IDENTITY

2024

911 Turbo 50 Years (WLTP): Fuel consumption combined 12.5 – 12.3 l/100 km,
CO_2 emissions combined 283 – 278 g/km; CO_2 class G

**Annual and
Sustainability Report
Porsche AG**

Our inseparable, clearly identifiable identity remains intact even when everything around us is changing.

Dr. Wolfgang Porsche

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In conversation with Oliver Blume

Dynamically Porsche

The biggest year of product launches in Porsche history was 2024. Chairman of the Executive Board Oliver Blume discusses the power of identity, strategies, and passion.

Taycan Turbo (WLTP): Electrical consumption combined: 20.5 – 18.0 kWh/100 km; CO_2 emissions combined: 0 g/km; CO_2 class: A

911 GT3 (WLTP): Fuel consumption combined: 13.8 – 13.7 l/100 km; CO_2 emissions combined: 312 – 310 g/km; CO_2 class: G
911 Carrera GTS (WLTP): Fuel consumption combined: 11.0 – 10.5 l/100 km; CO_2 emissions combined: 251 – 239 g/km; CO_2 class: G

Mr. Blume, what makes a Porsche a Porsche?

Porsche is a way of life, and each and every one of our products embodies this. We represent performance and passion, sustainability and extraordinary experiences, inspiring fans all over the world. It's this combination that defines Porsche.

How exactly do you do that?

With clear criteria: Criteria for distinctive design, for performance, and the driving experience. Our vehicles are technical masterpieces—right down to the smallest detail. And to make them takes expertise. Not to mention a determination to keep innovating, and to keep inspiring people, time and time again. And with instinct, ensuring that Porsche always remains Porsche. Take, for instance, our icon—the 911. We're currently in the eighth generation. And we've continued to develop it, making it better and better. At its core, the 911 has remained true to itself—for more than 60 years. Its original identity has stood the test of time. Driving a Porsche should always be an unforgettable experience. If there's a smile on my face after a test drive, it means we've done everything right as a team. And that's something our fans all over the world can feel. That's typical Porsche.

Combining tradition and innovation—what exactly does that look like?

The values I've just described define our brand. They've transformed our products into driving icons. Every new development needs to fulfill this objective and carry it into the future. Take, the new 911 Carrera GTS. For the first time, it comes with a hybrid drive—an ultra-lightweight performance hybrid system, inspired by motorsport. The technology is groundbreaking, and perfectly complements the overall concept, giving the 911 even more power and further enhancing the driving dynamics. Or the 911 GT3, which has delivered a totally unadulterated driving experience for the past 25 years. It combines racing genes with everyday usability. And that's exactly what we're now emphasizing even more. The new GT3 is even more emotive. And we go even further in tailoring it to the individual wishes of our customers.

Porsche has overhauled its model range in a very short period of time. That's quite a feat.

It certainly is. We revamped four of the six model lines in 2024: The Panamera, the Taycan, the 911, and the Macan. That was no easy task. Modernizing our line-up so comprehensively required a great deal of effort and money. But it was well worth it. Our portfolio now is the youngest and strongest in Porsche history. With every new car, we've developed trailblazing innovations and set benchmarks.

Porsche is a way of life, and each and every one of our products embodies this.

Oliver Blume

Macan: A technical masterpiece down to the smallest detail

What makes this model overhaul so ambitious?

It's a challenge in more ways than one. To start with, the new products need to be developed on schedule—and to fulfill the extraordinary quality standards for which Porsche is known. Then our plants need to be able to accommodate the demanding ramp-up in production. And finally, there's the distribution: While the predecessor is gradually phased out worldwide, the new model is launched step by step. This transition needs to be managed perfectly. And it all needs financing at the same time. That's challenging enough with one new model, but we had four in 2024, in quick succession. I think it's safe to say that Porsche delivered.

All of the new launches are reflected in the sales figures. After so many record-breaking years, you had to accept a setback in terms of the financial results.

It was an extremely challenging year for the European automotive industry as a whole in 2024. We were expecting that, but the situation worsened throughout the year. We are experiencing a massive drop in demand in the luxury segment in China. Plus, costs have increased in many areas, especially in the supply chain. Still, we followed through with our year of product launches as planned, and we made great strides in the development of innovative products and services. Considering the situation we find ourselves in, what we accomplished is nothing short of spectacular. And all credit goes to our team for this extraordinary achievement.

A look at the world map reveals a dramatic shift in sales distribution. What's the strategy behind this development?

Over the years, we at Porsche have made a real effort to balance sales across regions around the world. For example, we've strategically invested in the regions of South Korea, the ASEAN states, the Middle East, Brazil, and Mexico.

911 GT3 with Touring package: Identity preserved—for more than 60 years

911 GT3 with Touring package (WLTP): Fuel consumption combined: 13.8 – 13.7 l/100 km; CO_2 emissions combined: 312 – 310 g/km; CO_2 class: G

And it's now paying off because we were able to compensate for much of the decline in China with other regions. We remain true to our objective, "Value over Volume." Value-oriented, sustainable growth is more important to us than quantity.

When it comes to electric mobility, different regions around the world are developing at very different rates. How do you deal with that?

Electric mobility is the technology of the future. At the same time, Porsche is flexibly positioned. This is important when it comes to meeting the needs of the different regions, which are developing at different rates. For individual model lines, our customers will therefore be able to choose between efficient internal combustion engines, high-performance plug-in hybrids, and all-electric models well into the 2030s.

Can you be more specific?

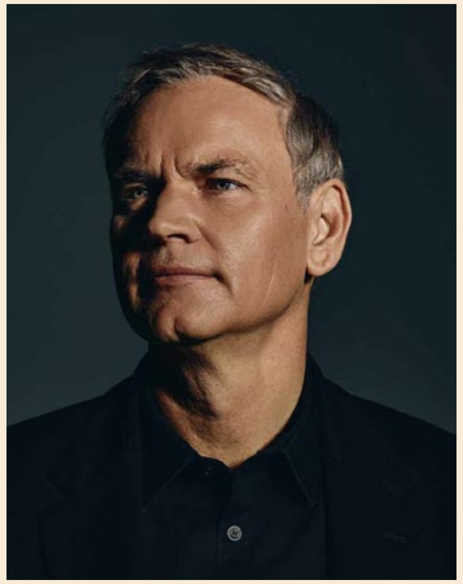
In terms of sports cars, we offer the 911 with a six-cylinder boxer engine and as a sports hybrid. There will be the all-electric 718 Boxster and Cayman. In the SUV segment, we have the all-electric Macan as well as the Cayenne, which is available with an internal combustion engine or as a plug-in hybrid, and in the future will also be offered in all-electric form. And as far as sports sedans are concerned, the Taycan represents electric performance, while the Panamera is available with an internal combustion engine or as a hybrid.

And the "double E" strategy—electric and eFuels—continues?

Absolutely. In our view, synthetic fuels do not directly compete with electromobility, but they are a practical addition for the transition phase. This transition will take quite some time. eFuels could be used in the existing fleet without any technical limitations. Currently, too little of these synthetic fuels are produced around the world.

Porsche offers its customers more than just a wide selection of drives to choose from. You've also significantly expanded the options available for vehicle customization.

That's right. And there, too, we draw from Porsche's history. The Sonderwunsch program, for example, goes all the way back to the late 1970s. Since then, we've built on and updated the program, and of course expanded and modernized the range of options. It means that our customers can incorporate some of their own personality into their dream car. The possibilities are virtually endless—right down to a totally individual one-off car. And we plan to continuously expand our product range with Porsche Exclusive Manufaktur.



LEFT **Taycan Turbo: Ground-breaking innovations developed and new standards set**

RIGHT **Oliver Blume: Chairman of the Executive Board since 2015**

Taycan Turbo (WLTP): Electrical consumption combined: 20.5 – 18.0 kWh/100 km; CO_2 emissions combined: 0 g/km; CO_2 class: A

Innovatively Porsche

The automotive industry is undergoing an epochal shift. Digitalization inside the vehicle goes even further than electric mobility—and requires a whole new way of thinking. Executive Board members Michael Steiner (Research and Development) and Sajjad Khan (Car-IT) explain more.

Fluid material:
the software is the starting point for a new Porsche

Mr. Blume, what does the digital transformation mean for Porsche generally speaking?

OLIVER BLUME We have a fundamentally different way of thinking today. The motto used to be "Hardware first." Software was only introduced during the development process. These days, software defines the central requirements of a new vehicle from the very start. This new way of thinking is primarily an issue of mindset—throughout the industry, not just at Porsche.

Mr. Steiner, Mr. Khan, the two of you are promoting this change in development at Porsche together. How will a "software-defined Porsche" be different in the future?

MICHAEL STEINER It will be a vehicle that's developed and produced in accordance with the very highest quality standards and delivers extraordinary performance and a one-of-a-kind driving experience. So exactly what Porsche has represented for more than 75 years. That will always be our objective. And what our customers expect of us. We're creating exciting experiences—with first-class hardware, software, and digital services.

SAJJAD KHAN I couldn't agree more. Of course, the software itself has to be excellent. But how it's integrated ultimately makes all the difference. Good software has to offer real added value, harmonize perfectly with vehicle components, and in the end represent a desirable overall package.

MICHAEL STEINER In other words, not much has changed in terms of our vision. But the path there is different. In software development, we've moved away from the long-term cycles of the past. It's an ongoing process. And that requires a high degree of flexibility and agility throughout the organization.

That sounds like a cultural change …

SAJJAD KHAN That's exactly what it is. We have clear visions for the software of our future sports cars. When it comes to implementation, our teams work in a model of "liquid organization": no silos, reduced hierarchy, and lots of content. This type of organization allows us to respond more dynamically and quickly to market changes and technological developments.

You're working with partners more and more these days, especially in the digital sphere. What are you hoping to achieve?

MICHAEL STEINER Partnerships are an opportunity to increase speed, improve competitiveness, and develop expertise internally. To advance at a faster pace, it sometimes makes sense to work with external partners. Especially in the digital sphere, there's no need to redevelop everything ourselves from the ground up. Whenever the opportunity presents itself to benefit and learn from the expertise of others, that's what we do. But we also go out looking for competition in the areas we're especially strong in ourselves.

We're creating exciting experiences—with first-class hardware, software, and digital services.

Michael Steiner and Sajjad Khan

Digital assistants are invisible codrivers and bodyguards.

Oliver Blume

How do you preserve Porsche's unique identity in a construct like that?

SAJJAD KHAN I prefer to explain that using an example from the food and beverage industry. Good ingredients are key. But it takes an extraordinary chef to turn them into something special that inspires the guests. Something that no one else can do. Applied to our software, it all comes down to how well it's integrated into our customers' vehicles and how it makes the driving experience even better. Who developed which components plays a much less important role.

Speaking of the Porsche driving experience, what makes it so unique?

MICHAEL STEINER We organize everything else around the driving experience. Thanks to intelligent software, we already perform very well in areas like driving dynamics and energy management, both of which will distinguish Porsches in the future.

SAJJAD KHAN The Porsche Driver Experience engages all five senses. The role of voice control will continue to grow in the future, but the visual, acoustic, and tactile design of the system is also important. Artificial intelligence will play an increasingly important role in simplifying interaction with the vehicle and improving operation, making it as easy and intuitive as possible.

But will a Porsche still be a car you primarily want to drive yourself?

OLIVER BLUME Absolutely. We use all the options that new digital systems offer us. Our technology should optimally support the driver at all times—not replace them. It's not a competitor. It's a good partner. Digital assistants are invisible codrivers and bodyguards.

"Software-defined Porsche": intelligent software transforms the icon into an incomparable driving experience

Iconically

Head of Design Michael Mauer has spent more than 20 years developing visionary designs and preserving iconic lines.

Porsche

He and Oliver Blume meet at one of the Weissach Development Center's most secretive locations: the halls of Style Porsche.

New drive mode shifter: technology as an aesthetic work of art

Mr. Blume, you come here often. Why is that?

OLIVER BLUME It's important to me to maintain close contact with Michael and his team. Even for issues beyond mere coordination of new products. We've come to realize that design can do so much more than just styling our sports cars.

How do you mean?

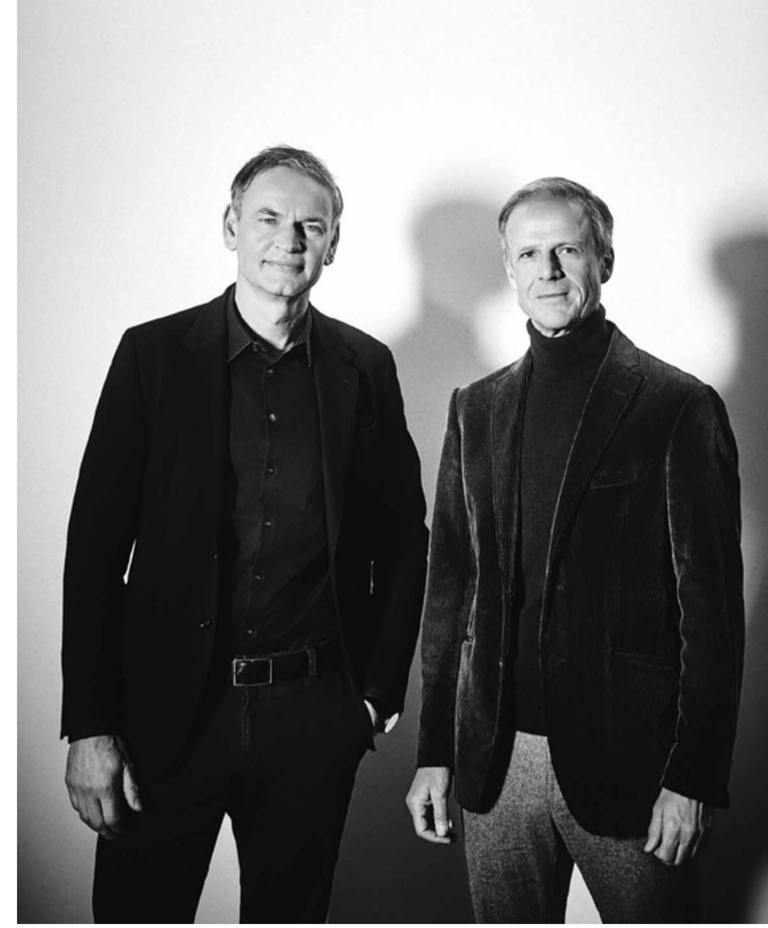
OLIVER BLUME Our design strategy serves as a guideline that we want to apply at the company far beyond the confines of design. It represents a clear added valued for the long-term position of our brand. Simply put, design experts develop brand strategies that we aim to use as a type of brand compass throughout the company—regardless of the actual product design. The aim is to ensure a consistent brand feeling that's perceived the same way across all touchpoints with the Porsche world.

That's quite an undertaking, isn't it, Mr. Mauer?

MICHAEL MAUER It certainly is. Continuity and consistency are part of our brand identity. Defining them carefully and carrying them into the future is a fundamental, strategic task. Rather than redefining everything anew, Porsche simply continues to develop what already works well. A long-term strategy is very important. It ensures a consistent and innovative way of thinking that aligns with the brand, and allows all of us at the company to move in the same direction. I'm delighted that we're working with many other areas of the company to expand the strategy expertise derived from the design.

Let's talk about concrete processes. How does the strategic aspect fit in to vehicle design?

MICHAEL MAUER We've defined three terms for the design that describe our brand values, regardless of the models and derivatives: focus, purpose, and tension. They form the core of our strategic thought process. On that basis, we develop concrete designs on a product level. For example, these attributes come into play when we discuss the design of the display behind the steering wheel. In this context, focus means that we focus clearly on the driver and tailor the display to their specific needs. The result is our so-called curved display.



Oliver Blume (left) and Head of Design Michael Mauer: so much more than just vehicle styling

Let's leave the result aside for just a moment and go back to the beginning. How does Porsche begin the design process for a certain model?

MICHAEL MAUER Sketching with pencil and paper—or a tablet and stylus pen—is actually still the most important starting point when it comes to finding or visualizing ideas. It depends on whether there's a predecessor model or we're creating a brand-new product. Above all else, I need to be able to recognize immediately that it's a Porsche.

The Porsche identity, this design tradition that everything's connected to—there's nothing else like it.

Oliver Blume

What are the most important topics?

MICHAEL MAUER The early phase is largely about achieving optimal vehicle proportions. Just as the location is decisive for a piece of real estate, proportions are key when it comes to vehicle design. Proportions, proportions, and again proportions. What makes sports cars in general and Porsches in particular so special is their dramatic width-to-height ratio—regardless of the segment. This width-to-height ratio ensures that all of our products are recognizable as Porsches at first glance. Perfect proportions are the foundation of a consistent and authentic brand identity. And then there are additional details such as the abruptly sloping roofline that also characterize our vehicles. In addition to brand affiliation, we've also defined elements on the model level that, for example, clearly distinguish a 911 from a Panamera and provide every vehicle with its own character—its own product identity. Here, too, we're largely guided by our design philosophy and can thus ensure that these features are established as part of our design identity over the long term.

Being creative, developing innovations, and preserving the identity that has evolved over the years—how do you reconcile all of that?

MICHAEL MAUER It's an exhilarating task like no other. Designing a Porsche that breaks entirely with history would be a terrible idea. In fact, we go in the opposite direction. It's our job to visually present the brand in a way that is full of life, innovative, and forward-looking. To find the right balance between innovation and tradition. Here, in particular, I think the composition of the team plays a decisive role. For example, if we're working on the successor of the current 911, we intentionally bring together experienced designers and young newbies. This form of exchange is extremely exciting and creates approaches that make this balance, in particular, a reality.

Porsche 911: timeless icon with unmistakable design


Masterful interplay of forms with continuity: the Porsche 911

You have helped shape the design culture at Porsche over the past two decades. What has changed, and what has remained the same?

MICHAEL MAUER The designers' work has changed dramatically over the past two decades. Topics like digital applications have become a whole lot more important. They represent both a challenge and an opportunity. On the one hand, we've come to realize that the user experience—or driver experience, as we call it—is becoming more and more important for the brand. On the other, digital applications in design provide us with the opportunity to visualize our ideas very quickly. Nevertheless, I still firmly believe that allegedly outdated physical clay models play a key role in the quality of our designs. But technological advancements have certainly had the biggest influence. Electric mobility is a very good example. Elimination of the massive engine block allows us to design a much more striking hood on our sports cars. At the same time, there needs to be enough space to house the large battery, which hasn't gotten any smaller. The same goes for the manufacturing process. Today we're able to produce shapes that were once impossible in the series production process.

And what would you say about the future of design?

MICHAEL MAUER The importance of design will only grow in the future—and not just on a product level. With our design philosophy, we've created the perfect foundation. A compass that provides the entire company with clear guidelines on the path to a consistent, emotionally charged customer experience.

OLIVER BLUME That allows us to sustainably strengthen the future viability of our brand over the long term. And there's one thing that will never change: anytime you see a Porsche somewhere in the world, you will instinctively turn around. This Porsche moment is a huge acknowledgment. Especially because we've managed to maintain this enormous level of consistency over the decades. The Porsche identity, this design tradition that everything's connected to—there's nothing else like it. It's an important incentive for many of our customers to buy.

Perfect proportions are the foundation of a consistent and authentic brand identity.

Michael Mauer

Emotionally Porsche

Like distinctive design, performance is deeply rooted in Porsche's identity. As a catalyst for technology development, motorsport has always shaped the brand. And Porsche channels these themes into experiences that are unique the world over.

Taycan Turbo GT with Weissach package (WLTP): Electrical consumption combined: 21.3 – 20.6 kWh/100 km; CO_2 emissions combined: 0 g/km; CO_2 class: A

99X Electric: Learning and developing with every lap

Mr. Blume, 2024 was an exciting year for Porsche in motorsport—with major victories as well as narrow defeats. What was the season like for you?

I felt like a co-driver. I got lost in the excitement. The season was a rollercoaster of emotions and I spent much of it on the edge of my seat. Our teams achieved some impressive successes. We're proud of our world champion drivers in Formula E and the FIA World Endurance Championship. We secured the manufacturers', teams', and drivers' titles in convincing fashion in the IMSA SportsCar Championship in the US. Le Mans, on the other hand, was a good example of how close it can be in top-flight motorsport. Our works Porsche 963 was ultimately just 1.2 seconds short of a place on the overall podium—and that's after 24 hours of racing. It doesn't get any more exciting than that. But what was most important to me was that we learned from every lap and continued to develop.

Is that the primary purpose of motorsport at Porsche?

It certainly is. Motorsport drives innovation and is our most demanding test environment. Many technical developments like the turbocharger, the hybrid drive system, and the Porsche dual clutch transmission (PDK) originated from the racetrack. We even designed and developed the 800-volt system originally for motorsport. Today, it delivers Porsche performance in the Macan and Taycan–with remarkably high charging capacities. And as well as the technical aspects, the emotion of racing is also very important to us. We love competition, and it's also part of our identity.

We love competition, and it's also part of our identity.

Oliver Blume

Porsche brand store and all-electric Macan: Porsche creates experiences that leave a lasting impression

This feeling of being part of a global community makes Porsche something truly extraordinary.

Oliver Blume

It also excites millions of fans worldwide. Where does this passion for Porsche come from?

Porsche represents values, dreams and a passion that brings people together across generations and continents. Whether it's on the racetrack or at one of the many Porsche events around the globe, this real love for the brand is the force that unites the Porsche community. The solidarity and cohesion create a unique atmosphere. This feeling of being part of a global community makes Porsche something truly extraordinary.

How does Porsche actively promote that?

It's about the shared experience, especially when it comes to younger target groups. It's these special Porsche moments that leave a lasting impression and that people enjoy sharing, which is why we create experiences at every touchpoint with our brand. Whether it's the first contact at one of our new Porsche Studios or during intensive driver training.

Porsche Experience Centers (PECs) play a key role. The concept goes quite a long way back, doesn't it?

Yes, the first driver training courses were offered in the 1950s. The Porsche motorsport school was founded in 1974 and was linked to the first 911 Turbo. You had to learn how to master it—turbo lag being a key topic there. Of course, things have changed a lot since then, and turbo lag is no longer a factor, thanks to the electric turbocharger of the new 911 Carrera GTS with its performance hybrid system. But the idea behind the PECs remains the same. To understand what a Porsche is really capable of, you have to push it to its limits.

What does the future of PECs look like?

In 2025, the 10th such experience center will open its doors in Toronto. The 11th is being built in Singapore. Every PEC is unique. Some are located at legendary racetracks, while others feature reproductions of famous corners or off-road tracks. What they all have in common is that the experience extends far beyond just driving. Everyone's welcome here, young or old. And you don't need to own a Porsche either. This openness is an integral part of the global Porsche community's identity and it shapes our brand.

911 Carrera GTS (WLTP): Fuel consumption combined: 11.0 – 10.5 l/100 km; CO_2 emissions combined: 251 – 239 g/km; CO_2 class G
Macan 4 (WLTP): Electrical consumption combined: 21.1 – 17.9 kWh/100 km; CO_2 emissions combined: 0 g/km; CO_2 class: A
Macan Turbo (WLTP): Electrical consumption combined: 20.7 – 18.9 kWh/100 km; CO_2 emissions combined: 0 g/km; CO_2 class: A

Taycan Turbo S (WLTP): Electrical consumption combined: 20.5 – 17.9 kWh/100 km; CO_2 emissions combined: 0 g/km; CO_2 class: A

We invest in the future

01 GROWTH

The identity of Porsche includes a commitment to value-driven and brand-appropriate growth. Sales figures alone are not a benchmark for us. That's especially true at times like these when global challenges are on the rise, making linear growth very difficult. At the same time, success increasingly requires a strong brand, which is why we will remain true to our tried-and-tested approach even in the future: to always produce one vehicle fewer than the market needs. Growth at any cost is not how we do things. We're much more interested in following the principle of "Value over Volume," which means we focus on the value our vehicles contribute. If it's high, all of the stakeholders benefit: the employees, customers, and shareholders.

Taycan Turbo S Celestial Jade: custom-made, all-electric sports car with special pigmented paint

02 LUXURY

At Porsche, the vehicle itself has always taken precedence. With its unmistakable design and extraordinary performance, it represents the epitome of luxury. That must and will always be our ideal. We will never lose sight of the iconic brand or the cultural legacy. Porsche also offers its customers unique experiences and an extraordinary community. Purchasing a Porsche automatically makes you a member of the Porsche family. "It's not what you buy, but what you buy into"—that's how we define luxury.

Customer engagement and support are important. Our aim is to fulfill—or even exceed—Porsche customers' highest expectations everywhere and at all times. That also applies to the brand's attention to detail and the quality of the craftsmanship and materials. If this is your top priority, you'll ultimately create a product with maximum appeal and quality.

03 RESPONSIBILITY

Porsche is an exclusive brand, but doesn't exclude anyone. We view ourselves as a partner to society and allow others to share in our success. That, too, is a fundamental part of our self-image as a luxury brand. We're involved in the community in a variety of ways. For example, we sponsor sports events and cultural activities and even support Bürgerstiftung (Community Foundation) Stuttgart's "Supp_optimal" project. Employees and the members of the Executive Board help distribute food to people in unstable living situations.

It goes without saying that a responsible company needs to be involved in climate and environmental protection, which is why we promote the eFuel and direct air capture (DAC) technologies. eFuels are synthetic fuels that can potentially be manufactured entirely with renewable components and do not rely on fossil resources. DAC is a promising technology for capturing CO_2 as a raw material for use in eFuels and plastics. Or even for removing CO_2 from the atmosphere and binding it permanently. In other words, we should be able to operate petrol engines with virtually no carbon emissions in the future.

04 INVESTMENTS

Porsche uses its financial power on behalf of customers. We invest in other exclusive offers such as expanding our popular, high-margin Sonderwunsch program. We also plan to expand additional luxury enablers like our Porsche Studios and our Porsche Experience Centers, which allow fans around the world to actively get to know our products firsthand. They offer demanding courses that allow you to try out your dream car—and driver training with experienced instructors. Porsche Studios are retail locations where we engage with our customers in the center of larger cities. There, too, we offer immediate and highly emotional contact with the brand and our vehicles in an exclusive ambience.

Even in challenging times, we are determined to invest in our future, all the while adapting to changing conditions with a high degree of flexibility and courage. This allows us to strengthen our product portfolio, our innovative power, and our products and services. Our investments today will be our profits tomorrow.

Taycan Turbo S (WLTP): Electrical consumption combined: 20.5 – 17.9 kWh/100 km;
CO_2 emissions combined: 0 g/km; CO_2 class: A

Sonderwunsch program: Porsche enables personalized one-offs

05 PROFITABILITY

It's part of Porsche's DNA that we're constantly tinkering and trying to squeeze out even more horse power. For us, being highly profitable is not an end in itself, but rather a fundamental component of our business model. Our aim is to inspire and surprise our customers again and again—with innovations, groundbreaking new technologies, and exclusive experiences. The financial leeway necessary to do all that requires a high return, which is why it's so important that Porsche maintains a financially robust position and does everything in its power to ensure it stays that way.

Taycan Turbo GT with Weissach package (WLTP): Electrical consumption combined: 21.3 – 20.6 kWh/100 km, CO_2 emissions combined: 0 g/km, CO_2 class: A

TO OUR SHAREHOLDERS

LETTER FROM THE EXECUTIVE BOARD

Dear Sir or Madam,
Dear Friends of the Company,

A strong brand stands by its values, especially in challenging times. For more than 75 years, we at Porsche have been building innovative sports cars to the highest standards of performance, design, and quality—to the exhilaration of millions of people around the world. This is what drives us. Every day, we work with devotion and a passion for detail, not to mention an outstanding team. These are the hallmarks of Porsche. We have held this course—even when the sea has been rough and the waves have been tall—and we have remained true to ourselves during challenging times.

The world was again beset by wars and conflict in 2024. Demand in China is changing on a structural level, and the transition of our industry to electric mobility is progressing more slowly than originally predicted a few years ago.

We at Porsche have not been immune to the pressure that all this has brought. However, our business model has proved to be resilient and flexible. Despite the difficult conditions, Porsche is in a robust financial position and is highly profitable. We have successfully completed our year of product launches—the greatest in our history—and accelerated the development of innovative products and services.

The second, significantly more advanced generation of the all-electric Taycan is now on the market. Likewise, the Macan, our biggest seller for many years, has powered forth into the new era as a newly developed electric car. The new Panamera comes with hybrid drive systems that are significantly more powerful, in addition to many other highlights. And the new 911 continues to break new ground: for the first time ever, it is available with an exceptionally efficient performance hybrid drive system inspired by motorsport.

These model changes and new launches were a Herculean effort and had a significant impact on Porsche's year. We expected this from the outset. However, we are certain that our efforts have paid off.

By comprehensively modernizing and rejuvenating our product portfolio, we have paved the way for success in the coming years. We are in a strong position to keep on exciting and inspiring our customers.

Of the new vehicles delivered to customers in 2024, 27 percent were either all-electric or plug-in hybrids. Our 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, we are positioning ourselves as flexibly as possible with a mix of combustion-engined, plug-in hybrid and all-electric vehicles.

The year 2025 will be challenging, too. The macroeconomic landscape remains strained, as does the geopolitical situation. The development of the US and Chinese markets continues to be plagued by uncertainty. This is compounded by supply shortages and continuously rising costs, especially on the supply side.

We must ready ourselves to face these external factors and seize the opportunities that present themselves in spite of the challenging conditions. Therefore, we are carefully examining how to position our portfolio, taking the wishes of our customers into account at all times. We are also carrying out continuous in-depth analysis of our budgets and costs. In doing so, we will gain the scope to continue making significant investment—in innovation, digitalization and sustainability, the development of future products and services, and in brand and customer satisfaction. Our newly formed Executive Board team is pulling out all the stops and putting the pedal to the metal with this work.

An excellent team, strong products, and a clever strategy: this has been the successful recipe that helped us claim numerous titles on the racetrack and thrill our fans around the globe in 2024. The year will go down in history as one of the most successful for Porsche Motorsport. The transformation of our industry is a special kind of endurance race, but we will qualify for the next stages using that same recipe again. And we will remain true to ourselves and our values while doing so.

We are glad to have you at our side.

With warmest regards,
The Executive Board of Dr. Ing. h.c. F. Porsche AG

MEMBERS OF THE EXECUTIVE BOARD

Albrecht Reimold
Production and Logistics

Andreas Haffner
Human Resources and Social Affairs

Michael Steiner
Research and Development

Sajjad Khan
Car-IT

Oliver Blume
Chairman of the Executive Board

Barbara Frenkel
Procurement

Lutz Meschke
Deputy Chairman of the Executive Board, Finance and IT (until February 25, 2025)

Detlev von Platen
Sales and Marketing (until February 25, 2025)

Jochen Breckner
Finance and IT (not pictured)

Matthias Becker
Sales and Marketing (not pictured)

Pictured individuals (from left to right): Albrecht Reimold, Andreas Haffner, Michael Steiner, Sajjad Khan, Oliver Blume, Barbara Frenkel, Lutz Meschke, Detlev von Platen

911 Turbo 50 Years (WLTP): Fuel consumption combined: 12.5 – 12.3 l/100 km, CO_2 emissions combined: 283 – 278 g/km; CO_2 class G

Oliver Blume

Chairman of the Executive Board

How would you characterize yourself?
I am a team player, a sportsman, and a family man—and someone who always thinks in terms of opportunities.

Who has inspired you the most?
I count myself lucky to be able to meet so many great people in my life; people from lots of different fields, both professional and personal, with a wide range of backgrounds and points of view. Over the decades, I have been able to experience many different cultures and values and I've personally learned a lot from them. This has shaped me and, still to this day, it never fails to inspire me.

What characteristics must your department preserve into the future?
I see the management team, including myself, in the role of a player-coach. We are responsible for overarching functions such as strategy, communication, quality, auditing, legal, and compliance, but also for our model lines. This requires the greatest flexibility. We are experts and generalists rolled into one, keeping one eye on the details and the other on the big picture.

And where is there a need to go back to the drawing board?
We constantly ask ourselves how and where we can improve. It is an integral part of our culture at Porsche—as well as our work in management. The world is becoming more and more complex. Geopolitical tensions are rising. Frameworks, markets, and customer requirements are evolving rapidly. We must be able to react optimally in this environment. And better still: operate proactively. This is the reason why we made further updates to our Porsche strategy in 2024 and sharpened our focus on the four core subject areas: customer, products, sustainability, and transformation. It will chart a clear course for the future.

Self-reflection and continuous improvement are a key element of our Porsche identity.

Lutz Meschke

Deputy Chairman of the Executive Board
and Member of the Executive Board
responsible for Finance and IT
(until February 25, 2025)

How would you characterize yourself?
Someone with clear boundaries. Challenging and supportive. I am always candid and I speak transparently—to colleagues on all levels.

Who has inspired you the most?
My childhood idol: the soccer player Günter Netzer. His technique and understanding of the flow of the game were unrivaled. He was unorthodox. He was also able to just let some things pass. Nevertheless, he proved himself beyond a doubt and everyone followed his lead, both on and off the pitch. I met him in person a few years ago. I am pleased to say that he lived up to his reputation.

What characteristics must your department preserve into the future?
In the past, for the most part, Finance was only responsible for bookkeeping and strict cost management. Today, it is the company's strategic copilot. It is important to me that the department is not merely seen as an administrative database. It should be seen as an internal adviser and a confident driving force that helps to form strategic decisions. To other departments, it is an equal partner that helps implement projects, business models, and strategic initiatives.

And where is there a need to go back to the drawing board?
The world has become more complex and volatile—and in turn less predictable. Disruptive events like pandemics, breaks in global supply chains, or geopolitical changes are happening more and more frequently. That's why we have structured our processes to be significantly more flexible than in the past, especially with regard to planning and forecasting, as these play a key role in corporate governance. We even use new technology, such as AI, to do this. It provides unparalleled opportunities that we absolutely must seize.

We are an internal adviser and a confident driving force that helps form strategic decisions.

Barbara Frenkel

Member of the Executive Board
responsible for Procurement

How would you characterize yourself?
I am a positive and optimistic person who never loses sight of opportunities, even in challenging situations. I am curious and very much enjoy working with new technology. Reliability and passion are incredibly important to me because I believe that I am successful whenever I do something that is really close to my heart.

Who has inspired you the most?
I am inspired by people who excel and make their dreams come true despite adversity. It could be a handicapped athlete who wins an Olympic medal. Or Sally Ride, the first American female astronaut. She had to overcome a lot of obstacles to make her greatest dream come true. I like to be inspired by thrilling stories—at certain stages in life or in certain situations.

What characteristics must your department preserve into the future?
Resilience, especially personal resilience, is crucial. After all, we are constantly forced to deal with change and challenges to the point of crisis management. We also support suppliers in financially strained situations. This requires not only professionalism, but also a strong sense of responsibility, in order to obtain the best outcome possible for the companies involved.

And where is there a need to go back to the drawing board?
The transformation of our industry requires us to modify our supply chains and, in some cases, restructure them to be even more resilient. It is important to recognize and utilize opportunities: attract new, innovative, and suitable suppliers, cultivate partnerships, formulate efficient contracts, and accelerate development processes.

It is crucial to never lose sight of opportunities, even in challenging situations.

Andreas Haffner

Member of the Executive Board responsible for Human Resources and Social Affairs

How would you characterize yourself?
Inquisitive and empathetic. I love to immerse myself in new subject areas through podcasts, books, or even conversations with colleagues from a wide range of fields. It creates an unbelievably enriching variety of perspectives.

Who has inspired you the most?
I am most impressed by people who show some backbone. People who stand up for what they believe in. People like Albert Schweitzer, winner of the Nobel Peace Prize. Through his ethical commitment and humanitarian work as a doctor in Africa, he made an impact that can still be felt today. People who make the world a better place. I find the work of Alfred Herrhausen, the former Chairman of Deutsche Bank, similarly inspiring. His visionary advocacy for social responsibility to be more deeply anchored in business is more relevant than ever. Economic success and social commitment are inextricably linked.

What characteristics must your department preserve into the future?
I see strong cohesion in the day-to-day work of our department. We truly embrace the value of "Family" from our Porsche Code. We must preserve this team spirit.

And where is there a need to go back to the drawing board?
We should move away from old habits and, in particular, continue to systematically reduce the red tape. We must make greater use of new technology, such as artificial intelligence, in our projects and processes. This gives us more time to do fulfilling and productive things. We can make time for people.

We need empathy, especially in the age of artificial intelligence and digitalization. To be able to think and act as a team. That makes us unbeatable.

Sajjad Khan

Member of the Executive Board
responsible for Car-IT

How would you characterize yourself?
I see technology as a transformative force and turn innovations into real solutions for our customers. My approach is vision based, yet also strongly aligned with the Porsche experience. Close collaboration with fellow experts is of particular importance to me. This is the only way to overcome complex challenges. My goal is to shape the digital future of Porsche and, in so doing, preserve the unique identity of the brand.

Who has inspired you the most?
Konrad Adenauer's ability to set clear goals in a time of upheaval and then work to accomplish them with equal amounts of vision and pragmatism was inspiring. In particular, I was struck by his confidence in Germany's capacity to flourish again and become an economically strong country, even after such difficult times. Adenauer had the courage to move in new directions without straying from his country's values. This quality is just as relevant today, especially in an industry that is currently reinventing itself.

What characteristics must your department preserve into the future?
Software development at Porsche should remain focused on maximum creativity, functionality, and customer centricity in the future. Not unlike a well-balanced meal, it is all down to the optimal integration of digital technology. To date, no one has created a car quite like the Porsche 911. Our task is to take this icon into the future with innovative software. The crucial part remains finding the perfect harmony between the software and all the other components of the car.

And where is there a need to go back to the drawing board?
You need the right mindset to develop a software-defined vehicle: software must be part of the development process from the outset. That's why we are transitioning to a software-first approach, supported by flexible working models like the "liquid organization." This enables teams to collaborate in an agile manner across departments and respond to changes in the market with greater speed. In this context, it is important to actively involve employees in order to drive this cultural change.

We all must work together to shape the digital future of Porsche. Together and on a par with experts from all fields.

Detlev von Platen

Member of the Executive Board
responsible for Sales and Marketing
(until February 25, 2025)

How would you characterize yourself?
As open-minded and cosmopolitan—if only because of my international background. I value different perspectives, listen, and am able to put myself in the shoes of the person I am talking to. I am a pragmatic team player and am always focused. I like to think I'm always two or three steps ahead. I love a challenge and new things, and I never want to remain static. There is only one of me, by which I mean that I am authentic. And I never lose my sense of humor.

Who has inspired you the most?
I am not thinking about one person in particular. Instead, I think that motorsport is a great example for me of the right mindset. I can feel that irrepressible joy of always wanting to compete against the best: with lots of pioneering spirit, even more passion, and yet still—despite any success—always a degree of humility.

What characteristics must your department preserve into the future?
To be open, to listen, and to learn from others. To stride forwards with courage, remain positive, and never give up. We must learn the right lessons from defeats and share success stories with others. Even in challenging times, our dreams inspire us to continue on our path—as a promise of an extraordinary brand and product experience.

And where is there a need to go back to the drawing board?
Whenever there is change, it is clear that the customer will always remain the top priority, even in the future. Otherwise, there are no barriers to our thinking. Barriers don't suit my personality. Change is happening at an increasing pace and AI-based tools are becoming ever more important to us, as they are in all areas of the company. Customers should be able to come into contact with the Porsche brand anytime and anywhere. Online offerings and the physical world of Porsche transition seamlessly into one another, but I see a lot of scope for innovation here.

The need to excite customers is what drives us most—with an extraordinary product and brand experience that gets their pulses racing.

Albrecht Reimold

Member of the Executive Board
responsible for Production and Logistics

How would you characterize yourself?
I would describe myself as setting clear targets, leading the team by example with my own attitude, and showing appreciation. As I always say, "You have to be in love with success." This positive attitude brings success both individually and to the entire team, professionally as well as personally.

Who has inspired you the most?
I have been inspired by the American athlete Dick Fosbury. He revolutionized high jumping with the "Fosbury flop," a technique consisting of a backwards flop. His style was initially met with ridicule, but is now standard practice in the high jump event. I have retained this principle of taking new approaches and utilizing innovations throughout my professional career. Even after decades in automobile manufacturing, the phrase "We've always done it that way" has never entered my vocabulary. I enjoy trying new things with my team.

What characteristics must your department preserve into the future?
Constant self-scrutiny has always been a hallmark of Porsche production. A good example of when we demonstrated this was when we started manufacturing the Taycan, when we built a factory within a factory in Zuffenhausen. Despite the limited space, we managed to build a cutting-edge facility in no time. We must preserve this attribute as we head into the future, in order to realize the dreams of our customers through innovations. The important thing is that this can only be done through close collaboration with other departments such as Technical Development, Sales, and Procurement.

And where is there a need to go back to the drawing board?
Our industry is currently undergoing the greatest transformation in its history—in terms of electric mobility, software and connectivity, but also production. We must forge ahead with the fully networked smart factory, both through the use of cloud solutions and AI as well as with regard to production processes. In the future, it will offer tremendous potential to head in new directions. To me, personally, it is extremely important that sustainability plays a key role in all innovations. Long-term entrepreneurial success can only be achieved through sustainable production—literally.

Setting clear targets, leading the team by example with my own approach, and showing appreciation.

Michael Steiner

Member of the Executive Board
responsible for Research and Development

How would you characterize yourself?
I work with passion and a clear focus on the future and development of Porsche. I think it is important to push forwards with technical innovations without losing sight of the essence and tradition of the brand. I value precision and attention to detail, especially when it comes to realizing complex concepts in exclusive sports cars. I am driven by the challenge of combining the tried and tested with the new, and leading Porsche into a more sustainable future.

Who has inspired you the most?
Wilhelm Conrad Röntgen inspired me with his curiosity and application of theoretical models from nature. His X-rays made the invisible visible through experimental evidence. His approach really motivates me to understand complex technology and topics on a daily basis. This understanding is the foundation of the creativity that we need in order to develop innovations.

What characteristics must your department preserve into the future?
At Porsche, Technical Development must preserve its pioneering spirit and culture of innovation. One of our greatest strengths at the Weissach Development Center is the outstanding efficiency of our vehicle development and the skill of our engineers. Our goal is still to build the sportiest car in every segment. A Porsche is a marriage of driving pleasure, performance, and efficiency and gets better with every generation. This means that in the future, we will meet the changing requirements over the course of our transformation and remain true to our DNA.

And where is there a need to go back to the drawing board?
The pace of innovation in the software sector is increasing all the time. We therefore have to adapt our development processes and shorten development times. Cost efficiencies and the utilization of synergies remains crucial. Strategic partnerships help us focus on the essentials while increasing internal value creation in central areas. At the same time, data-driven development is indispensable for making the increasing complexity manageable.

An understanding of complex technology paves the way for creativity and innovation.

Changes to the Executive Board at Porsche: Jochen Breckner has assumed responsibility for Finance and IT, and Matthias Becker is now in charge of Sales and Marketing. They succeed Lutz Meschke and Detlev von Platen, who left the company by mutual agreement.

Jochen Breckner

Member of the Executive Board
responsible for Finance and IT
(since February 26, 2025)

How would you characterize yourself?
I am level-headed and deliberate, down to earth and economical, but not miserly – quintessentially Swabian, both at work and at home with my family. Apolitical and always interested in the matter at hand and the best solution. Putting my heart and soul into representing the business conscience of the company has always been important to me in a variety of roles – and it still is.

Who has inspired you the most?
I have always been fascinated by jazz musicians, how they play together, improvise, and dare to try something new on the spur of the moment, all while being able to rely on each other. And by how something that might seem chaotic at first ultimately becomes something great. That is art in its truest sense. Applying this notion to a professional environment, I am fascinated when people improvise, react appropriately, remain flexible, and keep on finding new solutions, even if the situation seems challenging at first glance. Jazz musicians can teach you to establish structures quickly even in supposedly chaotic and dynamic situations.

Resume

1977	Born in Stuttgart
1997	Studied business administration at the University of Stuttgart
2000	Joined Porsche as an intern in Controlling
2004	Controller of subsidiaries
2008	Assistant to the Chairman of the Executive Board
2010	Head of Subsidiary Controlling
2012	Head of Product Controlling
2017	Head of Controlling
2018	Head of General Secretary and Corporate Development
2025	Member of the Executive Board responsible for Finance and IT at Porsche AG

Matthias Becker

Member of the Executive Board
responsible for Sales and Marketing
(since February 26, 2025)

How would you characterize yourself?
I am athletic, genuine, and open-minded with a lot of heart and passion. Structured but also creative. My family and friends matter a lot to me, and I value loyalty highly. Teamwork is a key aspect, as I strongly believe that we can accomplish more when we work together.

Who has inspired you the most?
As a teenager and as a student, I was very much into athletics. At the time, Carl Lewis was the dominant sprinter and long jumper of his era with nine Olympic gold medals and he was named world athlete of the century in 1999. Lewis was later dethroned as the fastest sprinter in the world by Usain Bolt. I like the way in which both men succeeded – they had a sporty, relaxed attitude combined with a clear focus on their goals. The great personal motivation and passion of both men, driven by the will to push boundaries, have shown that you can achieve a lot when you believe in your dreams and do your utmost to realize them. "Follow Your Dreams" ...

Resume

1970	Born in Braunschweig
1990	Studied mechanical engineering at the Technical University of Braunschweig
1993	Internship, Volkswagen de México, Puebla
1996	International trainee program, AUDI AG, Ingolstadt
1997	Product Marketing, Audi UK, Milton Keynes
1998	Sales Manager (Scandinavia, France, UK), Audi Sales Europe
2006	Head of Sales in a joint venture with FAW-VW, Audi China, Changchun
2009	Head of Marketing, Volkswagen Germany, Wolfsburg
2013	Head of Sales Asia and Overseas, incl. China, Škoda Auto, Mlada Boleslav
2015	Head of Sales, Overseas and Emerging Markets Porsche AG, Stuttgart
2025	Member of the Executive Board responsible for Sales and Marketing at Porsche AG

PORSCHE IN THE CAPITAL MARKET

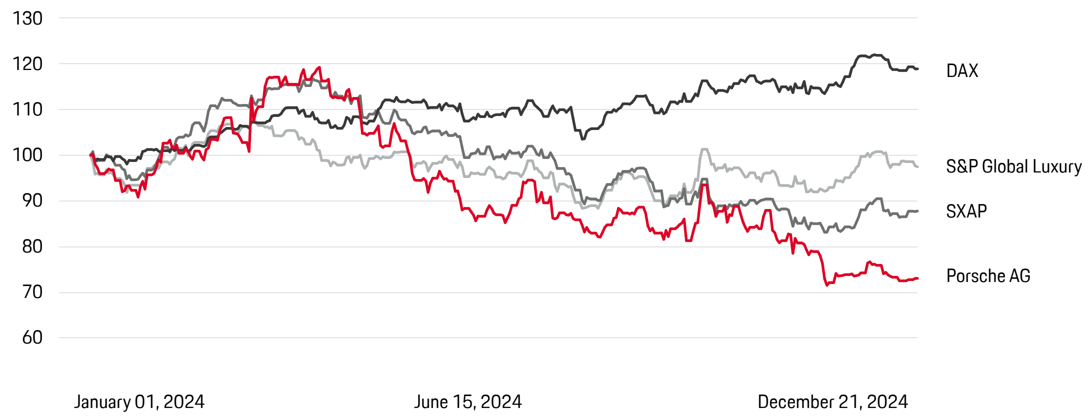
STOCK PRICE AND OVERALL MARKET

The most important stock indices, such as the German stock index DAX, the European EURO STOXX 50, and the global MSCI World Index, continued their trend upwards in the reporting period, building on strong performances in the previous year. Inflation fell significantly over the course of the year, which prompted leading central banks to announce their first interest rate cuts in 2024. The European Central Bank (ECB) brought an end to its restrictive monetary policies with an initial interest rate cut in June, followed by three more in September, October, and December. The American Federal Reserve followed suit and lowered its interest rate in September, November, and December. This created a palpable tailwind for global stock markets, which, with regard to the STOXX Europe 600, benefited companies in the banking, insurance, telecommunications, and media sectors in particular. Negative factors, such as the confrontations in the Middle East and the ongoing Russia-Ukraine conflict, had at best a short-term negative impact on the performance of the stock markets and investors, for the most part, tuned out.

The DAX grew by a significant 18.8% in 2024, rising above 20,000 points for the first time during trading hours on December 3. The MSCI World Index also performed well with growth of 17.0%. On the other hand, the STOXX Europe 600 Automobiles & Parts (SXAP) and S&P Global Luxury indices—both of which are of relevance to Porsche—fell by 12.2% and 2.5% respectively. Following a strong start to 2024, Porsche's preferred shares were unable to maintain their upward momentum. The sluggish rollout of electric mobility in Europe, high regulatory hurdles, and slowing demand for luxury goods, especially in China, created considerable headwinds over the course of the year. At the same time, the comprehensive modernization of four out of six series in the model range, which involved corresponding investments and costs, led to a decrease in the return on sales. The peak price of Porsche's preferred shares was €95.24 on April 11, 2024, compared to the lowest price of €57.22 on November 21, 2024. The year-end price of €58.42 corresponds to market capitalization of around €53.2 billion. In 2024, the average daily trading volume of Porsche preferred shares was around €99 million.

Stock price development in 2024

Index 100



DIVIDENDS

The Executive Board and Supervisory Board of Porsche AG are going to propose a dividend of €2.30 per ordinary share and €2.31 per preferred share to the Annual General Meeting, which is set to take place on May 21, 2025. In this case, a total of €2.1 billion will be distributed to shareholders, subject to the approval of the shareholders. For notes on Porsche's sustainable dividend strategy, please refer to the condensed version of the Porsche AG HGB financial statements. → Porsche AG HGB financial statements (condensed version)

		2024	2023
Stock prices			
Year-end price[1]	€	58.42	79.90
Year high[1]	€	95.24	120.35
Year low[1]	€	57.22	79.90
Key stock indicators			
Earnings per ordinary share	€	3.94	5.66
Earnings per preferred share	€	3.95	5.67
Total number of shares	Shares	911,000,000	911,000,000
Market capitalization (Dec. 31)	€ billion	53.2	72.8
Average daily trading volume	€ million	99.0	69.0
Dividend			
Dividend per ordinary share	€	2.30[2]	2.30
Dividend per preferred share	€	2.31[2]	2.31
Amount paid out	€ billion	2.1[2]	2.1
Payout ratio	%	58.4[2]	40.7

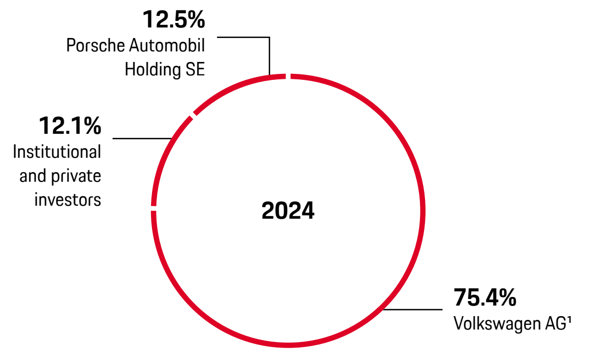
[1] Each share price is the closing price on Xetra at the Frankfurt Stock Exchange.
[2] Proposal for the Annual General Meeting by the Executive Board and Supervisory Board.

