downstream production stage. Avoidable violations may also occur with respect to other third parties.

The implementation of standardized processes, activities and responsibilities in transport management serves as the basis for drafting contracts with external service providers involved in similar processes within the Porsche AG Group.

The Procurement Central Functions, Strategy, Digitalization, Risk Prevention and Genuine Parts department of Porsche AG coordinates sustainability in the supplier relationships and is therefore the central point of contact for evaluating and improving the sustainability performance of direct suppliers. Its tasks include evaluating and improving the sustainability performance of suppliers, increasing transparency in the supply chain and sourcing raw materials responsibly in terms of working and living conditions and environmental impact. Their area of responsibility also covers the reduction or avoidance of CO₂ emissions and water emissions, the reduction of biodiversity loss and the improvement of the recyclability of products in the supply chain.

To support the implementation of the → **Sustainability strategy** at a local level, local specification documents must be evaluated as a way of supporting strategic targets and actions. One such example is the requirements for awarding contracts to direct suppliers. Before a contract is awarded, Porsche AG's procurement performs a multi-stage review and analysis process to assess whether direct suppliers are eligible to be awarded a contract. Further information can be found in the following section on → **Actions**.

Sustainability criteria in new contracts

The Porsche AG Group implements defined sustainability criteria when it awards new contracts.

High-voltage battery cells for electric drives are a carbon-intensive vehicle component to manufacture. This is why there is a specific award process for production materials for new all-electric vehicles: all direct suppliers in these vehicle projects must meet concrete specifications concerning the use of

electricity from renewable energy sources, carbon-optimized primary materials and recycled materials. Since 2021, direct suppliers have been required to use electricity from renewable energy sources in the production of components for Porsche vehicles. Almost all direct suppliers of production materials have made a commitment to meet this requirement.

Sustainability rating for direct suppliers

Porsche AG uses the sustainability rating (S-rating) as another supply chain control instrument. Based on defined criteria, Porsche AG reviews the environmental, social and compliance behavior and compliance with the Code of Conduct for Business Partners of direct suppliers of production materials and selected direct suppliers of non-production materials. Further information can be found in the following section on → **Actions**.

Transparent payment processes

To increase transparency in the supply chain and to avoid attempts at corruption, Porsche AG has largely transitioned its payment practices to electronic processes. All relevant supplier information regarding invoicing to Porsche AG is available in the Porsche Newsroom. Direct contractual partners are expected to send only electronic invoices. Direct suppliers of production material must send their invoices to Porsche AG via electronic data interchange (EDI) in the current VDA format. Invoices may only be issued via the Volkswagen Group's business platform ↗ <https://www.vwgroupsupply.com> in justified exceptional cases or in coordination with the Accounts Payable department at Porsche AG via email to a central mailbox or in paper form. They must always be sent to a fixed address. For its part, Porsche AG mainly provides electronic accounting records.

All invoices must be prepared in accordance with the applicable national VAT law. They must also contain a specific set of details (e.g. company name, invoice, supplier, order, delivery note and material number, tax rate and tax amount, unloading point, and the name of the point of contact at Porsche AG); all necessary documents must be attached.

Business partners can receive status information on invoices both on the Volkswagen Group's business platform (financial application system, FIN) and via the Porsche Invoice Interaction Center (PIIC) introduced at Porsche AG in 2024. A central unit at Porsche AG is responsible for receiving electronic invoices and for the tools used to provide the status of Porsche AG invoices.

POLICIES

The topic of managing relationships with suppliers, including payment practices, is included in various policies of the Porsche AG Group.

The group policies listed below apply to all group companies in the Porsche AG Group, which must implement them through a corresponding company policy. The interests of the group's own employees are taken into account in the formulation of group policies through the involvement of representatives of the group works council. The Executive Board of Porsche AG adopts the group policies, which are binding for Porsche AG and must be complied with by employees. The relevant group policies and documents are made available to employees on the intranet.

The objective of the **Group Supplier Risk Management Policy** is to standardize procedures intended to rapidly identify and control risks relating to direct suppliers who are financially unstable, in acute financial crisis, or insolvent. Standardized procedures are aimed at minimizing risks to supply due to restrictions in the direct supplier's ability to deliver for financial reasons and minimizing the resulting costs.

The **Group Sustainability Policy** stipulates that the Porsche AG Group aims to go beyond compliance with legal requirements by acting sustainably in order to secure the company's long-term success, contribute to sustainable development and strengthen and uphold society's acceptance of the company. Social and environmental concerns must be included in the company's considerations and decisions alongside economic aspects.

This policy also contains binding rules for the entire Porsche AG Group concerning the organization of the sustainability management, internal processes, topic management, project implementation, and communication of relevant sustainability topics. They enable the Porsche AG Group to ensure that the sustainability strategy is known and implemented throughout the Porsche AG Group.

