

dialogue partners. Trusting exchange with our stakeholders must be geared towards the long term and be nurtured on an ongoing basis. The Porsche AG Group believes it is important for people to talk to one another, not about one another. The company aims to understand different positions by adopting different perspectives, jointly overcome challenges, and foster long-term partnerships. The Porsche AG Group does this by using different media and dialogue formats, as well as various internal and external communication channels.

The Porsche AG Group establishes and maintains personal contact in order to maintain a continuous dialogue with its stakeholders. For instance, this entails events like the Neighborhood Dialogues at the company's sites. Since 2016, these have given, among others, local residents the opportunity to regularly engage with experts from the Porsche AG Group and raise specific issues.

The Covid-19 pandemic and the legal requirements meant that the dialogue formats planned for the reporting year could not take place as normal. Instead, the Porsche AG Group increasingly drew on virtual exchange with the key figures and groups in order to obtain direct feedback and input. If necessary, stakeholders can contact the department responsible for sustainability directly using the email address [sustainability@porsche.com](mailto:sustainability@porsche.com).

Memberships and networks

The Porsche AG Group promotes economic, environmental, and social topics through its involvement in networks, sustainability initiatives, and working groups. This too is part of the Porsche AG Group's stakeholder dialogue.

UN Global Compact

Porsche AG has been a member of the UN Global Compact, the world's largest and most important sustainable and responsible corporate governance initiative, since 2022. The platform for developing, implementing, and disclosing responsible business practices calls on companies to align their activities and strategies with the ten generally recognized principles in the fields of human rights, labor, environment, and corruption prevention. They are also called on to take action to contribute to the United Nations Sustainable Development Goals. Porsche AG will report to the UN Global Compact on its activities in these fields on a regular basis.

The UN Global Compact was founded in 2000. It is one of the largest sustainability initiatives in the world, with more than 19,000 companies and organizations in more than 160 countries.



In the year under review, Porsche AG joined the UN Global Compact, the world's largest and most important sustainable and responsible corporate governance initiative.

Dialogue with politics

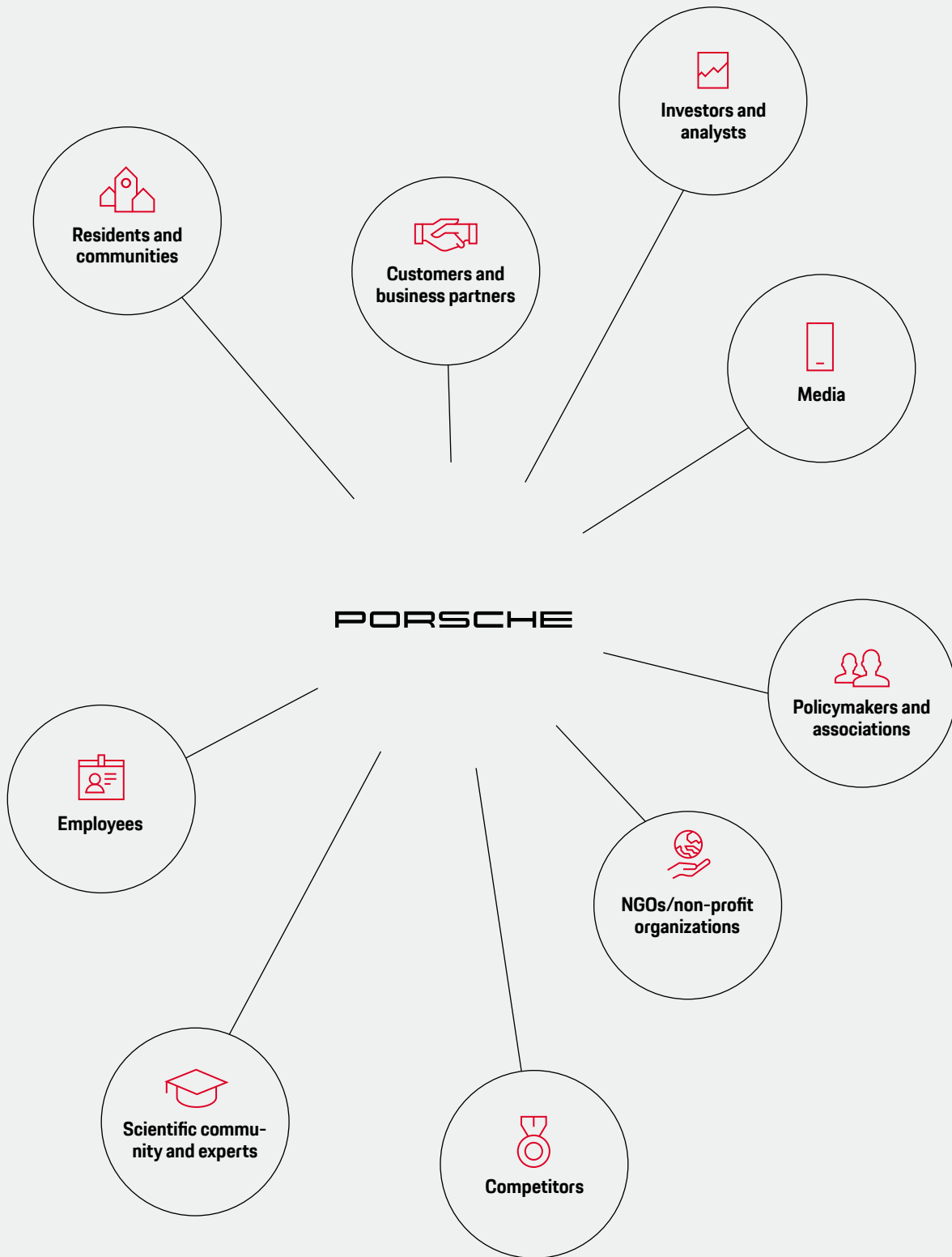
When the Porsche AG Group makes business decisions, the consequences of its actions for society and the environment have to be assessed and incorporated into the internal processes. The Porsche AG Group operates in a complex and heavily regulated field. It is important to engage in transparent and proactive dialogue with representatives from governments, parliaments, authorities, associations, institutions, and representatives of civil society through political lobbying.