SHARE CAPITAL AND SHAREHOLDER COMPOSITION

The subscribed capital of Porsche AG, in the form of no-par bearer shares, consists of a total of 911 million shares, of which 455.5 million are unlisted ordinary shares and 455.5 million are listed nonvoting preferred shares. Each share has a theoretical interest in the share capital of €1. Consequently, this amounts to €911 million.

The interest of Volkswagen AG, which indirectly holds 75.0% minus one of the ordinary shares through Porsche Holding Stuttgart GmbH, remained unchanged in the reporting year, as did the interest of Porsche Automobil Holding SE, which indirectly holds 25.0% plus one of the ordinary shares. Of the nonvoting preferred shares, around 75.8% is indirectly held by Volkswagen AG via Porsche Holding Stuttgart GmbH, and around 24.2% is in free float (as of December 31, 2024).

Shareholder composition as of December 31, 2024 (as a percentage of share capital)



[1] Volkswagen AG indirectly holds its shares via Porsche Holding Stuttgart GmbH.

ANNUAL GENERAL MEETING

The Annual General Meeting 2024 was held on June 7, 2024. Held virtually for the first time, it was attended by around 2,000 shareholders, shareholder representatives, and media representatives. One hundred percent of the voting capital was represented. The shareholders approved all proposed resolutions unanimously. In particular, the items on the agenda included the distribution of a dividend of €2.30 per qualifying ordinary share and €2.31 per qualifying preferred share as well as the official approval of the actions of the members of the Executive Board and Supervisory Board. Furthermore, the shareholders approved the system of remuneration for the members of the Executive Board and the remuneration report. They also accepted the proposals of the Supervisory Board concerning the necessary Supervisory Board elections and the appointment of the auditor of the annual and consolidated financial statements.

DIALOG WITH THE CAPITAL MARKET

The Executive Board of Porsche AG and members of the Investor Relations department maintained a constant, trusting dialog with investors and analysts in the reporting period. They joined national and international market players in a number of discussions and explained the business model of the company as well as its current development and outlook. The dialog took place by phone, on videoconferencing platforms, and in person either in Zuffenhausen or on the premises of the institutional investors themselves. After the publication of each set of current figures, the Executive Board of Porsche AG was involved in direct dialog with the most important investors at road shows in New York, London, Atlanta, Shanghai, and Frankfurt. Additionally, numerous other road shows and a series of interviews with analysts and investors were held at the headquarters of Porsche AG in Stuttgart-Zuffenhausen, at Porsche Experience Centers, and at the home of Porsche Exclusive Manufaktur. Likewise, international events were an opportunity to hold workshops with analysts and investors, including the dealer launch of the Macan in Singapore, the “Icons of Porsche” event in Dubai, and a special “Product Day”, held by Porsche at Silverstone, in the UK. These focused on both new products and new technology, as well as Porsche’s business in overseas and growth markets and its individualization strategy.

NOTIFICATION OF DIRECTORS’ DEALINGS IN ACCORDANCE WITH ARTICLE 19 OF THE MARKET ABUSE REGULATION (MAR)

Name	Function	Type of transaction	Aggregated volume in €	Price in €	Date
Dr. Wolfgang Porsche	Supervisory Board	Purchase	€27,920.00	€69.80	Jun. 13, 2024
Dr. Wolfgang Porsche	Supervisory Board	Purchase	€30,104.80	€68.42	Aug. 2, 2024
Dr. Wolfgang Porsche	Supervisory Board	Purchase	€13,456.00	€67.28	Aug. 5, 2024
Dr. Wolfgang Porsche	Supervisory Board	Purchase	€19,494.00	€64.98	Sep. 10, 2024

REPORT OF THE SUPERVISORY BOARD

OF DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT (PURSUANT TO SECTION 171, PARAGRAPH 2, OF GERMANY’S STOCK CORPORATION ACT (AKTG))

Dear Sir or Madam,
Dear Friends of the Company,

The 2024 financial year was shaped by major geopolitical tension, increasing macroeconomic uncertainty, and—for us—poor market developments in our key Chinese market. Simultaneously, there was a continuation of the deep changes within the global automotive industry that have been caused by ongoing advances toward sustainable mobility. Recently, though, there has been a noticeable slowdown in this process in Europe and Germany in particular. Innovative power, boldness, and passion are crucial driving forces for our day-to-day actions, especially in times of massive challenges that demand a lot of us all. That is something we must not forget, and we would be well advised to reflect on our strengths. Such contemplation is essential in order for us to offer Porsche AG’s customers unique driving experiences and build them sports cars that inspire. We remain on our trajectory and are delivering on our core promise of always making our customers’ wishes our focus, even in times of transformation.

Dear shareholders, renewal was a key theme in the Porsche AG product portfolio in 2024. Four out of six model ranges were overhauled extensively as part of the largest model offensive in our company’s history. As a result, we are offering our customers the youngest product portfolio seen in years. We have put exciting vehicles on the market in the form of the newly developed, all-electric Porsche Macan and the second-generation all-electric Porsche Taycan. The Porsche 911 sets new standards with an efficient performance hybrid drive system inspired by motorsport. On top of that, Porsche AG released an exclusive anniversary model of its iconic Porsche 911 Turbo sports car to celebrate its 50th year. The 911 Turbo 50 Years keeps with the original mythology of the 911, featuring a fascinating symbiosis of outstanding performance and exclusive design elements. The uncompromising Porsche 911 GT3 sports car also celebrated its anniversary last year. For 25 years, it has stunned people as a motorsport icon both on the track and on the road. Meanwhile, the third-generation Porsche Panamera has redefined the luxury sedan segment, combining smooth driving comfort with the attributes of a Porsche sports car. With our offensive, we are meeting our customers’ expectations of an incomparable driving experience while also keeping an eye on that special extra at all times.

Motorsport continues to have a significant role in the company’s identity, and Porsche AG had the privilege of celebrating impressive successes on the racetrack in 2024. Among the standouts were the two world drivers’ championships, claimed by Pascal Wehrlein, who was victorious in the ABB FIA Formula E World Championship with the Porsche 99X Electric Gen 3, and the trio of Kévin Estre, André Lotterer, and Laurens Vanthoor, who won the World Endurance Championship with the Porsche 963 hybrid prototype. In the US, Porsche Penske Motorsport had another strong season. The works team claimed seven out of eight possible titles in the IMSA WeatherTech SportsCar Championship and FIA World Endurance Championship with the Porsche 963. A 20th overall victory in 24 Hours of Le Mans was, however, not entirely on the cards after ultimately falling 37 seconds short of an anniversary victory.

The 2025 financial year ahead of us will be a challenging one and demand a great deal of us. The developments in the global sales markets are dynamic, and the general conditions—especially as they pertain to the automotive industry—are changing rapidly and structurally. To us, this is an incentive to be better. However, we will need to make difficult decisions, too, and carry out the necessary changes with consistency. Our enhanced 2030 Plus corporate strategy charts the course for this and will guide us through these challenging times. Porsche has a unique identity. We are an unmistakable brand which connects tradition with innovation, quality, and outstanding driving experiences. That is a promise to not only our customers, but also to you, our shareholders.

911 Turbo 50 Years (WLTP): Fuel consumption combined: 12.5 – 12.3 l/100 km; CO_2 emissions combined: 283 – 278 g/km; CO_2 class: G
911 GT3 (WLTP): Fuel consumption combined: 13.8 – 13.7 l/100 km; CO_2 emissions combined: 312—310 g/km; CO_2 class: G

METHODS OF THE SUPERVISORY BOARD AND MEETING ARRANGEMENTS

Overview

In the 2024 financial year, the Supervisory Board performed the tasks and duties incumbent on it under the law, the Articles of Association, and the Rules of Procedure, and focused closely on the position and prospects of Dr. Ing. h.c. F. Porsche AG ("Porsche AG"). While doing so, the Supervisory Board monitored the Executive Board as it conducted business and advised it regularly on all key matters, and also with regard to the recommendations and requirements of the German Corporate Governance Code.

The Chairman of the Supervisory Board was in close, trusting, and regular contact with the Executive Board, especially the Chairman of the Executive Board, where they discussed matters of strategy, planning, and business development. Without delay, the Chairman of the Executive Board notified the Chairman of the Supervisory Board of significant events of relevance to the assessment of the company's position and development, as well as to the running of the company, and the Chairman of the Supervisory Board, like the board as a whole, was heavily involved in the strategic considerations and decision-making processes of the Executive Board. The report by the Chairman of the Executive Board was supported by regular reports from the members of the Executive Board responsible for Finance and Sales, as well as ad hoc reports from other portfolio holders. The Supervisory Board dedicated considerable time to the reports of the Executive Board.

Due to the regular reporting by the Executive Board, the Supervisory Board was informed in full, promptly, and transparently at all times, both verbally and in writing. The necessary documents were made available in full to the members of the Supervisory Board and the relevant committees in good time.

Key topics discussed, including at the plenary meetings, included the development of business, strategic matters, business planning, including financial, investment, and human resource planning; and matters relating to profitability—on a Group level and for key subsidiaries. In particular, the subsidiaries that were reported on intensively included Porsche Financial Services GmbH, Porsche Consulting GmbH, Porsche Engineering Group GmbH, Porsche Lifestyle GmbH & Co. KG, MHP Management und IT-Beratung GmbH (MHP), and Porsche Werkzeugbau GmbH. This enabled the Supervisory Board to paint a complete picture.

Aside from the regular reports, the Executive Board submitted regular, timely, and comprehensive reports to the Supervisory Board on all material aspects of relevance to the company and transactions requiring approval. This made it possible to address individual topics specifically, such as the progress of individual vehicle projects.

Reports were regularly received from the Supervisory Board's committees at the plenary meetings. Thanks to the intensive and diligent preparation for individual issues within the relevant committees, decisions were able to be made efficiently and on a considered basis at the plenary meetings.

Additionally, the representatives of shareholders and employees normally met for separate advance discussions in the run-up to Supervisory Board meetings.

Although the members of the Executive Board participated in meetings of the Supervisory Board and its committees, the Supervisory Board and committees frequently met without the Executive Board too.

Disclosure of Plenary Meeting Attendance by Individual and Overview of Meeting Format

The Supervisory Board met in full six times in the financial year. Circular resolutions outside regular meetings were not passed. Overall, the attendance rate at Supervisory Board (plenary) meetings in 2024 was 94%. Compared with the previous year, the attendance rate at the plenary meetings fell slightly.[1] The attendance of each Supervisory Board member at the plenary board meetings in the 2024 financial year can be viewed in the table below.

[1] One reason for this is that Supervisory Board members who had a potential conflict of interest on certain issues opted out of attendance at relevant meetings as a precaution. Notes on the response to conflicts of interest generally and background information about specific instances can be found in the "Conflicts of Interest and How They Are Handled" section.

	Meeting Attendance	Attendance in %
Full Supervisory Board		
Dr. Wolfgang Porsche (Chairman)	6/6	100%
Jordana Vogiatzi (Deputy Chairman)	6/6	100%
Dr. Arno Antlitz	5/6	83%
Dr. Christian Dahlheim	5/6	83%
Micaela le Divelec Lemmi	6/6	100%
Melissa Di Donato Roos	5/6	83%
Dr. Hans Michel Piëch	5/6	83%
Hans Dieter Pötsch	3/6	50%
Dr. Ferdinand Oliver Porsche	5/6	83%
Dr. Hans Peter Schützinger	6/6	100%
Hauke Stars	6/6	100%
Ibrahim Aslan[1]	2/2	100%
Harald Buck	6/6	100%
Wolfgang von Dühren[1]	2/2	100%
Martina Holzbauer[2]	4/4	100%
Akan Isik	6/6	100%
Nora Leser[1]	2/2	100%
Knut Lofski	5/6	83%
Steffen Reißig[2]	4/4	100%
Vera Schalwig	6/6	100%
Stefan Schaumburg[1]	2/2	100%
Conny Schönhardt[2]	4/4	100%
Carsten Schumacher	6/6	100%
Heidi Zink-Larson[2]	4/4	100%

[1] Departed with effect from June 7, 2024.
[2] Member of the Supervisory Board since June 7, 2024.

All meetings of the full Supervisory Board were held in person in the 2024 financial year. Within the committees, occasional resolutions on urgent topics were passed at hybrid meetings or by videoconference. The flexibility of such (hybrid) meeting formats has proved itself in exceptional, well-founded situations. Consequently, these formats will continue to be an option in the next financial year for making the business of the Supervisory Board as efficient as possible and avoiding travel time in situations with issues of particularly short notice. Details about the format of the plenary meetings and of the board's committees can be viewed in the table below:

Board	Number of meetings	Of which in person[1]	Of which by videoconference/teleconference
Full Supervisory Board	6	6	0
Presidential Committee	6	4	2
Audit Committee	4	4	0
Nomination Committee	1	0	1
Mediation Committee	0	0	0
Related Party Committee	0	0	0

[1] For meetings held in person, all members of the Supervisory Board are generally invited to attend them on-site. However, it is also possible to attend an in-person meeting via videoconference.

If, due to exceptional circumstances, a member of the Supervisory Board or a committee was unable to attend a meeting for reasons other than a potential conflict of interest, they were able to familiarize themselves with the items on the meeting's agenda with the preparatory documents. In this case, they cast their vote in writing to participate in resolutions. As in previous years, digital documents ensured that meeting preparations and procedures were efficient. The members who cast their vote in writing to participate in resolutions in exceptional, well-founded situations during the reporting period were Dr. Christian Dahlheim, Dr. Ferdinand Oliver Porsche, Hans Dieter Pötsch, and Knut Lofski, who were unable to attend certain meetings.

Training and Professional Development

As a rule, the members of the Supervisory Board completed the necessary training and development courses for their duties on their own responsibility, with reasonable support from the company. In particular, the company assists with the organization of seminars. Moreover, the company offers specific training and professional development formats for the entire Supervisory Board.

The first Supervisory Board training session in the 2024 financial year took place in mid-May, the day before the Supervisory Board meeting at the production location in Leipzig. This session was the first of a series of training sessions on the subject of sustainability and involved the Porsche Sustainability Council and Executive Board. It had brief, summary presentations where the Sustainability Council addressed issues that are material to Porsche AG, such as ESG management, decarbonization, and sustainability in the supply chain. On the day before the company's Annual General Meeting on June 7, 2024, which was held as a virtual meeting for the first time, comprehensive training was provided on the rights and duties of the Annual General Meeting, as well as the current legal framework for a virtual Annual General Meeting. In late October 2024, the first training session of its kind was held across companies on the topic of corruption prevention and bribery. To leverage synergy, six companies joined together for it and developed and realized a purely virtual and audience-specific training format for almost 100 members of various supervisory boards in multiple languages. On December 5, 2024, the concept of a Supervisory Board training day was used again to hold the second part of the ESG training series. Information was provided about the Supervisory Board's ESG obligations, especially in view of CSRD sustainability reporting, in an interactive training session lasting multiple hours. Moreover, the Supervisory Board also addressed the topic of efficiency in its working methods on this day. A biennial feedback option based on a digital questionnaire was introduced to complement the comprehensive self-assessment, and it was able to be used to evaluate, for example, new report and training formats as well as the onboarding of new Supervisory Board members. More information about the performance of the "efficiency check" and the evaluation of the results is available in the Corporate Governance Declaration at ↗ https://investorrelations.porsche.com/en/corporate-governance/. All training was provided with the assistance of internal and external experts.

Beyond purely legal matters, training also focused on subject areas relating to products and technology. Part of the Supervisory Board meeting in Leipzig included, for example, test-drives of the all-electric Macan, which gave the committee the opportunity to familiarize itself with the technical and driving characteristics. Furthermore, an extensive report on the topic of product and technological expertise was compiled in the 2024 financial year, and it is planned to be a regular format in the future, too. As part of the design presentation, future vehicle models were also shown to the members of the Supervisory Board in detail.

To provide the individual members of the Supervisory Board and board as a whole with a comprehensive offering of education and training, the Supervisory Board consults internal and external experts throughout the year to identify suitable topics for the Supervisory Board training day as well as other training courses and presentations. Additionally, the Supervisory Board pursues continuous learning independently, at and outside meetings, to obtain information and knowledge about current issues.

Onboarding of New Supervisory Board Members

Aside from the aforementioned training formats, a comprehensive onboarding program is available to new members of the Supervisory Board, for example, to give them the opportunity to meet the members of the Executive Board and managers to discuss general and current topics, and in doing so develop an understanding of matters relevant to the company and its governance structure. Extensive information material will also be provided to new members of the Supervisory Board to assist them with their Supervisory Board activities.

During the 2024 financial year, the Supervisory Board of Porsche AG welcomed four new additions to its members (more about this in the “Personnel Changes on the Supervisory Board and Executive Board” section). To prepare for their roles as Supervisory Board members, detailed onboarding talks were held with each individual member. The Supervisory Board’s office provided extensive support for all administrative matters.

MAIN FOCAL POINTS OF THE PLENARY MEETINGS

At all of its meetings in the reporting period, the Supervisory Board delved deeply into the core matters of the company and the economic situation of Porsche AG and of its key subsidiaries. The meetings of the Supervisory Board were characterized by frank and constructive exchange at all times.

The first Supervisory Board meeting during the reporting period was held on **February 28, 2024**, and focused in particular on issues surrounding the annual financial statements for 2023. The audit and formal approval of the consolidated and annual financial statements for the 2023 financial year, the combined management report, including the nonfinancial report, and the dependent company report pursuant to section 312 of the AktG, for example, were discussed as part of this. Alongside that, the Supervisory Board passed a resolution to prepare the remuneration report for the 2023 financial year jointly with the Executive Board and adopt the proposed resolutions for the agenda items at the Annual General Meeting, which took place on June 7, 2024. Moreover, the Supervisory Board dealt with the strategic development of MHP internationally.

The second Supervisory Board meeting of the year was held on **May 15 and 16, 2024**. In light of the launch of the all-electric Macan, the Supervisory Board opted to have the meeting at the Leipzig production location. Besides the standard situation reports from the Executive Board on business, sales, and finances, as well as standard reports from the committees, the Executive Board members responsible for Development and Car-IT reported extensively on technical topics. In addition to the report on the sales situation, the Chinese sales market was discussed as a topic in detail. Finally, the Supervisory Board looked at multiple financial and corporate matters involving, among other things, investments in strategically important companies.

The Supervisory Board held its inaugural meeting on **June 7, 2024**, directly after the Annual General Meeting where fresh elections were held for all shareholder representatives. Dr. Wolfgang Porsche was elected as Chairman of the Supervisory Board at this meeting and Jordana Vogiatzi as Deputy Chairwoman, affirming their positions. The Supervisory Board furthermore elected the members of the committees set up by it.

The Supervisory Board met at the Weissach Development Center on **September 24, 2024**. The focal points at the meeting were the reports by the chairpersons of the Audit and Presidential Committees as well as the reports by the Executive Board members on the business situation. A closer look was given in this context to the supplier situation at that time by the Executive Board member responsible for Procurement. The Porsche Group PR73 planning session was also talked over. In this context, the Supervisory Board intensively discussed questions concerning the company’s medium- and long-term plans, including the product range and vehicle projects. Moreover, the board dealt with financial and corporate issues, including for example approvals of strategic investments and a new partnership with Penske Automotive Australia.

At an extraordinary meeting on **November 11, 2024**, the Supervisory Board made a decision on approving a framework agreement to be concluded with Volkswagen AG for development services and vehicle software licenses. This agreement is connected to the joint venture agreed between Volkswagen AG and Rivian Automotive, Inc.

The final Supervisory Board meeting for 2024 was held in Zuffenhausen on **December 6, 2024**. The focal points at the meeting were the reports from the Audit and Presidential Committees as well as reports by the Executive Board members on the business situation. The discussions on the PR73 planning session were additionally continued intensively. On top of three financial and corporate issues concerning the realignment of certain majority-owned investments, a resolution was also passed for the routine financial strategy for 2025. The Supervisory Board also adopted the annual Declaration of Conformity with the German Corporate Governance Code after a thorough discussion. Lastly, the Supervisory Board dealt with its meeting dates for 2025.

On the basis of reporting by the Executive Board, the Supervisory Board was continuously engaged with the key official and judicial processes of the company, such as the proceedings in connection with emissions.

PERSONNEL CHANGES ON THE SUPERVISORY BOARD AND EXECUTIVE BOARD

The tenure of all Supervisory Board members ended routinely at the time the Annual General Meeting ended on June 7, 2024, which made fresh elections necessary. Among the employee representatives, Ibrahim Aslan, Wolfgang von Dühren, Nora Leser, and Stefan Schaumburg departed the Supervisory Board. The entire Supervisory Board expressed their gratitude to the four departed Supervisory Board members for the many years of trusting cooperation and for their commitment to the board. Martina Holzbauer, Steffen Reißig, Conny Schönhardt, and Heidi Zink-Larson were elected as new members to the Supervisory Board to represent the employees in accordance with Germany’s Codetermination Act (MitbestG). The other employee representatives were reelected as members of the Supervisory Board. Furthermore, the shareholder representatives were reelected to the Supervisory Board in the same composition at the Annual General Meeting, in keeping with the Supervisory Board’s proposal.

The tenure of all Supervisory Board members commenced at the end of the Annual General Meeting on June 7, 2024, and will go on until the end of the Annual General Meeting in the 2029 financial year. At its inaugural meeting directly after the Annual General Meeting, the Supervisory Board reelected Dr. Wolfgang Porsche as its Chairman and Jordana Vogiatzi as its Deputy Chairwoman.

Due to the departure of certain Supervisory Board members, there arose corresponding changes to the personnel on the board’s committees. Jordana Vogiatzi was elected by the Supervisory Board to succeed Nora Leser on the Audit Committee. In addition, Knut Lofski was elected to the Related Party Committee after the departure of long-serving member Wolfgang von Dühren.

There were no changes to the personnel on the Executive Board during the reporting period. There were new appointments to the Executive Board positions responsible for Finance and IT as well as Sales and Marketing in February 2025.

COMMITTEES OF THE COMPANY’S SUPERVISORY BOARD AND MEETING FREQUENCY

In order to perform the duties incumbent on it, the Supervisory Board has formed committees to assist it with its tasks. The following details the duties of the committees as well as their meeting frequency and the individual attendance of meetings by committee members.

Presidential Committee

The Presidential Committee coordinates the work within the Supervisory Board and prepares its meetings. It prepares personnel-related decisions for the Supervisory Board. Alongside the Executive Board, the Presidential Committee also ensures that a long-term succession plan is in place. The Presidential Committee met six times in the 2024 financial year.

Audit Committee

The Audit Committee monitors the accounting process, the effectiveness of the internal control system, the risk management system, the internal audit system, as well as the audit of the financial statements, especially the selection and independence of the auditor, the quality of the audit, and the additional services performed by the auditor. The Audit Committee met four times in the 2024 financial year.

Nomination Committee

The Nomination Committee is staffed exclusively by representatives of the shareholders and has the task of proposing suitable candidates to the Supervisory Board for its proposals to the Annual General Meeting for the election of Supervisory Board members to represent the shareholders. The Nomination Committee met once at the start of the reporting period.

Mediation Committee

When the criteria of section 31, paragraph 3, sentence 1, and paragraph 5, of the MitbestG are met, the Mediation Committee is responsible for proposing candidates for appointment to the Executive Board and for proposing the dismissal of Executive Board members. The Mediation Committee did not meet during the reporting period.

Related Party Committee

In the cases mandated by law, the Related Party Committee decides on the approval of certain transactions between the company and its related parties. The Related Party Committee did not need to convene during the 2024 reporting period.

Attendance of Committee Meetings by Individual Supervisory Board Members

The members' attendance rate at the committee meetings was 98% in the 2024 financial year. Details can be viewed in the table below:

	Meeting Attendance	Attendance in %
Presidential Committee		
Dr. Wolfgang Porsche (Chairman)	6/6	100%
Dr. Arno Antlitz	6/6	100%
Hauke Stars	6/6	100%
Jordana Vogiatzi	6/6	100%
Harald Buck	6/6	100%
Carsten Schumacher	6/6	100%
Audit Committee		
Dr. Christian Dahlheim (Chairman)	4/4	100%
Micaela le Divelec Lemmi	4/4	100%
Dr. Ferdinand Oliver Porsche	3/4	75%
Harald Buck	4/4	100%
Nora Leser[1]	2/2	100%
Carsten Schumacher	4/4	100%
Jordana Vogiatzi[2]	2/2	100%
Nomination Committee		
Dr. Wolfgang Porsche (Chairman)	1/1	100%
Dr. Arno Antlitz	1/1	100%
Hauke Stars	1/1	100%
Related Party Committee		
Dr. Hans Michel Piëch	0/0	/
Micaela le Divelec Lemmi	0/0	/
Hauke Stars	0/0	/
Wolfgang von Dühren[1]	0/0	/
Akan Isik	0/0	/
Knut Lofski[2]	0/0	/
Mediation Committee		
Dr. Wolfgang Porsche (Chairman)	0/0	/
Hauke Stars	0/0	/
Jordana Vogiatzi	0/0	/
Harald Buck	0/0	/

[1] Departed with effect from June 7, 2024.
[2] Member of the committee since June 7, 2024.

FOCAL POINTS OF THE COMMITTEES

The **Presidential Committee** focused on providing advice and recommending resolutions for the plenary session in particular. Each upcoming plenary meeting was also discussed in advance within the Presidential Committee. Personnel-related matters concerning the Executive Board were dealt with comprehensively. As such, the Presidential Committee handled, for example, contractual issues other than remuneration, approval of ancillary activities, and the adaptation of rules in connection with fringe benefits. The calibration of the targets for the Executive Board's remuneration was also prepared by the Presidential Committee. The committee also dealt with the long-term succession plan extensively in multiple meetings.

The **Audit Committee** addressed in depth the topics that it is required to under German and European laws, the German Corporate Governance Code, and the Supervisory Board's Rules of Procedure. These topics included in particular the annual and consolidated financial statements, risk management system, including the adequacy and effectiveness of the internal control, risk management, and internal audit systems; and the work of the company's compliance organization. The extensive reports from Risk Management, Internal Audit, and Compliance were core elements of every committee meeting. Beyond that, the Audit Committee concerned itself with the audit of the financial statements and, as part of this, the selection and independence of the auditor, the quality of the audit, and the additional services performed by the auditor. The Audit Committee also dealt with the quarterly information and half-yearly financial report of the Porsche AG Group. While doing so, it focused on monitoring the accounting, the accounting process, and the inspection thereof by the auditor. It also discussed the assessed audit risk, audit strategy, audit plan, and audit outcome with the auditor. The chairman of the Audit Committee also engaged in regular dialog with the auditor regarding the progress of the audit, including outside of meetings, and reported to the Audit Committee on this. The Audit Committee held regular discussions with the auditor, including without the Executive Board. It discussed financial information together with the Executive Board, including throughout the year. A further focal point for the Audit Committee was investment management. In this context, information was provided and discussions held on selected strategic investments of the Porsche Group, the development of the portfolio, and the continual professionalization of investment management. The annual integrity report was presented, too. The Audit Committee maintained continuous exchange regarding regulatory developments, for example, in view of sustainability reporting.

The **Nomination Committee** convened in late January 2024 to prepare the forthcoming elections to the Supervisory Board. The Nomination Committee proposed suitable candidates to the Supervisory Board for its proposals to the Annual General Meeting for the election of Supervisory Board members. When selecting the candidates, the Nomination Committee considered in particular the targets set by the Supervisory Board for its composition as well as the diversity concept applied for its composition and endeavored to meet the profile of skills and expertise for the full board.

AUDIT OF THE ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS

EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, based in Stuttgart, was appointed as the auditor for the 2024 financial year. The Audit Committee reviewed the independence of the auditor. There were no indications of grounds for exclusion or bias or of a risk to the independence of the auditor.

The annual financial statements of Porsche AG prepared according to HGB, the consolidated financial statements prepared according to IFRS, and the combined management report for the 2024 financial year were audited by EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, based in Stuttgart, and given an unqualified auditor's opinion. The nonfinancial report included in the consolidated management report was the subject of a limited-assurance engagement by the auditor, which concluded with the award of an unqualified opinion.

Furthermore, the auditor analyzed the early risk detection and monitoring system integrated into the risk management system. The auditor concluded that the Executive Board had taken the actions required under section 91, paragraph 2, of the AktG for the early detection of risks that could jeopardize the company remaining a going concern.

Likewise, the report prepared by the Executive Board on the relations between Porsche AG and affiliated enterprises according to section 312 of the AktG (dependent company report) for the period from January 1 to December 31, 2024, was examined by the auditor and awarded the following opinion: "Having conducted a proper audit and appraisal, we hereby confirm that the actual disclosures in the report are accurate and that the consideration of the company for the legal transactions presented in the report was not inappropriately high."

The Executive Board and Supervisory Board have prepared a remuneration report for the year under review in accordance with section 162 of the AktG. Pursuant to section 162, paragraph 3, of the AktG, the remuneration report was examined by the auditor in order to verify whether the mandatory disclosures required by section 162, paragraph 1 and 2, of the AktG had been made. The auditor also audited the content beyond the minimum legal requirements. The auditor confirmed that the remuneration report is consistent with the accounting provisions of section 162 of the AktG in all material aspects.

In its meeting on March 4, 2025, the Supervisory Board dealt with the annual financial statements of the company, the consolidated financial statements, and the combined management report, including the nonfinancial report and proposed appropriation of profit, which were prepared by the Executive Board and each given an unqualified opinion from the auditor. Furthermore, the Supervisory Board dealt with the dependent company report, the Corporate Governance Declaration, and the remuneration report.

For preparation, the members of the Supervisory Board had extensive documentation at their disposal, including the annual financial statements, consolidated financial statements, and the combined management report, including the nonfinancial report and proposed appropriation of profit. Other reports provided included the dependent company report prepared by the Executive Board, the Corporate Governance Declaration, the remuneration report, and the audit reports of EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, based in Stuttgart, for the annual financial statements of Porsche AG and the consolidated financial statements, each including the combined management report, as well as the audit report for the dependent company report.

The Audit Committee and Supervisory Board discussed and examined each of them thoroughly. This was done in the presence of the auditor, who reported on the findings of his audit. This report also comprised the key audit matters as well as the internal control system in relation to accounting processes. The auditor outlined the respective approaches during the audit, including the conclusions, and was on hand to answer additional questions and provide further information. The Audit Committee also agreed with the auditor that the auditor was to inform the Audit Committee if, when performing the audit, they identified circumstances that would produce an inaccuracy in the Declaration of Conformity made by the Executive and Supervisory Boards. The auditor did not inform the Audit Committee of such circumstances.

Based on the conclusive outcome of the audit by the Audit Committee and its own examination, the Supervisory Board accepted the results of the audit by the auditor. It concluded that it had no objections and formally approved the annual financial statements prepared by the Executive Board, the consolidated financial statements, and the combined management report, including the nonfinancial report. As such, the annual financial statements of Porsche AG for 2024 have been adopted. On this basis, the Supervisory Board accepted the Executive Board's proposed appropriation of profit.

The Supervisory Board reviewed the dependent company report thoroughly and raised no objections to the declaration of the Executive Board at the end of the dependent company report. Furthermore, the Supervisory Board adopted the report of the Supervisory Board, the Corporate Governance Declaration, the remuneration report, and its proposed resolutions on agenda items of the 2025 Annual General Meeting. Pursuant to section 120a, paragraph 4, of the AktG, the remuneration report will be submitted to the Annual General Meeting for formal approval.

CONFLICTS OF INTEREST AND HOW THEY ARE HANDLED

The Supervisory Board has clear rules designed to avoid potential conflicts of interest when its members offer advice and pass resolutions, and on how potential conflicts of interest are to be dealt with in the exceptional event that they arise. In particular, the Supervisory Board's Rules of Procedure require every member of the Supervisory Board to disclose a potential conflict of interest to the Chairman of the Supervisory Board immediately. Furthermore, depending on their scale and reach, conflicts of interest can result in the exclusion of the Supervisory Board member in question from voting on and potentially even consulting on the relevant agenda item.

The Supervisory Board had the duty of deciding on the approval of a contract in connection with a framework agreement to be made between Porsche AG and Volkswagen AG for development services and vehicle software licenses. As conflicts of interest could not prima facie be excluded in relation to it, Dr. Arno Antlitz, Dr. Hans Michel Piëch, and Hans Dieter Pötsch, who all simultaneously sit on the Volkswagen AG supervisory board, followed the Supervisory Board's Rules of Procedure by disclosing the potential conflict of interest to the Supervisory Board Chairman and, as a precaution, not attending the discussion and the passing of the resolution by the Porsche AG Supervisory Board. On the other hand, Ms. Schönhardt, Dr. Wolfgang Porsche, Dr. Ferdinand Oliver Porsche, and Harald Buck, who similarly sit on the Volkswagen AG Supervisory Board, took the precaution of not attending the corresponding decision-making by the Volkswagen AG Supervisory Board.

DECLARATION OF CONFORMITY 2024

The recommendations and suggestions of the German Corporate Governance Code are important parameters for the actions and methods of the Supervisory Board. In the Declaration of Conformity of December 2024, the Executive Board and Supervisory Board explained the extent to which the recommendations of the German Corporate Governance Code have been followed since the publication of the last Declaration of Conformity in December 2023, and will be followed in the future.

The joint Declaration of Conformity by the Executive Board and Supervisory Board is available at all times on the website ↗ https://investorrelations.porsche.com/en/corporate-governance/. Since delivering the last Declaration of Conformity in December 2023, four further recommendations under the code have been and are being met. For further disclosures regarding the implementation of the recommendations and suggestions of the German Corporate Governance Code, please refer to the Corporate Governance Declaration.

ACKNOWLEDGMENT

We faced numerous difficult challenges in the 2024 financial year. The Supervisory Board wishes to thank the Executive Board and all employees for their willingness to commit and perform. Thanks to their dedication, passion, and sense of responsibility, they have made a critical contribution to the company's success. Similarly, I wish to thank our shareholders on behalf of the Supervisory Board for their loyalty and support in 2024. Without all of them, this company would not be what it is.

Zuffenhausen, March 4, 2025

Dr. Wolfgang Porsche
Chairman of the Supervisory Board

MEMBERS OF THE SUPERVISORY BOARD

The Supervisory Board of Porsche AG

Top row from left to right:
Dr. Hans Peter Schützinger, Dr. Arno Antlitz, Dr. Christian Dahlheim, Hans Dieter Pötsch, Harald Buck, Conny Schönhardt

Middle row from left to right:
Jordana Vogiatzi (Deputy Chairwoman of the Supervisory Board), Martina Holzbauer, Vera Schalwig, Dr. Ferdinand Oliver Porsche, Knut Lofski, Steffen Reißig, Carsten Schumacher

Bottom row from left to right:
Heidi Zink-Larson, Micaela le Divelec Lemmi, Melissa Di Donato Roos, **Dr. Wolfgang Porsche** (Chairman of the Supervisory Board), Hauke Stars, Dr. Hans Michel Piëch, Akan Isik

911 Carrera GTS (WLTP): Fuel consumption combined: 11.0–10.5 l/100 km; CO_2 emissions combined: 251 – 239 g/km; CO_2 class: G

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE DECLARATION

PURSUANT TO SECTION 289F AND SECTION 315D HGB

In the Corporate Governance Declaration, the Executive Board and Supervisory Board report on the company's corporate governance for the fiscal year 2024 in accordance with sections 289f and 315d of the German Commercial Code (HGB) and as stipulated in Principle 23 of the German Corporate Governance Code.

THE GERMAN CORPORATE GOVERNANCE CODE-A BLUEPRINT FOR SUCCESSFUL CORPORATE GOVERNANCE

Corporate governance provides the regulatory framework for corporate management and supervision. This includes a company's organization and values, and the principles and guidelines for its business policy. The German Corporate Governance Code (the "Code") contains principles, recommendations, and suggestions for corporate management and supervision. Its principles, recommendations, and suggestions were prepared by a dedicated government commission on the basis of the material provisions and nationally and internationally accepted standards of sound, responsible corporate governance. In the interests of best practice, the government commission regularly reviews the Code's relevance in light of current developments and updates it as necessary. The Executive Board and the Supervisory Board of Porsche AG base their work on the principles, recommendations, and suggestions of the Code. For the Executive Board and Supervisory Board of Porsche AG, good corporate governance is a prerequisite and reflection of responsible corporate governance. They consider this to be a key prerequisite for achieving a lasting increase in the company's value. It helps strengthen the trust of our shareholders, customers, workforce, business partners, and investors in our work and enables us to meet the steadily increasing demand for information from national and international stakeholders. The Executive Board and Supervisory Board therefore aim to manage and monitor the company in line with nationally and internationally accepted standards in order to ensure sustainable value creation for the long term.

DECLARATION OF CONFORMITY

The Executive Board and the Supervisory Board of Dr. Ing. h.c. F. Porsche Aktiengesellschaft ("company") declare pursuant to section 161 of the German Stock Corporation Act (AktG) that the recommendations of the German Corporate Governance Code of the "Government Commission on the German Corporate Governance Code," as amended on April 28, 2022 and published by the Federal Ministry of Justice in the official section of the Federal Gazette on June 27, 2022, have been complied with in the period since submitting the last declaration of conformity in December 2023 and will continue to comply with in the future, with the following exceptions:

1. Age limit for Supervisory Board members (C.2 of the Code)

   According to recommendation C.2 of the Code, an age limit should be specified for members of the Supervisory Board and disclosed in the Corporate Governance Statement. This recommendation has not been and is not complied with. The Supervisory Board continues to hold the view that the ability to monitor and advise the Executive Board in the management of the business does not cease upon reaching a certain age.

2. Maximum limit of Supervisory Board mandates (C.5 of the Code)

   According to recommendation C.5 of the Code, members of the Executive Board of a listed company should not have, in aggregate, more than two Supervisory Board mandates in non-group listed companies or comparable functions and shall not accept the Chairmanship of a Supervisory Board in a non-group listed company. A deviation from this recommendation is declared with regard to one Supervisory Board member. The Supervisory Board member holds supervisory board mandates, each as chairman, in two listed companies, namely Volkswagen AG and Traton SE, as well as a supervisory board mandate in Bertelsmann SE & Co. KGaA and is also chairman of the management board of the listed company Porsche Automobil Holding SE. The company, Volkswagen AG, and Traton SE do not form a group within the meaning of the German Stock Corporation Act with Porsche Automobil Holding SE. However, the Executive Board and the Supervisory Board are convinced that the Supervisory Board member has sufficient time available to exercise his mandate at the company.

3. Disclosure of election proposals (C.13 of the Code)

   According to recommendation C.13 Sentence 1 of the Code, the Supervisory Board, in its election proposals to the Annual General Meeting, should disclose the personal and business relationships of every candidate with the company, the governing bodies of the company and any shareholders with a material interest in the company. The requirements of recommendation C.13 sentence 1 of the Code are vague and the definitions unclear. A deviation from this recommendation is therefore declared as a precautionary measure. Notwithstanding this, the Supervisory Board makes every effort to satisfy the requirements of recommendation C.13 sentence 1 of the Code.

4. Remuneration of the Executive Board (G.6 and G.10 sentence 2 of the Code)

   On July 20, 2022, the Supervisory Board agreed with the members of the Executive Board on the granting of a bonus ("**IPO bonus**") in the event of a successful IPO. The IPO bonus was granted in the form of virtual shares. These virtual shares will be converted into cash amounts in three tranches over periods of one, two, and three years, depending on the development of the stock market price of the preferred share issued by the company in the respective period, and these cash amounts paid to the Executive Board members. With regard to the IPO bonus, the following recommendations have not been and are not fully complied with

   - According to recommendation G.6 of the Code, the share of variable remuneration achieved as a result of reaching long-term targets should exceed the share from short-term targets. As a precautionary measure, the Supervisory Board assumes that the first two one-year and two-year tranches of the IPO bonus are to be allocated to the short-term variable remuneration and the last tranche of the IPO bonus to the long-term variable remuneration of the Executive Board members. As a result, the target value of the short-term variable remuneration promised to the Executive Board members for the fiscal year 2022 exceeds the target value of the long-term variable remuneration. The IPO bonus granted in the fiscal year 2022 was not yet fully settled in the current fiscal year 2024 either. Against this background, a deviation from recommendation G.6 of the Code continues to be declared as a precautionary measure. Nevertheless, the remuneration of the Executive Board overall continues to be oriented toward the company's sustainable and long-term development. The payment of the IPO bonus in three tranches over one, two, and three years leads, in the view of the Supervisory Board, to a purposeful and appropriate incentive for the members of the Executive Board, which is not limited to preparations for the IPO, but also takes into account how successful the IPO over the long term is.
   - Finally, the members of the Executive Board can dispose of the third tranche of the IPO bonus as part of the long-term variable remuneration after three years and not after four years as recommended in G.10 sentence 2 of the Code. The payment of the IPO bonus in three tranches over one, two, and three years leads, as described above, in the opinion of the Supervisory Board, to a purposeful and appropriate incentivization of the Executive Board members.

The joint declaration of conformity by the Executive Board and Supervisory Board can also be found on the company's website at ↗ https://investorrelations.porsche.com/en/corporate-governance.

EXECUTIVE BOARD

The Porsche AG Executive Board has sole responsibility for managing the company in the company's best interests, in accordance with the Articles of Association and the Rules of Procedure for the Executive Board issued by the Supervisory Board. The business activities of the Executive Board are divided into eight divisions. In addition to the Chairman of the Executive Board, the other Board positions are: Procurement, Car-IT, Research and Development, Finance and IT, Human Resources and Social Affairs, Production and Logistics as well as Sales and Marketing. Information on the composition of the Executive Board and additional information about the members of the Executive Board, including their CVs, can be found on Porsche AG's website at ↗ https://investorrelations.porsche.com/en/corporate-governance.

Working Procedures of the Executive Board

In accordance with Article 8 (1) of the Articles of Association, Porsche AG's Executive Board is composed of at least two people, with the precise number determined by the Supervisory Board. As of December 31, 2024, there were eight members of the Executive Board.

The Executive Board meets regularly. Meetings of the Executive Board are convened by the Chairman of the Executive Board. The Chairman is required to convene a meeting if requested by any member of the Executive Board. The Chairman of the Executive Board—or, if he is unable to do so, the Deputy Chairman—presides over the Executive Board meetings. In matters of material or fundamental importance as well as certain matters specifically listed in the Rules of Procedure for the Executive Board, the decisions are taken by the entire

Executive Board. The Executive Board takes decisions only after prior debate, generally in meetings. It may also take decisions using the written voting procedure if none of the members of the Executive Board request without undue delay that an Executive Board meeting be held. Resolutions of the Executive Board are adopted by a simple majority of votes cast by its members, unless the law or the Rules of Procedure for the Executive Board stipulate a unanimous decision. In the event of a tie, the Chairman of the Executive Board casts the deciding vote. Each Executive Board member manages his Board position independently, without prejudice to the collective responsibility of the Executive Board. All Executive Board members must inform each other of major events and measures within their Board position. The Porsche AG Group companies are managed solely by their respective management. The management of each individual company takes into account not only the interests of their own company but also the interests of the group in accordance with the framework laid down by law. Executive Board committees exist on the following topics: products, investments, digitalization as well as product quality and customer satisfaction. Alongside the responsible members of the Executive Board, the relevant central departments and the relevant functions of the divisions are represented on the committees.

Cooperation with the Supervisory Board

The Executive Board and the Supervisory Board cooperate closely for the good of the company. The Chairman of the Executive Board coordinates the cooperation with the Supervisory Board and its members. He is responsible for ensuring that the Supervisory Board is informed in a timely, conscientious, and comprehensive manner. In addition, he ensures the basis for the positive development of the company through a constant exchange with the Chairman of the Supervisory Board and through ongoing consultation with him.

The Executive Board reports to the Supervisory Board at least once a year on the intended business policy and other fundamental questions relating to business planning (particularly with regard to financial planning, investment planning and human resources planning) as well as the profitability of the company. The Executive Board also regularly informs the Supervisory Board about the progress of business, particularly sales revenue and the position of the company. Transactions that could be significant for the company's profitability or liquidity must be reported to the Supervisory Board by the Executive Board as promptly as possible, giving the Supervisory Board the opportunity to issue a statement on the transaction before it takes place. The Chairman of the Executive Board must also immediately inform the Chairman of the Supervisory Board about other important matters.

With the exception of the immediate reports by the Chairman of the Executive Board to the Chairman of the Supervisory Board on matters of particular importance, the Executive Board reports to the Supervisory Board in text form as a rule.

Key decisions by the Executive Board, such as the annual planning round, a major realignment of the company's business activities, significant financial transactions, larger acquisitions, and financial measures as well as the establishment, relocation, and dissolution of branches and certain production sites, are subject to the approval of the Supervisory Board.

Diversity Concept and Succession Planning for the Executive Board

The Supervisory Board is mindful of diversity in the composition of the Executive Board. The Supervisory Board understands diversity, as an assessment criterion, to mean in particular different yet complementary specialist profiles and professional and general experience, also in the international domain, with all genders being appropriately represented. The Supervisory Board also takes the following aspects into account in this regard, in particular:

- Members of the Executive Board should have many years of management experience.
- Members of the Executive Board should—if possible—have experience based on different training and professional backgrounds.
- The Executive Board as a whole should have technical expertise, especially knowledge of and experience in the manufacture and sale of vehicles and engines of any kind as well as other technical products, and experience in the international domain.
- The Executive Board as a whole should have many years of experience in research and development, procurement, production, sales, finance and human resources management, as well as law and compliance.
- At least one Executive Board position should be held by a woman.
- The Executive Board should also have a sufficient mix of ages.

The aim of the diversity concept is for the Executive Board members to embody a range of expertise and perspectives. This diversity promotes a good understanding of Porsche AG's organizational and business affairs. Particularly, it enables the members of the Executive Board to be open to innovative ideas and to avoid groupthink. In this way, it contributes to the successful management of the company. In deciding who should be appointed to a specific Executive Board position, the Supervisory Board takes into account the interests of the company and all the circumstances of the specific case. In taking this decision and in long-term succession planning, the Supervisory Board orients itself on the diversity concept. The Supervisory Board is of the view that the diversity concept is reflected by the current composition of the Executive Board. The members of the Executive Board have many years of professional experience, also in an international context, and cover a broad spectrum of educational and professional backgrounds. The Executive Board as a whole has outstanding technical knowledge and many years of collective experience in research and development, procurement, production, sales, finance and human resources management, as well as law and compliance. In addition, the Executive Board has a sufficient mix of ages that corresponds to the requirements set by the Supervisory Board; the gender balance also meets the requirements set by the Supervisory Board up to now and the legal requirements. Long-term succession planning within the meaning of Recommendation B.2 of the Code is achieved through regular discussions between the Chairman of the Executive Board and the Chairman of the Supervisory Board as well as regular discussions in the Executive Committee. The contract terms for existing Executive Board members are discussed, along with potential extensions and potential successors. In particular, the discussions look at what knowledge, experience, and professional and personal competencies should be represented on the Executive Board with regard to the corporate strategy and current challenges, and to what extent the current composition of the Executive Board already reflects this. Long-term succession planning is based on the corporate strategy and corporate culture and takes into account the diversity concept determined by the Supervisory Board. As a rule, members of the Executive Board should be appointed for a term of office ending no later than their 65th birthday; the Supervisory Board can vote to deviate from this in justified cases.

SUPERVISORY BOARD

The Supervisory Board fulfills the tasks imposed on it in accordance with the requirements stipulated by law, the Articles of Association, and the Rules of Procedure for the Supervisory Board. It works on the basis of the recommendations and suggestions of the Code. It advises and monitors the Executive Board with regard to the management of the company and, through the requirement for the Supervisory Board to provide consent, is directly involved in decisions of fundamental importance to the company.

Information on the composition of the Supervisory Board and the Supervisory Board committees and their chairmen as well as on the terms of office of the individual Supervisory Board members can be found under the headings "Our Supervisory Board" and "Committees of the Supervisory Board" on the company's website at ↗ https://investorrelations.porsche.com/en/corporate-governance. Further information on the work of the Supervisory Board can be found in the → Report of the Supervisory Board in the "To our shareholders" chapter of the Annual and Sustainability Report 2024, which is available on the company's website at ↗ https://investorrelations.porsche.com/en/financial-figures.

Overview

The Supervisory Board of Porsche AG consists of 20 members, half of whom are shareholder representatives elected by the Annual General Meeting. The other half of the Supervisory Board consists of employee representatives elected by the employees in accordance with the German Co-Determination Act (MitbestG). A total of seven of these employee representatives are company employees elected by the workforce; the other three employee representatives are trade union representatives elected by the workforce.

The Chairman of the Supervisory Board is generally a shareholder representative, and the Deputy Chairman is generally an employee representative. Both are elected by the other members of the Supervisory Board.

A dedicated office of the Supervisory Board Chairman is equipped with corresponding personnel resources in order to help the Chairman of the Supervisory Board perform his duties and to manage the business of the Supervisory Board.

The Supervisory Board appoints the Executive Board members and, on the basis of the Executive Committee's recommendations, decides on a clear and comprehensible system of remuneration for the Executive Board members. It presents this system to the Annual General Meeting as a resolution for approval every time there is a material change, but at least once every four years.

Each member of the Supervisory Board is obliged to act in the company's best interests and discloses any conflicts of interest to the Chairman of the Supervisory Board without delay. In its report to the Annual General Meeting, the Supervisory Board informs the Annual General Meeting of any conflicts of interest among Supervisory Board members that have arisen and how these were dealt with.

Supervisory Board members should not hold board or advisory positions at major competitors of the company and should not be in a personal relationship involving a major competitor.

Members of the Supervisory Board receive appropriate support from the company upon induction as well as with respect to education and training. Education and training measures are outlined in the Report of the Supervisory Board.

Working Procedures of the Supervisory Board

As a rule, the Supervisory Board adopts its resolutions in (in-person) meetings. It must hold at least two meetings in both the first and second halves of the calendar year. The number of meetings held in fiscal year 2024, their main topics and information on the respective training formats can be found in the Report of the Supervisory Board at ↗ https://investorrelations.porsche.com/de/corporate-governance.

The Chairman of the Supervisory Board coordinates the work within the Supervisory Board and presides over the Supervisory Board meetings. He represents the Supervisory Board externally and in dealings with the Executive Board. The Executive Board generally attends the Supervisory Board meetings, unless the Supervisory Board has resolved otherwise in a specific case.

The Supervisory Board also meets regularly without the Executive Board. In the event the auditor is called as an expert to the meeting, the Executive Board does not participate in the meeting for the duration of the auditor's presence unless the Supervisory Board deems their participation to be necessary. The Chairman of the Supervisory Board convenes and presides over the Supervisory Board meetings. If he is unable to do so, the Deputy Chairman performs these tasks.