Cross-functional and overall responsibility for sustainability lies with the Chairman of the Executive Board of Porsche AG, supported by the Member of the Executive Board responsible for Production and Logistics and the Member of the Executive Board responsible for Procurement. The latter two act as overseers of the sustainability strategy. The Executive Board is the highest body in charge of sustainable corporate development. It determines the fundamental strategic direction and concrete sustainability targets in strategy workshops.

The **manual regulating sustainability management in supplier relationships** provides the companies of the Porsche AG Group with an overarching framework for improving the sustainability performance of direct suppliers and the identification of risks among business partners and for dealing with any identified sustainability breaches in a uniform manner. The implementation of due diligence obligations extends to the Porsche AG Group's direct suppliers as well as to indirect suppliers on an ad hoc and risk-related basis. The companies in the Porsche AG Group are to be given the flexibility to implement these processes in a way that corresponds to their business activities. The manual also describes details of the processes and working methods in the annexes on Supply Chain Grievance Mechanism (SCGM) and Sustainability Rating (S-rating).

It also defines the organization, tasks and responsibilities within the Porsche AG Group and specifies the implementation of existing regulations by the procurement organization of the Porsche AG Group in the context of supplier relationships.

The **company policy on the procurement of production material** at Porsche AG sets out a framework for the production material procurement process. This framework comprises two core processes: forward sourcing (for newly developed vehicle components) and global sourcing (for existing vehicle components). The policy defines the operational process stages and describe strategic procurement processes, procurement planning, and tool documentation as well as how price risks are to be handled.

The objective of the policy is more effective procurement on a standardized level of quality. In this way, Porsche AG aims to minimize as far as possible potential risks relating to costs, quality, supply, compliance with legal specifications and official orders, scheduling, liability, and the financial stability of direct suppliers.

The relevant bodies are the Porsche Sourcing Committee (PSC PM) for the procurement of production materials and the pre-meeting or Corporate Sourcing Committee (CSC) of the Volkswagen Group. Involving the relevant departments of the Porsche AG Group and in coordination on a case-by-case basis with the vehicle brands of the Volkswagen Group within the CSC, the PSC PM makes all decisions concerning contracts for purchased parts within the scope of the forward sourcing and global sourcing processes.

The **Group Transport Management Policy** describes standardized processes, activities and responsibilities in transport management. It covers the definition of requirements through to invoicing and serves as the basis for drafting contracts with external service providers involved in such processes within the Porsche AG Group.

The **Group Corporate Finance and Treasury Policy** regulates the main tasks and responsibilities relating to corporate finance and treasury within the Porsche AG Group. The Finance and Treasury division is responsible for e-payment, payment transactions, cash management, financing management and asset management and defines responsibilities for the coordination and execution of daily payment transactions as well as the timely management and safeguarding of electronic cash flows.

The provisions and actions laid down in the policy apply to all companies, including small and medium enterprises.

Other policies relating to supplier management are the **Group Antitrust and Competition Law Policy** and the **Code of Conduct for Business Partners**. More information can be found under → **Policies on corporate culture**.

ACTIONS

The Porsche AG Group carries out various actions to positively shape the management of relationships with direct suppliers. It also pursues the goal of fostering cooperation with suppliers in the upstream value chain, based on partnership and trust.

These actions are implemented on an ongoing or ad hoc basis and were again carried out, followed up and reported on in the reporting year.

COMPLIANCE REVIEW OF SUPPLIERS

Before a contract is awarded to a direct supplier, Procurement at Porsche AG and selected group companies reviews the supplier to make sure it meets compliance requirements.

The risk review is IT-based and incorporates information from databases and, if necessary, self-assessments into a risk assessment. Depending on the assessment, further action such as external due diligence or the inclusion of supplementary contractual conditions is initiated, up to and including the exclusion of the supplier.

In the reporting year, there was no reason to terminate business relationships due to the identification of significant negative environmental impacts.

ELIGIBILITY REVIEW OF SUPPLIERS

Before a contract is awarded to a direct supplier, the Porsche AG Procurement department checks the supplier's financial status ("financial rating") and requests a current financial rating if necessary. The "Supplier Status" report is used for this purpose: it indicates whether direct suppliers of production materials and direct suppliers of non-production materials are considered eligible or ineligible to be awarded a contract from a financial standpoint.

Above all employees in the Procurement department are required to perform continuous reviews of the financial situation of direct suppliers and look out for potential indications of negative changes. If a critical development occurs, additional information about the financial situation of the direct suppliers must be obtained in coordination with the relevant department. More information can be found in → **Policies**.

SUSTAINABILITY RATING (S-RATING)

Since 2019, Porsche AG has used the sustainability rating (S-rating) as a management tool for its supply chain as part of the procurement process. The S-rating is carried out on an ongoing basis.