The employees of the Politics and Society department who are responsible for political lobbying work in and with associations at times. They are in regular contact with numerous nongovernmental organizations (NGO) as well as civil society, political, and business representatives. In doing so, they set out the positions of the Porsche AG Group in social and political discourse, as well as decision-making processes. This takes place in compliance with binding Group-wide guidelines, as well as in coordination with the Volkswagen Group. Its policy is based on the principles of integrity, compliance, transparency, and traceability. Competition and antitrust legislation, as well as other legal provisions, are always taken into account too. Porsche AG is registered in the Lobby Register (<https://www.lobbyregister.bundestag.de>) for the purposes of lobbying the German Bundestag and the German government.

In the coming financial year, the Porsche AG Group will continue to contribute to the working groups in the existing networks. Likewise, the Porsche AG Group is striving to join other sustainability networks and engage with them.

Porsche stakeholders

The most important Porsche stakeholders as determined by internal analyses.



TRANSPARENT CORPORATE GOVERNANCE

The Porsche AG Group is aware of the importance of its reputation to the success of its business. The Porsche AG Group regularly takes its stakeholders' interests into account when it makes relevant decisions. In particular, its stakeholders include customers, employees, investors, business partners, and non-governmental organizations. The Porsche AG Group sets great store by living up to the expectations of these stakeholders and society as a whole.

As the general public demands greater transparency, credible communication on ethical and responsible behavior is increasingly important. The significance of intensive communication with stakeholders is also rising: in a dynamic and increasingly complex environment, interactions between the Porsche AG Group and its stakeholders must be open and constructive. The Porsche AG Group wants to critically analyze social and ecological challenges, take the diversity of different viewpoints into account strategically, and discuss perspectives and priorities with stakeholders. A Group-wide policy has to ensure that internal and external communications are active, professional, transparent, consistent, and credible. Its purpose is to make sure that the Porsche AG Group represents its positions with one voice and consistent arguments.

Transparency and communication

A company cannot be credible or enjoy robust relationships with its stakeholders without clear communication and transparency. Substantial communication content is also crucial to success. Therefore, the Porsche AG Group prioritizes informing the general public and selected target groups about certain issues in an open, specific manner, such as: why is sustainability crucial to the Porsche AG Group? What ambitious targets have been agreed? Have these targets been achieved using the reported methods? Transparency and dialogue about these topics are integral aspects at the Porsche AG Group.

ESG management at the Porsche AG Group

The Porsche AG Group completed its IPO in the reporting year, which means that the expectations of the capital market have become more relevant. It is important to the Porsche AG Group to be seen as sustainable and valuable by analysts and other professional stakeholders. In particular, it aims to meet the sustainability expectations of investors and other market players who focus on environmental, social, and governance

(ESG) aspects. ESG describes a series of sustainability-related requirements that the Porsche AG Group has to meet, and helps it categorize and evaluate its sustainability efforts more effectively. The Porsche AG Group wants to accomplish outstanding results here to impress its stakeholders.

To this end, it initiated a project to launch a software-based ESG management system in 2021, which continued in the reporting year. Adopting an integrated approach, it complements the strategy with additional key topics.

The ESG management system should make it easier for the Executive Board and the relevant departments to monitor and manage their ESG contributions, interpret results, and produce regular reports. In the year under review, work started on the construction of a centralized IT system for this purpose. The outcome of this system is pooled centrally within the Sustainability department.

Furthermore, the Porsche AG Group has determined performance indicators, which illustrate material non-financial ESG contributions and transparently demonstrate the Porsche business model's contribution to sustainable development. The Porsche AG Group aims to control and measure its ESG contributions strategically on the basis of these key indicators.

ESG ratings

The Porsche AG Group has itself rated by external organizations to this end and bases its improvement measures on the results of these ratings. Selected independent rating agencies analyze the sustainability efforts of the Porsche AG Group.