The Supervisory Board is quorate if all members of the Supervisory Board have been duly invited and at least half of its total members of which it has to be composed participate in the adoption of the resolution. The Chairman determines the order of the agenda items and the voting procedure. Resolutions may also be passed outside of meetings in writing or using electronic media (that is, by fax, email or another standard form of telecommunications as well as any combination of these), provided that the Chairman announces this within a reasonable period of time and no Supervisory Board member objects to this procedure within that reasonable period of time. Absent Supervisory Board members or those not participating in the conference call or those participating remotely may also participate in the resolution of the Supervisory Board by submitting their vote in writing through another Supervisory Board member. They may also submit their vote orally, by telephone, in writing, or by electronic media prior to the meeting, during the meeting, or—at the discretion of the Chairman—within a reasonable period after the meeting to be determined by the Chairman of the Supervisory Board.

Supervisory Board resolutions are adopted by a simple majority of votes cast, unless otherwise provided by law. If a vote results in a tie, the Chairman of the Supervisory Board has the casting vote pursuant to section 29 (2) and section 31 (4) MitbestG; any member of the Supervisory Board can demand that the vote be repeated in accordance with these provisions. However, the casting vote is never granted to the Deputy Chairman of the Supervisory Board. The Supervisory Board meetings as well as the resolutions adopted in these meetings must be recorded in minutes which must be signed by the Chairman. The minutes must state the place and date of the meeting, the participants, the items on the agenda, the essential contents of the discussions, and the resolutions of the Supervisory Board. Resolutions made outside of meetings must be recorded in the minutes by the Chairman in writing and sent to all members of the Supervisory Board without delay.

Supervisory Board Committees

The Supervisory Board can form committees from among its members and, to the extent legally permissible, also delegate decision-making powers to these committees. Each committee established by the Supervisory Board must – in accordance with the Rules of Procedure for the Supervisory Board – include at least one shareholder representative of Porsche Automobil Holding SE. Committees adopting resolutions are only quorate if half of the members – however, at least three members and all four members in the Mediation Committee – participate in the adoption of the resolution. Otherwise, the provisions of the Articles of Association and the Rules of Procedure for the Supervisory Board as a whole apply mutatis mutandis for the convening, meetings and the adoption of resolutions by the committees. The committee chairmen regularly report on the discussions and resolutions of their respective committees to the Supervisory Board.

In order to discharge the duties entrusted to it, the Supervisory Board has currently established five committees: the Executive Committee, the Nomination Committee, the Mediation Committee established in accordance with section 27 (3) MitbestG, a Related Party Committee and the Audit Committee.

The Executive Committee is currently made up of three shareholder representatives and three employee representatives. The Chairman of the Executive Committee is Dr. Wolfgang Porsche. The Nomination Committee is made up of the Chairman of the Supervisory Board and two additional shareholder representatives. The Mediation Committee comprises the Chairman of the Supervisory Board, the Deputy Chairman as well as one member each to be elected by the Supervisory Board members representing the employees and by the Supervisory Board members representing the shareholders. The Supervisory Board set up the Related Party Committee in order to deal with related party transactions. This committee is made up of three shareholder representatives and two employee representatives. The Audit Committee comprises six members: three from the ranks of shareholders and three from the ranks of employees.

Information on the composition of the Supervisory Board committees can be found in the following overview:

COMMITTEES OF THE SUPERVISORY BOARD OF PORSCHE AG AS OF DECEMBER 31, 2024

Members of the Executive Committee
Dr. Wolfgang Porsche (Chairman)
Dr. Arno Antlitz
Hauke Stars
Jordana Vogiatzi
Harald Buck
Carsten Schumacher

Members of the Audit Committee
Dr. Christian Dahlheim (Chairman)
Micaela le Divelec Lemmi
Dr. Ferdinand Oliver Porsche
Jordana Vogiatzi
Harald Buck
Carsten Schumacher

Members of the Mediation Committee pursuant to section 27 (3) of the German Co-Determination Act (MitbestG)
Dr. Wolfgang Porsche (Chairman)
Hauke Stars
Jordana Vogiatzi
Harald Buck

Members of the Nomination Committee
Dr. Wolfgang Porsche (Chairman)
Dr. Arno Antlitz
Hauke Stars

Members of the Related Party Committee
Micaela le Divelec Lemmi
Dr. Hans Michel Piëch
Hauke Stars
Akan Isik
Knut Lofski

Detailed information about the members and their relevant experience and expertise can be found under the heading "Our Supervisory Board" and on the company's website at ↗ https://investorrelations.porsche.com/en/corporate-governance/.

The duties generally transferred to the respective committees by the Supervisory Board are described below. This does not rule out the possibility that the Supervisory Board may—if legally permissible—transfer additional duties to the committees on a case-by-case basis.

The Executive Committee coordinates the work in the Supervisory Board and, at its meetings, diligently prepares the resolutions of the Supervisory Board, discusses the composition of the Executive Board, and takes decisions on matters such as contractual issues concerning the Executive Board other than remuneration and consent to ancillary activities by members of the Executive Board. The Executive Committee supports and advises the Chairman of the Supervisory Board. It works with the Chairman of the Executive Board to ensure long-term succession planning for the Executive Board, taking diversity into account. For this purpose, the Executive Committee and the Chairman of the Supervisory Board have prepared a succession matrix.

The Nomination Committee proposes suitable candidates for the Supervisory Board to recommend to the Annual General Meeting for election. It develops and regularly reviews the requirement profiles for the shareholder representatives on the Supervisory Board and observes suitable personalities. Together with the Chairman of the Supervisory Board, it is primarily involved in developing a profile of requirements for at least two shareholder representatives that should be independent of a controlling shareholder.

The Mediation Committee has the task of submitting proposals to the Supervisory Board for an appointment or revocation of appointment of Executive Board members if in a first vote the Supervisory Board fails to reach a majority for the measure concerned.

Among other things, the Audit Committee discusses the auditing of the financial reporting, including the annual and consolidated financial statements, as well as monitoring of the financial reporting process. It also discusses compliance, the effectiveness of the risk management system, internal control system, and internal audit system. The Audit Committee also issues the audit engagement to the auditor and monitors the audit, in particular the selection and independence of the auditor, the quality of the audit and any additional services provided by the auditor. In addition, the Audit Committee discusses interim financial information with the Executive Board.

A more detailed description of the duties and responsibilities of the individual committees can be found in the Rules of Procedure for the Supervisory Board, which are available on the company's website at ↗ https://investorrelations.porsche.com/en/corporate-governance/. In addition, the Report of the Supervisory Board at ↗ https://investorrelations.porsche.com/en/corporate-governance/ shows the topics that the committees – if they met – dealt with in the fiscal year 2024.

Concrete Objectives for the Composition of the Supervisory Board, Diversity Concept, and Skill Set for the Full Board

In view of the company's specific situation, its purpose, its size, and the extent of its international activities, the Supervisory Board of Porsche AG strives to achieve a composition that takes the company's ownership structure and the following aspects into account:

General requirements:

— Each member of the Supervisory Board must meet the requirements provided by law and the Articles of Association for membership in the Supervisory Board (see in particular sections 100 (1) to (4), 105 AktG).
— At least one member of the Supervisory Board must have specialist knowledge in the area of financial reporting and at least one other member of the Supervisory Board must have specialist knowledge in the area of auditing; the Supervisory Board as a whole must be familiar with the sector in which the company operates (section 100 (5) AktG).
— The Supervisory Board must be made up of at least 30% women and at least 30% men. The minimum participation of the genders must be fulfilled by the Supervisory Board as a whole. If, prior to the election, the side of the shareholder representatives or the side of the employee representatives raises an objection with the Chairman of the Supervisory Board, based on a resolution adopted by a majority, against the overall fulfillment of the minimum participation of the genders by the Supervisory Board, the minimum participation of the genders for that election will have to be fulfilled separately by the side of the shareholder representatives and by the side of the employee representatives (section 96 (2) sentences 1 to 3 AktG).

The Supervisory Board has set the following concrete objectives for its composition:

— Each member of the Supervisory Board must be reliable and have the knowledge and skills required to properly perform the duties assigned to them.
— At least two shareholder representatives should, in the opinion of the shareholder representatives, be considered independent of the company and its Executive Board and independent of a controlling shareholder within the meaning of recommendation C.6 of the Code.
— No more than two former members of the Executive Board should be members of the Supervisory Board.
— Supervisory Board members should not hold board or advisory positions at major competitors of the company and should not be in a personal relationship involving a major competitor.
— All members of the Supervisory Board must ensure that they have sufficient time available to discharge their duties.
— The diversity concept described below should be implemented.

With regard to its composition, the Supervisory Board strives for sufficient diversity in terms of personality, internationality, professional background, skills, and experience as well as age and takes the following diversity criteria into account for its composition:

— At least two members of the Supervisory Board should have international experience, either because of their origin or an educational or professional activity abroad over several years.
— A range of age groups should be represented on the Supervisory Board. At least twelve members of the Supervisory Board should have not reached their 65th birthday at the time of their election.
— The members of the Supervisory Board should complement each other in terms of their cultural origin, professional experience, and skills, so that the Supervisory Board can draw upon as broad a range of different experiences and specialist skills as possible.

In addition, the Supervisory Board has decided on the following skill set for the full Board. The Supervisory Board as a whole must collectively have the knowledge, skills, and professional expertise required to properly perform its supervisory function and assess and monitor the business conducted by the company. For this, the members of the Supervisory Board must collectively be familiar with the sector in which the company operates. The key skills and requirements of the Supervisory Board as a whole include, in particular:

(1) Knowledge of and skills and professional experience in the manufacture and sale of all types of vehicles and engines or other technical products.
(2) Knowledge of and skills and professional experience in the automotive industry and its transformation —especially with view to the topics of electromobility and mobility services—the business model and the market, as well as product expertise.
(3) Knowledge of and skills and professional experience in the field of research and development, particularly of technologies with relevance for the company.
(4) Knowledge of and skills and professional experience in leadership positions and supervisory bodies of companies, including holding companies and start-ups, or large organizations.
(5) Knowledge of and skills and professional experience in the areas of governance, law, or compliance.
(6) Knowledge of and skills and professional experience in the areas of finance, financial reporting and auditing, primarily knowledge of and experience in the application of accounting principles and internal control and risk management systems and in sustainability reporting as well as the audit and review of sustainability reporting (financial experts).
(7) Knowledge of and skills and professional experience in the capital markets as well as knowledge of and skills and professional experience in the areas of controlling, risk management, and internal control system.

Skills and Expertise Supervisory Board

	Dr. Wolfgang Porsche	Dr. Arno Antlitz	Dr. Christian Dahlheim	Melissa Di Donato Roos	Micaela le Divelec Lemmi	Dr. Hans Michel Piëch	Dr. Ferdinand Oliver Porsche	Hans Dieter Pötsch	Dr. Hans Peter Schützinger	Hauke Stars	Jordana Vogiatzi	Harald Buck	Akan Isik	Martina Holzbauer	Knut Lofski	Vera Schalwig	Steffen Reißig	Carsten Schumacher	Conny Schönhardt	Heidi Zink-Larson
(1) Manufacture and sale	▪	▪	▪			▪	▪	▪	▪	▪		▪	▪	▪	▪	▪		▪	▪	▪
(2) Automotive sector and transformation	▪	▪	▪	▪		▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪
(3) Research and development				▪			▪			▪								▪		▪
(4) Management/supervision experience	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪			▪	▪	▪	▪	▪
(5) Governance/legal/compliance	▪	▪	▪	▪	▪	▪	▪	▪			▪					▪			▪	
(6) Finance, financial reporting/auditing		▪	▪	▪	▪		▪	▪	▪			▪						▪	▪	▪
(7) Capital market, controlling, and risk management	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪								▪	▪	
(8) Personnel expertise and remuneration	▪	▪		▪		▪	▪	▪	▪	▪	▪	▪				▪	▪	▪	▪	
(9) Co-determination	▪	▪	▪	▪		▪	▪	▪		▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪
(10) Sustainability		▪		▪	▪			▪	▪		▪								▪	
(11) Digital		▪	▪	▪	▪				▪	▪			▪							
(12) Luxury goods sector	▪	▪			▪	▪	▪									▪				

The qualification matrix is based on the Supervisory Board's own assessment. "Excellent knowledge" resulting from qualifications, knowledge, experience, or advanced training is designated as such. The categories in the left column of the qualification matrix summarize the key skills, expertise, and requirements that are enumerated individually in the profile of skills shown above and below for the entire Supervisory Board.

(8) Knowledge of and skills and professional experience in the area of human resources (particularly the search for and selection of members of the Executive Board, and the succession process) and knowledge of incentive and remuneration systems for the Executive Board.
(9) Knowledge of and skills and professional experience in the areas of co-determination, employee matters, and the working environment in the company.
(10) Knowledge of and skills and professional experience in the areas of the environment, society, and sustainable corporate governance including the risks descendant from these areas (Environmental, Social, Governance: ESG), in particular, expertise in the sustainability questions that are particularly relevant to the company, for example with regard to resources, supply chains, energy supply, corporate social responsibility, sustainable technologies, and related business models.
(11) Knowledge of and skills and professional experience in the area of digital transformation.
(12) Knowledge of and skills and professional experience in the luxury goods industry.

The qualifications of the Supervisory Board members are captured and regularly reviewed in a self-assessment, which shows that the key skills and requirements are fulfilled by the Board as a whole.

The members of the Audit Committee, in particular its Chairman, Dr. Christian Dahlheim, as well as Ms. Micaela Le Divelec Lemmi and Dr. Ferdinand Oliver Porsche, each have specialist knowledge both in the field of accounting, including sustainability reporting, and in the field of auditing, including the audit of sustainability reporting.

The Chairman of the Audit Committee, Dr. Christian Dahlheim, has special knowledge and experience in the application of accounting principles and internal control and risk management systems as well as in the auditing of financial statements due to his many years working in various management and board positions, including at Volkswagen Financial Services AG, and his work on the supervisory boards of various banks.

Ms. Micaela Le Divelec Lemmi worked for an audit firm for several years during the course of her professional career. She has also held various management positions, also in the financial sector, including Chief Financial Officer at Gucci and Managing Director of the Salvatore Ferragamo Group. She therefore has special knowledge and experience in the application of accounting principles and internal control and risk management systems as well as in the auditing of financial statements.

Dr. Ferdinand Oliver Porsche has been a member of the audit committees of various listed companies for many years and worked for an audit firm for several years. As part of his work on audit committees, he was also involved in the audit of non-financial statements relating to sustainability in the form of material environmental and social issues. Dr. Ferdinand Oliver Porsche also follows and supports current developments in the field of sustainability reporting and contributes his expertise to Porsche AG's Audit Committee.

More information about the members, their relevant experience and expertise can be found under the heading "Our Supervisory Board" on the company's website at ↗ https://investorrelations.porsche.com/en/corporate-governance.

Numerous members of the Supervisory Board also embody the criterion of internationality to a particularly high degree; various nationalities are represented on the Supervisory Board and numerous members have international professional experience. Several members of the Supervisory Board contribute to the Board's diversity to a particularly high degree, especially Ms. Micaela Le Divelec Lemmi, Ms. Melissa Di Donato Roos, and Ms. Jordana Vogiatzi. The Supervisory Board also comprises members of various age groups.

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 Code. These are Ms. Micaela Le Divelec Lemmi, Ms. Melissa Di Donato Roos, Dr. Christian Dahlheim, and Dr. Hans Peter Schützinger.

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 Code for lack of independence from the company and the Executive Board. 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.

Self-Assessment of the Supervisory Board

The Supervisory Board regularly assesses how effectively the Board and its committees are performing their tasks (self-assessment). In addition to the quality criteria to be determined by the Supervisory Board, the subject of the self-assessment mainly covers the procedures in the Supervisory Board and the flow of information between the committees and the plenum as well as the timely provision of sufficient information to the Supervisory Board.

The Supervisory Board carried out a comprehensive self-assessment in the fiscal year 2023 and implemented the resulting measures to optimize the Supervisory Board's work in the fiscal year 2024. Due to personnel changes on the Supervisory Board and new organizational measures, the Supervisory Board decided to carry out an additional "efficiency check" in the current fiscal year. The aim was to be able to quickly and easily measure the efficiency and special features of the current fiscal year, independently of the regular, comprehensive self-assessment, in the sense of a continuous improvement process. With this in mind, a digital feedback option was introduced at the end of the year. A few short questions were used, for example, to discuss and evaluate new reporting and training formats as well as the onboarding of new Supervisory Board members.

The evaluation of the "efficiency check" for the fiscal year 2024 shows a high level of overall satisfaction among Supervisory Board members with their work on the board. The organization and conduct of the meetings and the onboarding process for new Supervisory Board members were rated particularly positively. The communication of training content and product knowledge by internal and external experts is perceived as being very good. The results also show an adequate supply of information. Measures derived from the results to optimize the Supervisory Board's work will be adopted in a timely manner. In the fiscal year 2025, the Supervisory Board again plans to carry out a comprehensive self-assessment using a questionnaire and individual interviews.

LEGISLATION ON THE EQUAL PARTICIPATION OF WOMEN AND MEN IN MANAGEMENT POSITIONS

Supervisory Board

When putting the Supervisory Board of Porsche AG together, the minimum quota requirement introduced with the German Act on the Equal Participation of Women and Men in Management Positions in the Private Economy and the Public Sector (FüPoG) was observed, according to which the supervisory board of listed and parity co-determined companies must be made up of at least 30% women and at least 30% men. This quota is fulfilled by the Supervisory Board as a whole (overall fulfillment). Neither the shareholder representatives nor the employee representatives objected to the overall fulfillment before the last election. Since the end of the Annual General Meeting on June 7, 2024, a total of eight women (40%) have been members of the company's Supervisory Board, including three shareholder representatives and five employee representatives. In addition, a total of 12 men (60%) belong to the Supervisory Board, seven of whom are shareholder representatives and five of whom are employee representatives.

Executive Board

According to the German Act to Supplement and Amend the Regulations for the Equal Participation of Women and Men in Management Positions in the Private Economy and the Public Sector (FüPoG II), Porsche AG is also subject to the minimum participation requirement of section 76 (3a) AktG, under which the members of the Executive Board of the company must include at least one woman and at least one man. When putting the Executive Board of Porsche AG together, this was observed. Ms. Barbara Frenkel has been a member of the company's Executive Board since June 2021.

Management positions below the Executive Board

In addition, the executive board of a listed or co-determined company has to determine targets for the percentage of women in management positions at the two levels directly below the executive board. If the share of women is below 30% when the executive board sets the target, the targets may no longer be lower than the share already achieved. At the same time as setting the targets, deadlines for their achievement within five years also have to be determined.

When filling management positions in the company, the Executive Board pays attention to diversity and, in particular, is committed to giving appropriate consideration to women and internationality. By resolution dated November 2021, the Executive Board of Porsche AG set itself the targets of 20% women in the first level of management below the Executive Board and 18% women in the second level of management below the Executive Board. A deadline of December 31, 2025 was set for achieving each of the targets.

REMUNERATION REPORT AND REMUNERATION SYSTEM FOR THE EXECUTIVE BOARD AND SUPERVISORY BOARD

The remuneration report for the last fiscal year and the auditor's report pursuant to section 162 AktG can be found in the Annual and Sustainability Report for fiscal year 2024, which is available on the company's website at ↗ https://investorrelations.porsche.com/en/financial-figures. The remuneration report is also available at: ↗ https://investorrelations.porsche.com/en/corporate-governance. The remuneration report contains detailed explanations about the remuneration system and the individual remuneration of the members of the Executive Board and Supervisory Board. The remuneration system in place for the Executive Board can also be viewed separately at the following link: ↗ https://investorrelations. porsche.com/en/corporate-governance.

The remuneration system for the members of the Executive Board was last submitted to the company's Annual General Meeting on June 7, 2024 for approval in accordance with section 120a (1) AktG. The Annual General Meeting passed this say-on-pay resolution with 100% of the votes cast.

The Annual General Meeting of the company last passed a resolution on the remuneration of the Supervisory Board on June 28, 2023 in accordance with section 113 (3) AktG. This say-on-pay resolution was also passed unanimously. The most recent remuneration resolution in accordance with section 113 (3) AktG is available at the following link: ↗ https://investorrelations.porsche.com/en/general-meeting-23/

Additional information on remuneration can be found under → Notes to the consolidated financial statements and in the notes to the Porsche AG financial statements for 2024.

RELEVANT DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES

Compliance and Risk Management

To ensure the Porsche AG Group's lasting success, the company uses forward-looking risk management and a uniform group-wide framework. This includes:

— **Compliance:** Compliance at Porsche is adherence to statutory provisions, internal company policies and Porsche's Code of Conduct which are publicly accessible at the following link: ↗ https://www.porsche.com/international/aboutporsche/overview/compliance/overview/

- **Whistleblower system:** Adherence to statutory requirements, internal company policies, and the Code of Conduct has utmost priority at Porsche. In order to counter potential risks of compliance breaches at an early stage, the company set up a whistleblower system, where any violations against the rules by employees of the Porsche group can be reported. Incoming reports are treated independently and confidentially in Porsche's whistleblower system. For more information, visit the following link: ↗ https://www.porsche.com/international/aboutporsche/overview/compliance/whistleblower-system/
- **Business and human rights:** Porsche is committed to respecting human rights, and in particular promoting good working conditions and fair trade. The company has formulated clear rules about this—both in terms of its own operating activities and its global supply chains. Porsche bases its entrepreneurial actions on the ten principles of the UN Global Compact and the United Nations Guiding Principles on Business and Human Rights. The contents of these, which draw largely from the Universal Declaration of Human Rights and the ILO (International Labour Organization) Declaration on Fundamental Principles and Rights at Work, can be found on the respective websites of the United Nations and the ILO. Further information on human rights in the Porsche Group can be found at the following link: ↗ https://newsroom.porsche.com/en/sustainability/human-rights-in-the-porsche-group.html
- **Risk management and internal control system:** Promptly identifying the risks and opportunities arising from operating activities and taking a forward-looking approach to managing them is crucial to the long-term success of the Porsche AG Group. The responsible management of business risks to achieve our objectives is just as important as the timely identification of opportunities to ensure competitiveness. For this purpose, the Porsche AG Group has management and control systems in place that are embedded in a comprehensive risk and opportunities management system. The Porsche AG Group has implemented a comprehensive risk management system (RMS) and internal control system (ICS). The aim is to identify potential risks at an early stage and manage them using suitable measures or controls. In this way, the threat of loss to the company should be averted and any risks that might jeopardize its continued existence recognized in good time.

Voluntary Commitments and Principles

The Porsche AG Group has made a commitment to sustainable, transparent, and responsible corporate governance.

The company coordinates its sustainability activities across the entire group and has put in place a forward-looking risk management system and a clear framework for dealing with environmental issues, for employee responsibility and for social commitment in a future-oriented manner. Voluntary commitments and principles that apply across the group are the basis and backbone of our sustainability management. These documents are publicly accessible in the Porsche Newsroom in the "Sustainability" section at the following link: ↗ https://www.newsroom.porsche.com/en/nachhaltigkeit.html

MEMBERS OF THE EXECUTIVE BOARD

Members of the Executive Board	Membership on supervisory boards and other control bodies
Dr. Oliver Blume (*1968) Chairman (since 2015) Chairman of the Board of Management of Volkswagen AG Beginning of membership of the Executive Board: 2013 Nationality: German	**Membership of statutory supervisory boards in Germany** CARIAD SE, Wolfsburg (Chairman)[1]
Lutz Meschke (*1966) Deputy Chairman (since 2015) Finance and IT Beginning of membership of the Executive Board: 2009 Nationality: German, Croatian	**Membership of statutory supervisory boards in Germany** Porsche Leipzig GmbH, Leipzig[2] VfB Stuttgart 1893 AG, Stuttgart (since February 7, 2024; Deputy Chairman since September 27, 2024)[1] **Comparable appointments in Germany and abroad** European Transport Solutions S.à r.l., Luxembourg[1] MHP Management und IT-Beratung GmbH, Ludwigsburg (Chairman)[2] Porsche Consulting GmbH, Bietigheim-Bissingen (Chairman)[2] Porsche Deutschland GmbH, Bietigheim-Bissingen[2] Porsche Digital GmbH, Ludwigsburg[2] Porsche eBike Performance GmbH, Ottobrunn (Chairman)[2] Porsche Engineering Group GmbH, Weissach[2] Porsche Engineering Services GmbH, Bietigheim-Bissingen[2] Porsche Enterprises Inc., Atlanta[2] Porsche Financial Services GmbH, Bietigheim-Bissingen (Chairman)[2] Porsche Investments Management S.A., Luxembourg (Chairman)[2] Porsche Lifestyle GmbH & Co. KG, Ludwigsburg (Chairman)[2] Rimac Group d.o.o., Sveta Nedelja[1] Incharge Capital Partners GmbH, Hamburg (since March 19, 2024)[1]

[1] Appointment outside the group
[2] Appointment within the group

Members of the Executive Board	Membership on supervisory boards and other control bodies
Barbara Frenkel (*1963) Procurement Beginning of membership of the Executive Board: 2021 Nationality: German	**Comparable appointments in Germany and abroad** Porsche Deutschland GmbH, Bietigheim-Bissingen[2] Stiftung Münchner Sicherheitskonferenz GmbH, Munich[1]
Andreas Haffner (*1965) Human Resources and Social Affairs Beginning of membership of the Executive Board: 2015 Nationality: German	**Membership of statutory supervisory boards in Germany** Porsche Leipzig GmbH, Leipzig[2] **Comparable appointments in Germany and abroad** Porsche Dienstleistungs GmbH, Stuttgart (Chairman)[2] Porsche Werkzeugbau GmbH, Schwarzenberg[2] Porsche Consulting GmbH, Bietigheim-Bissingen[2] MHP Management und IT-Beratung GmbH, Ludwigsburg[2]
Sajjad Khan (*1973) Car-IT Beginning of membership of the Executive Board: 2023 Nationality: German	**Comparable appointments in Germany and abroad** Porsche Digital GmbH, Ludwigsburg (Chairman)[2] Porsche Engineering Group GmbH, Weissach[2]
Detlev von Platen (*1964) Sales and Marketing Beginning of membership of the Executive Board: 2015 Nationality: German, French, American	**Membership of statutory supervisory boards in Germany** Porsche Leipzig GmbH, Leipzig[2] **Comparable appointments in Germany and abroad** Porsche Deutschland GmbH, Bietigheim-Bissingen (Chairman)[2] Porsche Digital GmbH, Ludwigsburg[2] Porsche Enterprises Inc., Atlanta[2] Porsche Financial Services GmbH Bietigheim-Bissingen[2] Porsche Lifestyle GmbH & Co. KG, Ludwigsburg[2] Porsche Logistik GmbH, Stuttgart[2]
Albrecht Reimold (*1961) Production and Logistics Beginning of membership of the Executive Board: 2016 Nationality: German	**Membership of statutory supervisory boards in Germany** Porsche Leipzig GmbH, Leipzig (Chairman)[2] VfB Stuttgart 1893 AG, Stuttgart (since February 7, 2024)[1] **Comparable appointments in Germany and abroad** KS HUAYU AluTech GmbH, Neckarsulm[1] Porsche Werkzeugbau GmbH, Schwarzenberg (Chairman)[2] Porsche Logistik GmbH, Stuttgart (Chairman)[2] Smart Press Shop GmbH & Co. KG, Halle[1] Volkswagen Osnabrück GmbH, Osnabrück[1]
Dr. Michael Steiner (*1964) Research and Development Beginning of membership of the Executive Board: 2016 Nationality: German	**Membership of statutory supervisory boards in Germany** CARIAD SE, Wolfsburg[1] **Comparable appointments in Germany and abroad** Cellforce Group GmbH, Tübingen (Chairman)[2] Group14 Technologies, Inc., Woodinville[1] HIF Global LLC, Delaware[1] Porsche Digital GmbH, Ludwigsburg[2] Porsche Engineering Group GmbH, Weissach (Chairman)[2] Porsche Engineering Services GmbH, Bietigheim-Bissingen (Chairman)[2] Porsche E-Bike Performance GmbH, Ottobrunn[2]

1 Appointment outside the group
2 Appointment within the group

MEMBERS OF THE SUPERVISORY BOARD

Members of the Supervisory Board	Membership on supervisory boards and other control bodies
Dr. Wolfgang Porsche (*1943) Chairman Business administration graduate Member since: 2009 Nationality: Austrian	**Membership of statutory supervisory boards in Germany** Porsche Automobil Holding SE, Stuttgart (Chairman)[1, 3] Volkswagen AG, Wolfsburg[1, 3] AUDI AG, Ingolstadt[1] **Comparable appointments in Germany and abroad** Porsche Holding Gesellschaft m.b.H., Salzburg[1] Familie Porsche AG Beteiligungsgesellschaft, Salzburg (Chairman)[1] Schmittenhöhebahn AG, Zell am See (until May 23, 2024)[1]
Jordana Vogiatzi (*1976) Deputy Chairwoman Managing Director of Members and Finance of IG Metall Stuttgart Member since: 2014 Nationality: German, Greek	**Membership of statutory supervisory boards in Germany** Porsche Leipzig GmbH, Leipzig[2]
Dr. Arno Antlitz (*1970) Member of the Board of Management of Volkswagen AG for Finance and Operations Member since: 2021 Nationality: German	**Membership of statutory supervisory boards in Germany** Volkswagen Financial Services AG, Braunschweig (Chairman)[1] PowerCo SE, Salzgitter[1] **Comparable appointments in Germany and abroad** Volkswagen Group of America, Inc., Herndon (Chairman)[1] Volkswagen (China) Investment Co., Ltd., Beijing[1] Porsche Austria Gesellschaft m.b.H., Salzburg (Deputy Chairman)[1] Porsche Holding Gesellschaft m.b.H., Salzburg (Deputy Chairman)[1] Porsche Retail Gesellschaft m.b.H., Salzburg (Deputy Chairman)[1]
Dr. Christian Dahlheim (*1968) Chairman of the Board of Volkswagen Financial Services AG Member since: 2020 Nationality: German	**Membership of statutory supervisory boards in Germany** Volkswagen Bank GmbH, Braunschweig[1] **Comparable appointments in Germany and abroad** Porsche Bank AG, Salzburg[1] Volkswagen Finance (China) Co., Ltd., Beijing[1] VW New Mobility Services Investment Co., Ltd., Shanghai[1] VDF Faktoring A.S., Istanbul (Chairman)[1] VDF Filo Kiralama A.S., Istanbul (Chairman)[1] VDF Sigorta Aracilik Hizmetleri A.S., Istanbul (Chairman)[1] VDF Servis ve Ticaret A.S., Istanbul (Chairman)[1] Volkswagen Dogus Finansman A.S., Istanbul (Chairman)[1] Volkswagen Semler Finans Danmark A/S, Brøndby (Chairman)[1] Volkswagen Participações Ltda., São Paulo (Chairman)[1]

1 Appointment outside the group
2 Appointment within the group
3 Listed company

Members of the Supervisory Board	Membership on supervisory boards and other control bodies
Micaela le Divelec Lemmi (*1968) Non-executive member of the Board of Directors of De Longhi Group and Benetton S.p.A. Member since: 2022 Nationality: Italian	**Comparable appointments in Germany and abroad** De Longhi S.p.A., Treviso[1, 3] Benetton S.p.A. (until June 18, 2024)[1]
Melissa Di Donato Roos (*1972) Chair & Chief Executive Officer at Kyriba Corp. Member since: 2022 Nationality: American, British	**Comparable appointments in Germany and abroad** J.P. Morgan Europe Limited[1]
Dr. Hans Michel Piëch (*1942) Attorney at law Member since: 2009 Nationality: Austrian	**Membership of statutory supervisory boards in Germany** AUDI AG, Ingolstadt[1] Volkswagen AG, Wolfsburg[1, 3] Porsche Automobil Holding SE, Stuttgart (Deputy Chairman)[1, 3] **Comparable appointments in Germany and abroad** Porsche Holding Gesellschaft m.b.H., Salzburg[1] Schmittenhöhebahn AG, Zell am See[1]
Hans Dieter Pötsch (*1951) Chairman of the Board of Management of Porsche Automobil Holding SE Chairman of the Supervisory Board of Volkswagen AG Member since: 2010 Nationality: Austrian	**Membership of statutory supervisory boards in Germany** AUDI AG, Ingolstadt[1] Volkswagen AG, Wolfsburg (Chairman)[1, 3] Bertelsmann Management SE, Gütersloh[1] Bertelsmann SE & Co. KGaA, Gütersloh[1] TRATON SE, Munich (Chairman)[1, 3] Wolfsburg AG, Wolfsburg[1] **Comparable appointments in Germany and abroad** Autostadt GmbH, Wolfsburg[1] Porsche Austria Gesellschaft m.b.H., Salzburg (Chairman)[1] Porsche Holding Gesellschaft m.b.H., Salzburg (Chairman)[1] Porsche Retail GmbH, Salzburg (Chairman)[1] VfL Wolfsburg-Fußball GmbH, Wolfsburg (Deputy Chairman)[1]
Dr. Ferdinand Oliver Porsche (*1961) Member of the Board of Management of Familie Porsche AG Beteiligungsgesellschaft Member since: 2010 Nationality: Austrian	**Membership of statutory supervisory boards in Germany** Porsche Automobil Holding SE, Stuttgart[1, 3] AUDI AG, Ingolstadt[1] Volkswagen AG, Wolfsburg[1, 3] **Comparable appointments in Germany and abroad** Porsche Holding Gesellschaft m.b.H., Salzburg[1] Porsche Lifestyle GmbH & Co. KG, Ludwigsburg[2]
Dr. Hans Peter Schützinger (*1960) Spokesperson for the management of Porsche Holding GmbH Member since: 2017 Nationality: Austrian	**Membership of statutory supervisory boards in Germany** Volkswagen Financial Services AG, Braunschweig (Deputy Chairman)[1] **Comparable appointments in Germany and abroad** Porsche Hungaria Kereskedelmi Kft., Budapest[1] Volkswagen Financné služby Slovensko s.r.o., Bratislava (until November 26, 2024)[1] Volkswagen Group Italia S.p.A.[1] (since July 1, 2024; Chairman) Volkswagen Group Svergine AB[1] (since July 1, 2024; Chairman) Porsche Versicherungs AG, Salzburg (Chairman)[1] Porsche Bank AG, Salzburg (Chairman until September 23, 2024)[1] Din Bil Sverige AB, Stockholm[1] Gletscherbahnen Kaprun AG, Kaprun[1] Schmittenhöhebahn AG, Zell am See (Chairman)[1]

[1] Appointment outside the group
[2] Appointment within the group
[3] Listed company

Members of the Supervisory Board	Membership on supervisory boards and other control bodies
Hauke Stars (*1967) Member of the Board of Management of Volkswagen AG for IT Member since: 2022 Nationality: German	**Membership of statutory supervisory boards in Germany** AUDI AG, Ingolstadt[1] CARIAD SE, Wolfsburg[1] RWE AG, Essen[1, 3] PowerCo SE, Salzgitter[1] **Comparable appointments in Germany and abroad** Kühne + Nagel International AG, Schindellegi[1, 3]
Ibrahim Aslan (*1973) (until June 7, 2024) (As of June 7, 2024) Member of the works council Zuffenhausen/Ludwigsburg/Sachsenheim; head of representatives body Member since: 2022 Nationality: German	
Harald Buck (*1962) Chairman of the works council Zuffenhausen/Ludwigsburg/ Sachsenheim Chairman of Porsche general and group works council Member since: 2019 Nationality: German	**Membership of statutory supervisory boards in Germany** Volkswagen AG, Wolfsburg[1, 3]
Wolfgang von Dühren (*1962) (until June 7, 2024) (As of June 7, 2024) Head of International VIP & Special Sales Porsche AG Member since: 2014 Nationality: German	
Martina Holzbauer (*1983) (since June 7, 2024) Deputy Chairman of the works council Zuffenhausen/ Ludwigsburg/Sachsenheim; Member of Porsche general and group works council Member since: 2024 Nationality: German	
Akan Isik (*1971) Works council Zuffenhausen Member of Porsche general and group works council Member since: 2019 Nationality: German	
Nora Leser (*1981) (until June 7, 2024) (As of June 7, 2024) Trade union secretary of IG Metall – Stuttgart office Member since: 2021 Nationality: German	**Comparable appointments in Germany and abroad** Thales Deutschland GmbH, Ditzingen[1]
Knut Lofski (*1963) Chairman of the works council Porsche Leipzig; Member of Porsche group works council Member since: 2019 Nationality: German	**Membership of statutory supervisory boards in Germany** Porsche Leipzig GmbH, Leipzig (Deputy Chairman)[2]

[1] Appointment outside the group
[2] Appointment within the group
[3] Listed company

Members of the Supervisory Board	Membership on supervisory boards and other control bodies
Steffen Reißig (*1981) (since June 7, 2024) First Authorized Representative and Treasurer of IG Metall Leipzig Member since: 2019 Nationality: German	**Membership of statutory supervisory boards in Germany** Porsche Leipzig GmbH, Leipzig[2]
Vera Schalwig (*1979) Head of Human Resources Zuffenhausen Member since: 2021 Nationality: German	
Stefan Schaumburg (*1961) (until June 7, 2024) (As of June 7, 2024) Trade Union Secretary/Head of the Functional Area of Collective Bargaining at the Board of Management of IG Metall Member since: 2021 Nationality: German	
Conny Schönhardt (*1978) (since June 7, 2024) Head of the Mobility and Vehicle Construction Unit IG Metall Executive Board, Trade Union Secretary Member since: 2024 Nationality: German	**Membership of statutory supervisory boards in Germany** Volkswagen AG, Wolfsburg[1, 3] CARIAD SE, Wolfsburg[1] PowerCo SE, Salzgitter[1] Volkswagen Bank GmbH, Braunschweig (until June 30, 2024)[1]
Carsten Schumacher (*1987) Chairman of the works council Weissach Member of Porsche general and group works council Member since: 2019 Nationality: German	**Membership of statutory supervisory boards in Germany** CARIAD SE, Wolfsburg[1]
Heidi Zink-Larson (*1977) (since June 7, 2024) Deputy Chairman of the works council Weissach; Member of Porsche general works council Member since: 2024 Nationality: German	

[1] Appointment outside the group
[2] Appointment within the group
[3] Listed company

REMUNERATION REPORT 2024

The Executive Board and Supervisory Board of Dr. Ing. h.c. F. Porsche AG (Porsche AG) are required to prepare a clear and comprehensible remuneration report in accordance with section 162 of the German Stock Corporation Act (AktG). In this report, the Executive Board and Supervisory Board explain the main features of the remuneration system for the members of the Executive Board and Supervisory Board. The remuneration report also contains an individualized breakdown of the remuneration components provided to current and former members of the Executive Board and Supervisory Board.

The Executive Board and Supervisory Board of Porsche AG have previously prepared a remuneration report in accordance with section 162 AktG for fiscal years 2022 and 2023. The Annual General Meeting approved the remuneration report 2023 on June 7, 2024 with 100% of the votes cast.

A. REMUNERATION OF THE MEMBERS OF THE EXECUTIVE BOARD

Fiscal year 2024 posed many challenges for Porsche AG. In addition to geopolitical tensions, macroeconomic uncertainties and weak market development in China, the transformation to electromobility also slowed. At the same time, Porsche AG undertook an extensive renewal of its product portfolio. These factors are reflected in the net income or loss for the year of Porsche AG and thus also in the remuneration of the Executive Board, whose variable components saw a decrease year on year.

I. Principles of Executive Board remuneration

The Supervisory Board adopted a remuneration system for the Executive Board (the 2023 Executive Board remuneration system) for the first time on September 14, 2022 with effect from January 1, 2023. The 2023 Annual General Meeting approved the 2023 Executive Board remuneration system in a say-on-pay vote on June 28, 2023 with 100% of the votes cast.

On September 15, 2023, the Supervisory Board decided to adjust the 2023 remuneration system with effect from January 1, 2024 (the 2024 Executive Board remuneration system). The Annual General Meeting approved the remuneration system 2024 on June 7, 2024 with 100% of the votes cast. In the remuneration system 2024, the return on investment (ROI) financial sub-target was replaced by the net cash flow margin (NCFM) of the Porsche AG Group's automotive segment. The NCFM – unlike ROI – is one of the five key performance indicators for managing the Porsche AG Group, along with the operating return on sales (ROS). These performance indicators are derived from the strategy and the underlying strategic objectives and are essential components of group planning and budgeting. From Porsche AG's perspective, the NCFM is therefore a more suitable indicator than the previous ROI sub-target for aligning the remuneration of Executive Board members with the interests of the company and the capital market. The ESG criterion of employee satisfaction was incorporated into the ESG factor and the weighting of the ESG sub-targets was adjusted. Adding employee satisfaction is intended to reflect sustainability aspects more broadly and place people more prominently at the center of Porsche AG's actions. Maintaining a high level of employee satisfaction will secure Porsche AG's leading role in the competition for the best applicants. In order to adequately capture the elements of the social ESG sub-target, which will consist of three ESG criteria going forward, the environment ESG sub-target was weighted at 40% and the social ESG sub-target at 60%. However, the decarbonization index (DCI) will remain the most heavily weighted criterion. Since January 1, 2024, the remuneration of the Executive Board has complied fully with the requirements of the 2024 Executive Board remuneration system. Porsche AG was assisted by independent remuneration and legal consultants during the development of the Executive Board remuneration system.

Working with a reputable, independent remuneration consultant, the Supervisory Board of Porsche AG also reviewed the remuneration of the Executive Board members in fiscal year 2023 compared to market benchmarks, considering the duties and performance of the Executive Board members and the company's position. As a result of this review, the Supervisory Board decided to increase the remuneration of the members of the Executive Board with effect from January 1, 2024. By making this increase, Porsche AG has ensured that the members of the Executive Board receive competitive remuneration that reflects Porsche AG's position in the relevant market environment. To maintain positive behavioral incentives for particularly strong performance by the Executive Board members in areas of strategic importance to Porsche AG, the Supervisory Board not only raised remuneration, but also enhanced the Executive Board remuneration system as part of the remuneration strategy. The maximum remuneration of the members of the Executive Board remained unchanged, ensuring that remuneration is limited in line with the market.

Porsche AG already had a remuneration system for the members of the Executive Board prior to the IPO (the former Executive Board remuneration system). The Supervisory Board decided to settle the remuneration of the Executive Board in accordance with the contractual arrangements applicable under the former Executive Board remuneration system for a transitional period up until December 31, 2022. The remuneration granted and owed as presented in this remuneration report therefore also includes remuneration components under the former Executive Board remuneration system, such as the long-term incentive (LTI) for 2021–2023 and the second tranche of the IPO bonus. The former Executive Board remuneration system permissibly did not correspond to all of the current statutory and regulatory requirements for listed stock corporations.

This chapter first provides an overview of the Executive Board remuneration system before going into the components of the remuneration in fiscal year 2024.

II. Overview of the remuneration components of the Executive Board remuneration system

The table below provides a summarized overview of the components of the Executive Board remuneration system applicable for fiscal year 2024. The table also outlines the composition of the individual remuneration components and explains their targets and how the remuneration will promote Porsche AG's long-term performance. More information on the specific remuneration components can also be found in section A.III.

Remuneration component	Measurement base/parameters		Target
Fixed remuneration components			
Base salary	— Twelve equal installments payable at month end — 2024 Chairman of the Executive Board[1]: €1,085,000; Deputy Chairman of the Executive Board: €1,092,500; Executive Board member: €945,000		The basic remuneration and fringe benefits are intended to reflect the tasks and responsibility of the Executive Board members, provide a basic income, and prevent them from taking inappropriate risks.
Fringe benefits	Fringe benefits, including: — A vehicle with a fuel/charging card, also for private use; Porsche AG pays the tax due on the benefit in kind — Right to two leased vehicles — Benefit in kind subject to lump-sum taxation — Allowance for health and long-term care insurance — Preventive medical check-ups — Insurance (accident, travel luggage, D&O insurance) — Security		
Occupational retirement provision	— Defined contribution plans with an annual contribution of 40% of the annual base salary — Usually paid out when the members reach the age of 67		The occupational retirement provision is intended to provide Executive Board members with an adequate pension when they retire.
Variable remuneration components			
Annual bonus/short-term incentive (STI)	Plan type:	Target bonus	The annual bonus is designed to motivate Executive Board members to pursue ambitious targets. The financial performance targets are intended to support the strategic target of achieving competitive profitability.
	Target amount for 2024:	Chairman of the Executive Board[1]: €1,085,000; Deputy Chairman of the Executive Board: €1,092,500; Executive Board member: €945,000	
	Cap:	180% of the target amount, i.e.: Chairman of the Executive Board: €1,953,000; Deputy Chairman of the Executive Board: €1,966,500; Executive Board member: €1,701,000	
	Performance criteria:	— Operating return on sales (ROS) of the Porsche AG Group (50%) — Net cash flow margin (NCFM) Porsche AG automotive segment (50%) — ESG targets (multiplier 0.63–1.43)	
	Assessment period:	Fiscal year in question	
	Payment:	— In cash in the month following approval of the consolidated financial statements of Porsche AG for the fiscal year in question — Pro rata reduction if the service contract starts or ends during the year	

[1] Dr. Oliver Blume receives pro rata remuneration from Porsche AG and Volkswagen AG.

Remuneration component	Measurement base/parameters		Target
Long-term incentive (LTI)	Plan type:	Virtual performance share plan	The LTI serves to align the remuneration of the Executive Board members with the Porsche AG Group's long-term performance. The financial performance target EPS (earnings per share) of the Porsche AG Group in conjunction with share price performance and the dividends paid, measured over four years, is intended to ensure the long-term effect of the behavioral incentives and support the strategic target of achieving competitive profitability.
	Target amount:	Chairman of the Executive Board[1]: €1,630,000; Deputy Chairman of the Executive Board: €1,615,000; Executive Board member: €1,383,000	
	Cap:	200% of the target amount i.e.: Chairman of the Executive Board: €3,260,000; Deputy Chairman of the Executive Board: €3,230,000; Executive Board member: €2,766,000	
	Performance criterion:	EPS of the Porsche AG Group	
	Performance period:	Measured forward over four years	
	Payment:	In cash in the month following approval of the consolidated financial statements of the Porsche AG Group for the last fiscal year of the performance period	
	Exit:	— Pro rata reduction of the target amount if the service contract starts or ends during the fiscal year when shares are granted — Forfeiture of all outstanding tranches without replacement or compensation in the event of the Executive Board member being responsible for termination for good cause pursuant to section 626 BGB or revocation of appointment because of gross breach of duty pursuant to section 84 (4) AktG or breach of (post-contractual) non-competition covenant	

[1] Dr. Oliver Blume receives pro rata remuneration from Porsche AG and Volkswagen AG.

Remuneration component	Measurement base/parameters		Target
Other benefits			
IPO bonus	Plan type:	Virtual share plan	The aim of the IPO bonus is to promote the commitment of the Executive Board members in preparing the IPO and, by its design as a three-year share plan, also take into account the long-term success of the IPO.
	Term:	One, two and three years after the IPO (three tranches)	
	Grant amount:	Dependent on market capitalization of Porsche AG at IPO	
	Threshold:	Not granted if market capitalization is below threshold value	
	Cap:	Maximum of 150% of the grant amount; minimum of 70% of the grant amount	
	Performance criteria:	— Market capitalization of Porsche AG — Share price performance of the Porsche preferred share including dividends	
	Payment:	— Each sub-tranche at the end of the month following the first, second and third anniversaries of the IPO — If the service relationship is terminated during the performance period, payment not until the regular date	
	Exit:	Forfeiture of all outstanding sub-tranches without replacement or compensation in the event of the Executive Board member being responsible for termination for good cause pursuant to section 626 BGB or revocation of appointment because of gross breach of duty pursuant to section 84 (4) AktG	
Benefits agreed with new Executive Board members for a defined period of time or for the entire term of their service contracts	— Payments to compensate for forfeited variable remuneration or other financial disadvantages, if any — Benefits in connection with a significant relocation, if any		(Compensation) payments are designed to attract qualified candidates.
Post-contractual non-competition covenant	— Payment of a non-competition payment net of the pension — No non-competition payments if taking up work at Volkswagen AG and/or in the Volkswagen Group		Non-competition payments are made as compensation for observing the post-contractual non-competition covenant.
Penalty and clawback	— Option for the Supervisory Board to reduce the annual bonus and LTI by up to 100% in the event of relevant misconduct during the respective relevant assessment period or to request repayment if such remuneration has already been paid out — A clawback is not permissible if more than three years have elapsed since the variable remuneration component was paid		Intended to encourage lawful and ethical behavior among Executive Board members.
Maximum remuneration	— This includes the base salary paid for the fiscal year in question, the fringe benefits granted for the fiscal year in question, the service cost of company pensions, the annual bonus granted for the fiscal year in question and paid out in the following year, the LTI paid out in the fiscal year in question whose performance period ends immediately before the respective fiscal year, any benefits granted to new Executive Board members for the fiscal year in question and the payment amount for the sub-tranche of the IPO bonus that is paid out in the fiscal year in question — For the Chairman of the Executive Board[1]: €5,000,000 gross per fiscal year, for the Deputy Chairman of the Executive Board: €6,000,000 gross per fiscal year and for regular Executive Board members: €5,000,000 gross per fiscal year		Maximum remuneration is intended to ensure that the remuneration of the Executive Board members is not unreasonably high when measured against the peer group.

[1] Dr. Oliver Blume receives pro rata remuneration from Porsche AG and Volkswagen AG.

III. Remuneration of the Executive Board members serving in fiscal year 2024

1. EXECUTIVE BOARD MEMBERS IN FISCAL YEAR 2024

The members of the Porsche AG Executive Board in fiscal year 2024 were as follows:

- Dr. Oliver Blume has been a member of the Executive Board since January 1, 2013 and Chairman of the Executive Board since October 1, 2015. Additionally, he has been a member of the Board of Management of Volkswagen AG since April 13, 2018 and the Chairman of the Board of Management since September 1, 2022. Until December 31, 2022, Dr. Oliver Blume did not receive any remuneration within the meaning of section 162 (1) no. 1 AktG from Porsche AG, only from Volkswagen AG. Starting January 1, 2023, Dr. Oliver Blume has received remuneration from Volkswagen AG and Porsche AG.
  The remuneration from Volkswagen AG and Porsche AG will be calculated and paid out pro rata based on the scope of Dr. Oliver Blume's work. The Volkswagen AG remuneration will not be counted toward the Porsche AG remuneration.
- Lutz Meschke has been a member of the Executive Board since November 6, 2009 and Deputy Chairman of the Executive Board since October 1, 2015. He has also been a member of the Executive Board of Porsche Automobil Holding SE (Porsche SE) since July 2020 and receives remuneration from Porsche SE for this role that is not counted toward the remuneration from Porsche AG.
- Barbara Frenkel has been a member of the Executive Board since August 19, 2021.
- Andreas Haffner has been a member of the Executive Board since October 1, 2015.
- Sajjad Khan has been a member of the Executive Board since November 1, 2023.
- Detlev von Platen has been a member of the Executive Board since November 1, 2015.
- Albrecht Reimold has been a member of the Executive Board since February 1, 2016.
- Dr. Michael Steiner has been a member of the Executive Board since May 3, 2016.