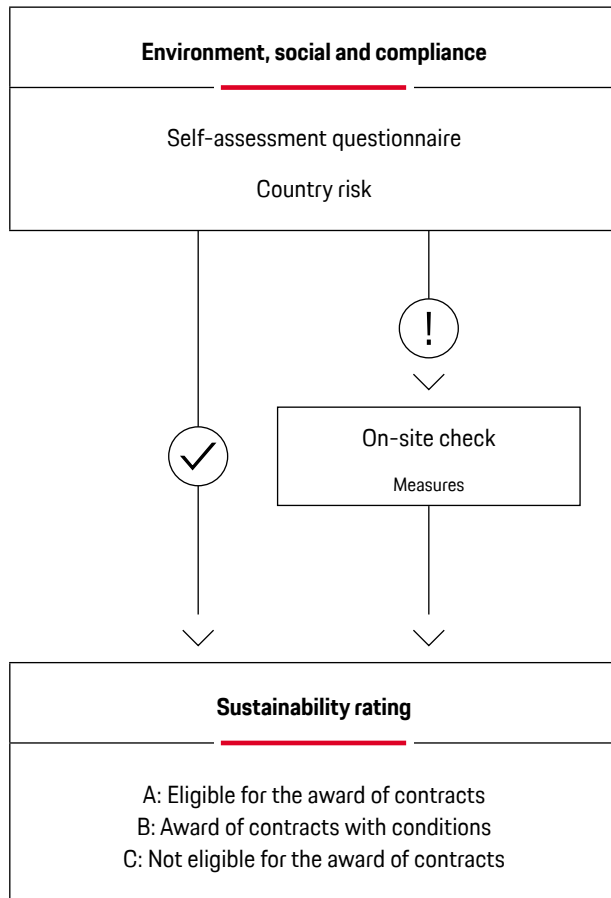
Before a new contract is awarded, the S-rating review is carried out on a risk and ad hoc basis in a multi-stage process. As a first step, risk exposure is determined from a combination of a country risk, based on the site of production or last value added, and a self-assessment by the direct suppliers on company processes and policies. In addition, the sustainability performance of the companies is reviewed in risk-based audits. Data from a specialized service provider is used to determine the country risk. The risk exposure of the direct supplier determines how much detail the audit goes into.

The requirements for direct suppliers are reviewed using a standardized self-assessment questionnaire (SAQ). Since 2019, the SAQ has been mandatory as a minimum requirement for all supplier sites with ten or more employees within the scope of the S-rating.

The result of the S-rating is divided into three rating categories: Direct suppliers with an A- or B-rating meet the requirements of the Porsche AG Group and are therefore eligible to be awarded contracts. If a direct supplier does not meet the requirements for compliance with sustainability standards (C-rating), it is generally not eligible for contract awards. This provides a direct incentive for direct suppliers to improve their sustainability performance.

If the results of the self-assessment are not satisfactory because the sustainability standards needed for the S-rating are not met at the direct suppliers or the required evidence is not provided, an on-site inspection may be carried out by an independent sustainability auditor. If any concerns are raised, the direct supplier is given a negative rating. If target achievement falls below a defined threshold, Porsche AG initiates a corrective action plan in collaboration with the supplier. The direct supplier must remedy the identified concerns within the agreed time frame, which the independent sustainability auditor verifies directly. As a matter of principle, the suppliers concerned are not considered for contracts by Porsche AG until they meet the sustainability requirements.

Sustainability rating



To check compliance with the sustainability criteria, all employees involved in procurement at Porsche AG are mandated to take part in training on the S-rating. The digital

learning module is also available on a voluntary basis to employees from all areas of Porsche AG to familiarize them with the concept and control options of the S-rating.

Employees in Procurement at Porsche AG and selected group companies had to complete one-off mandatory training on the topic of sustainability in supplier relationships and the S-rating in the reporting year.

SPECIFICATIONS

In addition to the provisions of the Code of Conduct for Business Partners, specifications aim to define further product- and material-specific requirements for direct suppliers, including transparency and sustainability criteria.

The specifications apply on an ongoing and component-related basis.

SUPPLIER DEVELOPMENT/TRAINING

In addition to employees of the Porsche AG Group, employees of selected direct suppliers also receive training on sustainability standards and integrity. These training courses, for example, are part of supplier development measures that also encompass other project management subject areas, such as capacity adjustment, cost optimization and reporting. In this way, Porsche AG is pursuing the goal of strengthening supply security for the series production of vehicles.

DIALOG ACTIVITIES WITH SUPPLIERS

Porsche AG is an active participant in the automotive industry consultation formats on the German Federal Government's National Action Plan (NAP) for Business and Human Rights. The aim is to make a contribution to strengthening human rights and shaping globalization in a socially responsible manner through the working conditions in the company's own business areas and in the supply chain.

Porsche AG also engages in a strategic sustainability dialog with selected direct suppliers to exchange information on relevant topics on an ongoing basis. The participants reflect on opportunities and challenges and determine approaches for sustainable actions.

Further information on dialog to support supplier relationships can be found in → **S2 Workers in the value chain**.

TARGETS

Since 2019, Porsche AG has used a sustainability rating as a management tool for its supply chain: the → **Sustainability rating (S-rating)**. The related target manages both the positive impact identified in connection with the management of relationships with suppliers and the impact on → **S2 Workers in the value chain**.