In its sustainability strategy, the Porsche AG Group aims to be rated "in best class" in independent sustainability ratings, which would make it one of the leading companies in the automotive industry. The Porsche AG Group considers this independent, external assessment to be an important tool and source of impetus: building on this, it can continuously improve its sustainability management. The Porsche AG Group has already received ESG ratings from third parties in the past: the Porsche AG Group considers the ESG rating of B- it received from ISS in October 2021 to be one of its most important achievements. The Porsche AG Group received one of the highest scores in the automotive industry. ↗ <https://www.issgovernance.com/esg/ratings>

com/esg/ratings

COMPLIANCE AND INTEGRITY

Compliance at Porsche

The following disclosures about compliance at Porsche AG complement the disclosures in the non-financial statement. Compliance and integrity are addressed in the → section entitled "Responsible corporate governance, compliance, and integrity".

At Porsche AG, the Code of Conduct sets out the most important principles and expectations of compliance in three different aspects: as a member of society, as a business partner, and in the workplace. Another code, the Code of Conduct for Business Partners, states that Porsche AG expects its business partners to adhere to the relevant laws, recognize basic ethical values, and act in a sustainable manner. Both of these codes explicitly bring the whistleblower system at Porsche AG to people's attention. Furthermore, the Executive Board has adopted the Compliance Management guidelines: these represent an undertaking by Porsche AG to ensure compliance with laws and guidelines.

Compliance organization and compliance measures

The compliance management system (CMS) at Porsche AG is a preventative framework for the totality of all principles, measures, and objective processes that serve to safeguard and implement compliance in six areas of compliance. It is intended to ensure that violations of the law and/or directives in these areas of compliance are prevented, or at least rendered significantly more difficult.

Employees can report potential breaches of the rules using an internal whistleblowing mechanism that has been set up and communicated. Outside the company, employees and external individuals can report breaches to two ombudsmen who are subject to professional duties of secrecy under German law. These internal and external points of contact for the whistleblower system can be contacted in a variety of ways at any time, even anonymously, free of charge. Porsche AG acts on incoming reports, taking into account data protection, labor law, and co-determination regulations. Whistleblowers need not fear any disciplinary measures or other repercussions from Porsche AG. Porsche AG reacts to identified violations in compliance with the data protection, labor law, and co-determination regulations. Regardless of the outcome of the investigation, suitable countermeasures are introduced on a case-by-case basis, and individual misconduct is punished on a case-by-case basis depending on the outcome of the investigation.

Overall, Porsche's whistleblower system was responsible for following up on 63 of 168 submitted reports. The plausibility check rated 34 of these 63 reports as plausible. Of the 34 plausible reports, 13 were categorized as potentially severe breaches of the rules, and investigated through Porsche's

whistleblower system. The focal points of the potential misconduct were violations of the German Trade Secrets Act (GeschGehG) and offenses against property (such as fraud and embezzlement).

Eight cases concluded in the identification of a serious breach of the rules and resulted in sanctions. Four investigations ended without identifying a breach of the rules. One case was still open at the end of the reporting year.

The central Compliance department has been conducting compliance monitoring since 2021. Besides interviews with managers, it involves risk-oriented activities such as random inspections of transactions that are of relevance in terms of compliance. The results are compiled in a report that also describes appropriate action if there is an evident need for improvement.

Compliance communication at Porsche AG focused on intranet posts in the reporting year, addressing topics such as the updated Code of Conduct leaflet and International Anti-Corruption Day. The compliance officers also released various internal communications in the form of info sessions, posts in departmental groups, and messages to managers.

Compliance training

In cooperation with the HR department, the compliance officers provide compliance training at Porsche AG and selected subsidiaries. The basis is a subject-specific plan which uses risk analyses to identify the relevant target groups and key areas of content. There are mandatory training formats for managers, junior managers, and new employees. The compliance officers also provide organized training for specific departments and target groups, such as on legally mandatory or current topics, or on request.

In the reporting year, 5,817 employees at Porsche AG and its relevant German subsidiaries received compliance training at in-person and virtual events, and 57,337 participants received compliance training through digital training modules. The digital Code of Conduct training module was completed by 17,296 employees from Porsche AG and 7,458 employees from its relevant German subsidiaries. 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" guidelines. By the end of the reporting year, the rate of training in face-to-face and virtual events within the target group at Porsche AG and its relevant German subsidiaries was 93% on average for the defined areas of compliance. In 2022, Porsche AG piloted a digital training module on fraud prevention within Procurement.

Porsche Mentoring is a format for a comprehensive exchange of experiences and changing views on both sides. In this program, managers support the professional and personal development of young talent.

The diversity networks and the mentoring program are open to all employees of Porsche AG and selected subsidiaries around the world.

Porsche AG also campaigns for a diverse and inclusive togetherness outside of its work sites. The “Porsche helps” platform facilitates employees who want to get involved in voluntary activities, for example, one-off engagements, team events or major events at social organizations. The aim is to do good together and to gain new perspectives, experiences and skills. In the reporting year, team events were introduced, and some major events were expanded.

RESULTS

Porsche AG came sixth in the Women Career Index in 2022.

The Porsche women's network recorded significant growth numbers in the reporting year. The Proud@Porsche community also became an official employee network in the reporting period.

More than 240 mentor tandems were actively involved in the mentoring format in the reporting year.

The Trendence Institute presented “Porsche helps” with the Trendence Award in the category “Companies helping people”.