The Executive Board of Porsche AG has members who hold mandates on other executive boards in addition to Porsche AG. Some of the Executive Board members receive separate remuneration for these mandates. For their work on the Executive Board, its members do not receive additional remuneration for discharging other mandates on management bodies, supervisory boards or similar, especially in other companies of the Volkswagen Group. If such remuneration is nevertheless granted, it is counted toward the remuneration for their work as a member of the Executive Board of Porsche AG and reduces it accordingly—with the exception of the remuneration received by Dr. Blume and Dr. Steiner from Volkswagen AG and Mr. Meschke from Porsche SE. For mandates of Executive Board members that are not held as part of their work on the Executive Board, the Supervisory Board decides whether and, if so, to what extent any remuneration is counted toward the remuneration for their work as a member of the Executive Board of Porsche AG. The remuneration that Executive Board members receive for such mandates is determined by the body responsible for the company in question and, if applicable, is reported by that company. At present, no such remuneration is counted toward the remuneration that the members of the Executive Board receive from Porsche AG.

2. REMUNERATION GRANTED AND OWED IN FISCAL YEAR 2024

In accordance with section 162 (1) sentence 1 AktG, the remuneration report must report on the remuneration granted and owed to each individual member of the Executive Board in the last fiscal year. These terms are understood as follows:

- The term "granted" (gewährt) refers to the actual receipt (Zufluss) of the remuneration component.
- The term "owed" (geschuldet) refers to all legally existing liabilities for remuneration components that are due but have not yet been fulfilled.

2.1 Overview in the tables

The following tables show the remuneration actually received by members of the Executive Board in fiscal year 2024. The remuneration reported as granted in fiscal year 2024 thus consists of the base salary paid out in fiscal year 2024, the fringe benefits, and the annual bonus paid in the month following the approval of the consolidated financial statements of Porsche AG for fiscal year 2024 for which the related service has been fully performed and the LTI paid out in fiscal year 2024 for the performance period 2021–2023, net of the guaranteed amount for LTI 2021–2023. Moreover, the second tranche of the IPO bonus with a two-year term was paid out in fiscal year 2024. As Porsche AG was not in default on the payment of remuneration components, no remuneration owed is reported in the tables.

The relative shares shown in the tables relate to the remuneration components granted and owed in the respective fiscal year in accordance with section 162 (1) sentence 1 AktG. They thus include all benefits actually received in the respective fiscal year, regardless of the fiscal year for which the Executive Board members received them.

Pension expense is reported as service cost within the meaning of IAS 19. The service cost in accordance with IAS 19 does not constitute remuneration granted or owed within the meaning of section 162 (1) sentence 1 AktG as it is not actually received by the Executive Board member in the reporting year. Other benefits such as surviving dependents' pensions and the use of company cars during retirement are also factored in.

The service contracts of the Executive Board members contain penalty and clawback rules. Porsche AG did not make use of these rules in fiscal year 2024.

Further details on the tables are presented below the individual tables.

Dr. Oliver Blume[1], Chairman of the Executive Board

	2024	
	€	%
Fixed remuneration		
Annual base salary	1,085,000	37.7
Fringe benefits[2]	0	0.0
Total fixed remuneration	**1,085,000**	**37.7**
Variable remuneration		
Short-term variable remuneration (STI) 2024	1,334,116	46.3
Multiyear variable remuneration/long-term incentive (LTI) 2021–2023 less guaranteed LTI 2021–2023	–	–
Tranche 2 of the IPO bonus	461,610	16.0
Total variable remuneration	**1,795,726**	**62.3**
Total remuneration within the meaning of section 162 (1) sentence 1 AktG	**2,880,726**	**100.0**
Pension expenses	439,239	–
Total remuneration including pension expenses	**3,319,965**	**–**

1 Dr. Blume also receives remuneration from Volkswagen AG. This remuneration is not counted toward the remuneration from Porsche AG. The remuneration received by Dr. Blume from Volkswagen AG in fiscal year 2024 is presented in the remuneration report 2024 of Volkswagen AG.
2 Dr. Blume receives a fringe benefit allowance from Volkswagen AG.

Lutz Meschke[1], Deputy Chairman of the Executive Board; Finance and IT

	2024	
	€	%
Fixed remuneration		
Annual base salary	1,092,500	38.4
Fringe benefits	70,885	2.5
Total fixed remuneration	**1,163,385**	**40.9**
Variable remuneration		
Short-term variable remuneration (STI) 2024	1,343,338	47.3
Multiyear variable remuneration/long-term incentive (LTI) 2021–2023 less guaranteed LTI 2021–2023	71,916	2.5
Tranche 2 of the IPO bonus	263,828	9.3
Total variable remuneration	**1,679,082**	**59.1**
Total remuneration within the meaning of section 162 (1) sentence 1 AktG	**2,842,467**	**100.0**
Pension expenses	444,574	–
Total remuneration including pension expenses	**3,287,041**	**–**

1 Mr. Meschke also receives remuneration from Porsche SE. This remuneration is not counted toward the remuneration from Porsche AG. The remuneration received by Mr. Meschke in fiscal year 2024 from Porsche SE is presented in the remuneration report 2024 of Porsche SE.

Barbara Frenkel, Member of the Executive Board; Procurement

	2024	
	€	%
Fixed remuneration		
Annual base salary	945,000	33.3
Fringe benefits	49,857	1.8
Total fixed remuneration	**994,857**	**35.0**
Variable remuneration		
Short-term variable remuneration (STI) 2024	1,161,972	40.9
Multiyear variable remuneration/long-term incentive (LTI) 2021–2023[1]	419,744	14.8
Tranche 2 of the IPO bonus	263,828	9.3
Total variable remuneration	**1,845,544**	**65.0**
Total remuneration within the meaning of section 162 (1) sentence 1 AktG	**2,840,402**	**100.0**
Pension expenses	387,521	–
Total remuneration including pension expenses	**3,227,923**	**–**

[1] Pro rata temporis; Ms. Frenkel did not have a guaranteed amount, therefore no such amount is deducted.

Andreas Haffner, Member of the Executive Board; Human Resources and Social Affairs

	2024	
	€	%
Fixed remuneration		
Annual base salary	945,000	38.0
Fringe benefits	69,342	2.8
Total fixed remuneration	**1,014,342**	**40.8**
Variable remuneration		
Short-term variable remuneration (STI) 2024	1,161,972	46.8
Multiyear variable remuneration/long-term incentive (LTI) 2021–2023 less guaranteed LTI 2021–2023	44,999	1.8
Tranche 2 of the IPO bonus	263,828	10.6
Total variable remuneration	**1,470,799**	**59.2**
Total remuneration within the meaning of section 162 (1) sentence 1 AktG	**2,485,142**	**100.0**
Pension expenses	383,956	–
Total remuneration including pension expenses	**2,869,098**	**–**

Sajjad Khan, Member of the Executive Board; Car-IT

	2024	
	€	%
Fixed remuneration		
Annual base salary	945,000	43.7
Fringe benefits	55,142	2.6
Total fixed remuneration	**1,000,142**	**46.3**
Variable remuneration		
Short-term variable remuneration (STI) 2024	1,161,972	53.7
Multiyear variable remuneration/long-term incentive (LTI)	–	–
Tranche 2 of the IPO bonus	–	–
Total variable remuneration	**1,161,972**	**53.7**
Total remuneration within the meaning of section 162 (1) sentence 1 AktG	**2,162,114**	**100.0**
Pension expenses	380,247	–
Total remuneration including pension expenses	**2,542,361**	**–**

Detlev von Platen, Member of the Executive Board; Sales and Marketing

	2024	
	€	%
Fixed remuneration		
Annual base salary	945,000	36.9
Fringe benefits	147,710	5.8
Total fixed remuneration	**1,092,710**	**42.6**
Variable remuneration		
Short-term variable remuneration (STI) 2024	1,161,972	45.3
Multiyear variable remuneration/long-term incentive (LTI) 2021–2023 less guaranteed LTI 2021–2023	44,999	1.8
Tranche 2 of the IPO bonus	263,828	10.3
Total variable remuneration	**1,470,799**	**57.4**
Total remuneration within the meaning of section 162 (1) sentence 1 AktG	**2,563,509**	**100.0**
Pension expenses	383,240	–
Total remuneration including pension expenses	**2,946,749**	**–**

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Albrecht Reimold, Member of the Executive Board; Production and Logistics

	2024	
	€	%
Fixed remuneration		
Annual base salary	945,000	37.3
Fringe benefits	116,972	4.6
Total fixed remuneration	**1,061,972**	**41.9**
Variable remuneration		
Short-term variable remuneration (STI) 2024	1,161,972	45.9
Multiyear variable remuneration/long-term incentive (LTI) 2021–2023 less guaranteed LTI 2021–2023	44,999	1.8
Tranche 2 of the IPO bonus	263,828	10.4
Total variable remuneration	**1,470,799**	**58.1**
Total remuneration within the meaning of section 162 (1) sentence 1 AktG	**2,532,772**	**100.0**
Pension expenses	382,637	–
Total remuneration including pension expenses	**2,915,409**	**–**

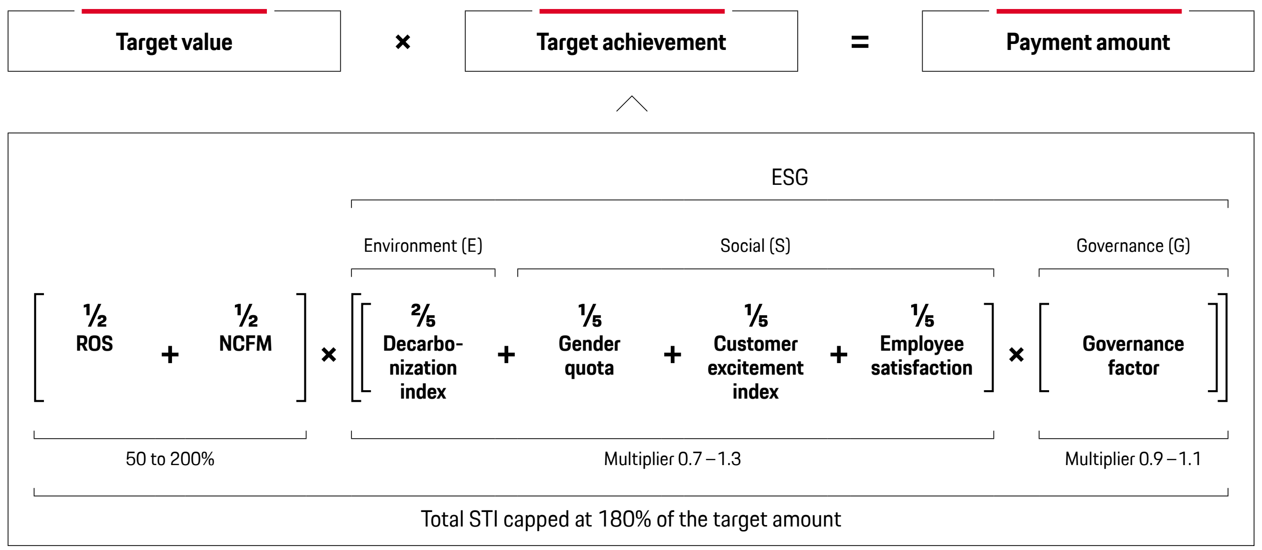
Dr. Michael Steiner, Member of the Executive Board; Research and Development

	2024	
	€	%
Fixed remuneration		
Annual base salary	945,000	37.7
Fringe benefits	94,068	3.7
Total fixed remuneration	**1,039,068**	**41.4**
Variable remuneration		
Short-term variable remuneration (STI) 2024	1,161,972	46.3
Multiyear variable remuneration/long-term incentive (LTI) 2021–2023 less guaranteed LTI 2021–2023	44,999	1.8
Tranche 2 of the IPO bonus	263,828	10.5
Total variable remuneration	**1,470,799**	**58.6**
Total remuneration within the meaning of section 162 (1) sentence 1 AktG	**2,509,868**	**100.0**
Pension expenses	383,638	–
Total remuneration including pension expenses	**2,893,506**	**–**

2.2 Explanation

2.2.1 Performance criteria for the variable remuneration

a) Performance criteria for the annual bonus



The annual bonus is a short-term variable remuneration component based on target achievement during the fiscal year. It is aligned with the financial targets of Porsche AG and an ESG factor. The Supervisory Board of Porsche AG sets the target values for each fiscal year. After the end of the fiscal year, target achievement is reviewed and the payment amount determined. 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 actual figures are rounded to one decimal place, although the initial calculation is based on two decimal places; any deviations are due to rounding differences.

aa) Financial targets

The following overviews show the threshold values, target values and maximum values set by the Supervisory Board for fiscal year 2024 for the operating return on sales of the Porsche AG Group (ROS) and the net cash flow margin of the Porsche AG automotive segment (NCFM), along with the actual figures and target achievement levels in percent in fiscal year 2024.

%	2024
ROS	
Maximum value (200%)	20.0
Target value (100%)	15.0
Threshold value (50%)	12.5
Actual	14.1
Target achievement (in %)	**81**
NCFM	
Maximum value (150%)	13.0
Target value (100%)	10.0
Threshold value (50%)	8.5
Actual[1]	10.9
Target achievement (in %)	**131**
Total target achievement	**106**

[1] Reconciled value, before funding of company pensions

The Supervisory Board may use its reasonable discretion to adjust the actual achievement calculated for the NCFM sub-target in justified exceptional cases in order to ensure a performance-based assessment of this sub-target. The adjustment can lead to an increase or decrease in the achievement of the NCFM sub-target. Justified exceptional cases include, but are not limited to, modifications of company pension arrangements, company sales or acquisitions, or restructurings that affect cash flows. In fiscal year 2024, the Supervisory Board of Porsche AG made use of this option and adjusted the actual achievement calculated for the NCFM sub-target from 108% to 131% through reconciliation to the NCFM. The adjustment is attributable to funding of the Porsche Group's company pensions that began in 2024. At its meeting in May 2024, the Supervisory Board, at the request of the Executive Board, resolved to set aside significant plan assets to fund its pensions. Investing funds in the plan assets offers a significantly higher expected return than the return on the liquidity reserves and thus makes optimal use of Porsche AG's liquidity. At the end of fiscal year 2024, the funding totaled €250 million and reduced the net cash flow margin of Porsche AG Group's automotive segment by this amount. This funding was not planned at the time the target values were set for the NCFM sub-target for fiscal year 2024 and could therefore not be taken into account when setting them. The reduction in the net cash flow margin of Porsche AG Group's automotive segment does not allow any conclusions to be drawn about the economic situation of Porsche AG or the performance of the Executive Board members in fiscal year 2024. According to the Supervisory Board, this adjustment ensures that target achievement and the related remuneration are focused on operating performance and are not distorted by highly significant unplanned effects. The actual figure calculated for the NCFM sub-target was 10.25%. If the funding for the company pensions is eliminated, the figure calculated for the NCFM sub-target is 10.94%. Taking into account the funding of the company pensions, the achievement of the NCFM sub-target set by the Supervisory Board is 131% instead of 108%.

bb) ESG factor

The following overview shows the minimum values, target values and maximum values set by the Supervisory Board for fiscal year 2024 for the environment (decarbonization index) and social (gender quota, customer excitement index and employee satisfaction) sub-targets, along with the actual figures and target achievement levels in fiscal year 2024.

The decarbonization index (DCI) aims to provide an overview of the CO_2 equivalent emissions along the value chain (production, use and end of life) based on an assessment of environmental impacts such as the CO_2 footprint over the entire life cycle of a vehicle. Detailed information on decarbonization can be found under → **E1 Climate change** in the combined non-financial statement forming part of the combined management report.

Promoting diversity and equal opportunities is a high priority throughout the Porsche AG Group. Porsche AG is convinced that diversity and equal opportunities are key factors for long-term corporate success. Therefore, the company has set out to further increase the proportion of women at all levels and has defined a target for the gender quota. Detailed information on the statutory gender quota can be found under → **S1 Own workforce** in the combined non-financial statement forming part of the combined management report.

A central goal of Porsche AG is to excite its customers. Porsche AG does not just want to meet customers' expectations, but to exceed them. Using the customer excitement index Porsche AG measures how enthusiastic customers are along their journey – a basic requirement for continuous improvement. Incorporating this indicator achieves the goal of creating a direct link between customer excitement and Executive Board remuneration. Detailed information on the customer excitement index can be found under → **S4 Consumers and end-users** in the combined non-financial statement forming part of the combined management report.

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 effect on the external perception of the company as a highly attractive employer in an increasingly competitive market for employees and applicants. Employee satisfaction is measured 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. Detailed information on employee satisfaction can be found under → **S1 Own workforce** in the combined non-financial statement forming part of the combined management report.

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. As a rule, the governance factor should be 1.0 and should only be reduced to 0.9 or increased to 1.1 after due consideration in exceptional circumstances. For fiscal year 2024, the Supervisory Board set the governance factor at the standard value of 1.0 for all Executive Board members, having considered and evaluated the collective performance of the Executive Board and the individual performance of its members. Further information on compliance and integrity can be found under → **G1 Business conduct** in the combined non-financial statement forming part of the combined management report.

The following overview shows the threshold values, target values and maximum values set by the Supervisory Board for fiscal year 2024 for the decarbonization index, gender quota, customer excitement index and employee satisfaction, along with the actual figures and multiplication factor achieved in fiscal year 2024.

Environment		Social				
	Decarbonization index		Gender quota for the first reporting level	Gender quota for the second reporting level	Customer excitement index	Employee satisfaction
in tCO_2e/vehicle	2024	in percent/index	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 value (0.7)	59.3	Threshold value (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)**	**1.30**	**1.25**	**0.93**	**1.02**

[1] Including voluntary CO_2 offsets through climate change mitigation projects

The ESG factor is calculated from the weighted ESG sub-targets environment (decarbonization index) (40%) and social (each equally weighted: gender ratio, customer excitement index and employee satisfaction) (60%) and the governance factor of 1.0. The ESG factor for fiscal year 2024 is therefore 1.16.

b) Performance criteria for the long-term incentive (LTI) 2021–2023 and outlook for the LTI 2022–2024

aa) Information on the LTI under the former Executive Board remuneration system

The former Executive Board remuneration system provided for share-based long-term variable remuneration for the Executive Board members in the form of a forward-looking performance share plan with a term of three years. The LTI was based on the share price performance and EPS of the Volkswagen AG preferred share (German securities identification number: 766403) during the three-year term. The Executive Board members were allocated a certain number of performance shares at the beginning of the three-year performance period, depending on the respective target value. After the performance period had ended, the final number of performance shares was determined on the basis of the average EPS target achievement of the Volkswagen preferred share during the performance period. The final number of performance shares was multiplied by the sum of the Volkswagen preferred share price on each of the last 30 trading days prior to the end of the performance period, rounded in line with common business practice to two decimal places, and the dividends paid per Volkswagen preferred share in the performance period. The LTI can range between €0 and 200% of the target amount (cap).

Under the former Executive Board remuneration system, the members of the Executive Board were allocated a total of three tranches of the performance share plan: 2020–2022, 2021–2023 and 2022–2024. The second tranche of the three-year performance share plan with the performance period 2021–2023 was paid out in fiscal year 2024.

Until December 31, 2019, the long-term variable remuneration corporate bonus and a backward-looking long-term incentive. Due to the change from backward-looking to forward-looking long-term variable remuneration as of January 1, 2020, there was a temporary payout gap for the Executive Board members already appointed at that time for the first two fiscal years after the change, that is, fiscal years 2021 and 2022. Thus Porsche AG guaranteed certain amounts for the Executive Board members during the transitional period. This applied to the active Executive Board members Mr. Meschke, Mr. Haffner, Mr. von Platen, Mr. Reimold and Dr. Steiner. In principle, it also applied to Ms. Frenkel, but the arrangements made with her meant that the calculations did not result in a guaranteed amount for the LTI 2021–2023. In addition, the former Executive Board member Mr. Städter received a guaranteed amount. For the relevant Executive Board members, the payment amount for the LTI 2021–2023 is reported as remuneration granted and owed, net of the guaranteed amount for 2021.

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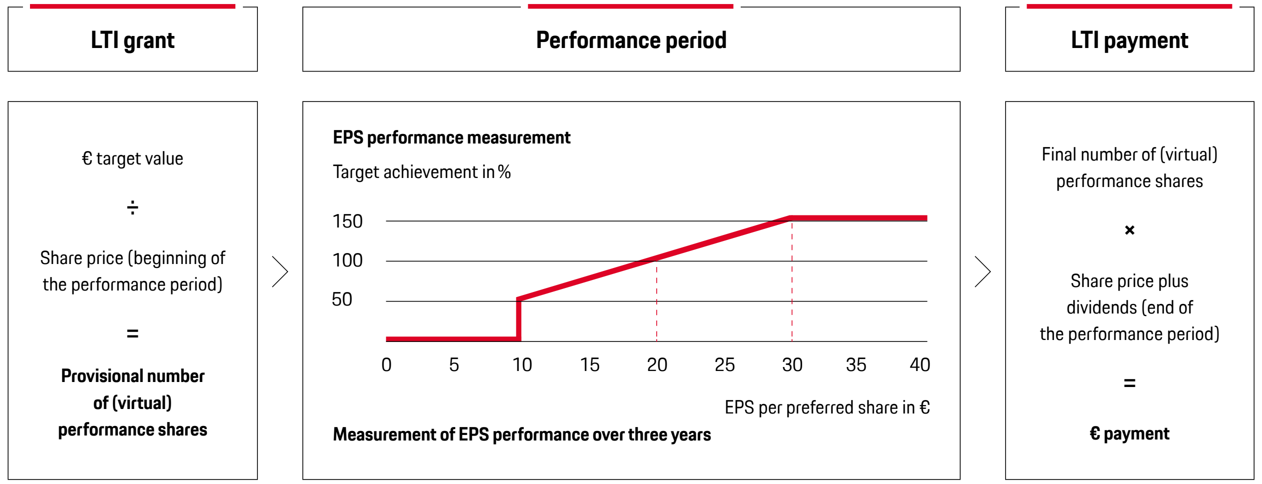
The following table provides an overview of the LTI under the former Executive Board remuneration system.

Remuneration component	Measurement base/parameters		Target
Long-term incentive (LTI) until December 31, 2022	Plan type:	Virtual performance share plan	The long-term incentive granted until December 31, 2022 was intended to align the remuneration of the Executive Board members with the Volkswagen Group's long-term performance and was measured against the financial performance target EPS (earnings per share) of Volkswagen AG in conjunction with share price performance and the dividends paid.
	Target amount until December 31, 2022:	Chairman of the Executive Board[1]: €0; Deputy Chairman of the Executive Board: €653,400; Executive Board member: €945,000	
	Performance period:	Measured forward over three years	
	Performance criterion:	EPS of Volkswagen AG (100%)	
	Cap:	200% of the target amount, i.e.: Chairman of the Executive Board: €0; Deputy Chairman of the Executive Board: €1,306,800; Executive Board member: €1,890,000	
	Exit:	— Pro rata reduction of the target amount if the service contract starts or ends during the fiscal year when shares are granted — Forfeiture of all outstanding tranches without replacement or compensation in the event of the Executive Board member being responsible for termination for good cause pursuant to section 626 BGB or revocation of appointment because of gross breach of duty pursuant to section 84 (4) AktG or breach of (post-contractual) non-competition covenant	

[1] Dr. Oliver Blume received his remuneration exclusively from Volkswagen AG until the end of fiscal year 2022. Dr. Blume received no separate remuneration from Porsche AG.



bb) Information on the performance share plan

	Performance period 2020–2022	Performance period 2021–2023	Performance period 2022–2024
	Number of virtual shares allocated at the date of allocation	Number of virtual shares allocated at the date of allocation	Number of virtual shares allocated at the date of allocation
Dr. Oliver Blume	0	0	0
Lutz Meschke	3,682	4,381	3,718
Barbara Frenkel	0	1,866	5,377
Andreas Haffner	4,240	5,045	5,377
Detlev von Platen	4,240	5,045	5,377
Albrecht Reimold	4,240	5,045	5,377
Dr. Michael Steiner	4,240	5,045	5,377
Total	**20,642**	**26,427**	**30,603**

cc) EPS performance
The following overview shows the minimum values, target values and maximum values set by the Supervisory Board at the beginning of the performance period for the performance share plan 2021–2023, which was paid out in fiscal year 2024 to the extent that the payment amount exceeded the guaranteed amount paid out for 2021.

Performance period 2021–2023

EPS Volkswagen preferred share

€	2023	2022	2021
Maximum value	30.00	30.00	30.00
Target value 100%	20.00	20.00	20.00
Minimum value	10.00	10.00	10.00
Actual	31.85[1]	29.69	29.65
Target achievement (%)	150	148	148

[1] Value changed from last year due to Volkswagen AG adjustments

Porsche AG reported in detail on the performance share plan for the performance period 2020–2022 and the guaranteed amount for 2022 in the remuneration report 2023. The following overview shows the minimum values, target values and maximum values set by the Supervisory Board at the beginning of the performance period 2022–2024 under the former Executive Board remuneration system, along with the actual figures and target achievement levels attained in percent for the individual years of the assessment period up to and including 2024. The performance share plan for the performance period 2022–2024 was not due in fiscal year 2024 and has not yet been paid out; it therefore does not constitute remuneration granted or owed in fiscal year 2024.

Performance period 2022–2024

EPS Volkswagen preferred share

€	2024	2023	2022
Maximum value	30.00	30.00	30.00
Target value 100%	20.00	20.00	20.00
Minimum value	10.00	10.00	10.00
Actual	21.42	31.85[1]	29.69
Target achievement (%)	107	150	148

[1] Value changed from last year due to Volkswagen AG adjustments

dd) Reference prices/dividend equivalent
The relevant initial reference price, closing reference price and dividend equivalent for the performance period 2021–2023 can be found in the following overview.

€	2021–2023
Initial reference price	149.14
Closing reference price	110.83
Dividend equivalent	
2021	4.86
2022	7.56
2023	27.82

The following overview shows the relevant reference prices of the Volkswagen preferred share and the dividend equivalents for the performance period of the performance share plan 2022–2024 that were allocated under the former Executive Board remuneration system, are not yet due and have not yet been paid out.

€	2022–2024
Initial reference price	175.75
Closing reference price	84.13
Dividend equivalent	
2022	7.56
2023	27.82
2024	9.06

c) Performance criteria for the long-term incentive (LTI) 2023–2026 and 2024–2027 – based on Porsche AG shares

aa) Information on the performance share plans 2023–2026 and 2024–2027

The four-year performance share plan based on the share price performance and EPS of the Porsche preferred share applies to all Executive Board members from January 1, 2023. For this purpose, Executive Board members are allocated virtual performance shares at the beginning of each fiscal year. The payment amount from the performance share plan after the end of a four-year performance period is based on the EPS of the Porsche preferred share during the performance period and share price performance including dividends of the Porsche preferred share. There is no guaranteed amount.

The following table provides an outlook on the performance criteria for the currently allocated 2023–2026 and 2024–2027 tranches.

bb) Information on the performance shares

	Performance period 2023–2026	Performance period 2024–2027
	Number of virtual shares allocated at the date of allocation	Number of virtual shares allocated at the date of allocation
Dr. Oliver Blume	11,811	19,495
Lutz Meschke	13,780	19,316
Barbara Frenkel	11,549	16,541
Andreas Haffner	11,549	16,541
Sajjad Khan	1,930	16,541
Detlev von Platen	11,549	16,541
Albrecht Reimold	11,549	16,541
Dr. Michael Steiner	11,549	16,541
Total	**85,266**	**138,057**

cc) EPS performance
The following overview shows the minimum values, target values and maximum values set by the Supervisory Board at the beginning of the performance periods for the performance share plans 2023–2026 and 2024–2027, along with the actual figures and target achievement levels attained in percent for the individual years of the assessment period up to and including 2024.

Performance period 2023–2026

EPS Porsche preferred share

€	2024	2023
Maximum value	6.00	6.00
Target value 100%	4.50	4.50
Minimum value	3.50	3.50
Actual	3.95	5.67
Target achievement (%)	72.5	139

Performance period 2024–2027

EPS Porsche preferred share

€	2024
Maximum value	6.00
Target value 100%	4.50
Minimum value	3.50
Actual	3.95
Target achievement (%)	72.5

dd) Reference prices/dividend equivalent
The relevant reference prices and dividend equivalents for the already allocated performance share plans 2023–2026 and 2024–2027 can be found in the following overview.

Performance period 2023–2026

€	2023–2026
Initial reference price	101.60
Closing reference price[1]	■
Dividend equivalent	
2023	1.01
2024	2.31
2025	■
2026	■

[1] Determined at the end of the performance period.

Performance period 2024–2027

€	2024–2027
Initial reference price	83.61
Closing reference price[1]	■
Dividend equivalent	
2024	2.31
2025	■
2026	■
2027	■

[1] Determined at the end of the performance period.

e) IPO bonus

aa) Information on the IPO bonus
Porsche AG concluded an agreement with the Executive Board members on a bonus for a successful IPO of Porsche AG in the form of a virtual share plan with a three-year term starting from the IPO date. The aim of this IPO bonus is to provide appropriate incentives for the Executive Board members in preparing the IPO and take into account the long-term success of the IPO. The IPO bonus is based on market capitalization, the share price performance of the Porsche preferred share as well as the dividends paid during the performance period.

The Executive Board members were allocated virtual shares on the IPO date (September 29, 2022). The number of allocated virtual shares was determined according to the grant amount calculated using the (theoretical) market capitalization based on the placement price of the Porsche preferred share. For this purpose, Porsche AG defined a threshold value, a target value and maximum value for market capitalization. The number of virtual shares to be allocated was calculated by dividing the grant amount by the closing price of the Porsche preferred share in the XETRA trading system of Deutsche Börse AG on the first day of trading (allocation price). The number of virtual shares calculated in this manner was rounded in line with common business practice to the next whole number divisible by three and the rounded number of virtual shares was divided into three equal sub-tranches with a term of one, two and three years from the IPO date. The term of the first sub-tranche ended on the first anniversary of the IPO, the second sub-tranche ends on the second anniversary and the third sub-tranche ends on the third anniversary.

After the end of the respective term, the payment amount from the sub-tranche is determined by multiplying the number of virtual shares of the respective sub-tranche by the sum of the arithmetic mean of the closing prices of the Porsche preferred share on each of the last 30 trading days prior to the end of term of the respective sub-tranche (closing price) and the dividends paid out during the term of the respective sub-tranche.

The payment amount of the IPO bonus is subject to a cap and a floor for each sub-tranche. If the closing price plus the dividends paid out during the term of the respective sub-tranche falls short of the allocation price by more than 30%, the Executive Board member will receive a minimum payment for the relevant sub-tranche of 70% of one third of the grant amount. The maximum payment amount for each sub-tranche is 150% of one third of the grant amount. The total payment amount of the IPO bonus is thus subject to cap.

The sub-tranches of the IPO bonus will be presented in detail in the remuneration report for the relevant year. This remuneration report covers the second sub-tranche of the IPO bonus, which was paid out at the end of October 2024. The first and third sub-tranches are not remuneration granted and owed in fiscal year 2024.

bb) Information on the virtual shares of the IPO bonus

	Sub-tranche 1 From IPO date to first anniversary	Sub-tranche 2 From IPO date to second anniversary	Sub-tranche 3 From IPO date to third anniversary
	Number of performance shares allocated at the date of allocation	Number of performance shares allocated at the date of allocation	Number of performance shares allocated at the date of allocation
Dr. Oliver Blume	6,430	6,430	6,430
Lutz Meschke	3,675	3,675	3,675
Barbara Frenkel	3,675	3,675	3,675
Andreas Haffner	3,675	3,675	3,675
Sajjad Khan	–	–	–
Detlev von Platen	3,675	3,675	3,675
Albrecht Reimold	3,675	3,675	3,675
Dr. Michael Steiner	3,675	3,675	3,675
Total	**28,480**	**28,480**	**28,480**

cc) Reference prices/dividend equivalent
The allocation price, the closing price of the Porsche preferred share relevant for sub-tranches 1 and 2 and the dividend equivalent can be found in the following overview.

€	
Allocation price	82.50
Closing price of sub-tranche 1	98.03
Dividend equivalent 2023	1.01
Closing price of sub-tranche 2	71.79
Dividend equivalent 2024	2.31
Closing price of sub-tranche 3[1]	■
Dividend equivalent 2025	■

[1] Determined at the end of the performance period.

2.2.2 Conformity with the Executive Board remuneration system

The remuneration granted and owed to the members of the Executive Board in fiscal year 2024 is in line with the requirements of the Executive Board remuneration system. There were no departures from the applicable Executive Board remuneration system in fiscal year 2024. The payments from the annual bonus and the performance share plan did not have to be reduced due to the respective maximum values of the individual remuneration components being exceeded, as 180% of the target amount of the annual bonus and 200% of the target amount of the performance share plan were not exceeded.

2.2.3 Maximum remuneration

Maximum remuneration within the meaning of section 87a (1) sentence 2 no. 1 AktG is in place for each Executive Board member, as a result of which total remuneration is capped. Overall, the remuneration granted and owed to the members of the Executive Board in fiscal year 2024 did not exceed the maximum remuneration provided for in the Executive Board remuneration system.

2.2.4 Benefits and benefit commitments in connection with termination

a) Benefits and benefit commitments to Executive Board members for early termination

The service contracts of all Executive Board members provide for termination periods in the event that an appointment as member of the Executive Board is revoked, the member resigns or the appointment is terminated by mutual agreement. In the event that the appointment is revoked without there being good cause within the meaning of section 626 (1) BGB, the service contracts generally end after a period of 12 months ending at month-end, unless the regular term of the service contract ends prior to this date. The same applies to resignation without good cause within the meaning of section 626 (1) BGB as well as to termination of the appointment by mutual agreement. Other remuneration is counted toward benefits during the termination period.

In the event of the appointment being revoked without there being good cause within the meaning of section 626 (1) BGB, the Executive Board members receive a severance payment equal to the gross remuneration for the remaining term of the service contract, capped at the gross annual income for two years. The annual income used as a basis for calculating the severance payment is generally the prior-year fixed component plus the annual bonus paid out for the past fiscal year. Additionally, LTI tranches continue to be allocated during the term of the severance payment installments and to be settled and paid out in accordance with the contractual provisions.

The severance payment is paid in equal monthly gross installments from the time of the termination of the appointment. Contractual remuneration paid by Porsche AG for the period from the termination of the appointment until the end of the service contract is offset against the severance payment. Should Executive Board members take up other work after the termination of their appointment, the amount of the severance payment will be reduced by the amount of the income earned from that work. The severance payment is not made if Executive Board members continue to be employed by Porsche AG or another Volkswagen Group entity under an employment or service contract.

The severance provisions also apply in the event of termination by mutual agreement without good cause within the meaning of section 626 (1) BGB. In the event of resignation, Executive Board members are not entitled to any severance payments.

The members of the Executive Board are also entitled to retirement, invalidity and surviving dependents' benefits (more details on these benefits in the next section) in the event of early termination of their service, even if a pensionable event does not occur.

b) Benefit commitments to Executive Board members for regular termination of service

From January 1, 2023, all Executive Board members were granted new pension commitments under the Executive Board remuneration system. Porsche AG implemented a new capital-market-oriented pension system. The members of the Executive Board receive a defined contribution benefit commitment in the form of a direct commitment for retirement, invalidity and surviving dependents' benefits, funded through a contractual trust arrangement. The promised retirement benefits can be drawn from the age of 67, though they can be drawn early from the age of 63. The annual pension contribution is equal to 40% of the relevant contractual annual base salary.

The pension benefits earned under the former pension system in place until December 31, 2022 will be maintained. As of December 31, 2022, the members of the Executive Board were promised a fixed monthly pension from the company, which can be claimed from the age of 65. The promised pension amount already factors in an adjustment for the period between the transition date and the age of 65 in accordance with section 2a (2) sentence 2 no. 2a of the German Law for the Improvement of Company Pension Plans (BetrAVG), which means that the pension amount will not change in the period up to the age of 65 (for details on earlier pension commitments, see the remuneration report 2022).

Dr. Oliver Blume initially had a pension commitment from Porsche AG until April 12, 2018 that was frozen on his appointment to the Board of Management of Volkswagen AG as of April 13, 2018. With respect to this pension commitment, Dr. Oliver Blume is treated as if he left Porsche AG on April 12, 2018. He acquired a vested benefit that will not increase and will not be adjusted. From January 1, 2023, Dr. Oliver Blume received a new, capital-market-oriented pension commitment from Porsche AG. His earlier pension commitment remains frozen.

Additionally, Executive Board members can participate in a deferred compensation program to set aside a company pension. Porsche AG pays interest of 3% to 6% p.a. on this deferred compensation.

Mr. Meschke, Mr. Haffner, Mr. Reimold and Dr. Steiner have a direct insurance policy within the meaning of section 40b of the German Income Tax Act (EStG), with an annual premium of €1,750 paid by Porsche AG for the duration of their service.

The following overview presents the projected pension obligations for the individual Executive Board members at their present value as of December 31, 2024 as well as the amount of expenses or provisions recognized for pensions in accordance with IFRS in fiscal year 2024. Other benefits such as surviving dependents' pensions and the use of company cars are also factored into the measurement of pension obligations.

€	Projected pension obligations funded by the employer according to IAS 19[1]	Pension expenses in fiscal year 2024
Dr. Oliver Blume	4,263,511	439,239
Lutz Meschke	4,330,942	444,574
Barbara Frenkel	3,975,459	387,521
Andreas Haffner	3,990,112	383,956
Sajjad Khan	422,239	380,247
Detlev von Platen	4,457,694	383,240
Albrecht Reimold	3,959,757	382,637
Dr. Michael Steiner	3,815,647	383,638
Total	**29,215,362**	**3,185,052**

1 Additionally, the company has obligations to Executive Board members from the deferred compensation program.

2.2.5 No malus/clawback claims in fiscal year 2024

The prerequisites for a clawback claim affecting variable remuneration components did not apply in fiscal year 2024. Porsche AG therefore did not seek to claw back any variable remuneration components from individual Executive Board members.

IV. Remuneration of former Executive Board members

In accordance with section 162 (1) sentence 1 AktG, the remuneration granted and owed to former members of the Executive Board of Porsche AG must also be reported.

1. REMUNERATION GRANTED AND OWED IN FISCAL YEAR 2024 (INDIVIDUALIZED)

Under section 162 (5) sentence 2 AktG, the obligation to report individually on the remuneration granted and owed to former Executive Board members also extends to remuneration granted and owed in the ten years after their most recent term of office on the Executive Board or Supervisory Board at Porsche AG.

The following tables show the remuneration granted and owed in fiscal year 2024 to the individual former members of the Executive Board who left after fiscal year 2014.

Uwe-Karsten Städter
Former member of the Executive Board; Procurement
Exit date: August 18, 2021

	2024	
	€	%
Fixed remuneration		
Pension payments	162,118	69.1
Fringe benefits	32,764	14.0
Variable remuneration		
Multiyear variable remuneration/long-term incentive (LTI) 2021–2023 less guaranteed LTI 2021–2023	39,618	16.9
Total remuneration within the meaning of section 162 (1) sentence 1 AktG	**234,499**	**100.0**

Wolfgang Hatz
Former member of the Executive Board; Research and Development
Exit date: May 3, 2016

	2024	
	€	%
Fixed remuneration		
Pension payments	0	0.0
Fringe benefits	28,438	100.0
Total remuneration within the meaning of section 162 (1) sentence 1 AktG	**28,438**	**100.0**

2. TOTAL REMUNERATION GRANTED TO EXECUTIVE BOARD MEMBERS WHO LEFT BEFORE THE BEGINNING OF FISCAL YEAR 2014

The remuneration granted and owed in 2024 to former Executive Board members who left their office as an Executive Board or Supervisory Board member before the beginning of 2015 and who were granted and owed remuneration in fiscal year 2024, more than ten years after their exit from Porsche AG, need not be reported separately pursuant to section 162 (5) sentence 2 AktG. A total of €2,333,203 was granted to such former Executive Board members and their surviving dependents in fiscal year 2024.

V. Comparative presentation

The following table shows a comparison of the year-on-year percentage change in the remuneration of the Executive Board members with the earnings performance of Porsche AG and with the average remuneration of employees on a full-time equivalent basis. The remuneration of the Executive Board members shown is the remuneration granted and owed as presented in this report.

Earnings performance is determined on the basis of the following earnings indicators: Porsche AG's net income or loss for the year (HGB), the EBITDA margin of the automotive segment, and the operating return on sales of the Porsche AG Group.

For the comparison with the growth in average employee remuneration, the average employee remuneration is calculated by adjusting the personnel expenses of Porsche AG reported in the notes to the annual financial statements of Porsche AG for the remuneration of the members of the Executive Board. These adjusted personnel expenses are divided by the average number of full-time equivalent employees of Porsche AG in fiscal year 2024, excluding the members of the Executive Board (employees of Porsche AG).

%	Annual change 2024 compared with 2023	2023 compared with 2022	2022 compared with 2021
Executive Board remuneration[1]			
Active Executive Board members			
Dr. Oliver Blume	1.9	–	–
Lutz Meschke	-21.6	7.5	-5.2
Barbara Frenkel	9.8	54.3	243.5
Andreas Haffner	-19.8	11.1	2.8
Sajjad Khan	484.8	–	–
Detlev von Platen	-16.8	10.4	2.8
Albrecht Reimold	-18.4	11.6	2.1
Dr. Michael Steiner	-18.8	11.1	1.1
Former Executive Board members			
Uwe-Karsten Städter	51.2	-82.0	-63.6
Wolfgang Hatz	48.0	-32.1	19.6
Earnings performance			
Operating return on sales of the Porsche AG Group (ROS)	-21.9	0.0	12.5
EBITDA margin of the automotive segment	-11.7	2.0	2.9
Net income or loss for the year of Porsche AG (HGB)[2]	-39.0	71.9	114.2
Employee remuneration			
Average employee remuneration of PAG	-7.0	-13.7	9.1

[1] Remuneration "granted and owed" within the meaning of section 162 (1) sentence 1 AktG.
The transitional provision of section 26j (2) sentence 2 of the Introductory Law of the German Stock Corporation Act (EGAktG) was applied.
[2] In 2022, before profit transfer.

The Supervisory Board regularly reviews and, if necessary, adjusts the level of the total remuneration, maximum remuneration and the individual targets. Most recently, in September 2023, the Supervisory Board performed, among other things, a vertical comparison with the remuneration and employment terms of Porsche AG's employees and a horizontal comparison with the market and competitive environment of Porsche AG. From fiscal year 2024, the Supervisory Board will use a peer group of other companies (peer group supplemented by the DAX) to assess how customary the Executive Board members' specific target total remuneration is when measured against other businesses. The peer group is regularly reviewed and adjusted, and currently comprises the following companies: LVMH Moët Hennessy–Louis Vuitton SE, General Motors Company (GMC), Samsung Electronics Co., Tesla Inc., Ltd., Mitsubishi Motors Corporation, BMW AG, Mercedes Benz AG, Volvo AB, Kering S.A., Ferrari N.V., Nissan Motor Corporation, Jaguar Land Rover Ltd., Hermès International SCA, SAP SE.

The companies were chosen to reflect the specific market and competitive environment of Porsche AG. Owing to Porsche AG's global presence, companies from outside Europe were also included in the peer group.

B. REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD

I. PRINCIPLES OF SUPERVISORY BOARD REMUNERATION

The remuneration of the members of the Supervisory Board is governed by article 18 of the Articles of Association of Porsche AG and comprises fixed remuneration only plus a flat rate for attendance of meetings. The remuneration system for the members of the Supervisory Board in accordance with section 113 (3) AktG was approved at the Annual General Meeting of Porsche AG on June 28, 2023 by 100% of the votes cast. The revision of the Supervisory Board remuneration system took account of the new ARUG II requirements and the Code's recommendations and suggestions for Supervisory Board remuneration. The Code includes the suggestion that Supervisory Board remuneration should be fixed remuneration. Additionally, the Code recommends that the remuneration of the Supervisory Board members should take into account, in an appropriate manner, the higher time commitment of the Chairman and the Deputy Chairman of the Supervisory Board and the chairs and members of committees. An independent remuneration consultant confirmed in 2023 that the Supervisory Board remuneration is commensurate with the duties of the Supervisory Board members and the situation of Porsche AG and is consistent with market rates.

II. OVERVIEW OF REMUNERATION

The Supervisory Board members receive fixed annual remuneration of €260,000 (Chairman), €195,000 (Deputy Chairman), and €130,000 (other members). They additionally receive attendance fees at a flat rate of €9,000 per year for their attendance of Supervisory Board and committee meetings. For memberships of committees, additional annual remuneration of €100,000 (committee chair) or €50,000 (other members) is paid per committee provided the committee met at least once that year for the performance of its duties. Memberships of more than two committees are not remunerated separately. In this case, members receive remuneration for their two functions in committees that pay the highest fixed remuneration per fiscal year. Memberships of the Nomination Committee are not taken into account.

Supervisory Board members who belonged to the Supervisory Board or one of its committees for only part of the fiscal year receive remuneration on a pro rata temporis basis (fixed remuneration, additional remuneration and attendance fees).

The remuneration and flat-rate attendance fees are each payable after the end of the fiscal year.

Retired members of the Supervisory Board no longer receive remuneration from Porsche AG for the period after the end of their service.

III. OTHER REMUNERATION

Porsche AG reimburses Supervisory Board members for the expenses they incur in the course of their work.

In accordance with article 18 (7) of the Articles of Association, the members of the Supervisory Board were also covered by directors and officers (D&O) insurance for an appropriate amount taken out by Porsche AG in their interest.

IV. REMUNERATION OF ACTIVE SUPERVISORY BOARD MEMBERS IN FISCAL YEAR 2024

The following table shows the active members of the Supervisory Board of Porsche AG in fiscal year 2024 and the remuneration individually granted and owed to each of the Supervisory Board members in fiscal year 2024. This is based on the same understanding of the term "granted and owed" as explained for the Executive Board members. The remuneration reported in the table therefore reflects the amounts actually received in fiscal year 2024, i.e., the remuneration paid to the Supervisory Board members for their work on the Supervisory Board for fiscal year 2024, regardless of the date of actual payment.

	Fixed remuneration		Work in committees		Meeting attendance fees		Total remuneration		Remuneration for serving on the boards of other group companies
Supervisory Board member	**€**	**%**	**€**	**%**	**€**	**%**	**€**	**%**	
Dr. Wolfgang Porsche (Chairman)	260,000	70.5	100,000	27.1	9,000	2.4	369,000	100.0	–
Jordana Vogiatzi[3] (Deputy Chair)	195,000	69.1	78,356	27.8	9,000	3.2	282,356	100.0	0
Dr. Arno Antlitz[1]	0		0		0		0		–
Ibrahim Aslan (until June 7, 2024)	56,630	93.5	0	0.0	3,921	6.5	60,551	100.0	–
Harald Buck	130,000	54.4	100,000	41.8	9,000	3.8	239,000	100.0	–
Dr. Christian Dahlheim[2]	0	0.0	100,000	100.0	0	0.0	100,000	100.0	–
Micaela le Divelec Lemmi	130,000	68.8	50,000	26.5	9,000	4.8	189,000	100.0	–
Melissa Di Donato Roos	130,000	93.5	0	0.0	9,000	6.5	139,000	100.0	–
Wolfgang von Dühren (until June 7, 2024)	56,630	93.5	0	0.0	3,921	6.5	60,551	100.0	–
Martina Holzbauer (since June 7, 2024)	74,082	93.5	0	0.0	5,129	6.5	79,211	100.0	–
Akan Isik	130,000	93.5	0	0.0	9,000	6.5	139,000	100.0	–
Nora Leser (until June 7, 2024)	56,630	68.8	21,781	26.5	3,921	4.8	82,332	100.0	–
Knut Lofski[3]	130,000	93.5	0	0.0	9,000	6.5	139,000	100.0	0
Dr. Hans Michel Piëch	130,000	93.5	0	0.0	9,000	6.5	139,000	100.0	–
Dr. Ferdinand Oliver Porsche	130,000	68.8	50,000	26.5	9,000	4.8	189,000	100.0	–
Hans Dieter Pötsch	130,000	93.5	0	0.0	9,000	6.5	139,000	100.0	–
Steffen Reißig (since June 7, 2024)	74,082	93.5	0	0.0	5,129	6.5	79,211	100.0	–
Vera Schalwig	130,000	93.5	0	0.0	9,000	6.5	139,000	100.0	–
Stefan Schaumburg (until June 7, 2024)	56,630	93.5	0	0.0	3,921	6.5	60,551	100.0	–
Conny Schönhardt (since June 7, 2024)	74,082	93.5	0	0.0	5,129	6.5	79,211	100.0	–
Carsten Schumacher	130,000	54.4	100,000	41.8	9,000	3.8	239,000	100.0	–
Dr. Hans Peter Schützinger[1]	0		0		0		0		–
Hauke Stars[1]	0		0		0		0		–
Heidi Zink-Larson (since June 7, 2024)	74,082	93.5	0	0.0	5,129	6.5	79,211	100.0	–
Total	**2,277,849**	**75.4**	**600,137**	**19.9**	**144,197**	**4.8**	**3,022,184**	**100.0**	**–**

1 These Supervisory Board members waived remuneration in full for fiscal year 2024.
2 These Supervisory Board members waived remuneration in part for fiscal year 2024.
3 Remuneration was waived for Supervisory Board activities on the Supervisory Board of Porsche Leipzig GmbH.

V. Comparative presentation

The following table shows a comparison of the year-on-year percentage change in the remuneration of the Supervisory Board members with the earnings performance of Porsche AG and with the average remuneration of employees on a full-time equivalent basis.

Earnings performance is determined on the basis of the following earnings indicators: Porsche AG's net income or loss for the year (HGB), the EBITDA margin of the automotive segment, and the operating return on sales of the Porsche AG Group.

The comparative figure for the growth in average employee remuneration is the amount used for the comparative presentation for the Executive Board members in section A.V.