Specifically, in consultation with the relevant internal experts, Porsche AG has set itself the target of meeting the internal quality standards relating to sustainability (A- and B-rating) for 93% of the production material it purchases from direct suppliers by 2030.

This means that over 93% of direct suppliers of production material and selected non-production material will achieve a positive S-rating (A- and B-rating) by this point in time based on revenue. The basis is a self-disclosure from the direct suppliers, which is followed by special-purpose on-site inspections if necessary.

In the reporting year, the targets for 2030 were reviewed and raised by 3 percentage points to 93% to maintain its high ambitions based on the target achieved previously.

For 2024, Porsche AG had set itself the target of 86% of direct suppliers receiving a positive S-rating. The degree of fulfillment stood at 92%. The base figure in 2019 was 71%.

The target was set as part of the → **Sustainability strategy** in the "Supply chain responsibility" strategy field, which aims to shape the supply chain responsibly, minimize risks and make a positive contribution for all partners.

The target and the analysis of material changes at direct suppliers are achieved through continuous monitoring and cooperation. The employees responsible for procurement can view the S-ratings in a Volkswagen Group database. The results are regularly reported to the Volkswagen Group via the procurement strategy.

METRICS

Metrics on relationships with suppliers including payment practices

Porsche AG and its subsidiaries regulate the terms of payment in connection with their suppliers in the standard terms and conditions of purchase. For Porsche AG, these stipulate that suppliers be paid within 30 days. The terms and conditions of the subsidiaries have different payment terms, in each case in accordance with national legal requirements. Payment terms here range from 30 to 90 days. The standard terms of payment generally apply; individual deviations are however possible as part of a negotiated supplier contract. There is no standard deviation for a specific group of suppliers. The Porsche AG Group pays its liabilities within the payment terms described above.

On average, the Porsche AG Group takes 45 days to settle an invoice. This figure was calculated based on the days payable outstanding (DPO) in the Porsche AG Group.

Methods and assumptions

The Porsche AG Group uses the DPO to determine the average time required to settle an invoice. This is taken from the defined items of trade payables and sales revenue from the financial reporting. The formula for the calculation is as follows:

$$\frac{\text{Trade payables as of 31.12.}}{\text{Sales revenue for the reporting year}} \times 365$$

Stuttgart, February 24, 2025

Dr. Ing. h.c. F. Porsche Aktiengesellschaft
The Executive Board

To determine the material information to be reported, the identified material impacts were examined in more detail. Disclosure requirements were identified based on where the material impacts were located in the value chain. The material information was identified for the relevant disclosure requirements. The scope of the reported information was selected in such a way that the material information required for these disclosures meets the disclosure requirements in a transparent and targeted manner. Entity-specific disclosures were selected to create transparency for any entity-specific circumstances.

In the reporting year, individual ESRS disclosures on the material topics of climate change (E1), pollution (E2), biodiversity and ecosystems (E4), resource use and circular economy (E5) and business conduct (G1) have been omitted. In the area of climate change, no disclosures have been made about biogenic

emissions related to Scope 2 (market-based) and Scope 3 (E1-6). No quantitative information has been reported on the use of electricity bundled with certificates or traded with separate guarantees of origin (E1-6). Quantitative information on Scope 3 emissions measured using primary data has also been omitted (E1-6). In addition, the carbon credits that will be canceled in the future (E1-7) have been omitted. The topic of microplastics has been completely omitted from the material topic of pollution (E2). No quantitative information on sites with negative impacts on biodiversity-sensitive areas (E4-5) has been reported in the chapter on biodiversity. No quantitative information has been provided on the proportion of recycled materials (E5-4) and the durability of products (E5-5) in the area of resource use and circular economy. In the area of business conduct, no quantitative information has been reported on any pending legal proceedings for late payment (G1-6).

List of material disclosure requirements

List of material disclosure requirements

Reference

ESRS 2—General disclosures

| | | Reference |
|-------|---|------------|
| BP-1 | General basis for preparation of the sustainability statement | p. 170–171 |
| BP-2 | Disclosures in relation to specific circumstances | p. 170–171 |
| GOV-1 | The role of the administrative, management and supervisory bodies | p. 187–191 |
| GOV-2 | Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | p. 191 |
| GOV-3 | Integration of sustainability-related performance in incentive schemes | p. 191–193 |
| GOV-4 | Statement on due diligence | p. 339 |
| GOV-5 | Risk management and internal controls over sustainability reporting | p. 193 |
| SBM-1 | Strategy, business model and value chain | p. 171–175 |
| SBM-2 | Interests and views of stakeholders | p. 184–187 |
| SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | p. 181–183 |
| IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities | p. 176–183 |
| IRO-2 | Disclosure Requirements in ESRS covered by the undertaking's sustainability statement | p. 336–339 |