Despite a slight decrease in the gender quota at the first management level in the reporting year, Porsche AG still considers itself on track to meet the target by 2025.

Women in management positions — actual values for statutory gender quota¹

%	2022	2021	2020
First management level	16.1	16.9	14.8
Second management level	15.7	15.1	11.9

¹ Information relates to Porsche AG.

Stakeholder dialogue

TARGETS

The aim of the Porsche AG Group's overarching stakeholder management system is to systematically capture the interests of various stakeholders as well as to derive key social trends and key topics from their interests and points of view. A major aspect is the active contribution to sustainability networks. The Porsche AG Group intends to join additional alliances to those it already has in order to get into contact with groups of stakeholders there. In the Porsche AG Group, the Politics and Society department coordinates the stakeholder management.

Stakeholder management at the Porsche AG Group includes continuously identifying relevant groups of stakeholders, analyzing their interests and opinions and enabling direct dialogue. As a result of this, the Porsche AG Group is expanding its views and recognizing trends. It also receives impetus for improvements and innovations, exchanges expertise and finds cooperation partners. In these dialogues, however, the Porsche AG Group also identifies potential problems, resistance and conflicts of interest at an early stage, creates a level of understanding and takes countermeasures. The Porsche Sustainability Council plays a key role here. More information can be found in the → “Sustainability management” section.

DUE DILIGENCE PROCESS

The complaint management system is the central port of call for suggestions for improvement and complaints from internal and external groups of stakeholders at the Stuttgart-Zuffenhausen site. It is centralized in Politics and Society as well as Environment and Construction Management. The Politics and Society department also provides the markets with international consulting services on the systematic recording of complaints relating to social or political matters. This also applies to the identification of measures.

The Porsche AG Group uses extensive surveys to learn about its stakeholders' opinions on sustainability and to include them in its strategy as part of the materiality assessment. To date, the Porsche AG Group has performed these stakeholder surveys every two years, most recently in 2021. More detailed conversations with selected stakeholders take place as needed.

MEASURES

The Porsche AG Group was also engaged in proactive dialogue with its stakeholders and continuously expanded this dialogue in 2022.

The most important sources of information about the Porsche AG Group for thought leaders, decision makers and customers include the Porsche magazine Christophorus, the online Newsroom with its Twitter and Instagram channels, the web-based TV channel 9:11 Magazine, the 9:11 Porsche podcasts and the Porsche website.

All internal communications at Porsche AG are published in digital and printed formats through the Carrera media. The Carrera Online web pages and the Carrera Magazine provide employees with information on the latest developments in the area of sustainability. Regular works and departmental meetings, employee information events, themed weeks and digital events also form part of the extensive array of internal communications. This is one way for employees to contribute their own thoughts and ideas and interact directly with their line managers.

Events such as the neighborhood dialogues held at various production and development sites enable Porsche AG to establish personal contact with local stakeholders. Since 2016, these have given local residents the opportunity to regularly engage with Porsche AG experts and raise specific issues and questions. The pandemic meant that no events with residents could take place on site in the reporting year. However, the email address [nachgefragt@porsche.de](mailto:nachgefragt@porsche.de) can be used for active dialogue with the neighborhood. If necessary, stakeholders can contact the departments responsible for sustainability directly using the email address [sustainability@porsche.com](mailto:sustainability@porsche.com).

The Porsche AG Group is an active participant in the industry dialogue on the German National Action Plan for Business and Human Rights (NAP). Porsche AG has also been a member of the German Environmental Management Association (B.A.U.M.) since 2016. In 2017, Porsche AG also joined the European Business Ethics Network Deutschland (DNWE) and became a signatory to the state of Baden-Württemberg's WIN Charter for sustainable business, marking its commitment to entrepreneurial responsibility. In 2019, Porsche AG and the Volkswagen Group were the first automobile manufacturers to become a core component of the Value Balancing Alliance.

In the reporting year, Porsche AG joined the world's largest and most important initiative for sustainable and responsible corporate governance, the UN Global Compact.

The Politics and Society department coordinates all the political topics that are relevant to the Porsche AG Group. It is also responsible for the Porsche AG Group's political lobbying and holds a transparent and proactive sociopolitical dialogue with representatives from governments, parliaments, authorities, associations, institutions and civil society. The Politics and Society department organizes and also supports visits by politicians and political events as well as providing regular updates on political topics and developments to the Executive Board.

All of the Porsche AG Group's political activities are coordinated via the Governmental Affairs Steering Committee to ensure a joined-up approach and consistent communications in dialogue with stakeholders.

Group-wide guidelines stipulate the principles of integrity, transparency and traceability for every political activity. It also contains guidelines for contact with political stakeholders and regulates the political lobbying process. All the people responsible for politics at the Porsche AG Group regularly notify the Volkswagen Group's Public Affairs department of their activities.

RESULTS

The dialogue formats planned for the reporting year could not take place as normal because of the coronavirus pandemic. Instead, the Porsche AG Group increasingly drew on virtual exchange with the key stakeholders in order to obtain direct feedback and input.

In 2022, there was no expenditure related to supporting political party events, advertising in publications affiliated with parties, or external lobbying agencies or services.