	Annual change		
%	2024 compared with 2023	2023 compared with 2022	2022 compared with 2021
Supervisory Board remuneration[1]			
Active Supervisory Board members			
Dr. Wolfgang Porsche (Chairman)	0.0	126.6	287.7
Jordana Vogiatzi (Deputy Chair)	11.2	37.1	53.2
Dr. Arno Antlitz	–	–	–
Ibrahim Aslan (until June 7, 2024)	-56.4	1,303.8	–
Harald Buck	0.0	35.8	45.6
Dr. Christian Dahlheim	0.0	252.7	–
Micaela le Divelec Lemmi	0.0	265.0	–
Melissa Di Donato	0.0	265.0	–
Wolfgang von Dühren (until June 7, 2024)	-56.4	4.1	37.9
Martina Holzbauer (since June 7, 2024)	–	–	–
Akan Isik	0.0	4.1	37.9
Nora Leser (until June 7, 2024)	-56.4	31.0	75.9
Knut Lofski	0.0	4.1	37.9
Dr. Hans Michel Piëch	0.0	61.8	104.6
Dr. Ferdinand Oliver Porsche	0.0	123.3	464.2
Hans Dieter Pötsch	0.0	162.6	–
Steffen Reißig (since June 7, 2024)	–	–	–
Vera Schalwig	0.0	4.1	387.5
Stefan Schaumburg (until June 7, 2024)	-56.4	6.5	59.7
Conny Schönhardt (since June 7, 2024)	–	–	–
Carsten Schumacher	0.0	35.8	38.7
Dr. Hans Peter Schützinger	–	–	–
Hauke Stars	–	–	–
Heidi Zink-Larson (since June 7, 2024)	–	–	–
Earnings performance			
Operating return on sales of the Porsche AG Group (ROS)	-21.9	0.0	12.5
EBITDA margin of the automotive segment	-11.7	2.0	2.9
Net income or loss for the year of Porsche AG (HGB)[2]	-39.0	71.9	114.2
Average employee remuneration at Porsche AG	-7,0	-13.7	9.1

1 Remuneration "granted and owed" within the meaning of section 162 (1) sentence 1 AktG.
The transitional provision of section 26j (2) sentence 2 of the Introductory Law of the German Stock Corporation Act (EGAktG) was applied.
2 In 2022, before profit transfer.

For the Executive Board:

March 4, 2025

Dr. Oliver Blume
Chairman of the Executive Board

Dr. Jochen Breckner
Member of the Executive Board, Finance and IT

For the Supervisory Board:

March 4, 2025

Dr. Wolfgang Porsche
Chairman of the Supervisory Board

Panamera Turbo S E-Hybrid (WLTP): Fuel consumption weighted combined: 1.6 – 1.4 l/100 km; Fuel consumption with depleted battery combined: 11,5 – 10,8 l/100 km; Electrical consumption weighted combined: 29.3 – 27.4 kWh/100 km; CO_2 emissions weighted combined: 36 – 31 g/km; CO_2 class weighted combined: B; CO_2 class with depleted battery: G

COMBINED MANAGEMENT REPORT

MAGAZINE
TO OUR SHAREHOLDERS
CORPORATE GOVERNANCE
COMBINED MANAGEMENT REPORT
Fundamental information about the group
Business development
Results of operations, financial position and net assets
Porsche AG HGB financial statements (condensed version)
Report on risks and opportunities
Report on expected developments
NON-FINANCIAL STATEMENT
(part of the Combined Management Report)
CONSOLIDATED FINANCIAL STATEMENTS
FURTHER INFORMATION

FUNDAMENTAL INFORMATION ABOUT THE GROUP

BUSINESS MODEL

Purpose of the company

"In the beginning, I looked around but could not find the car I'd dreamt of. So, I decided to build it myself." These famous words from Ferry Porsche describe the aspiration of the Porsche AG Group. Its business purpose is to manufacture and sell luxury sports cars and engines of all kinds as well as other parts and components for these and other technical products. In addition, the purpose of the company includes performing development work and design engineering, including vehicle and engine construction; consulting and development in the field of data processing as well as the production and distribution of data-processing products; sale of merchandise and commercial exploitation of brand rights, including those containing the word "Porsche". Also included are all other activities that are technically or economically related, including the commercial exploitation of intellectual property rights. Financial services are another business purpose, in particular finance and mobility services for customers and dealers.

Organization

Dr. Ing. h.c. F. Porsche Aktiengesellschaft ("Porsche AG") is the parent company of the Porsche AG Group (Porsche AG and its fully consolidated subsidiaries) and has its registered office in Stuttgart. Further information can be found in the list of shareholdings pursuant to section 313 of the German Commercial Code (HGB).
→ Notes to the consolidated financial statements – 50. List of shareholdings

The structure of investments in Porsche AG remained unchanged from the fiscal year 2023. Volkswagen AG indirectly holds, via Porsche Holding Stuttgart GmbH, 75.4% of Porsche AG's share capital. Porsche Automobil Holding SE directly holds around 12.5% of the share capital. The remaining share capital is in free float.
→ Porsche in the Capital Market

The Porsche AG Group consists of the automotive and financial services segments. The reconciliation of the segments to the Porsche AG Group relates to transactions between the two segments that are subject to elimination. The activities of the two segments cover the five regions Germany, Europe without Germany, North America excluding Mexico, China including Hong Kong as well as the region Overseas and Emerging Markets (previously rest of the world[1]), which includes the remaining countries and regions. → Notes to the consolidated financial statements – Segment reporting

AUTOMOTIVE SEGMENT

The activities of the automotive segment cover the vehicles business field as well as the other business fields services and design. The vehicles business field includes the procurement, production, development and sale of vehicles as well as related services.

Procurement

Procurement is centrally organized in Weissach and has a global network of suppliers. This enables the Porsche AG Group to purchase production materials and capital goods as well as services worldwide in the required quality. In this context, the Porsche AG Group is also focusing on start-ups and software suppliers. Through the integration of the procurement organizations of the Volkswagen Group brands, the Porsche AG Group is able to leverage group-wide synergies through improved availability of production materials and cost advantages.

Production

The headquarters of Porsche AG and the production facilities for the Taycan and 911 model series as well as customer sports vehicles from Porsche Motorsport are located in Stuttgart-Zuffenhausen. The Porsche AG Group also maintains production facilities in Leipzig, where the Macan and Panamera model series are produced.

For the Cayenne model series, the Porsche AG Group uses other production sites. The Cayenne series is produced at the Volkswagen Group's multi-brand site in Bratislava, Slovakia. Some models of this series are assembled at a third-party assembly plant in Kulim District, Kedah, Malaysia. These are intended for the Malaysian market and, since 2024, also for the Thai market. The Volkswagen Group also has the capacity to produce the 718 series on a contract manufacturing basis at the Osnabrück plant. In addition to this, the Porsche AG Group operates a pilot series center in Sachsenheim as a central production facility to provide prototype vehicles for future Porsche series models. → Production

Development

Weissach is home to the Porsche Research and Development Center, where Porsche vehicles are developed from first sketch to series production. Weissach is also home to the development of infotainment and connect functions as well as vehicle-related digital solutions. The Shanghai development site complements these development activities with specific solutions for the Chinese market. → Research and development

Sales

The sales network comprises over 900 sales partners in more than 120 markets worldwide. Within this sales network, all major importers (18 legally independent entities) and selected Porsche dealer companies (17 legally independent entities) are part of the Porsche AG Group. → Deliveries

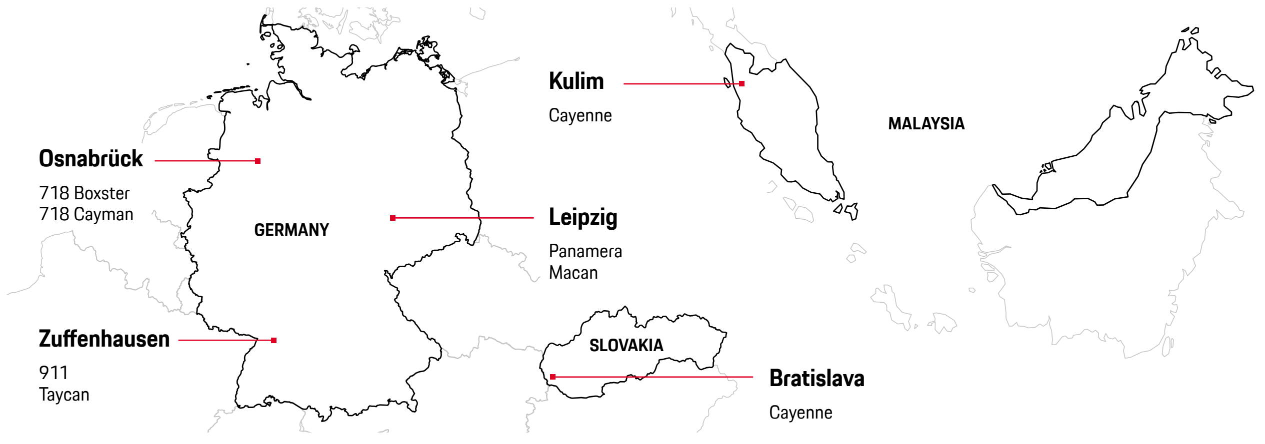
All brick-and-mortar retail formats follow the "Destination Porsche" retail concept, which has already been rolled out in more than 150 of the over 800 Porsche centers worldwide since the end of 2020, and some 500 others are to follow by the end of the decade.

Indirect online sales for the Porsche AG Group are conducted via its digital platform and sales partners. The digital vehicle search can now be accessed in over 100 markets around the globe. Porsche dealers use this platform to offer their immediately available new and used vehicles online. This includes basic models as well as exclusive variants.

FINANCIAL SERVICES SEGMENT

The financial services segment includes the leasing business, dealer and customer financing, the service and insurance brokerage business as well as mobility services for Porsche brand vehicles. In selected markets, the segment's services are also offered for other brands of the Volkswagen Group, in particular the Bentley and Lamborghini brands. The segment includes the products and services of Porsche financial services companies, which, depending on the market, are provided by the company itself or in cooperation with local partners.

Production network of the Porsche AG Group



[1] The name of the sales region rest of world was changed to Overseas and Emerging Markets in the reporting year 2024. This is a name change only and has no impact on the geographical boundaries or the operating activities in this region.

STRATEGIC DIRECTION OF THE PORSCHE AG GROUP

Strategy 2030 Plus
Chairman of the Executive Board

VISION/MISSION | STRATEGIC OBJECTIVES

Cross-functional strategy	Focus topics	Board sponsorship
CUSTOMERS	— Brand — Customer experiences — Value-orientated growth	Sales & Marketing Finance & IT
PRODUCTS	— Portfolio — Technology — Car software	Research & Development Car-IT
SUSTAINABILITY	— Environment — Social — Governance	Production & Logistics Procurement
TRANSFORMATION	— Innovation, digitalization & AI — Organization & value creation — People & culture	Finance & IT Human Resources and Social Affairs

QUALITY | ROAD TO 20

Porsche AG aims to further expand its strong position as a profitable manufacturer of exclusive sports cars and to consistently realize Ferry Porsche's vision. Strategy 2030 already pursued the goal of sustainably strengthening the Porsche AG Group's position in global competition – with attractive products, successful motor sport, special customer experiences and a clear plan for how the company can actively shape the transformation of the automotive industry. The Porsche AG Group takes account of the rapid developments in the industry and incorporates them into the further development of its strategy. Strategy 2030 Plus is the Porsche AG Group's response to the changed and highly challenging market environment.

With the launch of Strategy 2030 Plus, the previous six cross-functional strategies have been consolidated into four cross-functional strategies: Customers, Products, Sustainability and Transformation. Digitalization and Organization, which were independent cross-strategies in the prior year, have been subsumed under the Transformation cross-functional strategy. These four cross-functional strategies are at the heart of the Porsche AG Group's strategy and are based on the two strategic elements "Road to 20" and Quality. Each of these cross-functional strategies has three strategic focus topics. These focus topics are intended to underscore the strategic direction and increase transparency. Together, they contribute to the group's corporate goals. Two members of the Executive Board are responsible for each of the cross-functional strategies as overseers. Cross-functional teams implement the cross-functional strategies with their strategic focus topics.

Cross-functional strategy – Customers

The Customer cross-functional strategy focuses on the relationship with our customers. The clear goal is to excite customers when purchasing and owning their vehicle. With this strategy, the Porsche AG Group concentrates in particular on the strategic focus topics brand, customer experience and value-oriented growth. The aim is to ensure the attractiveness and exclusivity of the brand now and in the future, to create special customer experiences and to continue on its value-driven growth course.

As a modern luxury brand, Porsche AG intends to expand its customer base internationally. Special community and event formats will help attract new target groups to the brand and further increase the loyalty of existing customers. Personalized marketing and integrated networking of the various customer touch points across all sales channels create the basis for a special purchasing and ownership experience. The targeted development of growth markets forms the basis for sustainable, value-driven growth.

Cross-functional strategy – Products

The Products cross-functional strategy with its three strategic focus topics portfolio, technology and car software is geared toward future customer requirements. Digital, networked and innovative products and services can be decisive in developing and offering positive mobility experiences for Porsche AG's customers.

The Porsche AG Group is committed to an attractive and flexible product portfolio, which in addition to electromobility includes vehicle models with combustion engines and plug-in hybrids. In addition, the expansion of special and exclusive manufacturing will give our customers a wide choice of customization options for their vehicles. The product strategy also pursues the goal of balancing supply and demand and thus focuses on value-oriented sales.

The Porsche AG Group wants to increase the share of new all-electric vehicles in proportion to total deliveries. This will depend to a large extent on customer demand, the development of electromobility in each region and regulatory incentive schemes.

Synergies with other Volkswagen AG Group brands will be leveraged, particularly in the development of hardware and software platforms for the vehicles and in the procurement process. Porsche AG is also investing in the development of synthetic fuels, referred to collectively as e-fuels. These are particularly suitable for reducing the CO_2- emissions of a fleet.

Cross-functional strategy – Sustainability

The Porsche AG Group aims to help shape the sustainable future of mobility. This includes both products that were developed taking into account sustainability aspects as well as its self-image as a modern employer open to society and reliable economic partner.

The Sustainability cross-functional strategy therefore pursues a holistic approach covering everything from environmental and social aspects to responsible corporate governance. This is done in the three strategic focus areas of environment, social and governance: Decarbonization and maintaining a circular economy along the entire value chain are key elements of the sustainability strategy. In all these endeavors, Porsche AG Group promotes diversity and sees itself as an active and committed partner to society. → Partner to society
It also promotes sustainability in the supply chain as well as transparent and responsible corporate governance.

Cross-functional strategy – Transformation

Porsche AG is convinced that innovation comes from the creativity of employees and the support of an organizational structure that fosters this creativity, thus making it possible to achieve excellence together. In a dynamically changing environment, the adaptability of the Porsche AG Group and its employees is of particular importance for sustainable success. It is important to provide the right answers to future challenges at an early stage and to see upcoming changes as an opportunity.

The Transformation cross-functional strategy focuses in particular on the strategic focus topics of innovation, digitalization and artificial intelligence, organization and value creation as well as people and culture. The aim is to ensure the adaptability and future viability of the Porsche AG Group.
For the Porsche AG Group, innovations and new technologies are an integral part of the business model and open up a wide range of opportunities and growth prospects. Digitalization and the use of artificial intelligence enable new forms of collaboration and offer far-reaching opportunities for optimization. This is how the Porsche AG Group analyzes, evaluates and improves its working methods and processes. The employees and the shared corporate culture are core components of the Porsche AG Group. With effective leadership, employees are taken along on the path to transformation in order to drive change together. Porsche AG's position as a top employee with high levels of employee satisfaction also plays an important role.

Road to 20

"Road to 20" is a strategic program that supports the long-term ambition of achieving an operating consolidated return on sales of more than 20%. "Road to 20" is also intended to optimize the resilience of the Porsche AG Group. Existing activities will be intensified with a focus on sustainably optimizing the cost structure.

Quality

Porsche AG is closely aligned with the guiding principle of Dr. Wolfgang Porsche: "Quality is the foundation of our business success." Accordingly, quality is a key component of the foundation of the Porsche AG Group's Strategy 2030 Plus. All employees are responsible for maintaining Porsche AG's high quality standards. By pooling the expertise of all departments, the aim is to ensure that there is a common understanding of quality and awareness of customer expectations throughout the company. In this way, the Porsche AG Group intends to realize its vision of proactively capturing the customer wishes of tomorrow and making them a tangible experience in the vehicle for generations to come.

Together with the two building blocks of the foundation – Road to 20 and Quality – the four cross-functional strategies define the path on which the Porsche AG Group intends to expand its position for present and future generations. The focus here is on the four stakeholder groups: Customers, society, employees and investors. The Porsche AG Group believes that the unwavering focus on the needs of these groups will ensure sustainable growth.

MANAGEMENT AND KEY PERFORMANCE INDICATORS

Management and key figures

Based on the group strategy, this section describes how the Porsche AG Group is managed and which key figures are primarily used. The operating performance and the related success of the Porsche AG Group are reflected in both the financial and non-financial key figures as an integral part of the internal management system. There were no changes in the management process or the most important performance indicators compared to the prior year.

Management process at the Porsche AG Group

At the Porsche AG Group, the continuous and close alignment of the group strategy with the strategic and operational planning ensures full transparency in the financial assessment and evaluation of decisions on the direction to be taken. As a key management element of the Porsche AG Group, the multi-year operational plan, which is prepared once a year and generally for a period of five planning years, is derived from a strategic plan for the next ten years and approved by the Executive Board and the Supervisory Board. The multi-year operational planning serves to assess prerequisites for realizing the strategic projects as well as formulating and safeguarding the group's targets, both technically and financially. It is on this basis that all corporate areas are coordinated regarding the cross-functional strategies, functions/processes, products and markets.

For the future orientation of the Porsche AG Group, the individual planning content is determined on the basis of the planning horizon:

— the cycle plan/product strategy and thus the product range as the long-term strategic determinant of the vehicle business and other mobility-related services,
— long-term sales planning that shows market and segment developments and is used to determine the delivery volume for the Porsche AG Group and
— capacity and utilization planning for the individual factories.

The aligned results of the upstream planning processes flow into the financial planning as a last step in the multi-year operational planning. For this purpose, the financial planning of the Porsche AG Group, including the segments and business fields, consists of the income statement, the financial and balance sheet planning, the profitability and liquidity planning as well as the investments as a prerequisite for the future product alternatives and alternative courses of action. The multi-year operational planning is then used to derive the binding targets/target recommendations for the first planning year, details of which are then finalized down to the level of the operational cost centers and subsidiaries in the budget planning for the individual months.

During the year, the budget is reviewed each month to determine the degree of target achievement. In this regard, target/actual and prior-year comparisons, variance analyses and—if required—action plans are key instruments for corporate management to ensure that the budgeted targets are reached. For the current fiscal year, monthly rolling forecasts are performed for the next three months and for the year as a whole and are backed up as standard by two detailed forecasts during the year and, if necessary, adjusted to reflect the latest developments. Current opportunities and risks are also taken into account when preparing the forecast to the extent that their occurrence is considered to be probable. The management process can thus ensure short-term adjustments and implementation programs to secure the forecast, also taking volatile conditions into account. In principle, the focus of management during the year is on adjusting current activities in line with requirements. Moreover, each current forecast provides the starting point for the upcoming multi-year operational plan/the budget planning for the following fiscal year.

Most important key performance indicators

Most important key performance indicators

Porsche AG Group	Automotive segment
— Sales revenue (€ million) — Return on sales (%)	— Automotive net cash flow margin (%) — Automotive EBITDA margin (%) — Automotive BEV share (%)

Derived from the strategy and the underlying strategic objectives, the Porsche AG Group is managed on the basis of the most important performance indicators described below:

SALES REVENUE

The sales revenue of the Porsche AG Group primarily consists of automotive sales and reflects the group's market success. Alongside the automotive segment, the financial services segment also contributes to the development of sales revenue.
→ Results of operations

RETURN ON SALES

The return on sales (RoS) of the Porsche AG Group is defined as the ratio of group operating profit to group sales revenue. The Executive Board of Porsche AG uses return on sales to measure the operating profitability of the Porsche AG Group.
→ Results of operations

AUTOMOTIVE NET CASH FLOW MARGIN

Automotive net cash flow margin is defined as the ratio of cash flows from operating activities less cash flows from investing activities of current operations to sales revenue, each in the automotive segment. The investing activities of current operations exclude the changes in investments in securities, loans and time deposits of the automotive segment. The net cash flow margin also plays an important role in assessing the excess funds from operating activities and the associated financial resilience of the automotive segment. → Financial position

AUTOMOTIVE EBITDA MARGIN

Automotive EBITDA is defined as automotive operating profit (EBIT) plus depreciation/amortization and impairment losses/reversals of impairment losses on property, plant and equipment, capitalized development costs and other intangible assets, each in the automotive segment. Automotive EBITDA margin is defined as the ratio of automotive EBITDA to automotive sales revenue. The Porsche AG Group believes that the automotive EBITDA margin is a meaningful financial indicator for all stakeholders to evaluate the business development, operating performance and profitability of the automotive segment over time. → Results of operations

AUTOMOTIVE BEV SHARE

The BEV share is defined as the proportion of purely battery-powered electric vehicles (BEV) in relation to deliveries, i.e. the total number of new vehicles delivered to end customers. The driver for the automotive BEV share is the sale of fully electric vehicles. The BEV share is used to assess the transformation and electrification of the vehicle portfolio. → Deliveries

The current development of the most important performance indicators can be found in the financial key performance indicators. → Key financial figures

The development of the most important performance indicators is discussed in the comments on the results of operations, financial position and net assets.
→ Results of operations, financial position and net assets

The anticipated development of the most important financial indicators for the fiscal year 2025 is described in the report on expected developments. → Report on expected developments

Other relevant performance indicators

In addition, the following financial and non-financial performance indicators have been defined for use in the management of the company and supplement the most important performance indicators accordingly:

— Deliveries (units)
— Automotive net liquidity (€ million)
— Automotive research and development costs (€ million)
— Automotive capital expenditure (€ million)
— Automotive return on sales (%)
— Financial services return on sales (%)
— Automotive return on investment (%)

CORPORATE GOVERNANCE DECLARATION

The content of the Group Corporate Governance Declaration required by sections 289f and 315d HGB is contained in the → Corporate Governance Declaration and online at ↗ https:// investorrelations.porsche.com/en/corporate-governance/.

BUSINESS DEVELOPMENT

MACROECONOMIC AND SECTOR-SPECIFIC ENVIRONMENT

Development of global economy

In the fiscal year 2024, the global economy continued to recover, albeit at a slower pace than in the prior year. This trend was seen in both the advanced economies and the emerging markets. Although inflation rates are falling in many countries, they are still relatively high which, coupled with the ongoing restrictive monetary policy of some central banks, has dampened economic growth in many countries. Since the middle of the reporting period, a number of central banks have started to reduce their key interest rates.

GERMANY

Similar to the prior year, the German economy contracted by 0.2% (2023: down 0.1%). On average, the seasonally adjusted unemployment rate rose slightly. At the same time, the average annual inflation rate fell.

EUROPE

The Western European economy grew by 0.8% (2023:up 0.5%), slightly stronger than in the prior year. Development in individual countries in Northern and Southern Europe was mixed. Due to falling inflation rates, the European Central Bank has lowered its key interest rates in four steps since June 2024. In 2024, the economies in Central and Eastern Europe reported a slight year-on-year increase in growth of 3.2% (2023: up 3.1%).

NORTH AMERICA EXCL. MEXICO

In the USA, economic output grew at a slower pace of 2.8% (2023: up 2.9%) than the prior year. The US Federal Reserve continued to pursue its restrictive monetary policy for the time being, as inflation remained high and the labor market tight. The key interest rate was cut for the first time in September of the current reporting year, followed by two further cuts. The growth rate in Canada was down slightly on the prior year at 1.3% (2023: up 1.5%).

CHINA INCL. HONG KONG

Economic growth in China was at a high level compared to other parts of the world, but at 5.0% (2023: up 5.2%) was slightly weaker than in the prior year.

Market development for the automotive segment

In the fiscal year 2024, the global volume of the passenger cars market was up slightly on the prior year at 79.2 million vehicles, with most passenger car markets recording growth. The supply situation continued to return to normal and vehicle affordability improved to some extent.

In addition to fiscal policy measures, the sector-specific environment was primarily influenced by the economic situation, which contributed to the uneven development of sales in the markets in the past fiscal year. The fiscal policy measures included tax cuts and increases, the introduction, expiry and adjustment of incentive programs and buyer's premiums as well as import tariffs. Non-tariff trade barriers to protect the respective domestic automotive industry additionally hindered the exchange of vehicles, parts and components.

GERMANY

At 2.8 million units (down 1.0%), the number of new car registrations in Germany in 2024 was on a par with the prior year. The change in incentives for electric vehicles in the prior year had a dampening effect on the development of new registrations. By contrast, the demand for vehicles with conventional and hybrid drivetrains increased.

EUROPE WITHOUT GERMANY

In Western Europe (excl. Germany), the number of new passenger car registrations in 2024 increased by 0.3% to 8.8 million vehicles, matching the prior-year level. Development in the other major individual passenger car markets was mixed in 2024: Spain recorded noticeable growth of 8.7%. The United Kingdom (up 2.6%) recorded slight growth, Italy (down 0.4%) was on a par with the prior year while France (down 3.2%) recorded a slight decline.

In Central and Eastern Europe, the passenger car market volume increased significantly by 17.5% in the fiscal year 2024 to 2.6 million vehicles. The number of sales developed largely positively in the individual markets of Central and Eastern Europe.

NORTH AMERICA EXCL. MEXICO

In the region North America excl. Mexico, sales figures for passenger cars in the fiscal year 2024 rose to 17.9 million units – an increase of 3.4% year on year. In the USA, the volume stood at 16.0 million units, an increase of 2.7%, due to improved availability and affordability of new vehicles on average. In Canada too, sales figures increased noticeably by 1.9 million vehicles (up 9.3%).

CHINA INCL. HONG KONG

In the region China incl. Hong Kong, the number of new registrations of passenger cars increased slightly by 4.8% to 23.4 million units in 2024. The development of the Chinese passenger car market was characterized, among other things, by government purchase incentive programs and lower prices. A negative trend in demand was observed in the luxury segment.

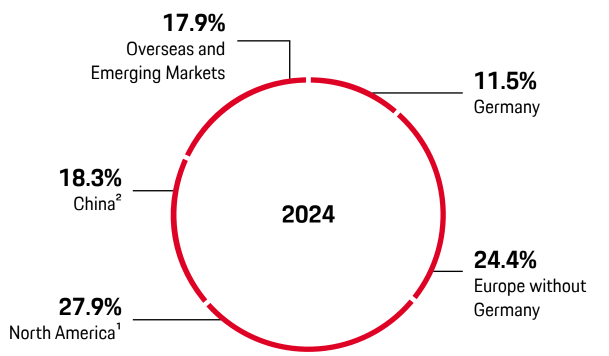
Market development for the financial services segment

Demand for automotive financial services was high in all regions in 2024.

DELIVERIES

Despite various model changes and the challenging market situation in the region China incl. Hong Kong, the Porsche AG Group's deliveries[1] were robust in the fiscal year 2024. Overall, the sports car manufacturer delivered 310,718 vehicles, down 3.0% compared with 2023. The Porsche AG Group countered the decline in deliveries in the region China by increasing its focus on deliveries in the other regions. The result is a globally balanced sales structure.

Share of deliveries by region



[1] North America excl. Mexico
[2] China incl. Hong Kong

In the domestic market of Germany, 35,858 customers received their vehicle, an increase of 10.6%. In the sales region of Europe without Germany, the Porsche AG Group delivered 75,899 vehicles in the past year. This is 8.1% more than in the prior year. In North America excl. Mexico, the Porsche AG Group made 86,541 deliveries (up 0.6%) – again the largest sales region in 2024. In China incl. Hong Kong, 56,887 vehicles were handed over to customers (down 28.2%). This significant decline is largely attributable to the continuing challenging economic situation in the luxury segment in this region. Irrespective of this, the Porsche AG Group remains committed to value-oriented sales with the aim of balancing supply and demand. The sales region Overseas and Emerging Markets again developed positively with growth of 6.3%. Overall, 55,533 vehicles were handed over to customers in this region.

The Cayenne, which was completely overhauled in the prior year, was the Porsche model with the highest number of deliveries in 2024, with 102,889 vehicles being delivered to customers (up 17.5%). Porsche delivered 82,795 Macans in the past fiscal year, a decrease of 5.2% compared to the prior year. This is partly due to the discontinuation of the internal combustion Macan in Europe and the staggered global launch of the all-electric model. Deliveries of the 718 Boxster and 718 Cayman models came to 23,670 (up 15.4%). With growth of 1.6%, deliveries of the Porsche 911 totaled 50,941. The Panamera was delivered to 29,587 customers (down 13.0%). This decline is primarily due to the drop in demand for the series in the Chinese market. 20,836 Taycans were delivered to customers in the past year (down 48.7%). This development is attributable to the strong prior year and the model change that took place in the fiscal year 2024. In addition, the ramp-up of electromobility in the Porsche AG Group as a whole has been slower than planned.

In the reporting period, the proportion of purely battery-powered electric vehicles (automotive BEV share) stood at 12.7% (2023: 12.8%) of all deliveries. In addition to the all-electric Taycan, the all-electric Macan has also had an impact on the automotive BEV share since its market launch at the end of September with 18,278 units delivered.

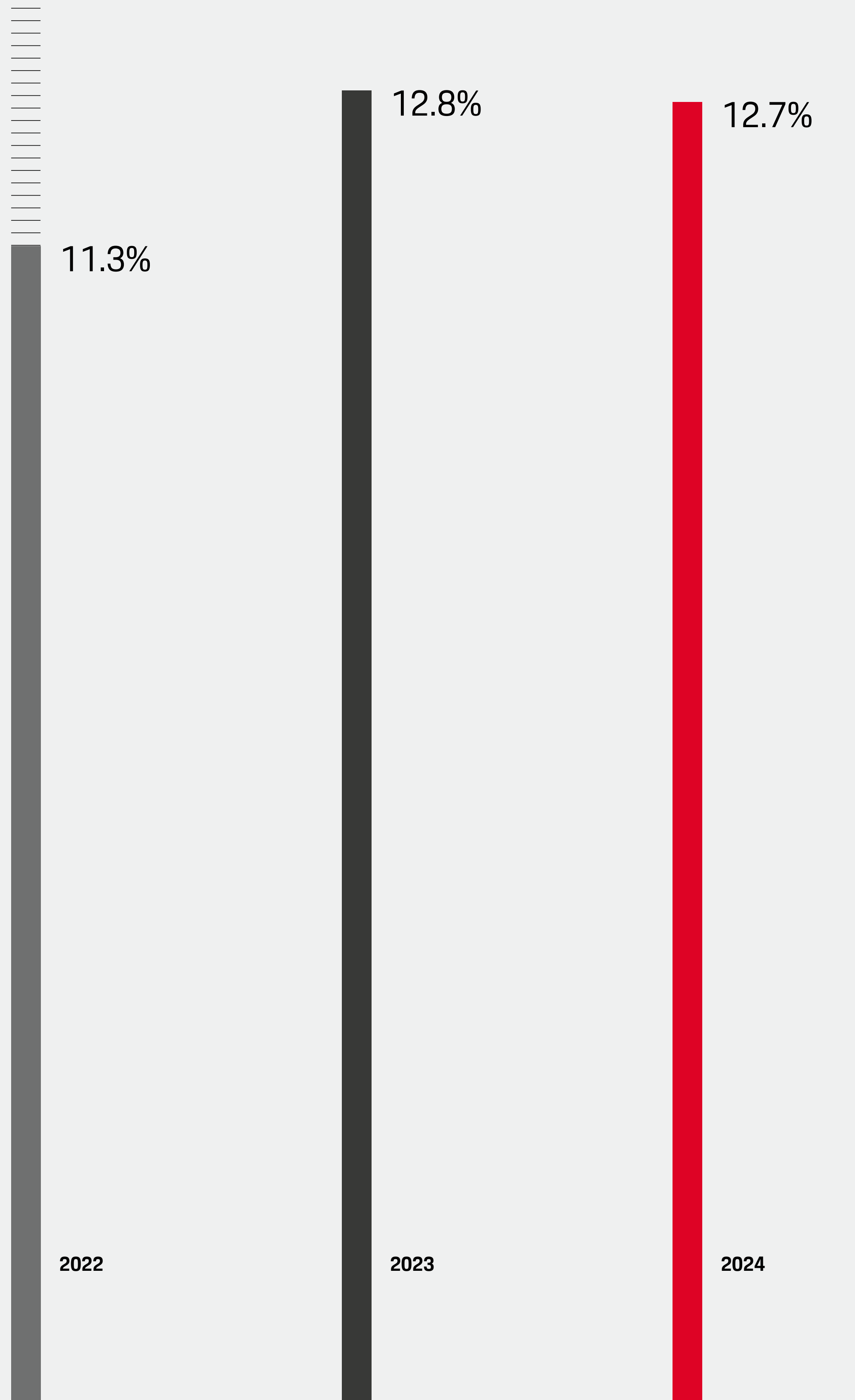
→ Environment

Deliveries of the Porsche AG Group

Units	2024	2023
911	50,941	50,146
718 Boxster/Cayman	23,670	20,518
Macan	82,795	87,355
Cayenne	102,889	87,553
Panamera	29,587	34,020
Taycan	20,836	40,629
Deliveries	**310,718**	**320,221**

[1] The performance indicator "deliveries" reflects the number of vehicles handed over to end customers. This may take place via group companies or independent importers and dealers. In the Porsche AG Group, this differs from unit sales as a relevant driver of sales revenue. Unit sales in the Porsche AG Group are designated as those sales of new and group used vehicles of the Porsche brand, which have left the automotive segment for the first time, provided there is no legal repurchase obligation by a company in the automotive segment.

Automotive BEV share
of Porsche AG Group



PRODUCTION

The Porsche AG Group produced 302,750 vehicles in total in the fiscal year 2024, a decrease of 10.0% on the prior year.

Production of the Porsche AG Group

Units	2024	2023
911	49,095	55,655
718 Boxster/Cayman	23,790	23,605
Macan	84,330	87,334
Cayenne	93,864	96,600
Panamera	30,369	33,689
Taycan	21,302	39,397
Production	**302,750**	**336,280**

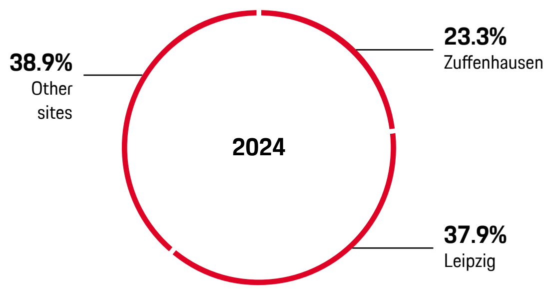
In 2024, 21,302 Taycan units were manufactured in Stuttgart-Zuffenhausen. Additionally, all the vehicles of the 911 model series (49,095 units) rolled off the production line at the main plant. Furthermore, 4 units of the 718 Boxster/Cayman were produced in Zuffenhausen.

At the Leipzig plant, the Porsche AG Group produced a total of 114,699 vehicles, which equates to 37.9% of total production. There were 84,330 units of the Macan model series and 30,369 Panameras produced in Saxony.

The production of all vehicles at the two sites in Zuffenhausen and Leipzig is net carbon neutral.

At the other production locations such as the Volkswagen Group's multi-brand site in Bratislava (Slovakia) and in Malaysia, 93,864 units of the Cayenne model series were produced. In addition, 23,786 units of the 718 Boxster/Cayman model series were completed at the Osnabrück site.

Production sites



PRODUCTION IN ZUFFENHAUSEN

A control and production principle focused on quality and flexibility allows the assembly of the two-door sports cars of the 911 model series - from the Carrera Coupé to the GT3 Cup race car- on a single production line at the main plant in Zuffenhausen. The flexible production system allows highly individual customer wishes to be integrated directly into series production. Electric, two-door sports cars can also be produced alongside models with boxer engines. An extended assembly line with automated guided vehicles (AGVs) and the creation of a custom testing and finishing area are some of the measures that have been taken to achieve this. The Porsche Taycan is manufactured on a separate line designed exclusively for electric vehicle architectures.

PRODUCTION IN LEIPZIG

The production facility in Leipzig produces the Macan and Panamera model series. In recent years, the production facility has developed into a competence center for electromobility within the Porsche AG Group. With the start of production of the all-electric Macan in 2024, Porsche Leipzig is able to produce three different drive types in a highly flexible manner on the existing production line: fully electric vehicles, plug-in hybrids and pure internal combustion engines.

RESEARCH AND DEVELOPMENT

Since the founding of Porsche AG, its focus has been on innovative research and development as well as the subsequent implementation in vehicles ready for series production. Research and development plays a key role for sustainable value enhancement in the Porsche AG Group. The vast majority of research and development activities as well as the employees working in this area relate to Porsche AG. The cross-brand development network in the Volkswagen Group also strengthens the future viability of the Porsche AG Group.

In the fiscal year 2024, automotive research and development (R&D) costs amounted to €2,528 million compared to €2,834 million in the prior-year period. The R&D ratio stood at 6.9% (2023: 7.6%). Additions to automotive capitalized development costs stood at €1,583 million, thus falling short of the comparable figure in 2023 of €2,081 million. This reduced the capitalization ratio compared to the prior-year period from 73.5% to 62.6% due to a change in the project mix and different stages of capitalization for current vehicle projects. At €2,046 million (2023: €1,712 million), automotive research and development costs recognized in the income statement were up on the prior-year level. Automotive amortization of capitalized development costs contained therein amounted to €1,101 million (2023: €960 million).

In the reporting period, more than half of R&D expenses were attributable to the transition of the product range toward electromobility. The next generation of the all-electric Taycan and the all-electric Macan were launched in the past fiscal year. A lightweight performance hybrid drive unit was specially developed for the Porsche 911. Going forward, the focus will be on the development of the all-electric Cayenne and 718. In parallel to the efforts being made in the area of electromobility, model series with combustion/hybrid technology are also being further developed.

In March 2024, a strategic partnership was entered into with Applied Intuition, Inc., Mountain View, which specializes in the development of a platform for vehicle software. The aim of the partnership is to increase the proportion of in-house software and reduce dependency on suppliers with a view to reducing complexity and increasing the speed of implementation. The partnership gives Porsche access to extensive knowledge in the development and implementation of vehicle software, including the ability to update it to deliver special customer experiences.

Overall, as of the reporting date, the Porsche AG Group employed 6,728 persons in the area of research and development (2023: 6,699 persons).

Automotive research and development costs

€ million	2024	2023
Automotive sales revenue	36,438	37,349
Automotive research and development costs	**2,528**	**2,834**
thereof automotive capitalized development costs	1,583	2,081
Capitalization ratio[1] (%)	62.6	73.5
R&D ratio[2] (%)	6.9	7.6
Automotive research and development costs recognized in the income statement	**2,046**	**1,712**
thereof automotive amortization of capitalized development costs	1,101	960
Automotive research and development costs recognized in the income statement[3] (%)	5.6	4.6

[1] Capitalized development costs (Automotive) in relation to automotive research and development costs.
[2] Automotive research and development costs in relation to automotive sales revenue.
[3] Automotive research and development costs in relation to automotive sales revenue recognized in the income statement.

PERSONNEL

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. On average, the Porsche AG Group had 42,703 employees in the fiscal year 2024.

Further information on the workforce of the Porsche AG Group can be found in the non-financial statement. → Social

OVERALL STATEMENT ON BUSINESS DEVELOPMENT AND THE ECONOMIC SITUATION

In the fiscal year 2024, the Porsche AG Group rolled out the largest model launch program in the company's history. The third model generation of the Panamera, the next generation of the all-electric Taycan sports car as well as the model launch program with the presentation of a 911 with an innovative performance hybrid drive system and the world premiere of the all-electric Macan all influenced the business development of the Porsche AG Group. These vehicle launches had an impact on unit sales, inventories, depreciation and amortization as well as research and development costs.

In addition to the extensive renewal of the product portfolio, the overall challenging economic and political environment, the slower transformation toward electromobility and market developments in the region China incl. Hong Kong continued to have an impact on the business situation. The Porsche AG Group countered the decline in deliveries in the region China by increasing its focus on deliveries in the other regions. The result is a globally balanced sales structure in the past fiscal year. Against this backdrop, the Porsche AG Group considers the overall development of the fiscal year 2024 to be solid.

Although the sales revenue of the Porsche AG Group decreased to €40,083 million in the fiscal year 2024 (2023: €40,530 million), it was still within the original forecast.

Operating profit fell from €7,284 million to €5,637 million. The return on sales of the Porsche AG Group therefore fell short of original expectations, but was within the adjusted range at 14.1% (2023: 18.0%).

The automotive EBITDA margin decreased to 22.7% (2023: 25.7%), thus falling short of the adjusted forecast.

The automotive net cash flow came to €3,735 million (2023: €3,973 million). The resulting automotive net cash flow margin of 10.2% (2023: 10.6%) was within the original range.

At 12.7% (2023: 12.8%), the proportion of purely battery-powered electric vehicles (automotive BEV share) was below the originally expected range but within the adjusted expectation.

Comparison of 2024 forecast of the Porsche AG Group with actual business development

		Original forecast 2024 in the Annual Report 2023	Adjusted forecast 2024 in the Half Year Financial Report	Actual business development 2024
Porsche AG Group				
Sales revenue	€ billion	40 to 42	39 to 40	40.1
Return on sales	%	15 to 17	14 to 15	14.1
Automotive segment				
Automotive net cash flow margin	%	8.5 to 10.5	7 to 8.5	10.2
Automotive EBITDA margin	%	24 to 26	23 to 24	22.7
Automotive BEV share	%	13 to 15	12 to 13	12.7

RESULTS OF OPERATIONS, FINANCIAL POSITION AND NET ASSETS

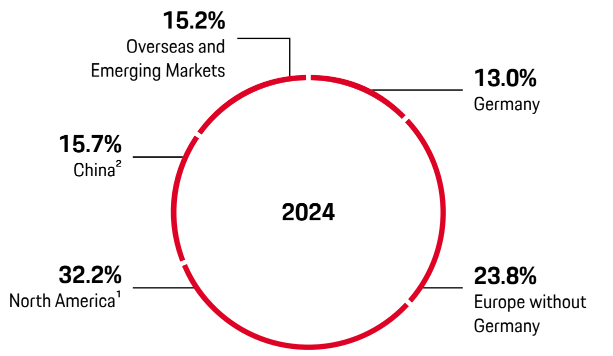
RESULTS OF OPERATIONS

The Porsche AG Group generated sales revenue of €40,083 million in the fiscal year 2024. This is a decrease of 1.1% on the prior year (2023: €40,530 million) and is largely due to lower vehicle sales coupled with positive price and equipment effects.

In the fiscal year 2024, the Porsche AG Group sold 312,620 vehicles. This corresponds to a 6.3% decrease in unit sales compared to the prior-year period (2023: 333,605 vehicles).

The Cayenne was the best-selling series with 100,469 vehicles sold, followed by the Macan with 82,872 vehicles sold. The new all-electric Macan accounted for 23,765 of these vehicles. The largest relative growth was recorded for the 718 Boxster/Cayman (up 2,770 vehicles; up 12.4%) and the Cayenne (up 7,603 vehicles; up 8.2%). Declines were recorded for the Taycan (down 17,360 vehicles; down 43.3%), the Panamera (down 3,729 vehicles; down 10.8%) and the 911 (down 2,980 vehicles; down 5.5%) due to the current model changes, among other things. In addition, the ramp-up of electromobility in the Porsche AG Group as a whole is currently slower than planned.

Sales revenue by region (excluding hedges)



¹ North America excl. Mexico
² China incl. Hong Kong

In regional terms, with a total of 91,024 vehicles sold, North America excl. Mexico was the largest market, with a decrease of 1.1%. The regions Europa without Germany with 79,218 vehicles (up 6.5%), Overseas and Emerging Markets with 58,018 vehicles (up 1.3%) and Germany with 30,939 vehicles (up 1.0%) recorded growth. The region China incl. Hong Kong, on the other hand, reported a decrease of 32.7% to 53,421 vehicles. This was again due to the challenging market situation and the focus on value-based sales in this region. The Porsche AG Group countered the decline in the region China with an increased focus on sales in the other regions. The result is a globally balanced sales structure.

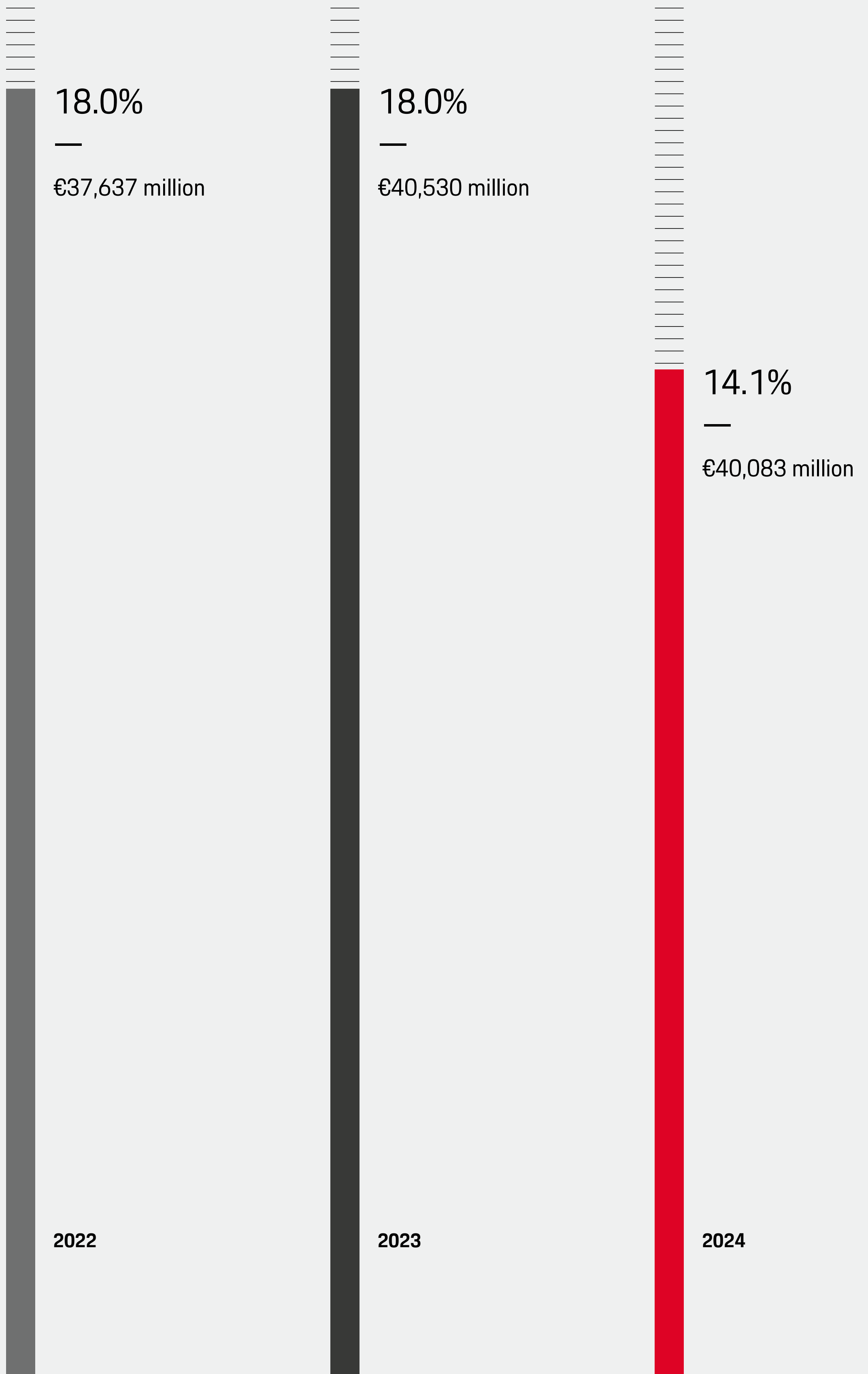
Vehicle sales of the Porsche AG Group

Units	2024	2023
911	50,761	53,741
718 Boxster/Cayman	25,165	22,395
Macan	82,872	90,161
Cayenne	100,469	92,866
Panamera	30,657	34,386
Taycan	22,696	40,056
Vehicle sales	**312,620**	**333,605**

Cost of sales increased by €832 million to €29,756 million (2023: €28,924 million) and, in proportion to sales revenue, was up on the prior-year level at 74.2% (2023: 71.4%). This is mainly due to higher cost of materials as well as higher development costs recognized in the income statement and start-up costs in connection with the renewal of the model range.

At €10,327 million (2023: €11,606 million), gross profit decreased accordingly by 11.0%, with the gross margin standing at 25.8% (2023: 28.6%).

Return on sales as % and sales revenue in € million
of Porsche AG Group



Condensed income statement of the Porsche AG Group

€ million	2024	2023
Sales revenue	**40,083**	**40,530**
Cost of sales	–29,756	–28,924
Gross profit	**10,327**	**11,606**
Distribution expenses	–3,099	–2,869
Administrative expenses	–1,859	–1,787
Net other operating result	268	335
Operating profit	**5,637**	**7,284**
Return on sales (%)	14.1	18.0
Financial result	–409	91
Profit before tax	**5,227**	**7,375**
Income tax expense	–1,632	–2,218
Profit after tax	**3,595**	**5,157**

Distribution expenses increased by €230 million to €3,099 million. In proportion to sales revenue, this is an increase of 7.7% (2023: 7.1%). This increase is due, among other things, to higher expenses in the context of digitalization and higher costs for strengthening customer-oriented services. At €1,859 million, administrative expenses were up slightly on the prior-year period (2023: €1,787 million) and, in proportion to sales revenue, remained virtually unchanged at 4.6% (2023: 4.4%).

Net other operating result decreased by €66 million to €268 million (2023: €335 million).

Accordingly, the operating profit of the Porsche AG Group decreased by €1,647 million to €5,637 million in the fiscal year 2024 (2023: €7,284 million). The operating return on sales of the Porsche AG Group stood at 14.1% (2023: 18.0%).

In the fiscal year 2024, the financial result decreased to €–409 million (2023: €91 million). The decrease is mainly due to current earnings effects from equity-accounted investments as well as special effects from other investments in the area of batteries and connectivity.

Income tax did not decrease at the same rate as the profit before tax, falling to €1,632 million (2023: €2,218 million). This is attributable to the higher tax rate for the Porsche AG Group of 31.2% (2023: 30.1%).

Profit after tax decreased by €1,562million to €3,595million in the current reporting period.

Earnings per ordinary share came to €3.94 (2023: €5.66) and per preferred share to €3.95 (2023: €5.67). Earnings per ordinary share and per preferred share were determined on the basis of a total of 455,500,000 shares in each category.

Automotive results of operations

Automotive operating profit of €5,286 million in the fiscal year 2024 fell €1,653 million short of the prior year (2023: €6,938 million). With automotive sales revenue of €36,438 million, automotive return on sales stood at 14.5% (2023: 18.6%). Automotive EBITDA decreased by €1,323 million to €8,271 million (2023: €9,594 million) and the automotive EBITDA margin stood at 22.7% (2023: 25.7%). This was mainly due to higher material costs, higher development costs recognized in the income statement and start-up costs in connection with the renewal of the model range.