E1—Climate change

| | | |
|-----------------|---|-------------------------------|
| ESRS 2 GOV-3-E1 | Integration of sustainability-related performance in incentive schemes | p. 192 |
| E1-1 | Transition plan for climate change mitigation | p. 201 – 207 |
| ESRS 2 SBM-3-E1 | Material impacts, risks and opportunities and their interaction with strategy and business model | p. 183 – 184, p. 199 – 201 |
| ESRS 2 IRO-1-E1 | Description of the processes to identify and assess material climate-related impacts, risks and opportunities | p. 180 |
| E1-2 | Policies related to climate change mitigation and adaptation | p. 208 – 211 |
| E1-3 | Actions and resources in relation to climate change policies | p. 211 – 212 |
| E1-4 | Targets related to climate change mitigation and adaptation | p. 212 – 213 |
| E1-5 | Energy consumption and mix | p. 214 |
| E1-6 | Gross Scopes 1, 2, 3 and Total GHG emissions | p. 215 – 218 |
| E1-7 | GHG removals and GHG mitigation projects financed through carbon credits | p. 218 |
| E1-8 | Internal carbon pricing | p. 218 |

E2—Pollution

| | | |
|-----------------|---|--------------|
| ESRS 2 IRO-1-E2 | Description of the processes to identify and assess material pollution-related impacts, risks and opportunities | p. 180 |
| E2-1 | Policies related to pollution | p. 223 – 224 |
| E2-2 | Actions and resources related to pollution | p. 225 |
| E2-3 | Targets related to pollution | p. 225 – 226 |
| E2-4 | Pollution of air, water and soil | p. 226 |
| E2-5 | Substances of concern and substances of very high concern | p. 226 – 228 |

E3—Water and marine resources

| | | |
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| ESRS 2 IRO-1-E3 | Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities | p. 180 |
| E3-1 | Policies related to water and marine resources | p. 230 – 231 |
| E3-2 | Actions and resources related to water and marine resources | p. 231 – 232 |
| E3-3 | Targets related to water and marine resources | p. 232 – 233 |
| E3-4 | Water consumption | p. 233 |

E4—Biodiversity and ecosystems

| | | |
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| ESRS 2 IRO-1-E4 | Transition plan and consideration of biodiversity and ecosystems in strategy and business model | p. 180 – 181 |
| ESRS 2 SBM-3-E4 | Material impacts, risks and opportunities and their interaction with strategy and business model | p. 235 – 237 |
| E4-2 | Policies related to biodiversity and ecosystems | p. 238 – 239 |
| E4-3 | Actions and resources related to biodiversity and ecosystems | p. 240 |
| E4-4 | Targets related to biodiversity and ecosystems | p. 241 |
| E4-5 | Impact metrics related to biodiversity and ecosystems change | p. 241 |

E5—Resource use and circular economy

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| ESRS 2 IRO-1-E5 | Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities | p. 181 |
| E5-1 | Policies related to resource use and circular economy | p. 246 – 248 |
| E5-2 | Actions and resources related to resource use and circular economy | p. 248 – 250 |
| E5-3 | Targets related to resource use and circular economy | p. 250 – 251 |
| E5-4 | Resource inflows | p. 251 – 252 |
| E5-5 | Resource outflows | p. 252 – 254 |

S1—Own workforce

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| ESRS 2 SBM-2-S1 | Interests and views of stakeholders | p. 186 – 187 |
| ESRS 2 SBM-3-S1 | Material impacts, risks and opportunities and their interaction with strategy and business model | p. 270 – 271 |
| S1-1 | Policies related to own workforce | p. 276 – 278, p. 287 – 289 |
| S1-2 | Processes for engaging with own workforce and workers' representatives about impacts | p. 271 – 273 |
| S1-3 | Processes to remediate negative impacts and channels for own workforce to raise concerns | p. 273 |
| S1-4 | Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions | p. 278 – 282, p. 289 – 293 |
| S1-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | p. 282, p. 293 |
| S1-6 | Characteristics of the undertaking's employees | p. 283 – 284 |
| S1-7 | Characteristics of non-employee workers in the undertaking's own workforce | p. 283 |
| S1-8 | Collective bargaining coverage and social dialogue | p. 284 |
| S1-9 | Diversity metrics | p. 294 |
| S1-10 | Adequate wages | p. 283, p. 285 |
| S1-13 | Training and skills development metrics | p. 295 |
| S1-14 | Health and safety metrics | p. 285 – 286 |
| S1-16 | Remuneration metrics (pay gap and total remuneration) | p. 294 |
| S1-17 | Incidents, complaints and severe human rights impacts | p. 296 |

S2—Workers in the value chain

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| ESRS 2 SBM-2-S2 | Interests and views of stakeholders | p. 187 |
| ESRS 2 SBM-3-S2 | Material impacts, risks and opportunities and their interaction with strategy and business model | p. 297 – 299 |
| S2-1 | Policies related to value chain workers | p. 302 – 304 |
| S2-2 | Processes for engaging with value chain workers about impacts | p. 299 |
| S2-3 | Processes to remediate negative impacts and channels for value chain workers to raise concerns | p. 299 – 300 |
| S2-4 | Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions | p. 304 – 305 |
| S2-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | p. 305 |