GOVERNANCE

The Porsche AG Group's business practices are based on integrity, transparency and responsibility. Innovations create new customer experiences, optimize added value and help reach sustainability targets. The Porsche AG Group sees digitalization as an opportunity for further development and is taking on responsibility as a partner in society with the Corporate Digital Responsibility strategy. Customer and vehicle safety is of utmost importance to the Porsche AG Group. The company simultaneously has a clear focus on long-term customer satisfaction.

Compliance and integrity COMPLIANCE

Targets

The Executive Board adopted general compliance targets based on the general company objectives, the corporate strategy and Porsche AG's vision and mission. These targets include ensuring compliant behavior and upholding Porsche AG's reputation and protecting the company, its bodies and employees from legal and disciplinary consequences. In addition, Porsche AG wants to continuously promote a responsible and value-based compliance culture. The Code of Conduct as well as group guidelines are in place to help achieve these objectives.



The Code of Conduct at Porsche AG summarizes the most important principles and expectations about acting lawfully, sustainably and with integrity at Porsche AG. For example, dealing with conflicts of interest, combating any form of corruption, appropriate behavior within the group and towards customers, business partners and public officials as well as taking responsibility for the environment and society.

The guidelines define and regulate the compliance requirements in three aspects:

1. As a member of society: human rights; equal opportunities and equal treatment; product conformity and product safety; environmental protection; donations, sponsorships and charity; communication and marketing; political lobbying
2. As a business partner: conflicts of interest; gifts, hospitality and invitations; prohibition of corruption; dealings with officials and holders of political office; prohibition of money laundering and terrorism financing; accounting and financial reporting; taxes and customs; fair and free competition; procurement; export control; prohibition of insider trading
3. At the workplace: occupational safety and healthcare; data protection; security and protection of information, know-how and intellectual property; IT security; handling company assets

The additional Code of Conduct for Business Partners governs Porsche AG's expectation that its business partners will comply with the law as applicable, acknowledge the principles of ethical conduct and acting sustainably.

The Executive Board also adopted the company compliance management guideline. Porsche AG thus complies with its entrepreneurial responsibility and meets the statutory obligation to adhere to statutory requirements as well as internal guidelines.

Porsche AG's compliance management system (CMS) forms the preventive framework for all principles, measures and processes not related to a specific person, which serve to ensure and implement compliance in six compliance topics. This aims to prevent breaches of the law and/or policy violations in these topics or to at least make them significantly more difficult.

**Due diligence process**

Porsche AG uses a compliance monitoring system to check adherence with specific compliance requirements relating to anti-corruption, anti-trust law and prevention of money laundering in the specialist departments. In addition to the areas listed, monitoring primarily focused on the implementation of risk-mitigating measures in the reporting year. The identified potential for improvement has been included in the relevant departments' action plans. The monitoring also provided extensive findings for the CMS, which will be taken into account in Porsche AG's compliance program for 2023.

Porsche AG also carries out compliance risk analyses in the compliance topics mentioned above. In the reporting year, Porsche AG continued these for other key departments.

**Measures**

Porsche AG introduced the compliance management system in 2012. It covers all principles, measures and processes not related to a specific person, with which Porsche AG wants to ensure compliance and achieve the compliance goals mentioned earlier.

A compliance organization made up of the Chief Compliance Officer and those responsible for specific compliance topics is responsible for developing suitable targets and measures. The Chief Compliance Officer provides the Executive Board and the Supervisory Board's Audit Committee with an annual report on the progress of implementing the CMS as well as on the significant measures and activities. According to the company compliance management guideline, the Executive Board of Porsche AG decides on the local set-up and further development of the CMS, based on a recommendation from the Chief Compliance Officer.

In 2022, compliance risk analyses were carried out in the compliance topics of active and passive corruption (including fraud, embezzlement and conflicts of interest), anti-trust law and prevention of money laundering at Porsche AG. These were also performed for six of Porsche AG's other main departments in the reporting year, whereby risk analyses were available for 59 of 64 relevant main departments of Porsche AG by the end of 2022.

The preventive measures that have already been established mainly include the compliance requirements (e.g., guidelines for Porsche AG itself). There are also information and training sessions available for employees on relevant compliance topics as well as confidential compliance advice: Employees can ask any compliance-related questions at a centralized compliance helpdesk. Furthermore, they have the possibility to report potential violations to an internal whistleblower system via fixed internal reporting channels. This whistleblower system is regulated in the group guideline of the same name. The two guidelines also explicitly bring the whistleblower system to people's attention. Porsche AG also publishes detailed information about this system on its intranet and the internet. Externally, two ombudsmen are available to employees, customers and business partners of Porsche AG as well as public officials or other external parties. They can be reached free of charge and at any time via various reporting channels and they also accept anonymous reports about potential violations.

In the reporting year 2022, those responsible for compliance topics carried out numerous communication measures at Porsche AG. There were also in-person and virtual appointments for employee training as well as digital learning modules at Porsche AG and the relevant German subsidiaries.

**Results**

Within the compliance organization's work, the focus in 2022 again was on the specialist support of and participation in compliance projects of the Volkswagen Group as well as in initiatives and projects of Porsche AG.

Once again, the majority of the employee requests to the compliance helpdesk related to dealing with invitations and gifts. The number of reports of potential violations was up on the prior-year level.