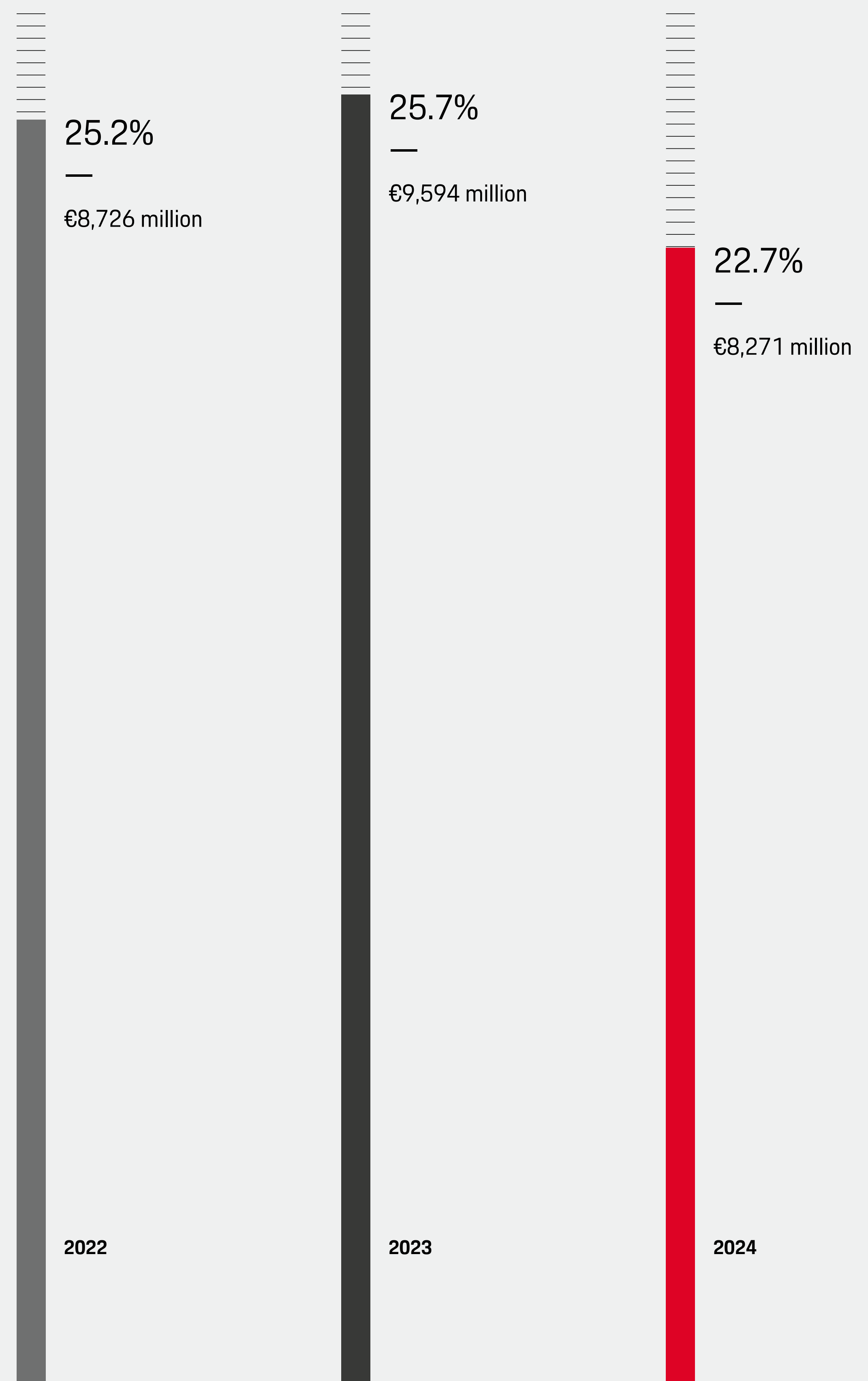
Automotive EBITDA margin

€ million	2024	2023
Automotive operating profit	5,286	6,938
Depreciation, amortization and impairment losses	2,985	2,656
Automotive EBITDA	**8,271**	**9,594**
Automotive sales revenue	36,438	37,349
Automotive EBITDA margin (%)	**22.7**	**25.7**

Financial services results of operations

Financial services sales revenue increased to €3,910 million (2023: €3,444 million). Financial services operating profit decreased to €278 million in the fiscal year 2024 (2023: €302 million).

Automotive EBITDA margin as % and Automotive EBITDA in € million
of Porsche AG Group



The decrease was mainly due to the measurement of interest rate hedges and derivatives outside of hedge accounting as part of regular refinancing activities. As a result, financial services return on sales decreased to 7.1% (2023: 8.8%).

Demand for the products and services of the financial services segment, which is calculated as the ratio of leased or financed new vehicles to the total number of deliveries in the markets of the segment (penetration rate), stood at 39.6% as of December 31, 2024 (2023: 40.1%). While demand for financial services products increased year on year in the regions North America excl. Mexico and China incl. Hong Kong, demand in the regions Germany, Europe without Germany and Overseas and Emerging Markets declined slightly.

The main reasons for the year-on-year decline in the European markets were the persistently high interest rates and a change in the model mix due to numerous model launches. The latter had a negative impact on overall penetration due to a lower proportion four-door model series, which structurally have a higher penetration.

The overall number of contracts for financing and leasing of the Porsche AG Group, including its cooperation partners, increased by 1.2% to 349 thousand contracts as of December 31, 2024 (2023: 345 thousand contracts).

FINANCIAL POSITION

In the fiscal year 2024, cash flows from operating activities of the Porsche AG Group amounted to €6,353 million, down on the prior year (2023: €7,023 million). This decrease is primarily attributable to the lower profit before tax.

Cash outflows in working capital of €1,960 million (2023: cash outflows of €1,866 million) comprised cash inflows in the automotive segment as well as cash outflows in the financial services segment relating to changes in leased assets of €1,852 million (2023: cash outflows of €1,322 million) and receivables from financial services of €399 million (2023: cash outflows of €645 million).

Cash outflows from investing activities amounted to €4,120 million and increased year on year by €2,917 million (2023: cash outflows of €1,203 million). In addition to lower cash outflows from investing activities of current operations, the change in investments in securities and time deposits and loans resulted in cash outflows of €113 million (2023: cash inflows of €3,119 million).

Cash outflows from financing activities of €1,679 million (2023: cash outflows of €3,708 million) largely related to the dividend payment of €2,101 million (2023: profit transfer and dividend payment of €4,895 million). In addition, there were cash inflows in the change in other financing activities of €421 million (2023: cash inflows of €1,186 million).

Automotive financial position

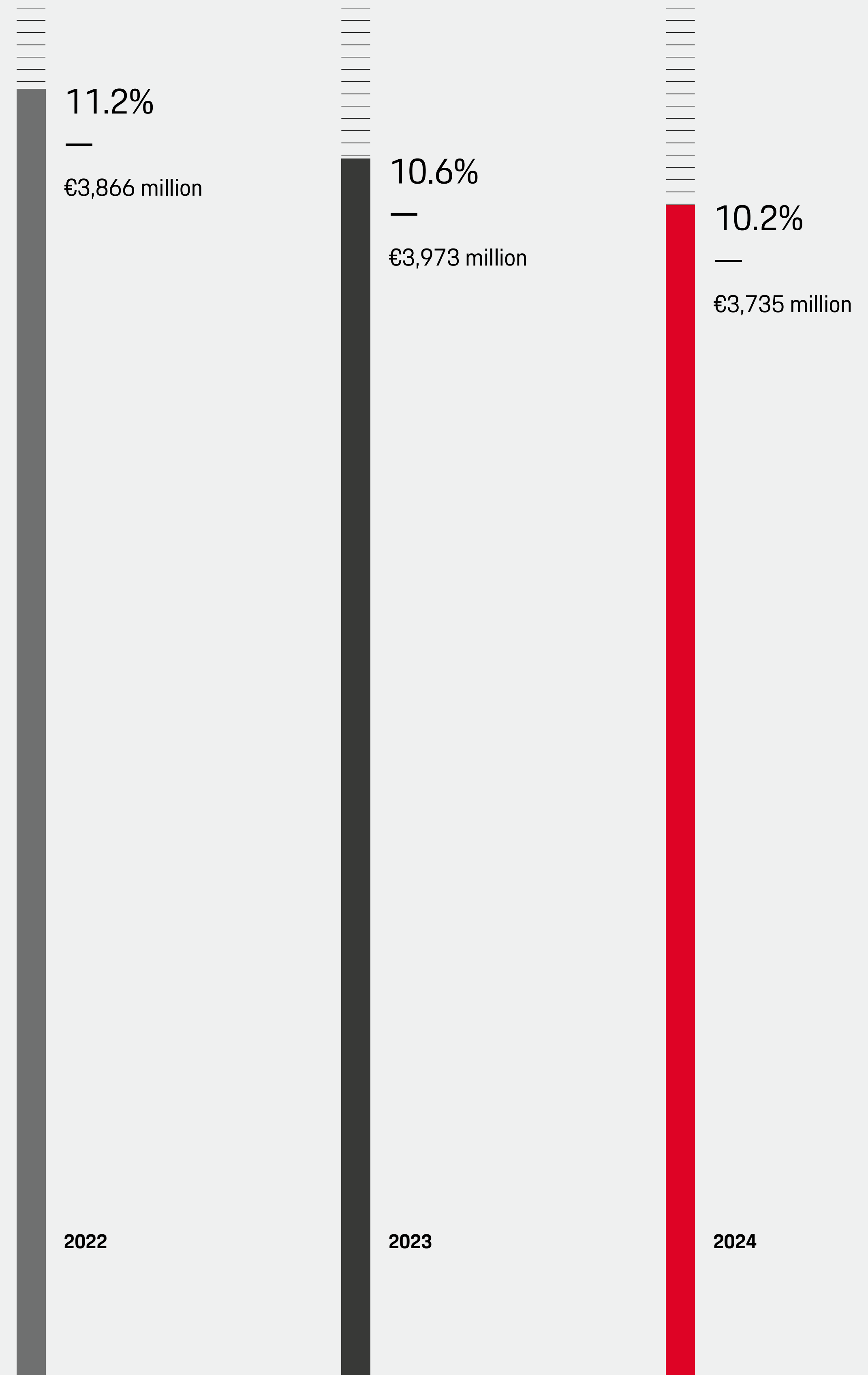
Automotive cash flows from operating activities decreased by €505 million to €7,750 million (2023: €8,256 million). This includes cash outflows of €250 million in connection with the pension plans funded by external plan assets.

Cash inflows in automotive working capital amounted to €310 million (2023: cash outflows of €2 million). The automotive working capital was affected by the cash outflows of €56 million caused by the change in inventories (2023: cash outflows of €671 million). The inventories of vehicles built up in the prior year in connection with the market launch of the Cayenne decreased in the fiscal year 2024. Cash inflows from the change in receivables increased to €294 million (2023: cash outflows of €279 million). The cash outflows from the change in liabilities of €449 million (2023: cash inflows of €578 million) were related to the decrease in trade payables, which resulted in cash outflows in the ordinary course of business. The change in other provisions of €521 million (2023: cash inflows of €370 million) had a positive impact on automotive working capital.

Compared to the prior-year period, cash outflows from the investing activities of current operations decreased from €4,282 million to €4,016 million. While automotive capital expenditure increased year on year to €2,119 million (2023: cash outflows of €1,964 million), additions to capitalized development costs decreased to €1,583 million (2023: €2,081 million). Cash outflows from the change in equity investments increased to €437 million (2023: cash outflows of €248 million), in particular due to investments in strategic partnerships in connection with the digitalization strategy.

As of the end of the fiscal year, the automotive net cash flow decreased moderately to €3,735 million (2023: €3,973 million). The decrease in the automotive net cash flow margin to 10.2% (2023: 10.6%) was primarily due to the lower profit before tax. This was offset by cash inflows in working capital and lower cash outflows in investing activities of current operations.

Automotive net cash flow margin as % and Automotive net cash flow in € million
of Porsche AG Group



Automotive net cash flow

€ million	2024	2023
Cash flows from operating activities	**7,750**	**8,256**
Change in working capital	310	–2
Change in inventories	–56	–671
Change in receivables (excluding financial services)	294	–279
Change in liabilities (excluding financial liabilities)	–449	578
Change in other provisions	521	370
Investing activities of current operations[1]	**–4,016**	**–4,282**
Investments in intangible assets (excluding capitalized development costs) and property, plant and equipment	–2,119	–1,964
Additions to capitalized development costs	–1,583	–2,081
Changes in equity investments	–437	–248
Automotive net cash flow	**3,735**	**3,973**

[1] Including cash received from disposal of intangible assets and property, plant and equipment.

As of December 31, 2024, automotive net liquidity increased by €1,343 million to €8,558 million compared to the prior-year reporting date primarily due to the cash inflows from the automotive net cash flow.

In 2024, cash and cash equivalents in the automotive segment at the end of the period rose by €983 million to €7,121 million (2023: €6,139 million). In addition, securities and time deposits and loans increased 2024 slightly by €184 million to €3,907 million. Automotive third-party borrowings decreased by €176 million to €2,470 million in 2024.

The Porsche AG Group's existing revolving credit line of €2,500 million was not utilized in the reporting year (utilization in 2023: €0 million).

Automotive net liquidity

€ million	2024	2023
Cash and cash equivalents	7,121	6,139
Securities and time deposits and loans	3,907	3,723
Gross Liquidity	**11,028**	**9,861**
Third-party borrowings	–2,470	–2,646
Automotive net liquidity	**8,558**	**7,215**

Condensed cash flows of the Porsche AG Group

€ million	2024	2023
Cash and cash equivalents at beginning of period	**5,826**	**3,745**
Profit before tax	5,227	7,375
Income taxes paid	–1,454	–2,190
Depreciation and amortization[1]	4,088	3,528
Gain/loss on disposal of non-current assets	61	14
Share of profit or loss of equity-accounted investments	185	34
Change in pension provisions	35	251
Other non-cash expense/income	169	–122
Change in working capital	**–1,960**	**–1,866**
Change in inventories	–75	–694
Change in receivables (excluding financial services)	177	–190
Change in liabilities (excluding financial liabilities)	–347	618
Change in other provisions	537	366
Change in leased assets	–1,852	–1,322
Change in financial services receivables	–399	–645
Cash flows from operating activities	**6,353**	**7,023**
Investing activities of current operations	–4,007	–4,322
Change in investments in securities and time deposits and loans	–113	3,119
Cash flows from investing activities	**–4,120**	**–1,203**
Profit transfer and dividends	–2,101	–4,895
Change in other financing activities	421	1,186
Cash flows from financing activities	**–1,679**	**–3,708**
Effect of exchange rate changes on cash and cash equivalents	6	–31
Net change in cash and cash equivalents	**558**	**2,081**
Cash and cash equivalents at end of period	**6,384**	**5,826**

[1] Offset against reversals of impairment losses.

Principles and goals of financial management

The Porsche AG Group's financial management covers the management of market, credit and default risks as well as liquidity management. The Porsche AG Group Treasury performs and organizes the financial management for all group companies centrally, based on internal guidelines and risk parameters. The goal of financial management is to ensure that the Porsche AG Group remains solvent at all times and, at the same time, to generate an adequate return from the capital investment of surplus funds. Financial instruments are used to limit the financial risk exposures and to ensure the Porsche AG Group's solvency, continuing existence and its earnings power. All financial transactions are based on the needs of the underlying transaction and are not entered into for speculative purposes.

MANAGEMENT OF MARKET RISK

The purpose of managing market risk is to minimize or eliminate the risks arising from fluctuations in currencies, interest rates and commodity prices to which the Porsche AG Group is exposed as a result of its business activities. The aim is both to increase the planning certainty of the Porsche AG Group and to limit the impact on consolidated profit. This is achieved by using non-derivative and derivative financial instruments.

Furthermore, the management of market risk includes the capital investment of surplus liquidity in investment funds, which are subject in particular to share and bond price risk, which can result from fluctuations in stock market prices, stock market indices and market interest rates. These risks are generally countered by the Porsche AG Group by ensuring a broad diversification of products, issuers and regional markets when investing funds.

In some cases, the risk management systems in place define minimum values and exchange rate hedges are entered into when market conditions are appropriate.

In order to fund the pension plans, contributions are made regularly to a separate pool of assets administered in trust, segregated by company and commitment. These are currently invested primarily in investment funds. In order to manage the market risk of the plan assets, these are subject to the capital investment policies within the framework of the trustors' investment guidelines. In addition, asset-liability management studies are conducted if required so as to ensure that the capital investment is in line with the obligations that need to be covered. Further information on the pension plans and similar obligations can be found in the notes to the consolidated financial statements. → Notes to the consolidated financial statements – 26. Provisions for pensions and similar obligations

In addition, the financial services segment is exposed to residual value risks from the leasing business, where the market price of used cars is the key risk variable. Operational risk management is provided via ongoing monitoring of the development of used vehicle prices by means of data available outside the company, among others. Residual value forecasts are used to check the appropriateness of the loss allowance and the residual value risk potential. Sensitivity analyses are used to quantify the effects of changes in used car prices.

MANAGEMENT OF CREDIT AND DEFAULT RISK

The purpose of managing credit and default risk is to limit the financial loss from unpaid receivables. To this end, the Porsche AG Group applies a multi-layered checking and risk management process. Before claims arise against contractual partners, the respective Porsche company carries out a credit check using a rating and scoring system and clear checking procedures. In addition, the portfolio is measured on an ongoing basis and taken into account when recognizing loss allowances in accordance with IFRS 9 in order to identify any increasing probability of default at an early stage. Intensive receivables management with active reminders further reduces the probability of default.

The maximum credit risk is also limited by the collateral held, such as vehicles, collateral assignments, guarantees and cash collateral.

Credit risk also arises from investing surplus liquidity or entering into derivatives. To manage these risks, the Porsche AG Group only enters into contracts that contain counterparties, instruments and volumes that have been reviewed and approved in advance.

LIQUIDITY MANAGEMENT

The purpose of liquidity management is to ensure the solvency and refinancing of the Porsche AG Group at appropriate conditions at all times. Sufficient liquidity is ensured by means of rolling liquidity planning, a liquidity reserve, confirmed credit lines and by taking out loans. A revolving credit line of €2,500 million from 21 banks secures the liquidity position further.

The Porsche AG Group mainly generates funds through its business operations, external financing and the securitization of receivables. The funds are chiefly used to finance net working capital and capital expenditure and to cover the finance requirements of the leasing and sales financing business. Operational liquidity management uses cash pools in which material cash and cash equivalents are pooled on a daily basis. Such a cash pool is in place with the Volkswagen Group. This enables liquidity surpluses and shortfalls to be controlled in line with requirements. The maturities of financial assets and financial liabilities as well as forecasts of cash flows from operating activities are included in short and medium-term liquidity management.

More information is provided in the notes to the consolidated financial statements on the hedging policy, hedging guidelines, credit and liquidity risks as well as the quantification of the aforementioned hedging activities and the market risk within the meaning of IFRS 7. → Notes to the consolidated financial statements – 36. Financial risk management and financial instruments

NET ASSETS

At the end of the reporting period, the Porsche AG Group reported total assets of €53,527 million, that is a 6.1% increase compared to December 31, 2023.

Intangible assets increased from €8,554 million to €8,941 million. The increase was largely attributable to capitalized development costs.

Property, plant and equipment increased by €654 million to €10,048 million compared to 2023. The increase primarily resulted from additions to furniture and fixtures, plant and machinery and land and buildings, while advance payments made and assets under construction decreased. Leased assets increased by €1,202 million to €5,393 million compared to 2023. This item includes vehicles leased to customers under operating leases.

Non-current and current financial services receivables increased from €6,345 million to €6,886 million. These mainly include receivables from finance leases as well as receivables from customer and dealer financing. The number of financing and leasing contracts increased in the past fiscal year.

Equity-accounted investments, other equity investments, other financial assets, other receivables and deferred tax assets increased overall from €3,592 million in the prior year to €3,780 million.

Investments accounted for at equity include additions of €188 million, with higher offsetting subsequent measurements resulting in an overall decrease of €24 million to €627 million.

The increase in other financial assets of €78 million was due to the acquisition of shares in new investments, with impairments due to subsequent measurements and disposals due to reclassifications to investments accounted for using the equity method having the opposite effect.

In total, non-current assets increased by €2,832 million to €33,239 million. Non-current assets expressed as a percentage of total assets amounted to 62.1% (2023: 60.3%).

Compared to the prior year, inventories increased from €5,947 million to €6,130 million as a result of prepayments made under inventories. By contrast, there was a decrease in inventories of vehicles built up in the prior year in connection with the market launch of the Cayenne.

Current other financial assets and other receivables decreased by €826million to €3,712million. The reduction mainly related to receivables from loans, marking derivative financial instruments to market and trade receivables. By contrast, there was an increase in miscellaneous financial assets and other receivables.

Securities and time deposits as well as cash and cash equivalents increased by €704 million to €8,349 million compared to 2023.

As of December 31, 2024, the equity of the Porsche AG Group increased by €1,388 million to €23,056 million compared to the figure from December 31, 2023. Profit after tax led to an increase in equity of €3,595 million, while other comprehensive income, net of tax, led to a decrease in equity of €116 million. Within other comprehensive income, net of tax, the decrease was mainly due to the measurement of derivative financial instruments through other comprehensive income, while effects from currency translation as well as the remeasurement of pension plans, net of tax, led to an increase.

Dividend payments of €2,101 million, which were resolved by the Annual General Meeting of Porsche AG on June 7, 2024, caused equity to decrease.

Pension provisions decreased by €241 million in the fiscal year 2024 compared to the comparative period of 2023. The decline is due in particular to allocations made to external plan assets. It is also due to the change in the discount rate for domestic pension obligations from 3.2% to 3.4%. This was partly offset by the decrease in current service cost.

Furthermore, non-current other liabilities increased by €535 million to €4,894 million compared to December 31, 2023. In total, non-current liabilities increased by €917 million to €16,128 million. Non-current liabilities expressed as a percentage of total capital amount to 30.1% (2023: 30.2%).

Condensed statement of financial position of the Porsche AG Group as of December 31, 2024

€ million	Dec. 31, 2024	in %	Dec. 31, 2023	in %
Assets				
Non-current assets	**33,239**	**62.1**	**30,407**	**60.3**
Intangible assets	8,941	16.7	8,554	17.0
Property, plant and equipment	10,048	18.8	9,394	18.6
Leased assets	5,393	10.1	4,190	8.3
Financial services receivables	5,078	9.5	4,676	9.3
Equity-accounted investments, other equity investments, other financial assets, other receivables and deferred tax assets	3,780	7.1	3,592	7.1
Current assets	**20,288**	**37.9**	**20,040**	**39.7**
Inventories	6,130	11.5	5,947	11.8
Financial services receivables	1,808	3.4	1,669	3.3
Other financial assets and other receivables	3,712	6.9	4,537	9.0
Tax receivables	289	0.5	235	0.5
Securities and time deposits	1,965	3.7	1,826	3.6
Cash and cash equivalents	6,384	11.9	5,820	11.5
Assets held for sale	–	0.0	6	0.0
Total assets	**53,527**	**100.0**	**50,447**	**100.0**
Equity and liabilities				
Equity	**23,056**	**43.1**	**21,668**	**43.0**
Non-current liabilities	**16,128**	**30.1**	**15,211**	**30.2**
Provisions for pensions and similar obligations	4,074	7.6	4,315	8.6
Financial liabilities	7,160	13.4	6,537	13.0
Other liabilities	4,894	9.1	4,360	8.6
Current liabilities	**14,343**	**26.8**	**13,567**	**26.9**
Financial liabilities	4,253	7.9	3,880	7.7
Trade payables	3,378	6.3	3,490	6.9
Other liabilities	6,712	12.5	6,192	12.3
Liabilities associated with assets held for sale	–	0.0	5	0.0
Total equity and liabilities	**53,527**	**100.0**	**50,447**	**100.0**

Non-current and current financial liabilities increased from €10,417 million to €11,413 million. The increase mainly related to the refinancing of the financial services business through asset-backed securities.

Trade payables decreased from €3,490 million to €3,378 million compared to year-end 2023 in the ordinary course of business.

Current other liabilities increased by €520 million to €6,712 million compared to December 31, 2023. The increase is largely due to the increase in other provisions. In total, current liabilities increased by €776 million to €14,343 million. Current liabilities expressed as a percentage of total capital amounted to 26.8% (2023: 26.9%).

As of December 31, 2024,there were off-balance-sheet contingent liabilities of €46 million, which decreased in particular due to the decline in liabilities from guarantees compared to the prior-year period (2023: €64 million).

Off-balance-sheet other financial obligations increased by €256 million to €5,648 million and essentially comprised obligations from development, supply and service agreements.

PORSCHE AG HGB FINANCIAL STATEMENTS (CONDENSED VERSION)

RESULTS OF OPERATIONS

In the reporting year, sales revenue decreased slightly by 3.3% on the prior year from €31,839 million to €30,795 million. The decrease was largely due to lower sales coupled with positive price and equipment effects. Sales revenue was largely offset by cost of materials of €18,500 million (2023: €18,993 million), personnel expenses of €3,070 million (2023: €3,336 million) as well as other operating expenses of €4,840 million (2023: €4,580 million). The decrease in personnel expenses is largely due to the lower current service cost for the company pension scheme.

Of other operating income of €2,337 million (2023: €3,155 million), €136 million (2023: €227 million) related to exchange rate gains. The contribution of shares in MHP Management- und IT-Beratung GmbH, Ludwigsburg, in return for the granting of new shares in Porsche Investments Management S.A., Luxembourg, resulted in other operating income of €1,326 million.

Cost of materials relates to expenses for raw materials, consumables and supplies and for purchased merchandise of €15,413 million (2023: €16,141 million) and to expenses for purchased services of €3,087 million (2023: €2,852 million). The 2.6% decrease in cost of materials is in line with the development of sales revenue.

Other operating expenses of €4,840 million (2023: €4,580 million) include exchange rate losses of €131 million (2023: €399 million). The increase in other operating expenses is mainly driven by higher costs in connection with guarantees and losses from the disposal of non-current assets. This was partly offset by lower expenses in connection with exchange rate fluctuations.

The investment result comprises income from equity investments of €441 million (2023: €689 million), income from profit and loss transfer agreements of €372 million (2023: €1,299 million), expenses from equity investments of €73 million (2023: €53 million) and expenses from loss absorption of €206 million (2023: €4 million). The significant decrease in income from profit and loss transfer agreements is mainly due to the profit transfer from Porsche Nordamerika Holding GmbH, Ludwigsburg, of €3 million. In the prior year, this company had transferred profit of €787 million in the form of a dividend from Porsche Cars North America, Inc., Atlanta. Income from equity investments primarily comprises dividends from Porsche Hong Kong Ltd, Hong Kong, Porsche Cars Australia Pty Ltd, Collingwood, Porsche Brasil Importadora de Veículos Ltda, São Paulo, Porsche Asia Pacific Pty Ltd, Singapore, and Porsche Middle East and Africa FZE, Dubai. Expenses from equity investments mainly relate to the impairment losses of Cetitec GmbH, Pforzheim (€30 million). They also include the impairment loss on the loan receivables from Porsche Erste Beteiligungsgesellschaft mbH, Stuttgart (€40 million).

The negative interest result of €16 million (2023: €37 million) primarily contained interest income from affiliates, interest expenses from discounting non-current provisions as well as interest expenses for the debenture bonds issued.

Income tax for the fiscal year 2024 amounts to €1,135 million. The low tax rate of 21.3% is mainly due to the additional profit under commercial law in connection with the transfer of shares in MHP Management- und IT-Beratung GmbH, Ludwigsburg, in return for granting new shares in Porsche Investments Management S.A., Luxembourg.

The net income for the year before appropriation of profit amounts to €4,175 million.

Income statement of Dr. Ing. h.c. F. Porsche AG

€ million	2024	2023
Sales revenue	30,795	31,839
Changes in inventories and other own work capitalized	–45	84
Total operating performance	**30,750**	**31,923**
Other operating income	2,337	3,155
Cost of materials	–18,500	–18,993
Personnel expenses	–3,070	–3,336
Amortization and depreciation of intangible assets and property, plant and equipment	–1,859	–1,662
Other operating expenses	–4,840	–4,580
Investment result	535	1,932
Interest result	–16	–37
Profit before taxes	**5,336**	**8,402**
Income tax expense	–1,135	–1,525
Profit after taxes	**4,201**	**6,877**
Other taxes	–26	–37
Net income for the year	**4,175**	**6,840**
Additions to retained earnings	–2,075	–3,420
Distributable profit	**2,100**	**3,420**

NET ASSETS AND FINANCIAL POSITION

As of December 31, 2024, total assets increased by €1,932 million from €25,393 million to €27,325 million. Fixed assets increased by €1,877 million, while current assets increased by €57 million.

The share of fixed assets in relation to total assets was 63.5% (2023: 61.0%). Property, plant and equipment increased by €560 million to €7,458 million (2023: €6,898 million); investments exceeded depreciation, amortization and impairment losses. The increase in fixed financial assets by €1,655 million to €7,799 million is primarily the result of a change in the intragroup reorganization of the investment structure through the contribution of shares in MHP Management- und IT-Beratung GmbH, Ludwigsburg, in exchange for the granting of new shares in Porsche Investments Management S.A., which led to additions of €1,592 million and disposals of shares of €266 million.

Current assets amounted to €9,816 million as of December 31, 2024 (2023: €9,759 million). The slight increase in current assets is primarily due to the increase in inventories in connection with advance payments made (up €318 million) and higher receivables from affiliated companies (up €104 million). By contrast, inventories of finished vehicles decreased (down €261 million). In addition, trade receivables (down €115 million) and other assets (down €167 million) decreased, particularly in connection with the measurement of derivative financial instruments.

Equity amounts to €13,648 million as of the reporting date (2023: €11,573 million). The equity ratio stands at 49.9% (2023: 45.6%).

Porsche AG's subscribed capital of €911 million was made up of 50% ordinary shares and 50% non-voting preferred shares. Ordinary and preferred shares are no-par-value bearer shares. The holders of non-voting preferred shares receive from the annual distributable profit an additional dividend of €0.01 per preferred share above the dividend allocable to the ordinary share.

The capital reserves remain unchanged compared to the prior year at €3,822 million.

In accordance with the resolution on the appropriation of net profit passed by the Annual General Meeting, a partial amount of €1,320 million was transferred from the prior-year distributable profit to retained earnings in accordance with section 58 (3) AktG. After the transfer to retained earnings pursuant to section 58 (2) AktG of €2,075 million, the company's distributable profit is €2,100 million (2023: €3,420 million).

Provisions for pensions largely relate to pension benefits for the employees of Porsche AG. The pension obligations are fully covered by provisions. Provisions for pension obligations (pension provisions) are discounted at the average market interest rate of the past ten fiscal years (section 253 (2) sentence 1 HGB).

These are €333 million (2023: €112 million; difference pursuant to section 253 (6) HGB) lower than the carrying amount for pension provisions that would have been recorded as of December 31, 2024 had the seven-year average interest rate been applied. The decrease in pension provisions by €105 million to €5,186 million was mainly due to the pension plans of €250 million funded by external plan assets in the fiscal year 2024.

Other provisions increased by €430 million from €3,824 million to €4,254 million, mainly due to the increase in warranty provisions (up €116 million) and the provision for exceeding emission limits (up €165 million). The latter is due to the overall slower than planned ramp-up of electromobility at Porsche AG.

The decrease in liabilities including deferred income by €463 million to €4,186 million (2023: €4,649 million) is mainly due to the repayment of two debenture bonds in the amount of €303 million.

Porsche AG assesses its economic situation against the background of the extensive renewal of the product portfolio, the overall challenging economic and political environment, the slower transition to electromobility and market developments in the region China incl. Hong Kong. Porsche AG countered the decline in deliveries in the region China with an increased focus on deliveries in the other regions. The result is a globally balanced sales structure in the past fiscal year. Against this background, Porsche AG consider the overall development of the fiscal year 2024 to be solid, in line with the Porsche AG Group. In addition, Porsche AG was always able to fulfill its financial obligations in the fiscal year 2024.

DIVIDEND POLICY

As part of its financial strategy, Porsche AG is pursuing the goal with its dividend policy of a continuous dividend development that allows its shareholders to have an appropriate share of the success of the business. The proposed amount of the dividend aims to take the financial targets into account, primarily that of securing a sound financial basis.

Porsche AG currently aims in the medium term to distribute an annual dividend of around 50%. The distribution rate is based on the IFRS profit/loss of the group after taxes.

In accordance with section 58 (2) AktG, the dividend payment by Porsche AG is based on the net retained profits reported in the annual financial statements of Porsche AG prepared in accordance with the German Commercial Code. Based on these annual financial statements of Porsche AG, following the transfer of €2,075 million to other retained earnings, net retained profit of €2,100 million is eligible for distribution.

It will be proposed to the Annual General Meeting that a partial amount of €1,048 million (2023: €1,048 million) from the distributable profit of €2,100 million (2023: €3,420 million) be used to pay a dividend of €2.30 per ordinary share carrying dividend rights and a partial amount of €1,052 million (2023: €1,052 million) be used to pay a dividend of €2,31 per preferred share carrying dividend rights. In addition, no further transfer to other retained earnings is proposed (2023: €1,320 million).

Statement of financial position structure of Dr. Ing. h.c. F. Porsche AG as of December 31, 2024

€ million	Dec. 31, 2024	Dec. 31, 2023
Assets		
Fixed assets		
Intangible assets	2,100	2,438
Property, plant and equipment	7,458	6,898
Financial assets	7,799	6,144
	17,357	**15,480**
Current assets		
Inventories	3,167	2,935
Receivables	5,766	5,777
Other assets	865	1,032
Cash on hand and bank balances	17	16
	9,816	**9,759**
Prepaid expenses	151	154
Excess of covering assets over pension and similar obligations	1	0
	27,325	**25,393**
Equity and liabilities		
Equity		
Subscribed capital	911	911
Capital reserves	3,822	3,822
Retained earnings	6,815	3,420
Distributable profit	2,100	3,420
	13,648	**11,573**
Provisions		
Provisions for pensions and similar obligations	5,186	5,291
Other provisions	4,305	3,881
	9,492	**9,172**
Liabilities		
Liabilities to banks	765	1,074
Advance payments received on account of orders	55	46
Trade payables	950	1,069
Other liabilities	1,814	1,907
	3,583	**4,096**
Deferred income	603	553
	27,325	**25,393**

BUSINESS DEVELOPMENT OF PORSCHE AG

As the parent company of the Porsche AG Group, Porsche AG is generally subject to the same → **Business development**, risks and opportunities as well as expected developments. The → **Report on expected developments** section comments on the forecast, while the → **Report on risks and opportunities** section comments on the risks and opportunities.

Sales

In the fiscal year 2024, Porsche AG sold 300,277 vehicles in total (2023: 332,681 vehicles). The decrease of 9.7% is mainly due to higher sales to importers and sales networks in Europe and North America. By contrast, the Chinese market declined. This decline is largely attributable to the continuing challenging economic situation in this region.

Production

In the reporting year, Porsche AG manufactured a total of 185,115 vehicles (2023: 228,727 vehicles) at its Zuffenhausen and Leipzig plants. In addition, Volkswagen Osnabrück GmbH produced a further 23,786 vehicles on a contract basis.

Personnel

As of December 31, 2024, a total of 23,650 persons (2023: 24,724 persons), excluding employees at subsidiaries, were employed at Porsche AG. On average, Porsche AG had 24,029 employees in the fiscal year 2024.

RISKS FROM FINANCIAL INSTRUMENTS

When using financial instruments, Porsche AG is generally exposed to the same risks as for the Porsche AG Group. An explanation of these risks can be found in the →**Report on risks and opportunities** in this combined management report.

DEPENDENT COMPANY REPORT

The Executive Board of Porsche has submitted to the Supervisory Board the report required by section 312 AktG and issued the following concluding declaration:

“We declare that Porsche AG received appropriate consideration for each transaction with affiliated companies as defined by section 312 AktG in the period from January 1 to December 31, 2024. This assessment is based on the circumstances known at the time when the transactions were entered into.”

REPORT ON RISKS AND OPPORTUNITIES

GENERAL PRINCIPLES OF RISK AND OPPORTUNITY MANAGEMENT

Promptly identifying the risks and opportunities arising from operating activities and taking a forward-looking approach to managing them is crucial to the long-term success of the Porsche AG Group. A responsible approach in dealing with corporate risks to achieve our objectives is just as important as duly identifying opportunities as a way of ensuring competitiveness. For this purpose, the Porsche AG Group has management systems in place that are embedded in a comprehensive risk and opportunities management system.

The Porsche AG Group has implemented a comprehensive Risk Management System (RMS). This system is designed to identify and appropriately manage risks with respect to the achievement of strategic and operational goals as well as complying with legal and internal requirements. This is intended to avert the threat of loss for the Porsche AG Group and to identify at an early stage any threat of any risks that might jeopardize its continued existence.

As part of its opportunity management, the Porsche AG Group identifies and implements short, medium and long-term opportunities by systematically determining, assessing and operationalizing them and ultimately converting them into measurable revenue, cost and liquidity potential.

Identified risks and opportunities are already discussed in the report on expected developments, to the extent that their occurrence is considered to be probable. The following explanations about risks and opportunities include potential future developments or events that may lead to a positive (opportunity) or negative (risk) deviation from the forecast for the Porsche AG Group.

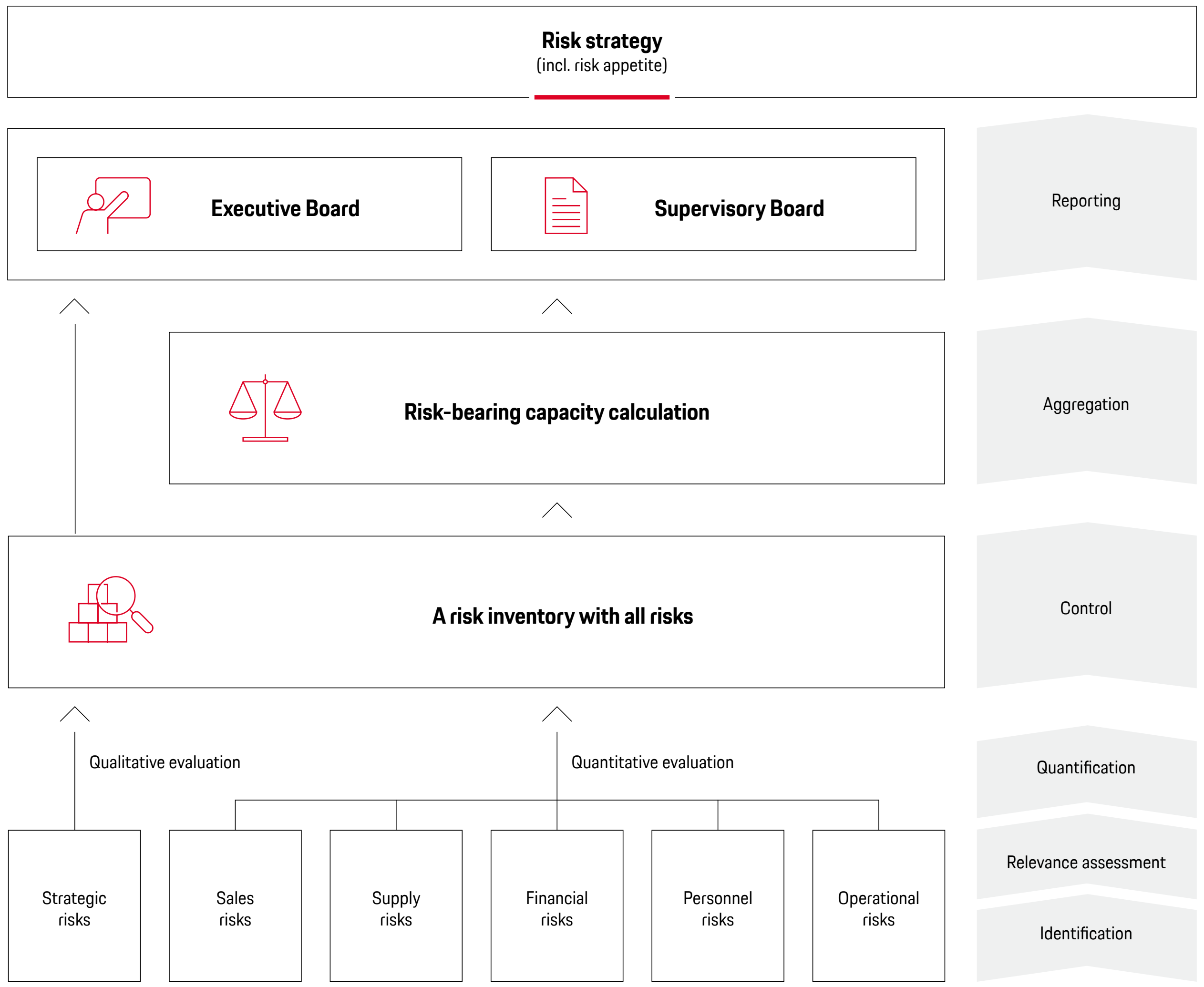
Regular reporting on risk management aims to support Porsche AG's Executive Board in the timely identification of developments jeopardizing the company's ability to continue as a going concern.

The RMS and the implementation of and adherence to the defined baseline standards in the operational areas is monitored on an ongoing basis by the Porsche AG Group's Internal Audit department.

Below, the report first describes the risk strategy of the Porsche AG Group, then it takes a closer look at how the risk/opportunity management system functions and finally explains the specific situation of risks and opportunities as of December 31, 2024.

Risk strategy

Risk strategy of the Porsche AG Group



The term risk is defined as the possibility of a negative deviation from a budgeted figure or target. A net view is generally taken here. This means that risks are assessed taking risk management measures into account. The Porsche AG Group's RMS is made up of several integrated and interrelated elements and comprises risk categories relevant to the Porsche AG Group.

RISK CATEGORIES OF THE PORSCHE AG GROUP
The Porsche AG Group distinguishes between six risk categories which are derived from the business model. These are used to classify individual risks according to their causes. They form the risk inventory of the Porsche AG Group.

The risks within the five risk categories of sales risks, supply risks, financial risks, personnel risks and operational risks can be assessed on a quantitative basis. Risks from the sustainability environment are also integrated into these processes. Quantification involves determining the short-term financial impact of the risks within the RMS period under review, which corresponds to the current fiscal year and the three subsequent years. These risks form the basis for determining the risk-bearing capacity and reflect the current risk situation of the Porsche AG Group, which is included in the reporting to the Executive Board and Supervisory Board.

The relevant quantified risks identified as of December 31, 2024, i.e. risks with a financial net potential in a worst-case scenario greater than or equal to €100 million, form the basis for the reporting of the Porsche AG Group's risk and opportunity situation. → Risk and opportunity situation as of December 31, 2024

The strategic risks category exclusively comprises long-term corporate risks that may impair the Porsche AG Group's ability to achieve its long-term corporate goals.

Strategic risks are always evaluated qualitatively on the basis of their long-term nature, which means that they are not included in the risk-bearing capacity calculation and are therefore not reflected in the risk and opportunity situation as of December 31, 2024. The early identification of strategic risks and the implementation of effective control measures strengthen the resilience of the Porsche AG Group. Strategic risks include the geopolitical environment, dependence on the supply chain, product development & innovation and the strategic orientation of the Porsche AG Group. These risks are included in the annual reporting to the Executive Board and Supervisory Board of the Porsche AG Group. Long-term sustainability-related aspects are also considered part of strategic risk management. If issues materialize in the context of strategic risks and risks arise within the RMS period under review, these are included in the other risk categories and assessed quantitatively if they are material. These risks are reflected in the current risk and opportunity situation of the Porsche AG Group.

RISK MANAGEMENT

The risk categories are set down in the risk strategy. In addition, the risk strategy also includes four overarching pillars of managing risks.

- Risk acceptance: The risk is accepted as identified.
- Risk avoidance: The risk-causing situation is not entered into in order to exclude the risk.
- Risk reduction: The probability and/or impact of the risk is reduced.
- Risk transfer: The risk is transferred onto the statement of financial position of another company.

RISK AGGREGATION AND RISK-BEARING CAPACITY

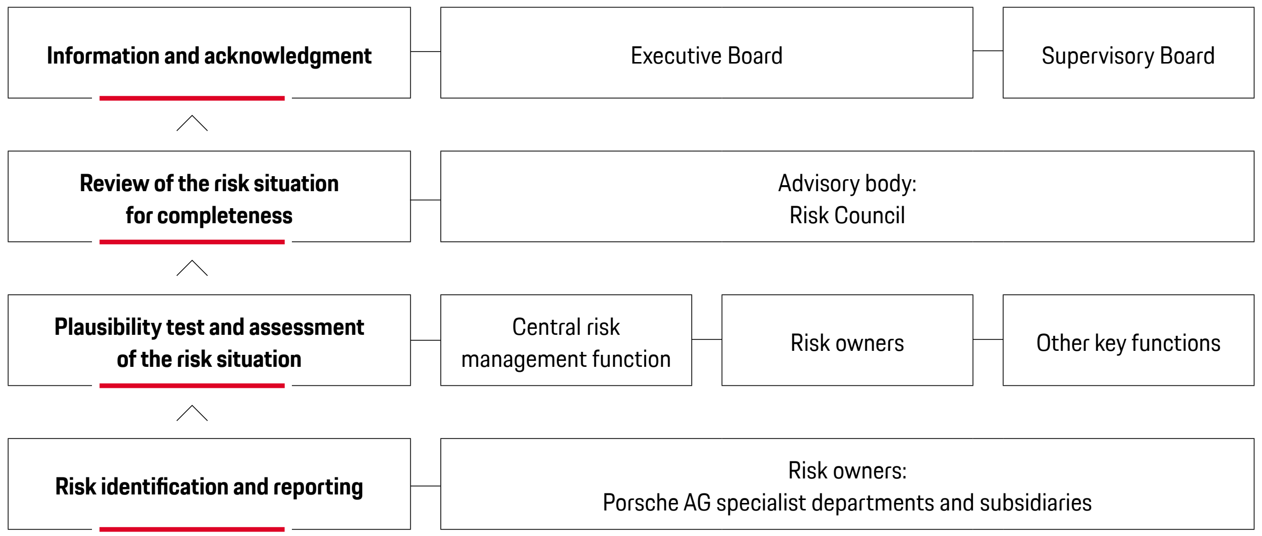
Risks can lead, both individually, but primarily when acting together in an unfavorable manner, to a situation that could jeopardize the company's ability to continue as a going concern. To ensure that the interplay of individual risks is adequately taken into account, central risk management aggregates the relevant quantified individual risks, i.e. risks with a financial net potential in a worst-case scenario greater than or equal to €100 million, into an overarching overall risk, which is compared with the current risk coverage potential. The overall risk is calculated using the value-at-risk at a confidence level of 99% for the RMS period under review. Risks with a financial net potential in a worst-case scenario below the €100 million threshold are included in the overall risk situation as a lump sum. Risk aggregation is carried out using IT-supported simulations (Monte Carlo simulation).

The RMS's risk-bearing capacity concept is based on the perspectives of over-indebtedness and insolvency. The overall risk is evaluated in relation to its potential negative impact on the operating result (EBIT) and cash flow. This is then compared with the current risk coverage potential: Potential losses in operating profit (EBIT) are compared with equity, and the potential negative cash flows are compared with availabe liquidity. The automotive segment is considered separately and the financial services segment is also monitored separately in order to determine the company's specific risk-bearing capacity.

In order to ensure that developments jeopardizing the group's ability to continue as a going concern are recognized at an early stage, the risk-bearing capacity concept contains limits and the likelihood of these limits being exceeded is incorporated into the reporting to the Executive Board and Supervisory Board. The maximum tolerable amount of the overall risk can be derived using these limits (risk appetite).

Structures and procedures

Structures and procedures of risk management



RISK MANAGEMENT SYSTEM

The Porsche AG Group's risk management is organized along decentralized lines. Alongside the central risk management function as a method and reporting center, each main department of Porsche AG and each subsidiary linked to risk management is represented by risk managers who are responsible for managing the implementation of and adherence to baseline standards. The decentralized organizational structure is designed to emphasize the importance of risk management in the local operating units and ensure risks are managed effectively.

The basis of consolidation of the RMS matches that of the Porsche AG Group. If it makes sense from a risk perspective, the basis of consolidation can be expanded for risk management purposes to include other subsidiaries.

In line with the decentralized organizational structure, risks are identified and recorded in the risk management IT tool by the departments of Porsche AG and those subsidiaries linked to risk management as the risk owners. As part of the risk report, the risk owners provide control measures and an assessment of the financial net potential of the risk in a worst-case scenario. The financial net potential in a worst-case scenario indicates the greatest possible financial impact over the entire term of the risk for the Porsche AG Group, taking into account financial losses from reputational risks and legal consequences. All risk management elements already in place are taken into account. Bandwidths are defined within fixed risk classes to classify the financial net potential in a worst-case scenario.

The risks are checked for plausibility and assessed together in the next step by central risk management, the risk owners and other key functions. Relevant risks are quantified within the risk categories of sales risk, supply risk, financial risk, personnel risk and operational risk. Central risk management coordinates with the risk owner and other key functions in order to take the necessary information into account in the stochastic risk modeling.

Stochastic risk modeling uses appropriate probability distributions (e.g. equal distribution, triangular distribution, etc.) and IT-supported simulation methods (Monte Carlo simulation). As part of the risk simulation, the expected value of the financial loss and the value at risk at a confidence level of 99% are determined for the RMS period under review.

On a quarterly basis the relevant quantified risks are reviewed by the Risk Council for completeness. The Risk Council is an advisory body tasked with reviewing baseline standards for instruments and methods of the RMS and the associated reporting system. The risk situation for the respective quarter and the overall risk are reported to the Executive Board and Supervisory Board.

A core element of risk management of the Porsche AG Group is that risks can be reported and updated without delay via the group-wide reporting channels that have been set up. Outside of the standard process, there is an event-based reporting process for risks of the utmost urgency.

A risk requiring urgency is deemed as such if the financial net potential in a worst-case scenario over the entire term of the risk is greater than €1 billion for Porsche AG or €100 million for subsidiaries and the probability of occurrence exceeds 50% in the next two years.

The Porsche AG Group has ensured the level of qualification and extensive training of employees involved in the risk management process. In addition, voluntary refresher trainings are also offered alongside compulsory trainings. Central risk management reviews the progress of training and the level of coverage on an ongoing basis and reports this on an annual basis to the Risk Council.

For the documentation of the group-wide RMS and exercising the monitoring function, there is an IT system that reflects all of the risk management processes. It supports the employees involved in the risk management process in executing risk management processes and compliance with baseline standards defined in risk management. In addition, central risk management supports the employees involved in all phases of the process.

INTERNAL CONTROL SYSTEM

The Porsche AG Group's Internal Control System (ICS), which is a key element of the RMS, comprises processes, guidelines and mechanisms that safeguard and monitor operational processes, financial reporting and compliance with laws and (internal) regulations. As a central corporate management tool, it helps to increase the transparency of processes, ensure the necessary process stability and the clear assignment of responsibilities. Sustainability-related aspects are also taken into account. Monitoring is based on defined process risks, which are managed through recurring control activities.

The ICS consists of various sub-processes that build on each other in the form of a cycle. The defined process risks and control objectives are updated in annual test of design. The risk owners must ensure that the process risks and control objectives presented are fully and effectively covered by appropriate control activities. This is followed by a review of the functionality of the controls in the annual test of effectiveness. The scope of the test of effectiveness is determined on the basis of various risk-oriented criteria.