S4—Consumers and end-users

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|-----------------|--|--------------|
| ESRS 2 SBM-2-S4 | Interests and views of stakeholders | p. 187 |
| ESRS 2 SBM-3-S4 | Material impacts, risks and opportunities and their interaction with strategy and business model | p. 312 |
| S4-1 | Policies related to consumers and end-users | p. 314 – 315 |
| S4-2 | Processes for engaging with consumers and end-users about impacts | p. 312 – 313 |
| S4-3 | Processes to remediate negative impacts and channels for consumers and end-users to raise concerns | p. 313 |
| S4-4 | Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions | p. 315 |
| S4-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | p. 315 |

G1—Business conduct

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| ESRS 2 GOV-1-G1 | The role of the administrative, management and supervisory bodies | p. 187 – 191 |
| ESRS 2 IRO-1-G1 | Description of the processes to identify and assess material impacts, risks and opportunities | p. 181 |
| G1-1 | Business conduct policies and corporate culture | p. 320 – 328 |
| G1-2 | Management of relationships with suppliers | p. 330 – 335 |
| G1-3 | Prevention and detection of corruption and bribery | p. 321 – 328 |
| G1-4 | Incidents of corruption or bribery | p. 328 |
| G1-5 | Political influence and lobbying activities | p. 329 – 330 |
| G1-6 | Payment practices | p. 330 – 335 |

Core elements of due diligence**Core elements of due diligence relating to people and/or environment**

People and Environment

People

Environment
a) Embedding due diligence in governance, strategy and business model

| | | |
|-------------------------------|-------------------------------|-------------------------------|
| ESRS 2 GOV-2, p. 191 | ESRS 2 SBM-3-S1, p. 270 – 271 | ESRS 2 SBM-3-E1, p. 196 – 199 |
| ESRS 2 GOV-3, p. 191 – 193 | ESRS 2 SBM-3-S2, p. 297 – 299 | ESRS 2 SBM-3-E2, p. 219 – 220 |
| ESRS 2 SBM-3, p. 181 – 183 | ESRS 2 SBM-3-S4, p. 312 | ESRS 2 SBM-3-E3, p. 229 – 230 |
| ESRS 2 SBM-3-G1, p. 318 – 320 | | ESRS 2 SBM-3-E4, p. 234 – 235 |
| | | ESRS 2 SBM-3-E5, p. 242 – 243 |

b) Engaging with affected stakeholders

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| ESRS 2 GOV-2, p. 191 | ESRS S1-2, p. 271 – 273 |
| ESRS 2 SBM-2, p. 184 – 187 | ESRS S1-3, p. 273 |
| ESRS 2 IRO-1, p. 176 – 183 | ESRS S2-2, p. 299 |
| | ESRS S2-3, p. 299 – 300 |
| | ESRS S4-2, p. 312 – 313 |
| | ESRS S4-3, p. 313 |

c) Identifying and assessing adverse impacts

| | | |
|----------------------------|-------------------------------|-------------------------------|
| ESRS 2 IRO-1, p. 176 – 183 | ESRS 2 SBM-3-S2, p. 297 – 299 | ESRS 2 SBM-3-E1, p. 196 – 199 |
| ESRS 2 SBM-3, p. 176 – 183 | ESRS 2 SBM-3-S4, p. 312 | ESRS 2 SBM-3-E2, p. 219 – 220 |
| | | ESRS 2 SBM-3-E3, p. 229 – 230 |
| | | ESRS 2 SBM-3-E4, p. 234 – 235 |
| | | ESRS 2 SBM-3-E5, p. 242 – 243 |

d) Taking actions to address those adverse impacts

| | |
|-------------------------|-------------------------|
| ESRS S2-4, p. 304 – 305 | ESRS E1-3, p. 211 – 212 |
| ESRS S4-4, p. 315 | ESRS E2-2, p. 225 |
| | ESRS E3-2, p. 231 – 232 |
| | ESRS E4-3, p. 240 |
| | ESRS E5-2, p. 248 – 250 |

e) Tracking effectiveness of these efforts and communicating

| | |
|-------------------|-------------------------|
| ESRS S2-5, p. 305 | ESRS E1-4, p. 212 – 213 |
| ESRS S4-5, p. 315 | ESRS E2-3, p. 225 – 226 |
| | ESRS E3-3, p. 232 – 233 |
| | ESRS E4-4, p. 241 |
| | ESRS E5-3, p. 250 – 251 |