In accordance with the group guideline on the prevention of money laundering, Porsche AG submitted three suspicious activity reports to the responsible anti-money laundering authorities in the reporting year.

**INTEGRITY**

**Targets**

Correct conduct only when there are laws, regulations and requirements in place is not sufficient for long-term success. 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. The topic is also gaining in importance because increasingly shorter innovation cycles, a changing automotive industry and a dynamic environment require entrepreneurial speed more and more frequently.

Integrity management at Porsche AG has set itself the target of anchoring integrity in the corporate culture for the long term. Managers and employees should be able to act in accordance with ethical principles, with responsibility, from conviction and steadfastly. Porsche AG wants to strengthen the confidence of its employees, customers, shareholders and partners. In order to promote this value- and attitude-based culture in the best possible way, integrity management at Porsche AG is enshrined within the Human Resources portfolio in the Executive Board in Employee Development and Corporate Culture.

Integrity is a core value in the Porsche Code — the company's leadership model — and provides a solid basis for the organization. The Porsche AG Code of Conduct not only emphasizes the importance of honest and ethical conduct and acting with integrity on the part of each individual, but also explicitly highlights the role model function of members of the Executive Board and managers.

**Due diligence process**

Integrity is firmly entrenched in the personnel processes on onboarding, recruiting, personnel development, remuneration and disciplinary actions. Minimum standards are determined in the group guideline on HR compliance.

The topic of culture and integrity was rolled out internationally at the Porsche AG Group by the Volkswagen Group as part of its Together4Integrity (T4I) program in 2018. These long-term measures aim to further strengthen the culture of integrity.

The package of measures and the implementation time may vary depending on the local circumstances. A central reporting system informs on the status of implementation of the projects in the relevant group companies. The status of implementation is also a regular reporting topic in the T4I meetings.

In addition, Porsche AG also uses results from the employee survey to derive measures for managing integrity. A poll about acting with integrity and compliant conduct is part of the annual mood barometer. Among other things, this gives insights into the development of the integrity culture. The results of the mood barometer are then discussed in the organizational units. This mandatory discussion slots into the team dialogues on culture and values in the company — a format in which managers and employees work on measures to improve collaboration together. Training formats on the topic of integrity or with content on integrity are also available.

REPORTING POLICY

Reporting structure

The two primary objectives of Porsche AG's activities are to accomplish economic success and take on responsibility — for sustainable activity, for secure jobs, and for society. Active practice, trust, and commitment are what set Porsche apart. It is therefore important to Porsche AG to make the public aware of business developments and its activities in connection with sustainability.

As such, this report encompasses the financial and sustainability reporting of the Porsche AG Group.

Changes in reporting

Porsche AG is subject to extended reporting obligations as a result of its IPO. The annual and sustainability report of the Porsche AG Group comprises three parts: the financial report (→ pages 160–371), the non-financial statement as part of the combined management report (→ pages 188–221), and the sustainability report (→ page 72–117).

The consolidated financial statements of Porsche AG as of December 31, 2022 have been prepared in accordance with the applicable International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), as of the reporting date, as well as the supplementary regulations of Section 315e of Germany's Commercial Code (HGB). The combined management report is based on the German Commercial Code (HGB) and the German accounting standards formalizing the requirements of the Commercial Code.

The non-financial statement relates to the subject areas of Section 289c HGB: environmental, employee, and social concerns, respect for human rights, and the fight against corruption and

bribery. In accordance with the CSR Directive Implementation Act (CSR-RUG), this text focuses on material topics that are necessary in order to understand the course of business, the business result, the position of the Porsche AG Group, and the impact of the Porsche AG Group on the non-financial aspects.

Furthermore, Porsche AG is complying with the reporting obligations arising from Article 8 of the newly introduced Taxonomy Regulation (officially Regulation (EU) 2020/852) for the first time. The section entitled “EU taxonomy” has been integrated into the non-financial statement for the first time as a result.

The Porsche AG has prepared its annual and sustainability report in accordance with the current version of the GRI Sustainability Reporting Standards in 2021. The GRI content index can be found on → pages 391–396. The GRI examined this content index in its entirety as part of its “Content Index — Essentials” service.

Furthermore, Porsche follows the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) on effective climate-related reporting. The information on how climate-related opportunities and risks are handled is published as part of a TCFD index on → page 397.

Additionally, the Sustainability Accounting Standard Board (SASB) has published the “Automobiles” industry standard, on the basis of which companies are able to publish relevant industry-specific sustainability information for investors. The SASB index is presented from → page 400 onwards.

Porsche AG has been a member of the United Nations Global Compact since 2022. Therefore, the company reports on how it implements the 10 principles of the Global Compact into its business practices.

MORE INFORMATION ABOUT THE REPORT

Publication and applicability

→ GRI 2-2 and GRI 2-3

The report is published at the annual press conference of Porsche AG. The reporting period was from January 1, 2022 to December 31, 2022.