In a final step, an annual report on the appropriateness and effectiveness of the ICS is submitted to the Executive Board and Supervisory Board of Porsche AG. In addition, regular reports are submitted to the Risk Council on the current implementation status of the weaknesses identified in the test of effectiveness.

Monitoring of the effectiveness of risk management, the internal control system and the compliance management system

To ensure the effectiveness of the RMS and the ICS, optimization needs are identified and implemented as part of the continuous monitoring and improvement processes. Internal and external requirements are taken into consideration equally. This also applies to Porsche AG's compliance management system in accordance with the Porsche Group's compliance management guideline, which aims to ensure compliance with the relevant legal provisions and regulations considered there and is continuously monitored and enhanced in a risk-oriented manner, taking into account internal and external requirements.

The results of the continuous monitoring and improvement process of the RMS/ICS are reported to the Executive Board and the Supervisory Board of Porsche AG.

There is also quarterly reporting on the risk situation and annual reporting on the results of the test of operating effectiveness of the ICS to the Executive Board and the Supervisory Board of Porsche AG. There is regular and event-related reporting on Porsche AG's compliance management system to the Executive Board and Supervisory Board.

Based on this reporting content, the Executive Board and Supervisory Board of Porsche AG are not aware of any indications of the Porsche AG's RMS/ICS or compliance management system not having been appropriate or effective as a whole in the fiscal year 2024.

Irrespective of this, there are inherent limitations of the effectiveness of every control and risk management system or compliance management system. For example, even a system that is deemed appropriate and effective cannot ensure that all risks that actually arise or legal violations are identified beforehand nor can the possibility of process disruptions be completely ruled out.

Internal control and risk management system in the context of the group accounting process

The internal control and risk management system relating to accounting aims to minimize the risk of material misstatements in the consolidated financial statements and in external reporting.

The internal control system includes methods and principles as well as measures and controls derived therefrom, which ensure the complete, timely, uniform and correct recording and transmission of the relevant information for the consolidated financial statements and the combined group management report of Porsche AG.

The Porsche AG Group's accounting is generally organized along decentralized lines. Accounting duties are largely performed independently by the consolidated subsidiaries. The Volkswagen Group's IFRS Accounting Manual is used to ensure the application of uniform accounting policies. In addition, the Porsche AG Group specifies these provisions with instructions for the quarterly and annual financial statements as well as further reporting rules.

A central element of the internal control system is regular risk analysis and assessment in order to identify and manage significant risks to the accounting and financial reporting processes in the legal entities of the Porsche AG Group and central functions at an early stage. The group companies included are identified in a quantitative and risk-oriented process. The subsequent definition and implementation of controls as well as their execution and documentation are carried out uniformly in accordance with group-wide guidelines. The control system contains preventive and detective controls and is integrated into accounting-related processes at the respective group functions and companies.

Alongside plausibility and consistency checks, other elements of the internal control system applied during the preparation of the annual and consolidated financial statements of Porsche AG include the clear delineation of areas of responsibility and the application of the principle of dual control. Further control activities at group level include analyzing and, if necessary, adjusting the data reported in the financial statements presented by the subsidiaries and the consolidation measures carried out. Furthermore, the Porsche AG Group uses data analyses to identify and eliminate any process and control weaknesses.

The effectiveness of the internal control system is systematically assessed using standardized procedures. Regular tests based on samples are performed. This forms the basis of the assessment of whether the controls are appropriately designed and effective.

If weaknesses are identified in the course of process-integrated controls or effectiveness tests, the Porsche AG Group takes mitigating measures to eliminate the weaknesses.

The standards of the accounting-related internal control system are defined uniformly throughout the group and continuously enhanced. At the end of the annual cycle, the relevant group companies confirm that the group-wide guidelines have been implemented. The results from the accounting-related ICS are reported to the Executive Board and Supervisory Board of Porsche AG.

Based on the controls, effectiveness tests and mitigating measures carried out for the fiscal year 2024, Porsche AG considers the accounting-related internal control and risk management system to be appropriate and effective.

Opportunity management

In a dynamic market environment, it is not only important to manage risks effectively when making business decisions, but also to identify and realize opportunities consistently and in the best possible way.

Opportunities management is closely based on strategic targets and is an integral component of the operational structures and procedures in conjunction with the general planning and management processes in the Porsche AG Group. This includes optimizing revenue and costs as well as improving products, mobility and financial services. For this purpose, the Porsche AG Group is constantly analyzing the environment of its business model in order to identify trends, e.g. from the market, technology, society and environment as well as changes in key factors at an early stage. With the help of scenario analyses – involving strategic business planning, the affected business divisions and Controlling – the developments relevant for the business model are considered and assessed so as to derive any potential effects for the Porsche AG Group.

The business divisions use this to derive short, medium- and long-term opportunity potential and operationalize this potential accordingly. In addition to the systematic implementation of its strategy, the Porsche AG Group aims to secure its long-term competitiveness and future viability through further efficiency and opportunity initiatives. The identification of specific targets from the aforementioned initiatives offer additional potential to generate opportunities.

The earnings indicators and cost structures combined with a high level of financial strength provide the Porsche AG Group with the financial headroom for future investments in products, technology and services, even in a challenging environment. The Porsche AG Group is managed by targets and opportunities with a clear focus on a sustainable increase in the value of the company.

RISK AND OPPORTUNITY SITUATION AS OF DECEMBER 31, 2024

In principle, the risk categories that have already been presented and which will be examined in more detail below also hold opportunities. Such opportunities may arise for the Porsche AG Group if the actual effects are better than the underlying planning assumptions or anticipated forecasts, or if additional positive effects can or do arise in the aforementioned categories—in relation to the value chain.

The macroeconomic environment represents the framework conditions for the risks and opportunities listed in the following categories and is included as an assumption in the assessment of these risks and opportunities.

The macroeconomic conditions are characterized by extraordinary uncertainties and influence the business development of the Porsche AG Group. Uncertainties arise in particular from global economic and geopolitical events and protectionist tendencies. In addition, there are increasing environmental challenges that affect individual countries and regions to varying degrees. High private- and public-sector debt is clouding the outlook for growth and may likewise cause markets to respond with uncertainty. Demographic change may also inhibit growth. Turbulence on the financial market, persistently high energy and commodity prices and an inflation rate that is declining but remains at a high level, combined with a continued restrictive monetary policy, are also leading to persistently high interest rates, cautious purchasing behavior and waning economic performance, which are having an impact on the business activities of the Porsche AG Group.

The relevant risks by risk category for the Porsche AG Group as of December 31, 2024 are presented below. Based on the expected value within the RMS period under review, the significant risks are aggregated by category and classified as “low”, “medium” or “high” for the Porsche AG Group. The table below shows the classification of the aggregated risks in the respective categories based on the limits shown. Any changes in risk classification compared to the prior year are also indicated.

Overview of risks in the Porsche AG Group[1]

Risk categories	Classification of the level of risk	Change on prior year
Sales risks		
Trade barriers[2]	High	Increased
Market development	High	Unchanged
Supply risks		
Purchasing and logistics	High	Unchanged
Geopolitics	High	Unchanged
Operational risks		
Regulatory environment[3]	High	Increased
Information technology	Medium	Increased
Taxes	Low	Unchanged
Litigation	Low	Unchanged
Financial risks[4]		
Currencies	Low	-
Commodities	Low	-
Interest rates	Low	-
Other financial risks	Low	-
Personnel risks	Low	.Unchanged

1 As of December 31, 2024, the “Strategic risks and opportunities” are no longer part of the risk situation due to their long-term period under review
→ Risk categories of the Porsche AG Group
2 As of December 31, 2024, customs risks are reported under “Sales risks” as part of trade barriers (2023: reported separately under “Operational risks”).
3 As of December 31, 2024, the regulatory environment within “Operational risks” also includes draft legislation (2023: “Strategic risks”).
4 As of December 31, 2024, the “Financial risks” are integrated into the risk situation (2023: “Financial risk management and methods as well as opportunities” section). It is not possible to present the change compared to the prior year due to the change in methodology.

The classification of the level of risk in the risk categories is based on the following limits:

Classification	Risk level
Low	≤ €500 million
Medium	> €500 million – €1 billion
High	> €1 billion

Sales risks and opportunities

TRADE BARRIERS

The Porsche AG Group is exposed to relevant risks in connection with trade barriers. This concerns both tariff trade barriers in the form of customs duties and non-tariff trade barriers, such as regulatory measures to protect domestic producers or the restriction of international trade. The number of trade restrictions continues to grow, increasing the risks associated with trade barriers, and are therefore to be classified as “high”.

Based on the free trade agreements that the EU has concluded with various countries, Porsche vehicles can be imported to these countries at reduced rates of customs duties or duty-free, subject to compliance with the local content requirements. New and more stringent local content requirements necessitate an ongoing adjustment of the calculation processes. If local content requirements are not met, there is a risk for the Porsche AG Group that the standard rate of customs duty will have to be applied when importing vehicles.

A key risk in this context is the possibility of import tariff increases by the USA, which could have a significant impact on pricing and sales in the US market. To counter this risk, the Porsche AG Group has developed preparatory measures that enable it to react to any changes quickly and in a targeted manner.

Changes in trade policy frameworks may also give rise to positive earnings effects for the Porsche AG Group. Potential for lower cost of goods sold or also the possibility to offer products and services at lower prices is offered by a possible removal of tariff barriers, import restrictions or a reduction of direct excise duties.

There are also further sales risks as a result of the ongoing trade conflict between Europe, the USA and China. Import restrictions in the US market in the form of potential bans on the use of certain foreign components and software solutions are of particular importance to the Porsche AG Group. As a result, adjustments may be necessary in the supply chain. The Porsche AG Group monitors local developments in the US market on an ongoing basis and takes appropriate preventive measures to reduce the impact on business activities.

In the context of increasing trade barriers, laws governing export controls also play an important role for the Porsche AG Group. This means that components and materials from abroad that are subject to certain export control laws cannot be exported, or can only be exported with restrictions. This may affect significant business transactions and have a negative impact on the sales and reputation of the Porsche AG Group. Developments in this context are monitored and evaluated on an ongoing basis.

MARKET DEVELOPMENT

Within the “Sales risks and opportunities” category, the risks for the Porsche AG Group in connection with market development are classified as “high”, as in the prior year.

There is also still the risk of an increasing decline in demand due to the dynamic market and competitive situation in China. A deterioration in the overall economic situation in China, e.g. as a result of a real estate crisis and the associated loss of purchasing power, increasing competition in the Chinese market or localization efforts, as well as structural changes in the automotive sector continue to be felt and may continue to have an impact on sales expectations in the market. The market situation in China is constantly monitored and taken into account in sales planning.

In addition, the entire automotive industry is undergoing a transformation toward electromobility. For the Porsche AG Group, product development and the electrification strategy not only offers opportunities and learning effects, but also poses risks. Increased transformation risks may arise in particular from a delayed transformation of the sales markets toward electromobility. These risks are countered by a flexible product portfolio, which includes vehicle models with combustion engines and plug-in hybrids in addition to electromobility.

In addition, the Porsche AG Group is faced with scheduling risks that may arise from delays in the deployment of new electromobility technologies and that may have a negative impact on the competitiveness of the Porsche AG Group. There are also challenges in the area of the fast-charging infrastructure required for electromobility. An insufficiently developed charging infrastructure can lead to a potential loss of BEV sales.

The development of the global political framework conditions and requirements in this context, such as the reduction or elimination of government subsidies for electric vehicles, may also affect expectations in the Porsche AG Group's sales markets.

However, the increasing importance of sustainability among all stakeholders offers the Porsche AG Group the opportunity to further improve its market position and create additional sales incentives through targeted communication and marketing of its sustainability attributes.

In particular, the resource-saving use of raw materials, the increasing use of renewable raw materials in vehicles, the focus on climate-friendly drive technologies and other sustainability aspects along the value chain, such as green electricity, may generate positive reputational effects among customers and investors and thus increase demand for vehicles.

If, contrary to expectations, the sales situation develops more positively, this may also create opportunities for additional earnings potential. This should be seen in particular against the backdrop of a balanced regional distribution, with an increased focus on Overseas and Emerging Markets such as the ASEAN region.

In addition, the expansion of market shares due to a broad and rejuvenated product portfolio of various drive technologies and the growth of existing and the expansion of new business fields could have an advantageous impact. Moreover, the strength of the brand in conjunction with innovation can also support the realization of unit prices and the associated earnings potential.

Supply risks and opportunities

PURCHASING AND LOGISTICS

In the Porsche AG Group, the supply risks within the "Purchasing and logistics" sub-category decreased on the prior year, but are still classified as "high".

There are risks associated with the start of production of vehicles being scaled-back, delayed or postponed due to quality or scheduling problems in the supply chain. There are also significant risks associated with existing vehicle models. These arise, among other things, from potential insolvencies or liquidity bottlenecks at suppliers, which could have a negative impact on the Porsche AG Group's production processes and thus on supply chain stability. In addition, possible recalls due to quality problems in the supply chain could have a negative impact on the Porsche AG Group and lead to cost and sales risks. By closely monitoring the supplier relationship, the necessary risk management measures can be initiated at an early stage.

There are also significant risks due to business interruptions caused by climate hazards in the supply chain. Climate change means that extreme weather events are occurring more and more frequently, which can affect the operations of suppliers to the Porsche AG Group. These interruptions to operations may result in lost production increased operating costs for the Porsche AG Group. Suppliers are analyzed proactively for physical climate risks for risk management purposes.

Significant risks may also arise from the provision of software for products and connectivity services for the Porsche AG Group. Risk factors here are the timely provision of the software in the required quality. Compared to the prior year, the risk factors have decreased as a result of expanding strategic partnerships in the area of software and connectivity services. However, there are still significant risks in this environment. As a result, project milestones are missed or delayed, which may impact vehicle launch schedules. Competitive disadvantages are also conceivable if demand requirements are not met as a result of quality problems.

The Porsche AG Group is also exposed to significant risks in the area of battery cell and battery module production in connection with the supply of parts. Risk factors include in particular the increasing demand for battery cells and modules, the dynamic technology and regulatory environment and the service life of battery cells. In this context, it is particularly important for the Porsche AG Group that risks may arise with regard to the supply of parts as a result of unstable production processes at battery cell and battery module suppliers. Although these risks have decreased in comparison to the prior year due to progressing mitigation measures, there are still risks with regard to the start of production of vehicles being scaled-back, delayed or postponed, which could lead to an impairment in connection with the use of vehicle platforms, for example. There is also a risk that technical and regulatory specifications for the battery cell and battery module will be met late or not at all. As a result, the Porsche AG Group is faced with scheduling, quality and cost risks. Within the Porsche AG Group, these risks are managed through early and systematic identification of weak points in the start of production of a vehicle and close monitoring of the supplier relationship.

The supply of semiconductors continues to be subject to significant risks that could affect the supply situation. Potential risks for the Porsche AG Group could manifest themselves in the form of production interruptions and thus also lost sales. However, supply chain stability has developed positively as a result of the early conclusion of long-term contracts and progressing mitigation measures.

In addition, as in the past, additional cost demands from suppliers for various reasons may lead to cost risks in respect of investments and direct material costs. The reasons for this include, for example, increased raw materials prices and other cost increases in connection with manufacturing. Postponing the start of production of vehicles can also lead to additional cost claims from suppliers. Although these risks have decreased compared to the prior year, they do still exist. Closely monitoring these within the projects and taking countermeasures at an early stage, e.g. negotiations by procurement, have a positive impact on risk mitigation.

Opportunities could in principle arise should, contrary to current estimates, the supply situation and its repercussions develop more positively or things return to normal earlier than anticipated.

Furthermore, significant opportunities may arise from potential additional synergies with new vehicle architectures within the Porsche AG Group but also in association with the Volkswagen AG Group as well as from technological innovations. These synergy and innovation effects pertain to Development, Procurement and Production in particular. Furthermore, opportunities from product cost and process optimization program can contribute to the realization of earnings potential in this context.

GEOPOLITICS

Possible risks related to geopolitical events may also increasingly arise from the trade conflict between China and the USA and tensions in Asia. The Porsche AG Group is faced with possible sales losses and a dependence on Asian suppliers or sub-suppliers in the affected regions. In addition, conflicting sanction laws may exacerbate the risk situation. Geopolitical developments in this context are monitored on an ongoing basis.

The conflicts in the Middle East may have a direct and indirect negative impact on the business activities of the Porsche AG Group. This can also include temporary disruptions to important sea routes, which can have an impact on supply chains, for example. The Porsche AG Group succeeded in reducing this risk in the fiscal year 2024 by increasingly securing its supply chains.

Due to the continuing tense geopolitical environment, the risks in this context for the Porsche AG Group are classified as "high", as in the prior year.

If, contrary to previous planning and forecast assumptions, the geopolitical tensions in the aforementioned regions weaken or dissipate, this could lead to the effects on the global economy – including falling inflation rates, further decreasing interest rates, but also the sales situation in general and the challenges in the relevant markets – have a positive impact and possibly even result in opportunities on the sales and cost side for the Porsche AG Group.

Operational risks and opportunities

REGULATORY ENVIRONMENT

In an increasingly volatile global regulatory environment, the Porsche AG Group is faced with strict safety standards, which may result from requirements for driver assistance systems that must comply with certain defined standards.

Risks also arise from increasing emissions standards and a gradual tightening of environmental and sustainability requirements. These may include, for example, substance and material bans and restrictions, taxonomy requirements, recycling quotas or data governance laws, which may result in significant risks due to non-compliance with the requirements.

Legal limits aimed at reducing fuel consumption and carbon emissions from passenger car fleets also pose challenges for the Porsche AG Group. Failure to meet the specified targets can lead to fines and reputational damage. There is also a risk of vehicles that exceed the set limits not being allowed to be registered in the affected markets.

Furthermore, government regulations for the protection of human rights are constantly increasing the demands placed on companies. This requires greater transparency in international supply chains and can even lead to bans on importing products that are suspected of being linked to human rights violations, either themselves or with regard to the parts they contain.

Within the regulatory environment, this can lead to significantly higher costs in the Porsche AG Group for compliance for global requirements within the supply chain, procurement, product development, the production and sale of vehicles and their spare parts or to rising direct material costs. The necessary global legal monitoring is also becoming more complex and harbors the risk of non-compliance, fines and even possible loss of sales.

Due to the increasing tensions in the regulatory environment, the risks for the Porsche AG Group increased compared to the prior year and are classified as “high”.

The Porsche AG Group meets the challenges of the increasing regulatory environment by continuously carrying out comprehensive regulatory monitoring, implementing projects and measures to monitor international and country-specific standards and regulations and constantly reviewing their progress.

In the latter areas, opportunities that could have a lasting positive impact on the Porsche AG Group’s results of operations may arise if the planning and forecast assumptions made develop more positively than assumed.

INFORMATION TECHNOLOGY

In the Porsche AG Group, risks in connection with information technology also play a significant role in the area of business continuity management. The company’s business processes are heavily dependent on information technology, which represents a significant risk factor. There is a risk of default especially in production due to unforeseen events such as a cyber attack. The Porsche AG Group also faces the risk of potentially being exposed to data encryption or data protection risks. Critical IT resources and applications are safeguarded via the business continuity management system.

Global geopolitical tensions and trade disputes have increased the risk of potential cyber attacks, resulting in turn in an increase in risks in connection with information technology which are classified as “medium”.

TAXES

New requirements under tax law within Germany and abroad pose potential risks for the Porsche AG Group and require the constant adjustment of the relevant declaration processes. Risks of double taxation from the cross-border supply of intragroup goods and services are regularly reduced or eliminated using advanced pricing agreements or other bilateral procedures. Tax risks from tax field audits and their impact on the consolidated financial statements are closely monitored on an ongoing basis. Provisions or liabilities were recognized for potential future payments of tax arrears and for ancillary tax payments arising in this connection. These risks, which are assessed as “low” for the Porsche AG Group as in the prior year, are monitored and managed over the long term by systematically enhancing the Tax Compliance Management System (Tax CMS) that has been implemented.

Should the assessment of tax matters, for example due to a change in a court decision, be favorable to the taxpayer and therefore advantageous for the Porsche AG Group, this may also result in opportunities for the earnings of the Porsche AG Group in terms of the provisions already recognized.

LITIGATION

The Porsche AG Group is involved in a large number of legal disputes and official proceedings as part of its national and international operating activities, which may result in significant risks. Among others, these legal disputes and proceedings relate to or are connected with employees, authorities, services, dealers, investors, customers or other contractual partners. As a result, financial obligations such as fines or claims for damages may arise and cost-intensive measures may be necessary. In this context, a specific assessment of the objectively likely consequences is often possible only to a very limited extent, if at all.

Compliance with legal requirements is another area in which risks may arise. This is particularly true in gray areas where the Porsche AG Group and the relevant public authorities may interpret the law differently. Further risks may arise from interactions with authorities, claims for infringement of intellectual property rights or criminal acts by individuals.

As in the prior year, the above-mentioned risks for the Porsche AG Group are assessed as “low”.

Further information can be found in the comments on litigation in the notes to the consolidated financial statements.

→ Notes to the consolidated financial statements – 40. Litigation

Financial risks and opportunities

CURRENCIES

As an international group, the Porsche AG Group conducts transactions in different currencies, which can give rise to currency risks. Significant risks in the automotive segment arise in particular from operating transactions that are denominated in currencies other than the euro. Currency risks are partly hedged through the use of exchange rate hedging instruments for a period of up to five years. The main hedging instruments used are forward exchange transactions and currency options. The volume of exchange rate hedges is determined on the basis of the planned sales figures in the respective foreign currency, taking into account procurement volumes. The currency risks presented are classified as “low” for the Porsche AG Group.

COMMODITIES

There are also risks relating to raw materials in the automotive segment in respect of the development of prices, among other things. Possible risks from the development of prices of raw materials are analyzed on an ongoing basis in order to be able to act swiftly to any changes on the market. Commodity price risks for raw materials such as aluminum, copper, nickel, cobalt and lithium hydroxide are partially hedged through the use of hedging instruments for a period of several years. Averaging swaps are used as hedging instruments. The volume of hedges is determined on the basis of the planned commodity exposure in the respective procurement contracts. The Porsche AG Group considers the risks in connection with the price development of raw materials to be “low.”

INTEREST RATES

Within the Porsche AG Group, interest rate risks in the automotive segment result from changes in market interest rates, primarily for medium- and long-term interest-bearing receivables, liabilities and provisions. Floating-rate items are included in cash flow hedges and some are hedged by means of interest rate swaps. These interest rate risks are classified as “low”.

OTHER FINANCIAL RISKS

Other financial risks in the Porsche AG Group include risks in connection with the capital investment of surplus liquidity and investment risks. These risks are assessed as “low”.

With regard to the capital investment of surplus liquidity, there is a significant risk of fluctuation and loss in the current fiscal year due to changes in the value of the share price of acquired special funds. These result from price fluctuations of the investments held in funds.

The investments held by the Porsche AG Group are regularly tested for impairment, with battery and connectivity investments being of particular importance. As a result, significant risks may arise from impairment losses. To manage investment risks, financial targets are anchored in the investment strategy and a portfolio approach is used to ensure risk diversification.

Should, contrary to current planning and forecast assumptions, market prices develop positively with regard to currency, interest rate, commodities and capital investment risks, this may also result in opportunities for the Porsche AG Group.

Personnel risks and opportunities

In the current fiscal year 2024, no significant risks were identified in the "Personnel risks and opportunities" risk category within the RMS period under review. The risk situation is therefore unchanged compared to the prior year and is classified as "low".

Non-financial risks

Pursuant to section 289c HGB, a review is carried out in the reporting process of opportunities and risks that have an impact on non-financial aspects set out in the law. Significant opportunities and risks within the meaning of this law include those associated with the Porsche AG Group's business activities, business relationships, products and services and which are very likely to have serious consequences for the non-financial aspects pursuant to the German Act to Implement the CSR Directive (CSR-RUG). In the reporting year, no non-financial risks linked to the requirements of section 289c HGB were identified in the Porsche AG Group.

Overall assessment of the risk and opportunity situation

The overall risk and opportunity situation for the Porsche AG Group is the sum of the aforementioned categories of risks and opportunities. Based on the information and assessments available as of the reporting date, a development jeopardizing the group's ability to continue as a going concern is sufficiently improbable.

REPORT ON EXPECTED DEVELOPMENTS

The following describes the expected development of the Porsche AG Group taking into account the conditions in which it does business. In line with the group's internal management system, the forecast period covers one year and contains all information available at the time of preparing the financial statements that could have a significant impact on the business development of the Porsche AG Group.
Risks and opportunities that could give rise to a deviation from the forecast development are set out separately in the → Report on risks and opportunities. The report on expected developments contains forward-looking statements based on the estimates and expectations of the Porsche AG Group. Actual business performance may deviate, both positively and negatively, as a result of unpredictable events, including changes in the political and economic framework.

The assumptions used in preparing this forecast report are based, inter alia, on current estimates by external institutions; these include economic research institutes, banks, multinational organizations and consultancy firms.

MACROECONOMIC AND SECTOR-SPECIFIC OUTLOOK

Development of global economy

The Porsche AG Group expects growth in global economic output to lose some of its momentum in 2025 compared to the reporting year. Falling inflation in major economic regions and the resulting easing of monetary policy measures taken by central banks are expected to have a positive impact on private demand. The Porsche AG Group assumes that growth prospects will continue to be impacted by increasing fragmentation of the global economy and protectionist tendencies and by turbulence on the financial markets. Negative effects are also expected from ongoing geopolitical tensions and conflicts as well as uncertainties related to the political direction of the USA.

GERMANY

For Germany, the Porsche AG Group assumes that gross domestic product (GDP) will develop positively in 2025, albeit with little momentum. The annual average inflation rate should fall slightly, while the situation on the labor market is likely to deteriorate.

EUROPE

Economic growth in Western Europe in 2025 is expected to be similar to the reporting year and inflation is expected to fall on average. Interest rate cuts by the European Central Bank are intended to support the economic situation in the eurozone. The Porsche AG Group anticipates a slightly higher growth rate for Central Europe with persistently high but less dynamic price increases. A slower pace of economic growth is expected in Eastern Europe.

NORTH AMERICA EXCL. MEXICO

According to estimates by the Porsche AG Group, economic growth in the USA will continue to be robust, albeit weaker than in the fiscal year 2024 – with a corresponding impact on the labor market. Despite an expected slight increase in the inflation rate, the US Federal Reserve is expected to cut key interest rates further. Economic growth in Canada is expected to be slightly higher than in the reporting year.

CHINA INCL. HONG KONG

For China, the Porsche AG Group expects the economy to grow at a relatively high level in 2025, albeit at a lower rate than in the reporting year.

Market development for the automotive segment

For the automotive industry, whose development is closely tied to global economic developments, the Porsche AG Group expects competition to become even keener in 2025. The forecast for 2025 is based on the assumption that although development in the passenger car markets in the individual regions will be mixed, it will be positive for the most part. The overall global sales volume of new vehicles is expected to be slightly higher than in the reporting year. Estimates are based on the assumption that the availability of essential parts, in particular semiconductors and commodities, will not worsen as a result of the crisis and that energy supplies and the stable development of material and energy prices – at a high level – will be ensured.

GERMANY

In the German passenger car market, the volume of new registrations in 2025 is expected to be up slightly on the level of the reporting year 2024.

EUROPE WITHOUT GERMANY

For the Western European markets (excluding Germany), a moderately higher volume of new passenger car registrations is expected for 2025 on average compared to the reporting year. Sales of passenger cars are expected to significantly exceed the prior-year figures in markets in Central and Eastern Europe.

NORTH AMERICA EXCL. MEXICO

For the region North America excl. Mexico, the volume of new passenger car registrations in 2025 is expected to be on a par with the reporting year figure.

CHINA INCL. HONG KONG

For the passenger market in China incl. Hong Kong, the Porsche AG Group anticipates that the new registrations will be at the level of the prior year.

Market development for the financial services segment

Automotive-related financial services are again expected to be of great importance for global automotive sales in the fiscal year 2025.

FORECAST ASSUMPTIONS

The Porsche AG Group bases its forecast for the fiscal year 2025 on the current framework conditions with global conflicts and tensions.

In its forecast, the Porsche AG Group also expects market conditions to remain highly challenging and competition in China to remain intense. It is also expected that geopolitical uncertainties will continue to persist with the new US administration. In its current forecast for 2025, the Porsche AG Group has not taken into account the current framework conditions and therefore no further import restrictions and tariffs.

The forecast for the fiscal year 2025, based on the assumption that the situation in the supply chains will be challenging and that additional costs in the supplier area are to be expected due to individual delivery delays, cancellations, fluctuations in production volumes and possible insolvencies.

In addition to the external factors described above, the Porsche AG Group also expects vehicle sales to be below the level of the reporting year due to the slower transition to electromobility and, as a result of the regulatory environment, the partially incomplete product range for individual model series and in individual regions in 2025.

Against the backdrop of the changed and challenging market environment, extensive measures are planned to strengthen the company's earnings power in the short and medium term. These measures include the expansion of the product portfolio to include additional models with combustion engines or plug-in hybrids, the expansion of special and exclusive manufacturing and adjustments to the company organization. Expenditure, particularly on vehicle development and the battery activities of the group's own companies, will lead to significant additional costs. The total impact on the operating profit and the automotive net cash flow is expected to amount to up to approximately €0.8 billion as a result of the above measures.

The forecast for 2025 also assumes that, as a result of the high level of investment in recent years, total amortization of intangible assets and depreciation of property, plant and equipment will continue to increase.

FORECAST OF THE MOST IMPORTANT KEY PERFORMANCE INDICATORS

For the fiscal year 2025, based on the aforementioned assumptions, the Porsche AG Group expects a significantly lower return on sales of between 10% and 12%. This forecast is based on estimated sales revenue in a range of €39 billion to €40 billion.

Automotive net cash flow margin is also expected to be lower compared to the reporting year at between 7% and 9%.

The Porsche AG Group plans to achieve an automotive EBITDA margin of between 19% and 21%, which is also lower than the reporting year.

In its sales revenue forecast for 2025, the company expects purely battery-powered electric vehicles (automotive BEV share) to account for between 20% and 22%.

OVERALL STATEMENT ON ANTICIPATED DEVELOPMENT

In its planning for 2025, the Porsche AG Group assumes slightly weaker global economic growth and a slight average increase in global demand for passenger cars compared to the reporting year. However, there are uncertainties in this regard, particularly due to the global geopolitical environment.

Difficult market conditions due to protectionist tendencies and intensified competition in the important markets of the USA and China, coupled with a continuing high level of costs, amortization and depreciation, will make the 2025 fiscal year a challenging one for the Porsche AG Group, in which high one-off burdens are also expected as a result of additional planned measures. At the same time, the Porsche AG Group expects these activities to strengthen its earnings power in the short and medium term. Furthermore, the Porsche AG Group believes it is well positioned to exploit market potential with its existing product range – in line with demand in individual regions – and to further strengthen the Porsche brand worldwide.

Forecast of the Porsche AG Group

		Actual business development 2024	Forecast 2025
Porsche AG Group			
Sales revenue	€ billion	40.1	39 to 40
Return on sales	%	14.1	10 to 12
Automotive segment			
Automotive net cash flow margin	%	10.2	7 to 9
Automotive EBITDA margin	%	22.7	19 to 21
Automotive BEV share	%	12.7	20 to 22

Stuttgart, February 24, 2025

Dr. Ing. h.c. F. Porsche Aktiengesellschaft
The Executive Board

MAGAZINE

TO OUR SHAREHOLDERS

CORPORATE GOVERNANCE

COMBINED MANAGEMENT REPORT

NON-FINANCIAL STATEMENT
(part of the Combined Management Report)

General disclosures

Environment

Social

Governance

Annex

CONSOLIDATED FINANCIAL STATEMENTS

FURTHER INFORMATION

Macan 4 (WLTP): Electrical consumption combined: 21.1 – 17.9 kWh/100 km; CO_2 emissions combined: 0 g/km; CO_2 class: A

NON-FINANCIAL STATEMENT

(part of the Combined Management Report)

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 CO_2 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.

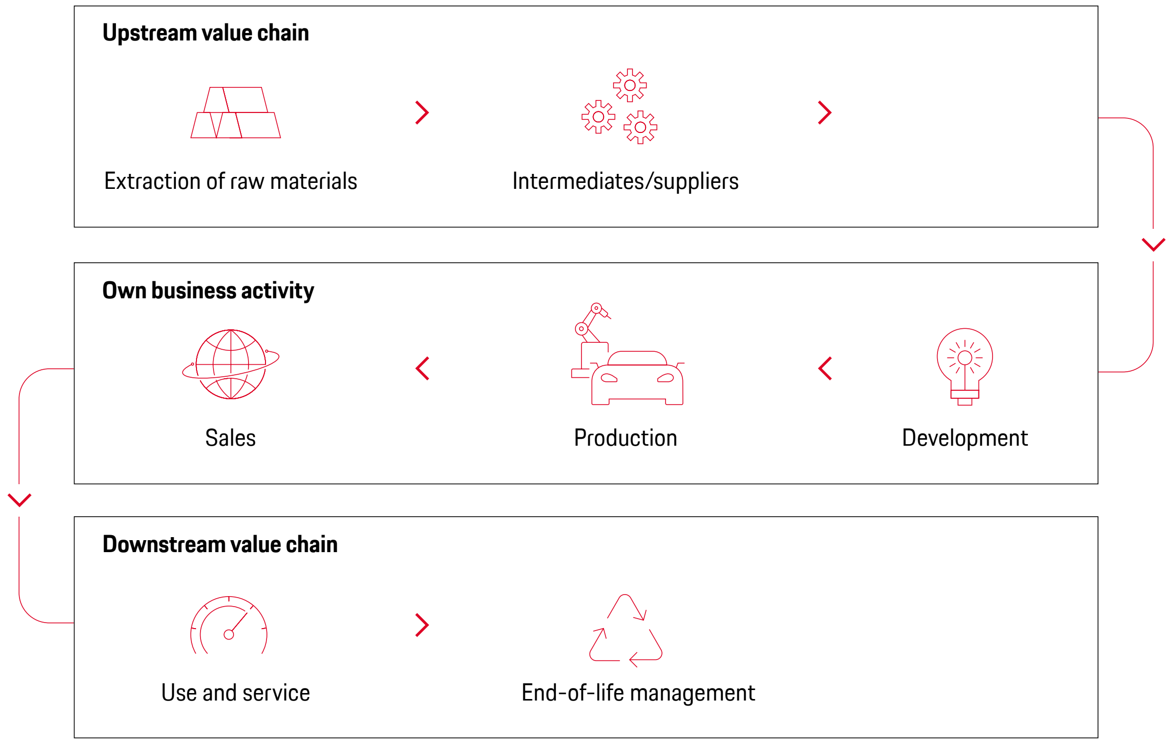
The core business activity of the Porsche AG Group is the central activities of vehicle development, production and distribution as well as the provision of services.

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 CO_2 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 CO_2 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:

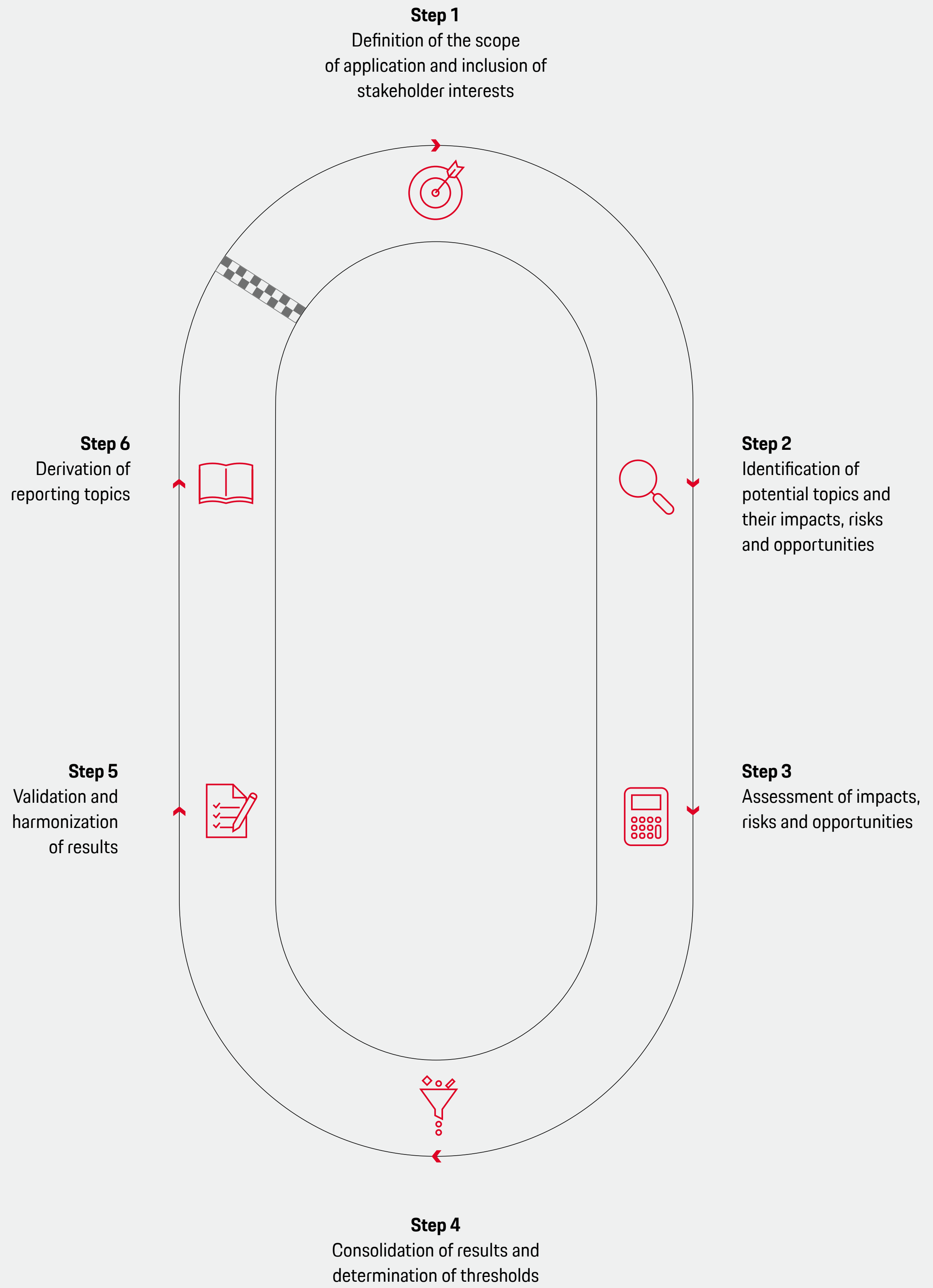
- Definition of the scope of application and inclusion of stakeholder interests
- Identification of potential topics and their impacts, risks and opportunities
- Assessment of impacts, risks and opportunities
- Consolidation of results and determination of thresholds
- Validation and harmonization of 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 ≥ €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 (CO_2e), such as CO_2, CH_4, N_2O, HFCs, PFCs and SF_6. 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

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

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

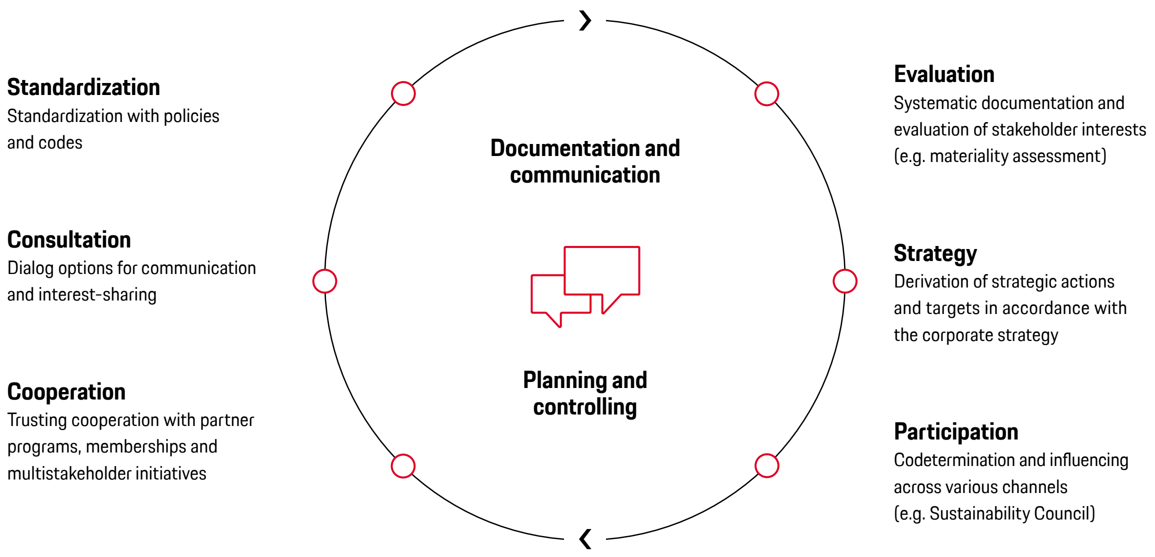
The Porsche AG Group operates a holistic stakeholder management system based on the balanced scorecard approach. This allows for the expectations of the individual stakeholder groups to be systematically recorded and important social trends to be derived from them.

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.

Stakeholder management—a holistic approach



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.

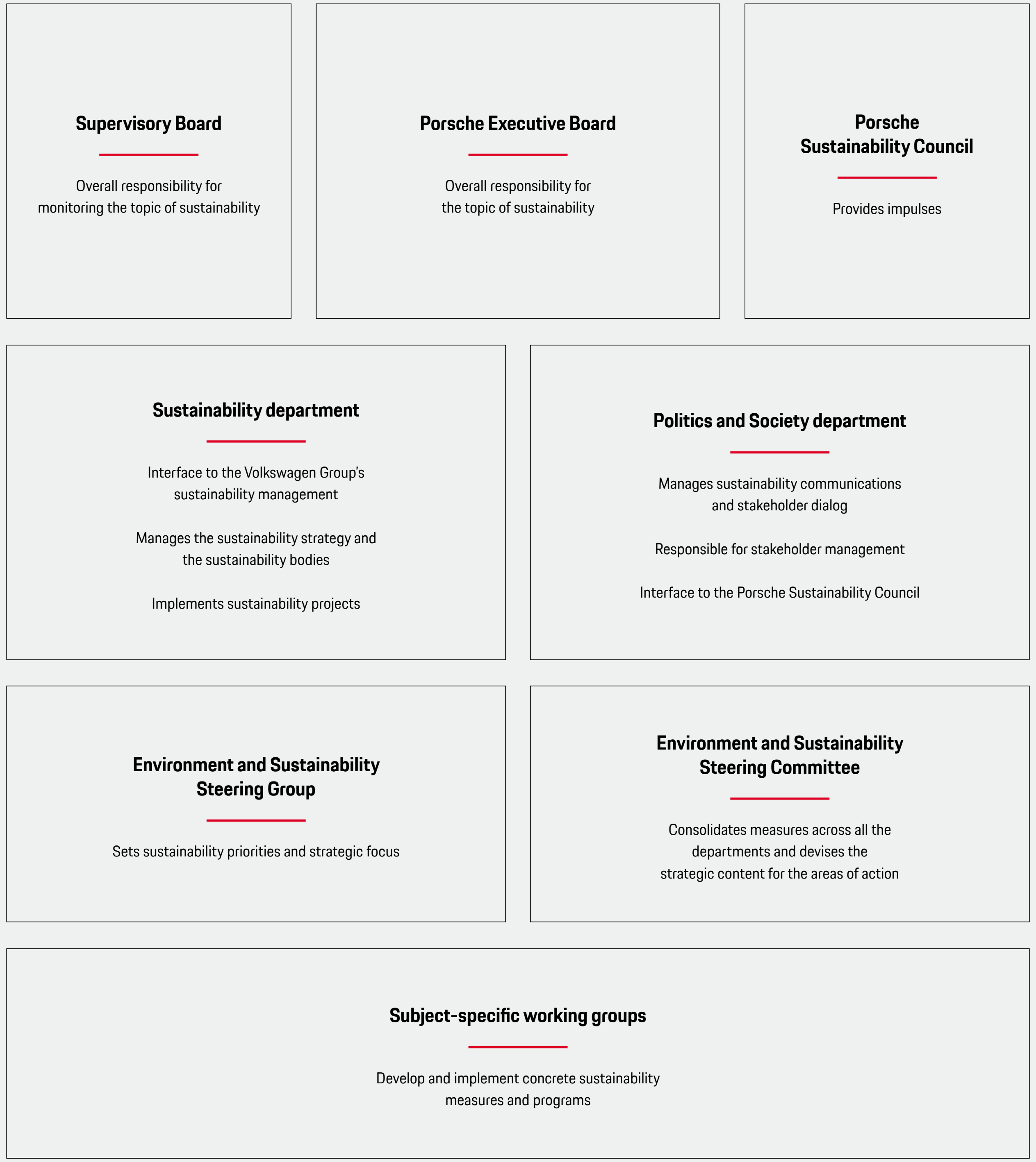
Sustainability organization

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, Raffaela 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:

Target value × **Target achievement** = **Payment amount**

ESG

Environment (E) | Social (S) | Governance (G)

[½ **ROS** + ½ **NCFM**] × [[⅖ **Decarbonization index** + ⅕ **Gender quota** + ⅕ **Customer excitement index** + ⅕ **Employee satisfaction**] × [**Governance factor**]]

50 to 200% | Multiplier 0.7 – 1.3 | Multiplier 0.9 – 1.1

Total short-term variable remuneration (STI) capped at 180% of the target amount

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 CO_2 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

tCO_2e/vehicle	Decarbonization index 2024
Maximum value (1.3)	57.3
Target value (1.0)	58.3
Threshold (0.7)	59.3
Actual[1]	57.3
Target achievement (factor)	**1.29**

Social

%	Gender quota for the first reporting level 2024	Gender quota for the second reporting level 2024	Customer excitement index 2024	Employee satisfaction 2024
Maximum value (1.3)	20.9	19.1	48.0	77.3
Target value (1.0)	19	17.4	46.0	75.3
Threshold (0.7)	17.1	15.7	44.0	73.3
Actual	22.0	18.8	45.5	75.4
Target achievement (factor)	**1.3**	**1.25**	**0.93**	**1.02**

[1] Including voluntary CO_2 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.

MAGAZINE

TO OUR SHAREHOLDERS

CORPORATE GOVERNANCE

COMBINED MANAGEMENT REPORT

NON-FINANCIAL STATEMENT
(part of the Combined Management Report)

General disclosures

› Environment

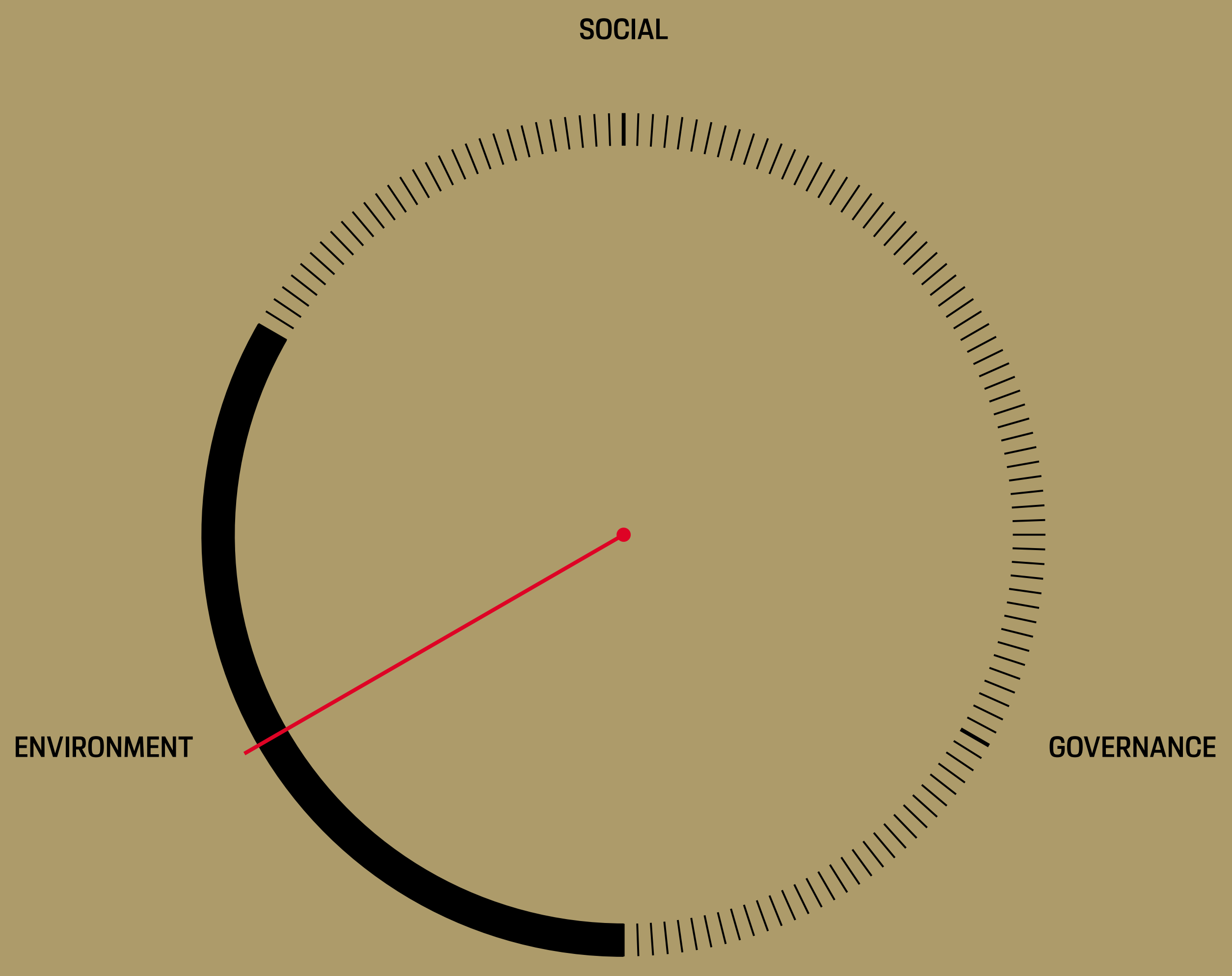
Social

Governance

Annex

CONSOLIDATED FINANCIAL STATEMENTS

FURTHER INFORMATION



27%

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

62.25t

CO_2 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).

ENVIRONMENT

ENVIRONMENT

E1 CLIMATE CHANGE

Topic	Significant impacts	Value chain: Upstream	Value chain: Own business activity	Value chain: Downstream	Most relevant time horizon: Short-term	Most relevant time horizon: Medium-term	Most relevant time horizon: Long-term
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. CO_2 fleet emissions deviating from the legal target as a result of technical and infrastructure limitations. Legal requirements define specific maximum limits for CO_2 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 CO_2 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 CO_2 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 CO_2 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 CO_2. 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 CO_2 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 CO_2 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.