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

| Disclosure requirement and related datapoint | | SFDR reference |
|--|---|--|
| ESRS 2 GOV-1 | Board's gender diversity paragraph 21 (d) | Indicator number 13 of Table #1 of Annex 1 |
| ESRS 2 GOV-1 | Percentage of board members who are independent paragraph 21 (e) | |
| ESRS 2 GOV-4 | Statement on due diligence paragraph 30 | Indicator number 10 Table #3 of Annex I |
| ESRS 2 SBM-1 | Involvement in activities related to fossil fuel activities paragraph 40 (d) i | Indicators number 4 Table #1 of Annex I |
| ESRS 2 SBM-1 | Involvement in activities related to chemical production paragraph 40 (d) ii | Indicator number 9 Table #2 of Annex I |
| ESRS 2 SBM-1 | Involvement in activities related to controversial weapons paragraph 40 (d) iii | Indicator number 14 Table #1 of Annex 1 |
| ESRS 2 SBM-1 | Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv | |
| ESRS E1-1 | Transition plan to reach climate neutrality by 2050 paragraph 14 | |
| ESRS E1-1 | Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g) | |
| ESRS E1-4 | GHG emission reduction targets paragraph 34 | Indicator number 4 Table #2 of Annex 1 |
| ESRS E1-5 | Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38 | Indicator number 5 Table #1 and Indicator number 5 Table #2 of Annex 1 |
| ESRS E1-5 | Energy consumption and mix paragraph 37 | Indicator number 5 Table #1 of Annex 1 |
| ESRS E1-5 | Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43 | Indicator number 6 Table #1 of Annex 1 |
| ESRS E1-6 | Gross scope 1, 2, 3 and Total GHG emissions paragraph 44 | Indicators number 1 and 2 Table #1 of Annex 1 |
| ESRS E1-6 | Gross GHG emissions intensity paragraphs 53 to 55 | Indicators number 3 Table #1 of Annex 1 |

| Pillar 3 reference | Benchmark regulation reference | EU Climate Law reference | Material/ Not material | Paragraph or page reference |
|--|--|---|---------------------------|--------------------------------|
| | Commission Delegated Regulation (EU) 2020/1816, Annex II | | ■ | p. 187 |
| | Delegated Regulation (EU) 2020/1816, Annex II | | ■ | p. 187 |
| | | | ■ | p. 339 |
| Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk | Delegated Regulation (EU) 2020/1816, Annex II | | □ | |
| | Delegated Regulation (EU) 2020/1816, Annex II | | □ | |
| | Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | | □ | |
| | Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | | □ | |
| | | Regulation (EU) 2021/1119, Article 2(1) | ■ | p. 201 – 207 |
| Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2 | | □ | |
| Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book—Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 6 | | ■ | p. 212 – 213 |
| | | | ■ | p. 214 |
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| Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book—Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1) | | ■ | p. 215 – 218 |
| Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book—Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 8(1) | | ■ | p. 218 |

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| ESRS E1-7 | GHG removals and carbon credits paragraph 56 | |
| ESRS E1-9 | Exposure of the benchmark portfolio to climate-related physical risks paragraph 66 | |
| ESRS E1-9 | Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c). | |
| ESRS E1-9 | Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c). | |
| ESRS E1-9 | Degree of exposure of the portfolio to climate-related opportunities paragraph 69 | |
| ESRS E2-4 | Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28 | Indicator number 8 Table #1 of Annex 1, Indicator number 2 Table #2 of Annex 1, Indicator number 1 Table #2 of Annex 1, Indicator number 3 Table #2 of Annex 1 |
| ESRS E3-1 | Water and marine resources paragraph 9 | Indicator number 7 Table #2 of Annex 1 |
| ESRS E3-1 | Dedicated policy paragraph 13 | Indicator number 8 Table 2 of Annex 1 |
| ESRS E3-1 | Sustainable oceans and seas paragraph 14 | Indicator number 12 Table #2 of Annex 1 |
| ESRS E3-4 | Total water recycled and reused paragraph 28 (c) | Indicator number 6.2 Table #2 of Annex 1 |
| ESRS E3-4 | Total water consumption in m ³ per net revenue on own operations paragraph 29 | Indicator number 6.1 Table #2 of Annex 1 |
| ESRS 2-IRO 1-E4 | Paragraph 16 (a) i | Indicator number 7 Table #1 of Annex 1 |
| ESRS 2-IRO 1-E4 | Paragraph 16 (b) | Indicator number 10 Table #2 of Annex 1 |
| ESRS 2-IRO 1-E4 | Paragraph 16 (c) | Indicator number 14 Table #2 of Annex 1 |
| ESRS E4-2 | Sustainable land / agriculture practices or policies paragraph 24 (b) | Indicator number 11 Table #2 of Annex 1 |
| ESRS E4-2 | Sustainable oceans / seas practices or policies paragraph 24 (c) | Indicator number 12 Table #2 of Annex 1 |
| ESRS E4-2 | Policies to address deforestation paragraph 24 (d) | Indicator number 15 Table #2 of Annex 1 |
| ESRS E5-5 | Non-recycled waste paragraph 37 (d) | Indicator number 13 Table #2 of Annex 1 |
| ESRS E5-5 | Hazardous waste and radioactive waste paragraph 39 | Indicator number 9 Table #1 of Annex 1 |
| ESRS 2-SBM3-S1 | Risk of incidents of forced labour paragraph 14 (f) | Indicator number 13 Table #3 of Annex I |
| ESRS 2-SBM3-S1 | Risk of incidents of child labour paragraph 14 (g) | Indicator number 12 Table #3 of Annex I |
| ESRS S1-1 | Human rights policy commitments paragraph 20 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I |
| ESRS S1-1 | Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21 | |
| ESRS S1-1 | Processes and measures for preventing trafficking in human beings paragraph 22 | Indicator number 11 Table #3 of Annex I |
| ESRS S1-1 | Workplace accident prevention policy or management system paragraph 23 | Indicator number 1 Table #3 of Annex I |
| ESRS S1-3 | Grievance/complaints handling mechanisms paragraph 32 (c) | Indicator number 5 Table #3 of Annex I |