The information in this report relates to the entire Porsche AG Group. If information only applies to individual areas, this is made explicitly clear. Unless indicated otherwise, all information relating to the Porsche AG Group also applies to Porsche AG. Besides Porsche AG, the Porsche AG Group encompasses all major national and international subsidiaries over which Porsche AG exercises direct or indirect control. Overall, the basis of consolidation consists of 114 fully consolidated companies, 28 of which are based in Germany and 86 abroad.

External audit

→ GRI 2-5

In addition to careful data collection and recording via internal reporting and processing systems, as well as detailed internal consolidation and inspection of the information and data contained therein, an independent audit was conducted on the consolidated financial statements and combined management report by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft (EY). The remuneration report 2022 has been prepared and audited by EY in accordance with the requirements of Section 162 AktG.

Pursuant to Section 289b (3) and Section 315b (3) HGB, EY conducted a voluntary business audit, in a limited assurance engagement, on the content of the non-financial statement in accordance with ISAE 3000 (Revised).

More information is available in the → Auditor's opinion as well as the → Independent auditor's report on a limited assurance engagement to audit the non-financial statement.

Material topics as part of the non-financial statement

Porsche AG conducted a materiality analysis to identify material topics that contribute to the concerns defined under CSR-RUG and fall into the categories of environment, social, and corporate governance.

The following table contains the topics defined as material by Porsche AG, as well as their positions in the annual and sustainability report. All material topics are covered in the non-financial statement. The sustainability report contains information about the material topics beyond the minimum legal requirements. Moreover, Porsche AG reports in its sustainability report on topics that, although not identified as material, are relevant nonetheless.

Topics	Topics in the non-financial statement	Topics in the non-financial statement and sustainability report	Topics in the sustainability report
Environment			
Vehicle decarbonization		■	
Production decarbonization			■
Alternative drive systems		■	
Consumption of resources and sustainable raw materials in vehicles		■	
Consumption of resources and recycling in production			■
Protection of biodiversity			■
Environmental standards in the supply chain	■		
Social			
Safeguarding of human rights	■		
Social commitment			■
Employer attractiveness			■
Occupational health and safety		■	
Employee development and socially ethical transformation		■	
Diversity and equal opportunity		■	
Corporate co-determination			■
Stakeholder dialogue	■		

GRI standards		Page	Omission/comment
2-20	Process to determine remuneration	136–159	
2-21	Annual total compensation ratio		Information is collected internally but not published for reasons of confidentiality.
<b>Strategy, policies, and practices</b>			
2-22	Statement on sustainable development strategy	74–79, 163–165, 188	
2-23	Policy commitments	115–117, 213–216	
2-24	Embedding policy commitments	115–117, 213–216	
2-25	Processes to remediate negative impacts	111, 112, 115–117, 192, 193, 206–207, 213–216	
2-26	Mechanisms for seeking advice and raising concerns	115–117, 213–216	
2-27	Compliance with laws and regulations	115–117, 213–216, 344–349	
2-28	Membership associations	79–82, 212–213	
<b>Stakeholder engagement</b>			
2-29	Approach to stakeholder engagement	79–82, 212–213	
2-30	Collective bargaining agreements	105, 106	
<b>Material Topics</b>			
<b>GRI 3: Material Topics 2021</b>			
3-1	Process to determine material topics	77–82	
3-2	List of material topics:		
	<b>Environment</b>	<b>Social</b>	<b>Governance</b>
	Vehicle decarbonization (GRI 305), Production decarbonization (GRI 302, GRI 305), Alternative drive systems (GRI 305), Consumption of resources and sustainable raw materials in vehicles (GRI 301), Consumption of resources and recycling in production (GRI 302, GRI 303, GRI 306), Protection of biodiversity (GRI 304), Environmental protection in the supply chain (GRI 308)	Safeguarding of human rights (GRI 408, GRI 409, GRI 410, GRI 414), Social commitment (GRI 201, GRI 203), Attractiveness as an employer (GRI 401, GRI 402), Occupational health and safety (GRI 403), Employee development and socially ethical transformation (GRI 404), Diversity and equal opportunity (GRI 405, GRI 406), Corporate co-determination (GRI 407), Stakeholder dialogue (GRI 201, GRI 401)	Innovations (GRI 201, GRI 203), New mobility concepts (GRI 201, GRI 416), Sustainability in the business processes (GRI 201, GRI 203), Transparent corporate governance (GRI 201), Compliance and integrity (GRI 205, GRI 206, GRI 406), Digitalization, data protection, and corporate digital responsibility (GRI 418), Customer and vehicle safety (GRI 416), Long-term customer relations and satisfaction (GRI 416, GRI 418)
<b>Economic Performance</b>			
<b>GRI 3: Material Topics 2021</b>			
3-3	Management of material topics	79, 108, 109, 113, 114, 188, 220	
<b>GRI 201: Economic Performance 2016</b>			
201-1	Direct economic value generated and distributed	400	
201-2	Financial implications and other risks and opportunities due to climate change	222	
201-4	Financial assistance received from government	113, 269, 277	