| Pillar 3 reference | Benchmark regulation reference | EU Climate Law reference | Material/ Not material | Paragraph or page reference |
|---|--|--|-------------------------------------|--------------------------------|
| | | Regulation (EU) 2021/1119, Article 2(1) | <input type="checkbox"/> | |
| | Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II | | <input type="checkbox"/> | |
| Article 449a Regulation (EU) No 575/2013; Commission Implemen- ting Regulation (EU) 2022/2453 para- graphs 46 and 47; Template 5: Banking book—Climate change physical risk: Exposures subject to physical risk. | | | <input type="checkbox"/> | |
| Article 449a Regulation (EU) No 575/2013; Commission Implemen- ting Regulation (EU) 2022/2453 para- graph 34; Template 2: Banking book— Climate change transition risk: Loans collateralised by immovable property— Energy efficiency of the collateral | | | <input type="checkbox"/> | |
| | Delegated Regulation (EU) 2020/1818, Annex II | | <input type="checkbox"/> | |
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|--|---|--|
| ESRS S1-14 | Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c) | Indicator number 2 Table #3 of Annex I |
| ESRS S1-14 | Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e) | Indicator number 3 Table #3 of Annex I |
| SRS S1-16 | Unadjusted gender pay gap paragraph 97 (a) | Indicator number 12 Table #1 of Annex I |
| ESRS S1-16 | Excessive CEO pay ratio paragraph 97 (b) | Indicator number 8 Table #3 of Annex I |
| ESRS S1-17 | Incidents of discrimination paragraph 103 (a) | Indicator number 7 Table #3 of Annex I |
| ESRS S1-17 | Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a) | Indicator number 10 Table #1 and Indicator number 14 Table #3 of Annex I |
| ESRS 2- SBM3-S2 | Significant risk of child labour or forced labour in the value chain paragraph 11 (b) | Indicators number 12 and number 13 Table #3 of Annex I |
| ESRS S2-1 | Human rights policy commitments paragraph 17 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1 |
| ESRS S2-1 | Policies related to value chain workers paragraph 18 | Indicator number 11 and number 4 Table #3 of Annex 1 |
| ESRS S2-1 | Nonrespect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19 | Indicator number 10 Table #1 of Annex 1 |
| ESRS S2-1 | Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19 | |
| ESRS S2-4 | Human rights issues and incidents connected to ist upstream and downstream value chain paragraph 36 | Indicator number 14 Table #3 of Annex 1 |
| ESRS S3-1 | Human rights policy commitments paragraph 16 | Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1 |
| ESRS S3-1 | Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17 | Indicator number 10 Table #1 Annex 1 Delegated Regulation (EU) |
| ESRS S3-4 | Human rights issues and incidents paragraph 36 | Indicator number 14 Table #3 of Annex 1 |
| ESRS S4-1 | Policies related to consumers and end-users paragraph 16 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1 |
| ESRS S4-1 | Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17 | Indicator number 10 Table #1 of Annex 1 |
| ESRS S4-4 | Human rights issues and incidents paragraph 35 | Indicator number 14 Table #3 of Annex 1 |
| ESRS G1-1 | United Nations Convention against Corruption paragraph 10 (b) | Indicator number 15 Table #3 of Annex 1 |
| ESRS G1-1 | Protection of whistle-blowers paragraph 10 (d) | Indicator number 6 Table #3 of Annex 1 |
| ESRS G1-4 | Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a) | Indicator number 17 Table #3 of Annex 1 |
| ESRS G1-4 | Standards of anti-corruption and anti- bribery paragraph 24 (b) | Indicator number 16 Table #3 of Annex 1 |

| Pillar 3 reference | Benchmark regulation reference | EU Climate Law reference | Material/ Not material | Paragraph or page reference |
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| | Delegated Regulation (EU) 2020/1816, Annex II | | ■ | p. 285 |
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| | Delegated Regulation (EU) 2020/1816, Annex II | | ■ | p. 294 |
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| | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1) | | ■ | p. 296 |
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| | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | | □ | |
| | Delegated Regulation (EU) 2020/1816, Annex II | | ■ | p. 302 – 304 |
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| | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | | ■ | p. 314 – 315 |
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