GRI standards		Page	Omission/comment
<b>Indirect Economic Impacts</b>			
<b>GRI 3: Material Topics 2021</b>			
3-3	Management of material topics	92, 108, 113	
<b>GRI 203: Indirect Economic Impacts 2016</b>			
203-1	Infrastructure investments and services supported	190	
203-2	Significant indirect economic impacts	92	
<b>Procurement Practices</b>			
<b>GRI 3: Material Topics 2021</b>			
3-3	Management of material topics	111, 194, 208	
<b>GRI 204: Procurement Practices 2016</b>			
204-1	Proportion of spending on local suppliers	426, 427	
<b>Anti-corruption</b>			
<b>GRI 3: Material Topics 2021</b>			
3-3	Management of material topics	115, 213	
<b>GRI 205: Anti-corruption 2016</b>			
205-1	Operations assessed for risks related to corruption	426	Information is only partially available.
205-2	Communication and training about anti-corruption policies and procedures	215	
<b>Anti-competitive Behavior</b>			
<b>GRI 3: Material Topics 2021</b>			
3-3	Management of material topics	115, 213	
<b>GRI 206: Anti-competitive Behavior 2016</b>			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		Information is not published for reasons of confidentiality.
<b>Materials</b>			
<b>GRI 3: Material Topics 2021</b>			
3-3	Management of material topics	88, 89, 192	
<b>GRI 301: Materials 2016</b>			
301-1	Materials used by weight or volume	88	
301-2	Recycled input materials used		Detailed information is currently unavailable.
301-3	Reclaimed products and their packaging materials	88, 89, 192	
<b>Energy</b>			
<b>GRI 3: Material Topics 2021</b>			
3-3	Management of material topics	83, 85, 189	
<b>GRI 302: Energy 2016</b>			
302-1	Energy consumption within the organization	85, 406, 407	
302-2	Energy consumption outside of the organization	83, 189	
302-3	Energy intensity		Information is currently unavailable.
302-4	Reduction of energy consumption		Information is currently unavailable.
302-5	Reductions in energy requirements of products and services	189, 190, 191	
<b>Water and Effluents</b>			
<b>GRI 3: Material Topics 2021</b>			
3-3	Management of material topics	89	

Return on investment

The return on investment represents the return on average invested capital for a particular period on the basis of the operating profit after tax. Invested capital is calculated as the operating assets reported in the balance sheet (property, plant, and equipment, intangible assets, inventories, and receivables) less non-interest-bearing liabilities (trade payables and payments on account received). The average invested capital is derived from the balance at the beginning and the end of the reporting period.

Return on sales

The return on sales of the Porsche AG Group is defined as the ratio of operating profit (before the financial result and taxes; EBIT) to sales revenue. The Executive Board of Porsche AG uses the return on sales to assess the operating profitability of the Porsche AG Group.

S

Scalable Systems Platform (SSP)

The Scalable Systems Platform (SSP) is a cutting-edge mechatronics platform for all-electric vehicles. It is being developed by the Porsche, Audi, and Volkswagen brands, as well as CARIAD for the software architecture. The high-performance version (SSP Sport) in particular is expected to support Porsche BEVs in the longer term.

Secondary raw materials

Materials that are obtained from a recycling process. See recycles.

T

Task Force on Climate-Related Financial Disclosures (TCFD)

The Task Force on Climate-Related Financial Disclosures (TCFD) is an industry-led working group established by the Financial Stability Board (FSB). The task force helps companies understand and communicate the impacts of climate risks and opportunities on their finances. The TCFD Recommendations Report provides companies with clear recommendations on voluntary, consistent reporting of climate-related financial disclosures. The purpose of this information is to enable creditors and insurers to assess and evaluate climate-related risks and opportunities appropriately.

Tax rate

Ratio of income tax to profit before tax.

U

UN Global Compact

The UN Global Compact is a global United Nations initiative that aims to build a sustainable, more inclusive economy for all. It wants to initiate change processes within companies and has a code of conduct for companies with 10 universal sustainability principles, especially relating to human rights, labor standards, environmental protection, and corruption prevention. Companies that take part in the UN Global Compact undertake to strategically align their business with these 10 principles and report on their progress at regular intervals.

V

Value Balancing Alliance

The Value Balancing Alliance is an alliance of multinational companies that aims to change the way in which companies measure their contributions. The Value Balancing Alliance wants to create a global standard for monetizing and disclosing the positive and negative impacts of corporate activity. It also wants to help organizations integrate these impacts into business steering. Porsche AG was a founding member in 2019.

Z

Zero-Impact Factory

The Porsche AG Group's vision of a factory that has the smallest negative impact on the environment possible. The environmental impact is to be reduced by means of selected KPIs and additional qualitative criteria that are implemented in eleven fields of action. This way, the environmental impacts by Porsche's own production activities are to be reduced by 95% by 2030 compared to the 2018 baseline (or by 2040 for the development site in Weissach).

FINANCIAL CALENDAR 2023

March 13, 2023	Annual Media Conference and Analyst and Investor Conference 2023
May 3, 2023	Quarterly information January–March 2023
June 28, 2023	Annual General Meeting 2023 <sup>1</sup>
July 26, 2023	Half-Yearly Financial Report 2023
October 25, 2023	Quarterly information January–September 2023

<sup>1</sup> The Annual General Meeting 2023 of Porsche AG is currently still in the planning stage. The format and venue of the Annual General Meeting will be announced ahead of the event on the Investor Relations website of Porsche AG.