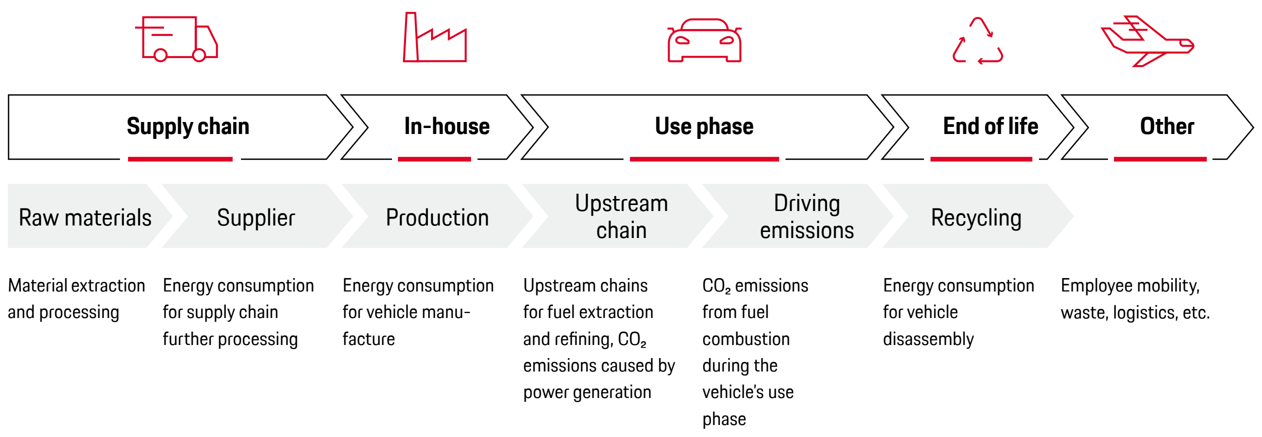
A detailed, quantified presentation of the decarbonization targets set can be found in → Targets and → Metrics.

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 CO_2 emissions, these are, above all, Porsche AG and Porsche Leipzig GmbH. Outside the Porsche AG Group, the CO_2 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 CO_2 (including CO_2, CH_4, N_2O, HFCs, PFCs and SF_6) (tCO_2e/vehicle). The DCI's reporting relates to the current status of the methods and is stated in CO_2e. For the sake of legibility, CO_2 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 CO_2 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 CO_2 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 CO_2 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 CO_2 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 tCO_2 per vehicle to now 65.75 tCO_2 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 tCO_2e 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 CO_2 emissions for the first time in the reporting year and has reported the aggregated absolute CO_2 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 CO_2 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 CO_2 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:

Decarbonization levers

Vehicle product strategy
- 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).

Vehicle production and own sites
- 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.

Supply chain
- Demand for direct suppliers to use renewable energy in manufacturing processes for vehicle components.
- Increasing use of more environmentally sustainable materials in vehicles.

Use phase
- 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 CO_2 emissions from the electricity used to charge electric vehicles (e.g. with the average European electricity mix), an electric vehicle produces less CO_2 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 CO_2 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 CO_2 emissions along the supply chain on account of the energy and processes used.

The Porsche AG Group assumes that the share of CO_2 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 CO_2 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 CO_2 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 CO_2 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 CO_2 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 CO_2 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 CO_2 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.

911 Carrera GTS (WLTP): Fuel consumption combined: 11.0 – 10.5 l/100 km; CO_2 emissions combined: 251 – 239 g/km; CO_2 class: G

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 CO_2 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 CO_2 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 CO_2 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 CO_2 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 CO_2 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 CO_2 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 CO_2, 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).

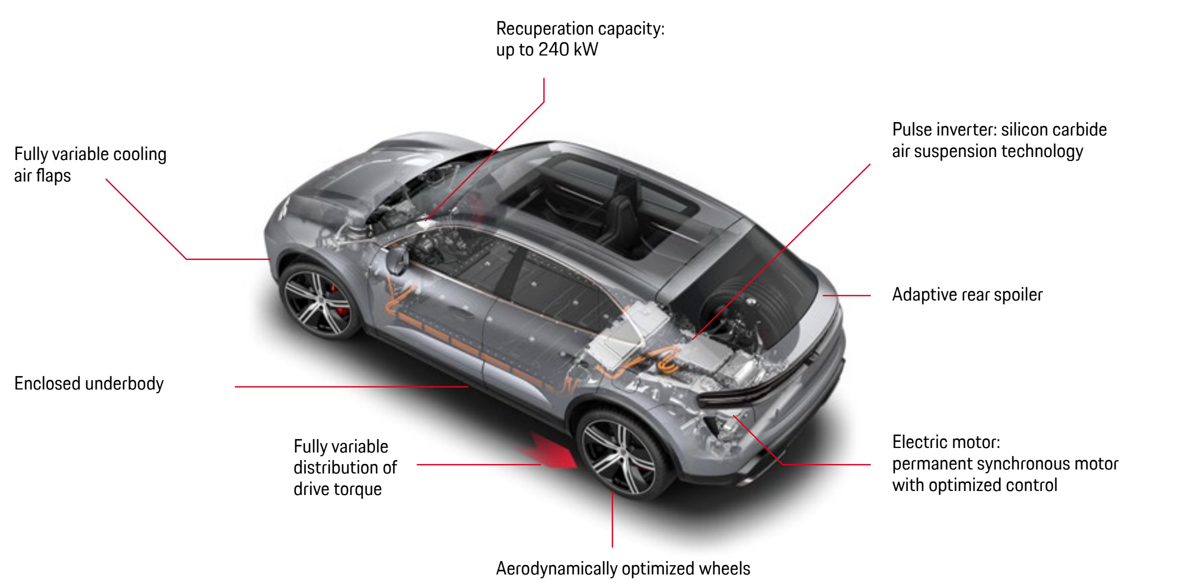
With regard to climate change mitigation and energy, the Code of Conduct for Business Partners requires direct business partners of the Porsche AG Group to take appropriate actions to reduce air emissions, including greenhouse gas emissions. In addition, they must also work toward reducing greenhouse 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 CO_2 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 tCO_2 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 tCO_2.

CO_2 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 CO_2 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.**

911 Carrera GTS (WLTP): Fuel consumption combined: 11.0 – 10.5 l/100 km; CO_2 emissions combined: 251 – 239 g/km; CO_2 class: G

Actions to decarbonize vehicle production
In the reporting year, CO_2 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 CO_2/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 CO_2 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 tCO_2 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 CO_2 footprint with zero tons of CO_2/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 tCO_2 emissions to offset the aforementioned special effect.

The Porsche AG Group has set itself the target of reducing CO_2 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 tCO_2e 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 tCO_2, 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 tCO_2e (location-based) and 91,180 tCO_2 (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 CO_2 reduction target to bring it in line with the reporting requirements of the CSRD. The previous specific target to reduce CO_2 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 tCO_2 (after base year recalculation) was emitted in Scope 3 (use phase). In the reporting year, emissions amounted to 13,279,811 tCO_2.

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 tCO_2e 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 tCO_2e. 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 tCO_2e 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 tCO_2e 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 tCO_2e/€ million in the fiscal year 2024, taking into account market-based Scope 2 emissions.

GHG intensity in the Porsche AG Group

tCO_2e/€ million	2024
GHG intensity (location-based)	503.9
GHG intensity (market-based)	500.8

Gross Scopes 1, 2, 3 and Total GHG emissions

tCO_2e	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 CO_2 from the combustion or biodegradation of biomass must be disclosed separately. Direct biogenic CO_2 emissions (Scope 1) are emissions resulting from the use of biogenic fuels at the sites. Indirect location-based biogenic CO_2 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 CO_2 emissions from the combustion or biodegradation of biomass

tCO_2e	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 (tCO_2/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 CO_2 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 CO_2 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 CO_2 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 CO_2 equivalents using emissions factors for the various energy sources from a representative generic database.
- Scope 3.4:
  This figure corresponds to the CO_2 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 CO_2 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 CO_2 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 [gCO_2/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 CO_2 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 CO_2 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 tCO_2e. 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_2e	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 CO_2 target control system that continuously calculates the CO_2 emissions of vehicle projects and evaluates and decides on measures to reduce them in the development process on the basis of marginal costs[€/tCO_2]. The financial resources required to achieve the decarbonization targets are included in the corporate planning.

E2 POLLUTION

Topic	Significant impacts	Value chain: Upstream	Value chain: Own business activity	Value chain: Downstream	Most relevant time horizon: Short-term	Most relevant time horizon: Medium-term	Most relevant time horizon: Long-term
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 CO_2, 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 (CO_2), nitrogen oxides (NO_x), carbon monoxide (CO) and sulfur dioxide (SO_2), 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/m^2 below this limit. At "Paint Shop II" in Stuttgart-Zuffenhausen, the concentration is around 27 g/m^2 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/m^2 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 CO_2 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 CO_2 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 (SO_2).

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, SO_2, 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

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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

		Value chain			Most relevant time horizon		
Topic	Significant impacts	Upstream	Own business activity	Downstream	Short-term	Medium-term	Long-term
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

m³	2024
Water consumption	**162,722**
in areas with high water stress	25,362
Reclaimed and reused water	–
Water intensity (m³/€ 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: Upstream	Value chain: Own business activity	Value chain: Downstream	Most relevant time horizon: Short-term	Most relevant time horizon: Medium-term	Most relevant time horizon: Long-term
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
2	Production	Porsche plant Leipzig	Germany	Manufacture of motor vehicles	3	Brösen, Glesien and Tannenwald	2	1
						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
4	Production	Pilot center Sachsenheim	Germany	Manufacture of motor vehicles	3	Strohgäu and unteres Enztal	9	14
						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 Group 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

		Value chain			Most relevant time horizon		
Topic	Significant impacts	Upstream	Own business activity	Downstream	Short-term	Medium-term	Long-term
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 CO_2 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

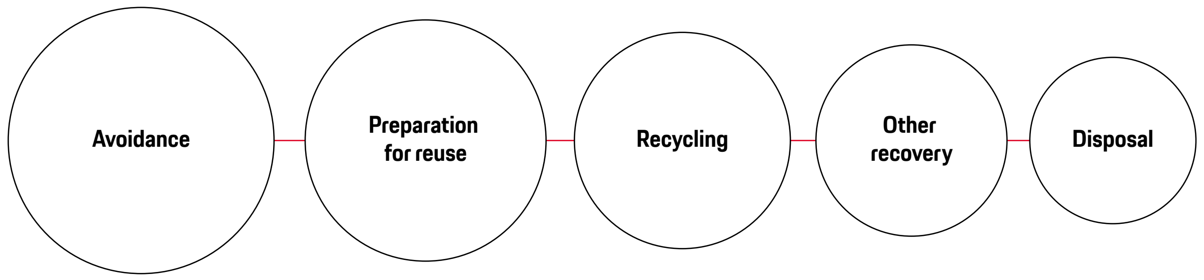
The Porsche AG Group is committed to responsible procurement and therefore also requires its business partners in the value chain to comply with the relevant environmental and energy laws and to use resources efficiently. Further information can be found in → Policies with a focus on the value chain 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 CO_2, 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.

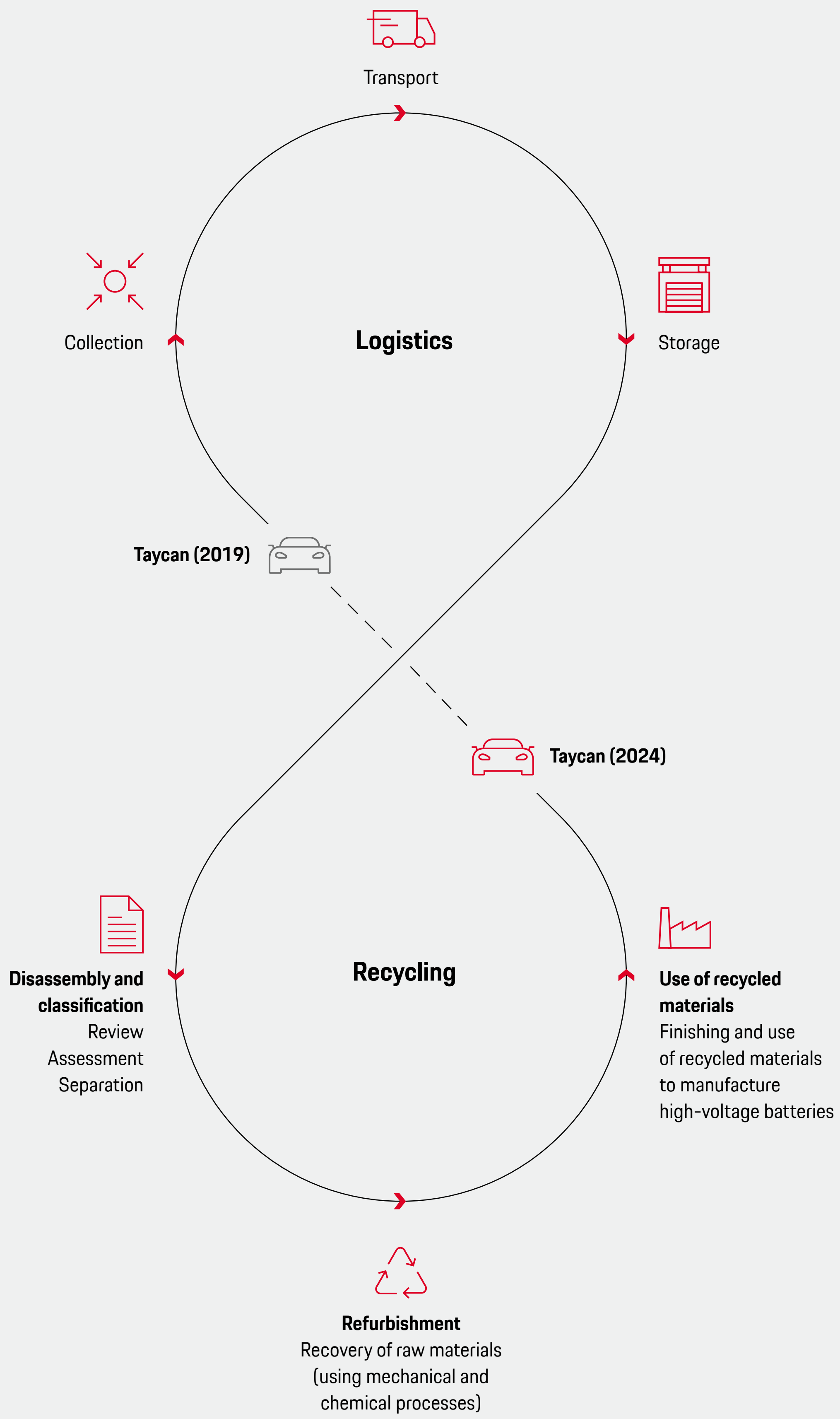
In order to reduce the carbon footprint of the expansion of the body shop at the Stuttgart-Zuffenhausen site completed in 2024, and to incorporate aspects of the circular economy in accordance with the Cradle to Cradle (C2C) principle into the planning, the planning and construction process was supported 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 tCO_2e 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 recyclate 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.

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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 CO_2 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 CO_2 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 CO_2 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 CO_2 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

	Sales revenue		Substantial contribution to climate change mitigation		Compliance with DNSH criteria	Compliance with minimum safeguards	Taxonomy-aligned sales revenue	
Economic activities	**€ 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

	Capital expenditure		Substantial contribution to climate change mitigation		Compliance with DNSH criteria	Compliance with minimum safeguards	Taxonomy-aligned capital expenditure	
Economic activities	€ 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

	Operating expenditure		Substantial contribution to climate change mitigation		Compliance with DNSH criteria	Compliance with minimum safeguards	Taxonomy-aligned operating expenditure	
Economic activities	€ 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

Economic activities	Code	Sales revenue	Proportion of sales revenue, 2024	Substantial contribution criteria: Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity
		€ (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	4,816	12.0	Y	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
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)				**EL; N/EL[3]**	**EL; N/EL[3]**	**EL; N/EL[3]**	**EL; N/EL[3]**	**EL; N/EL[3]**	**EL; N/EL[3]**
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
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**						

Economic activities	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
A. Taxonomy-eligible activities										
A.1. Environmentally sustainable activities (taxonomy-aligned)										
Manufacture of low-carbon technologies for transport		Y	Y	Y	Y	Y	Y	12.7	E	
Manufacture of automotive and mobility components		Y	Y	Y	Y	Y	Y	0.2	E	
Sales revenue of environmentally sustainable activities (taxonomy-aligned) (A.1)		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**12.9**		
Of which enabling		Y	Y	Y	Y	Y	Y	12.9	E	
Of which transitional		–	–	–	–	–	–	-		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)										
Manufacture of low-carbon technologies for transport								83.7		
Sales revenue of taxonomy-eligible, but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)								**83.7**		
Sales revenue of taxonomy-eligible activities (A.1 + A.2)								**96.7**		
B. Taxonomy-non-eligible activities										
Sales revenue of taxonomy-non-eligible activities (B)										
Total (A + B)										

[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.

Capital expenditure 2024

Economic activities	Code	CapEx	Proportion of CapEx, 2024	Substantial contribution criteria: Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity
		€ (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)				**EL; N/EL[3]**	**EL; N/EL[3]**	**EL; N/EL[3]**	**EL; N/EL[3]**	**EL; N/EL[3]**	**EL; N/EL[3]**
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**						

Economic activities	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
A. Taxonomy-eligible activities										
A.1. Environmentally sustainable activities (taxonomy-aligned)										
Manufacture of low-carbon technologies for transport		Y	Y	Y	Y	Y	Y	38.4	E	
Manufacture of automotive and mobility components		Y	Y	Y	Y	Y	Y	-	E	
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**38.4**		
Of which enabling		Y	Y	Y	Y	Y	Y	38.4	E	
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								61.6		
CapEx of taxonomy-eligible, but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)								**61.6**		
CapEx of taxonomy-eligible activities (A.1 + A.2)								**100**		
B. Taxonomy-non-eligible activities										
CapEx of taxonomy-non-eligible activities (B)										
Total (A + B)										

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.

Operating expenditure 2024

Economic activities	Code	OpEx € (million)	Proportion of OpEx, 2024 %[1]	Substantial contribution criteria: Climate change mitigation Y; N; N/EL[2]	Climate change adaptation Y; N; N/EL[2]	Water Y; N; N/EL[2]	Pollution Y; N; N/EL[2]	Circular economy Y; N; N/EL[2]	Bio-diversity 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)				EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]
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**						

Economic activities	DNSH criteria ("Do No Significant Harm"): Climate change mitigation Y/N	Climate change adaptation Y/N	Water Y/N	Pollution Y/N	Circular economy Y/N	Biodiversity Y/N	Minimum safeguards Y/N	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) OpEx, 2023 %[1]	Category enabling activity E	Category transitional activity T
A. Taxonomy-eligible activities										
A.1. Environmentally sustainable activities (taxonomy-aligned)										
Manufacture of low-carbon technologies for transport		Y	Y	Y	Y	Y	Y	49.9	E	
Manufacture of automotive and mobility components		Y	Y	Y	Y	Y	Y	-	E	
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**49.9**		
Of which enabling		Y	Y	Y	Y	Y	Y	49.9	E	
Of which transitional		-	-	-	-	-	-	-		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)										
Manufacture of low-carbon technologies for transport								50.1		
OpEx of taxonomy-eligible, but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)								**50.1**		
OpEx of taxonomy-eligible activities (A.1 + A.2)								**100**		
B. Taxonomy-non-eligible activities										
OpEx of taxonomy-non-eligible activities (B)										
Total (A + B)										

[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.

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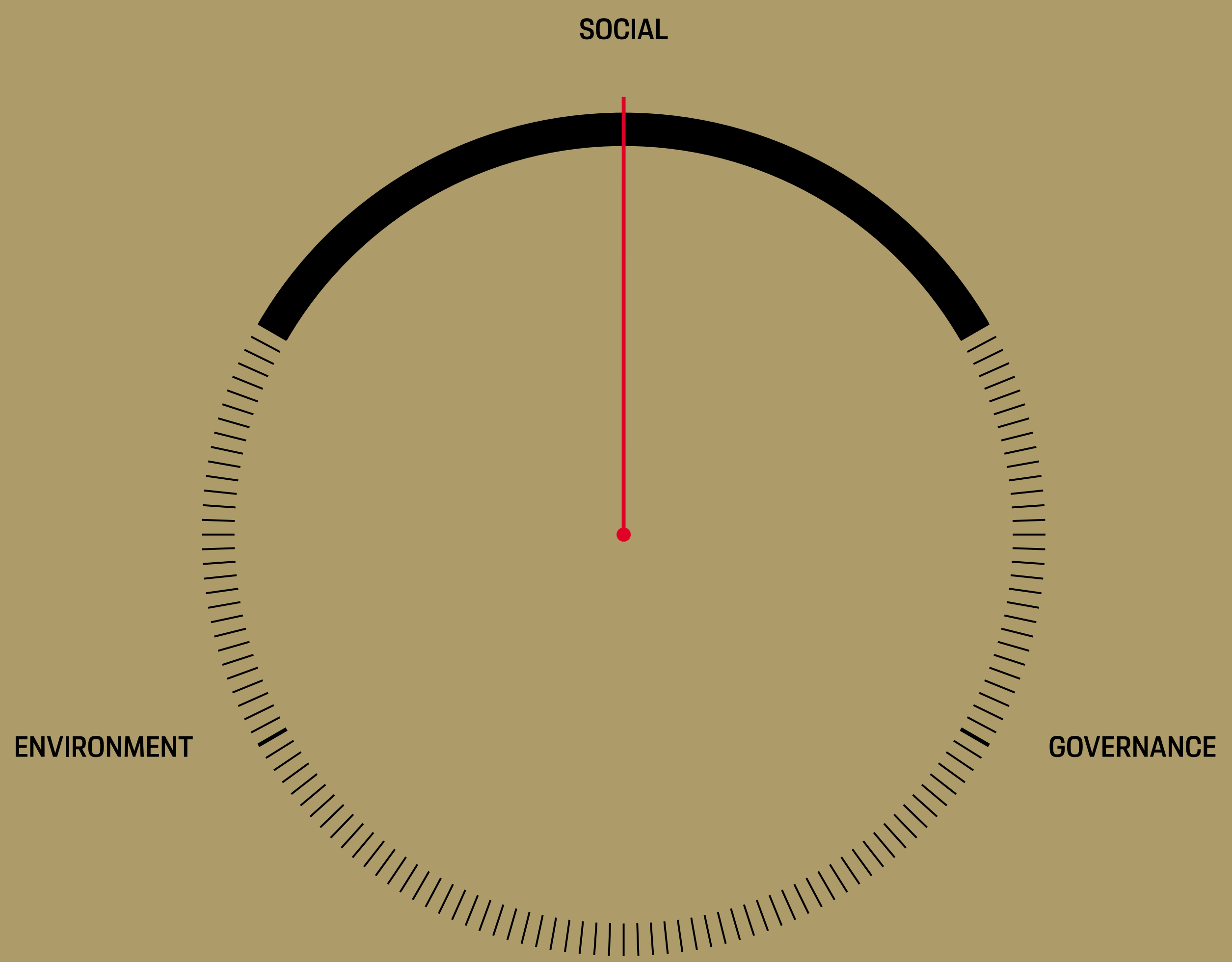
CONSOLIDATED FINANCIAL STATEMENTS

FURTHER INFORMATION



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

MAGAZINE

TO OUR SHAREHOLDERS

CORPORATE GOVERNANCE

COMBINED MANAGEMENT REPORT

NON-FINANCIAL STATEMENT
(part of the Combined Management Report)

General disclosures

Environment

› Social

Governance

Annex

CONSOLIDATED FINANCIAL STATEMENTS

FURTHER INFORMATION

S1 OWN WORKFORCE

		Value chain			Most relevant time horizon		
Topic	**Significant impacts**	→|	🚘	|→	◔	◑	●
Working conditions	Promoting secure employment and fair and healthy working conditions	□	■	□	■	□	□
Equal treatment and equal opportunities	Promoting a diverse and inclusive working environment that provides equal treatment and equal opportunities	□	■	□	□	■	□

→| 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:

Vision of occupational safety

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

	Collective bargaining coverage	Social dialog
Coverage rate (%)	**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

		Value chain			Most relevant time horizon		
Topic	**Significant impacts**	Upstream	Own business activity	Downstream	Short-term	Medium-term	Long-term
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 Rig hts 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-learnings, 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

		Value chain			Most relevant time horizon		
Topic	Significant impacts	→| Upstream	Own business activity	|→ Downstream	◔ Short-term	◑ Medium-term	● Long-term
–	Strengthening affected communities/ environmental projects through corporate citizenship initiatives	□	■	□	■	□	□

→| 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: Upstream	Value chain: Own business activity	Value chain: Downstream	Most relevant time horizon: Short-term	Most relevant time horizon: Medium-term	Most relevant time horizon: Long-term
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.

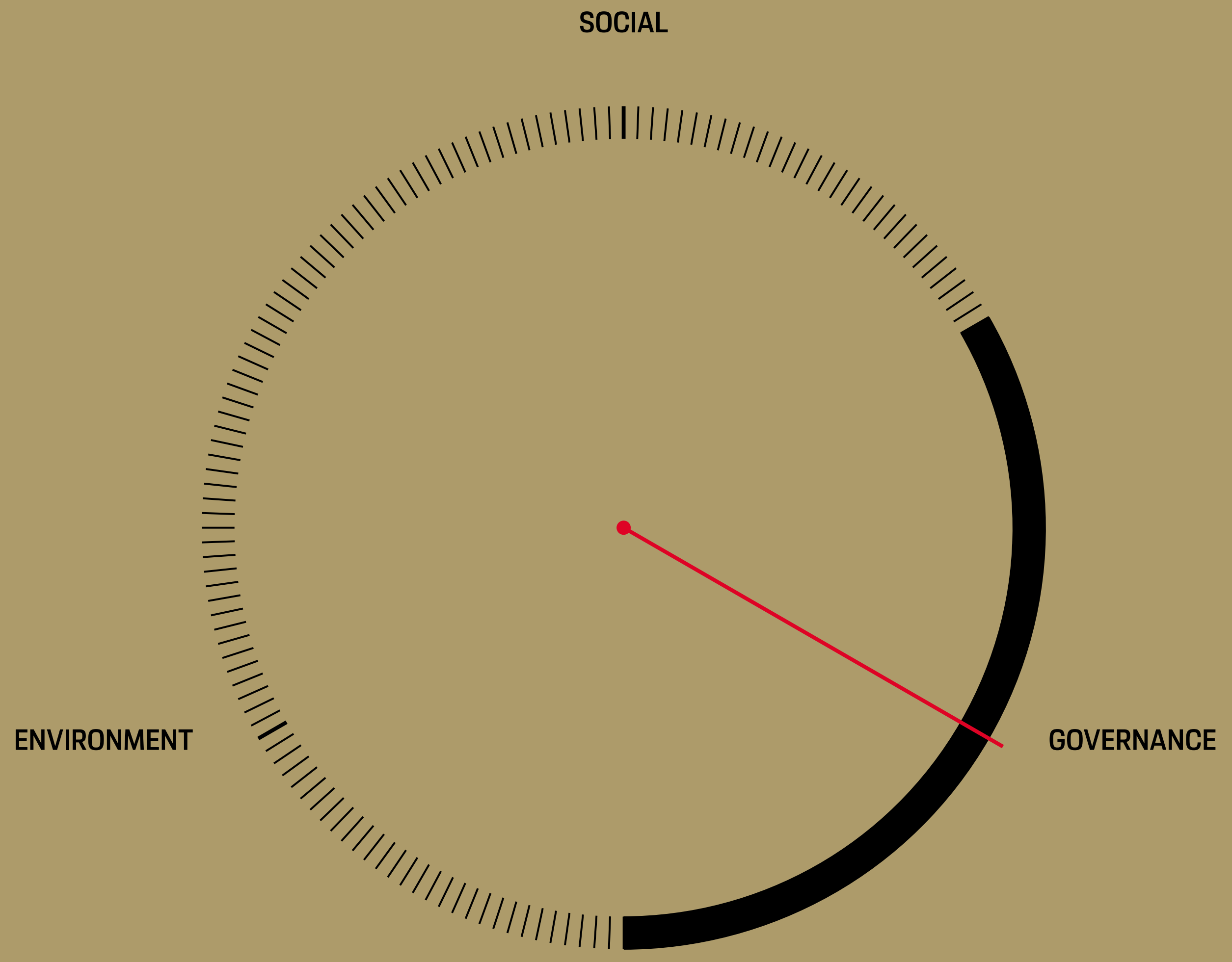
TARGETS
In the materiality assessment carried out in the reporting year, the Porsche AG Group identified the positive impact "Guaranteeing the health and safety of customers" as material. At present, the Porsche AG Group does not yet have a measurable, outcome-oriented and time-bound target that could 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.

GOVERNANCE

GOVERNANCE

G1 BUSINESS CONDUCT

		Value chain			Most relevant time horizon		
Topic	**Significant impacts**	→|	🚗	|→	◔	◑	●
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.

MAGAZINE
TO OUR SHAREHOLDERS
CORPORATE GOVERNANCE
COMBINED MANAGEMENT REPORT
NON-FINANCIAL STATEMENT
(part of the Combined Management Report)
General disclosures
Environment
Social
Governance
Annex
CONSOLIDATED FINANCIAL STATEMENTS
FURTHER INFORMATION

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.

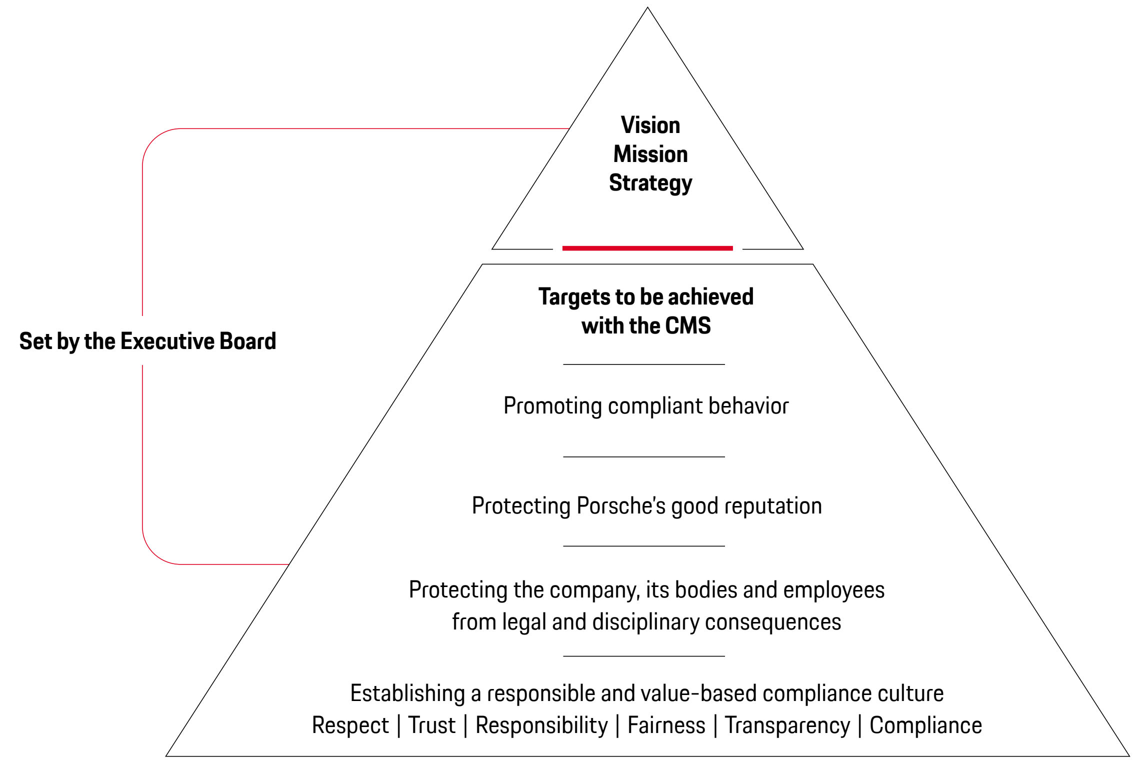
The policy regulates the admissibility criteria for the granting and acceptance of benefits such as gifts and invitations within the scope of business and specifies the permissible scope here for decision-making and action for employees and managers.

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.

General compliance targets



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 (PVGM) 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/) 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). The Volkswagen Group (REG number: 6504541970-40, ↗ 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).

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 CO_2 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.

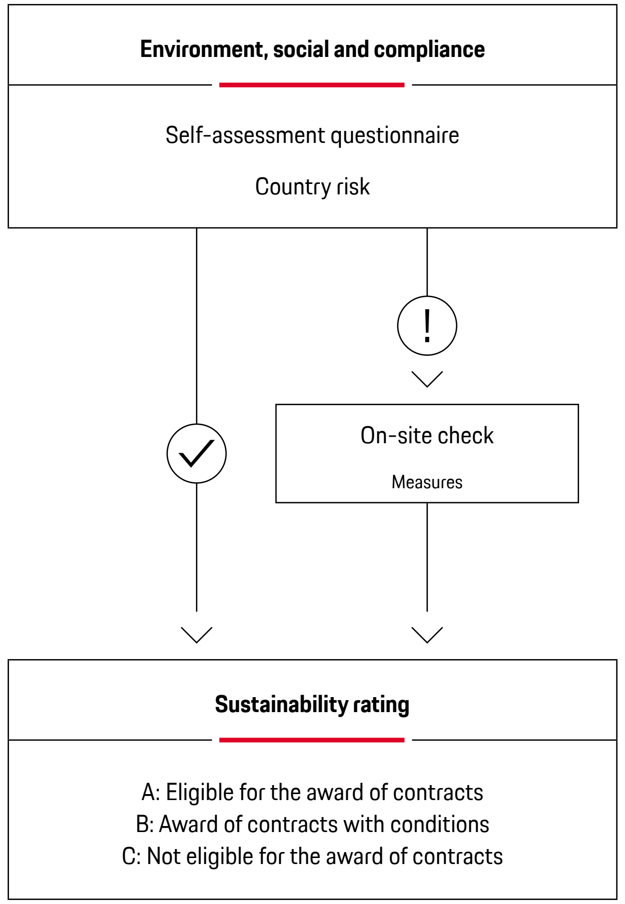
Before a new contract is awarded, the S-rating review is carried out on a risk and ad hoc basis in a multi-stage process. As a first step, risk exposure is determined from a combination of a country risk, based on the site of production or last value added, and a self-assessment by the direct suppliers 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

ANNEX

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		
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

List of material disclosure requirements		Reference
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 businessmodel	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		
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		
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		
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

List of material disclosure requirements		Reference
S1—Own workforce		
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		
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		
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 mode	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

List of material disclosure requirements		Reference
G1—Business conduct		
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 GOV-3, p. 191 – 193 ESRS 2 SBM-3, p. 181 – 183 ESRS 2 SBM-3-G1, p. 318 – 320	ESRS 2 SBM-3-S1, p. 270 – 271 ESRS 2 SBM-3-S2, p. 297 – 299 ESRS 2 SBM-3-S4, p. 312	ESRS 2 SBM-3-E1, p. 196 – 199 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
b) Engaging with affected stakeholders		
ESRS 2 GOV-2, p. 191 ESRS 2 SBM-2, p. 184 – 187 ESRS 2 IRO-1, p. 176 – 183	ESRS S1-2, p. 271 – 273 ESRS S1-3, p. 273 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, p. 176 – 183	ESRS 2 SBM-3-S2, p. 297 – 299 ESRS 2 SBM-3-S4, p. 312	ESRS 2 SBM-3-E1, p. 196 – 199 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 S4-4, p. 315	ESRS E1-3, p. 211 – 212 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 S4-5, p. 315	ESRS E1-4, p. 212 – 213 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		Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material/ Not material	Paragraph or page reference
ESRS 2 GOV-1	Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1			Commission Delegated Regulation (EU) 2020/1816, Annex II		■	p. 187
ESRS 2 GOV-1	Percentage of board members who are independent paragraph 21 (e)				Delegated Regulation (EU) 2020/1816, Annex II		■	p. 187
ESRS 2 GOV-4	Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex I					■	p. 339
ESRS 2 SBM-1	Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex I		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		□	
ESRS 2 SBM-1	Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex I			Delegated Regulation (EU) 2020/1816, Annex II		□	
ESRS 2 SBM-1	Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		□	
ESRS 2 SBM-1	Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv				Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		□	
ESRS E1-1	Transition plan to reach climate neutrality by 2050 paragraph 14					Regulation (EU) 2021/1119, Article 2(1)	■	p. 201 – 207
ESRS E1-1	Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)			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, Article12.1 (d) to (g), and Article 12.2		□	
ESRS E1-4	GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1		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
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					■	p. 214
ESRS E1-5	Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1					■	p. 214
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					■	p. 214
ESRS E1-6	Gross scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1		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
ESRS E1-6	Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1		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

Disclosure requirement and related datapoint		SFDR reference		Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material/ Not material	Paragraph or page reference
ESRS E1-7	GHG removals and carbon credits paragraph 56					Regulation (EU) 2021/1119, Article 2(1)	□	
ESRS E1-9	Exposure of the benchmark portfolio to climate-related physical risks paragraph 66				Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		□	
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).			Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book—Climate change physical risk: Exposures subject to physical risk.			□	
ESRS E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).			Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book—Climate change transition risk: Loans collateralised by immovable property—Energy efficiency of the collateral			□	
ESRS E1-9	Degree of exposure of the portfolio to climate-related opportunities paragraph 69				Delegated Regulation (EU) 2020/1818, Annex II		□	
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					■	p. 226
ESRS E3-1	Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1					■	p. 230 – 231
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					■	p. 233
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					■	p. 233
ESRS 2-IRO 1-E4	Paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1					■	p. 235 – 237
ESRS 2-IRO 1-E4	Paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1					■	p. 235 – 237
ESRS 2-IRO 1-E4	Paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1					■	p. 235 – 237
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					■	p. 254
ESRS E5-5	Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1					■	p. 254
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					■	p. 276 – 278, 287 – 289
ESRS S1-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21				Delegated Regulation (EU) 2020/1816, Annex II		■	p. 276 – 278, 287 – 289
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					■	p. 276 – 277
ESRS S1-3	Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I					■	p. 273

Disclosure requirement and related datapoint		SFDR reference		Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material/ Not material	Paragraph or page reference
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			Delegated Regulation (EU) 2020/1816, Annex II		■	p. 285
ESRS S1-14	Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I					■	p. 285 – 286
SRS S1-16	Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I			Delegated Regulation (EU) 2020/1816, Annex II		■	p. 294
ESRS S1-16	Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I					■	p. 294
ESRS S1-17	Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I					■	p. 296
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			Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		■	p. 296
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					■	p. 302 – 304
ESRS S2-1	Policies related to value chain workers paragraph 18	Indicator number 11 and number 4 Table #3 of Annex 1					■	p. 302 – 304
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			Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		□	
ESRS S2-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19				Delegated Regulation (EU) 2020/1816, Annex II		■	p. 302 – 304
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					■	p. 304 – 305
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)			2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		□	
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					■	p. 314 – 315
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			Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		■	p. 314 – 315
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					■	p. 320 – 328
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			Delegated Regulation (EU) 2020/1816, Annex II)		■	p. 328
ESRS G1-4	Standards of anti-corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1					■	p. 328

911 GT3 with Touring package (WLTP): Fuel consumption combined: 13.8 – 13.7 l/100 km; CO_2 emissions combined: 312 – 310 g/km; CO_2 class: G

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

OF DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2024

€ million	Note	2024	2023
Sales revenue	1	**40,083**	**40,530**
Cost of sales	2	–29,756	–28,924
Gross profit		**10,327**	**11,606**
Distribution expenses	3	–3,099	–2,869
Administrative expenses	4	–1,859	–1,787
Other operating income	5	1,375	1,496
Other operating expenses	6	–1,107	–1,162
Operating profit		**5,637**	**7,284**
Share of profit or loss of equity-accounted investments	7	–155	–9
Interest income	8	278	264
Interest expenses	8	–223	–184
Other financial result	9	–309	19
Financial result		**–409**	**91**
Profit before tax		**5,227**	**7,375**
Income tax income/expense	10	–1,632	–2,218
Current		–1,470	–1,987
Deferred		–163	–231
Profit after tax		**3,595**	**5,157**
thereof profit attributable to shareholders	25	3,592	5,157
thereof profit attributable to non-controlling interests	11	3	0
Basic/diluted earnings per ordinary share in €	12	**3.94**	**5.66**
Basic/diluted earnings per preferred share in €	12	**3.95**	**5.67**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

OF DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2024

€ million	2024	2023
Profit after tax	**3,595**	**5,157**
Pension plan remeasurements recognized in other comprehensive income		
Pension plan remeasurements recognized in other comprehensive income, before tax	278	–396
Deferred taxes relating to pension plan remeasurements recognized in other comprehensive income	–84	119
Pension plan remeasurements recognized in other comprehensive income, net of tax	194	–277
Fair value valuation of equity instruments that will not be reclassified to profit or loss		
Fair value valuation of equity instruments that will not be reclassified to profit or loss, before tax	11	–3
Deferred taxes relating to fair value valuation of equity instruments that will not be reclassified to profit or loss	–2	1
Fair value valuation of equity instruments that will not be reclassified to profit or loss, net of tax	10	–2
Share of other comprehensive income of equity-accounted investments that will not be reclassified to profit or loss, net of tax	0	0
Items that will not be reclassified to profit or loss	**204**	**–279**
Foreign exchange differences		
Unrealized currency translation gains/losses	201	–217
Transferred to profit or loss	56	–
Exchange differences on translating foreign operations, before tax	257	–217
Deferred taxes relating to exchange differences on translating foreign operations	–	–
Exchange differences on translating foreign operations, net of tax	257	–217
Hedging		
Fair value changes recognized in other comprehensive income (OCI I)	–685	1,299
Transferred to profit or loss or inventories (OCI I)	–475	–291
Cash flow hedges (OCI I), before tax	–1,160	1,008
Deferred taxes relating to cash flow hedges (OCI I)	350	–308
Cash flow hedges (OCI I), net of tax	–811	700
Fair value changes recognized in other comprehensive income (OCI II)	–206	–181
Transferred to profit or loss or inventories (OCI II)	536	564
Cash flow hedges (OCI II), before tax	330	383
Deferred taxes relating to cash flow hedges (OCI II)	–100	–116
Cash flow hedges (OCI II), before tax	230	267
Fair value valuation of debt instruments that may be reclassified to profit or loss		
Share of other comprehensive income of equity-accounted investments that may be reclassified subsequently to profit or loss, net of tax	4	0
Items that may be reclassified subsequently to profit or loss	**–320**	**750**
Other comprehensive income, before tax	–280	775
Deferred taxes relating to other comprehensive income	164	–305
Other comprehensive income, net of tax	**–116**	**471**
Total comprehensive income	**3,479**	**5,627**
thereof profit attributable to shareholders	3,476	5,628
thereof profit attributable to non-controlling interests	3	0

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

OF DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT AS OF DECEMBER 31, 2024

€ million	Note	Dec. 31, 2024	Dec. 31, 2023
Assets			
Non-current assets		**33,239**	**30,407**
Intangible assets	13	8,941	8,554
Property, plant and equipment	14, 35	10,048	9,394
Leased assets	15, 35	5,393	4,190
Equity-accounted investments	16	627	651
Other equity investments	16	892	814
Financial services receivables	19	5,078	4,676
Other financial assets	20	1,496	1,422
Other receivables	21	66	78
Deferred tax assets	22	698	627
Current assets		**20,288**	**20,040**
Inventories	17	6,130	5,947
Trade receivables	18	1,340	1,449
Financial services receivables	19	1,808	1,669
Other financial assets	20	1,236	2,010
Other receivables	21	1,136	1,079
Tax receivables	22	289	235
Securities and time deposits	23	1,965	1,826
Cash and cash equivalents	24	6,384	5,820
Assets held for sale		–	6
Total assets		**53,527**	**50,447**

€ million	Note	Dec. 31, 2024	Dec. 31, 2023
Equity and liabilities			
Equity	25	**23,056**	**21,668**
Subscribed capital		911	911
Capital reserves		3,822	3,822
Retained earnings		17,993	16,305
Other reserves		317	629
Equity attributable to Porsche AG shareholders		23,043	21,667
Non-controlling interests		13	1
Non-current liabilities		**16,128**	**15,211**
Provisions for pensions and similar obligations	26	4,074	4,315
Other provisions	27	1,385	1,249
Deferred tax liabilities	32	2,114	2,010
Financial liabilities	28	7,160	6,537
Other financial liabilities	30	477	364
Other liabilities	31	919	737
Current liabilities		**14,343**	**13,567**
Provisions for taxes	32	195	128
Other provisions	27	3,438	3,007
Financial liabilities	28	4,253	3,880
Trade payables	29	3,378	3,490
Other financial liabilities	30	1,153	1,231
Other liabilities	31	1,894	1,795
Tax payables	32	33	31
Liabilities associated with assets held for sale		–	5
Total equity and liabilities		**53,527**	**50,447**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

OF DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2024

				OTHER RESERVES							
					HEDGING						
€ million	Subscribed capital	Capital reserves	Retained earnings	Currency translation	Cash flow hedges (OCI I)	Deferred costs of hedging (OCI II)	Equity and debt instruments	Equity-accounted investments	Equity before non-controlling interests	Non-controlling interests	Total equity
Balance at Jan. 1, 2023	**911**	**3,822**	**12,387**	**454**	**238**	**–804**	**11**	**0**	**17,019**	**8**	**17,027**
Changes in accounting policy to reflect IFRS 17	–	–	8	–	–	–	–	–	8	–	8
Balance after adjustment at Jan. 1, 2023	**911**	**3,822**	**12,395**	**454**	**238**	**–804**	**11**	**0**	**17,027**	**8**	**17,035**
Profit after tax	–	–	5,157	–	–	–	–	–	5,157	0	5,157
Other comprehensive income, net of tax	–	–	–277	–217	700	267	–2	0	471	0	471
Total comprehensive income	**–**	**–**	**4,880**	**–217**	**700**	**267**	**–2**	**0**	**5,628**	**0**	**5,627**
Disposal of equity instruments	–	–	17	–	–	–	–17	–	–	–	–
Capital contribution	–	–	–	–	–	–	–	–	–	–	–
Dividends payment	–	–	–916	–	–	–	–	–	–916	–	–916
Capital transactions involving a change in ownership interest	–	–	–72	0	–	–	–	–	–72	–8	–80
Other changes	–	–	–	–	–	–	–	–	–	–	–
Balance at Dec. 31, 2023	**911**	**3,822**	**16,305**	**237**	**938**	**–537**	**–9**	**1**	**21,667**	**1**	**21,668**
Balance at Jan. 1, 2024	**911**	**3,822**	**16,305**	**237**	**938**	**–537**	**–9**	**1**	**21,667**	**1**	**21,668**
Profit after tax	–	–	3,592	–	–	–	–	–	3,592	3	3,595
Other comprehensive income, net of tax	–	–	194	257	–811	230	10	4	–116	0	–116
Total comprehensive income	**–**	**–**	**3,786**	**257**	**–811**	**230**	**10**	**4**	**3,476**	**3**	**3,479**
Disposal of equity instruments	–	–	1	–	–	–	–1	–	–	–	–
Capital contribution	–	–	–	–	–	–	–	–	–	–	–
Dividends payment[1]	–	–	–2,100	–	–	–	–	–	–2,100	–1	–2,101
Capital transactions involving a change in ownership interest[1]	–	–	–	–	–	–	–	–	–	–	–
Other changes	–	–	0	–1	–	–	–	0	–1	10	9
Balance at Dec. 31, 2024	**911**	**3,822**	**17,993**	**493**	**127**	**–307**	**0**	**4**	**23,043**	**13**	**23,056**

[1] For dividend distributions and capital transactions involving a change in ownership interest see → **Equity.**

Equity is explained in note → **25. EQUITY**.

CONSOLIDATED STATEMENT OF CASH FLOWS

OF DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2024

€ million	2024	2023
Cash and cash equivalents at beginning of period	**5,826**	**3,745**
Profit before tax	5,227	7,375
Income taxes paid	–1,454	–2,190
Depreciation, amortization and impairment losses[1]	4,088	3,528
Gain/loss on disposal of non-current assets and equity investments	61	14
Share of profit or loss of equity-accounted investments	185	34
Other non-cash expense/income	169	–122
Change in inventories	–75	–694
Change in receivables (excluding financial services)	177	–190
Change in liabilities (excluding financial liabilities)	–347	618
Change in pension provisions	35	251
Change in other provisions	537	366
Change in leased assets	–1,852	–1,322
Change in financial services receivables	–399	–645
Cash flows from operating activities	**6,353**	**7,023**
Investments in intangible assets (excluding capitalized development costs) and property, plant and equipment	–2,174	–2,016
Additions to capitalized development costs	–1,583	–2,081
Acquisition of subsidiaries	–34	–152
Acquisition of other equity investments	–346	–90
Disposal of subsidiaries	0	1
Disposal of other equity investments	3	6
Cash received from disposal of intangible assets and property, plant and equipment	126	11
Change in investments in securities and time deposits	–70	44
Change in loans	–43	3,075
Cash flows from investing activities	**–4,120**	**–1,203**
Profit transfer and dividends	–2,101	–4,895
Capital transactions with non-controlling interests	–	–8
Proceeds from issuance of bonds	7,997	5,633
Repayments of bonds	–7,266	–4,304
Increase in non-listed debt securities	0	0
Repayment of non-listed debt securities	–304	–229
Changes in other financial liabilities	117	207
Repayments of lease liabilities	–123	–113
Cash flows from financing activities	**–1,679**	**–3,708**
Effect of exchange rate changes on cash and cash equivalents	6	–31
Net change in cash and cash equivalents	**558**	**2,081**
Cash and cash equivalents at end of period	**6,384**	**5,826**
Cash and cash equivalents at end of period	6,384	5,826
Securities and time deposits and loans	3,379	3,308
Gross liquidity	**9,763**	**9,134**

[1] Offset against reversals of impairment losses.

The statement of cash flows is explained in note → 33. STATEMENT OF CASH FLOWS.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

OF DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT AS OF DECEMBER 31, 2024

BASIS OF PRESENTATION

Dr. Ing. h.c. F. Porsche Aktiengesellschaft ("Porsche AG") has its headquarters at Porscheplatz 1 in 70435 Stuttgart, Germany, and is registered at the Stuttgart Local Court under HRB no. 730623. The fiscal year is the calendar year.

Porsche AG and its subsidiaries are included in the consolidated financial statements of Volkswagen Aktiengesellschaft, Wolfsburg ("Volkswagen AG"), which are published in the Unternehmensregister [German Company Register].

Pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council, Porsche AG has prepared its consolidated financial statements for the fiscal year 2024 in accordance with the international accounting standards adopted by the European Union, the IFRS Accounting Standards (IFRSs). All the IFRSs adopted by the EU and required to be applied have been complied with.

Moreover, the provisions pursuant to section 315e (1) of the German Commercial Code (HGB) that Porsche AG is also required to apply, and the German Corporate Governance Code have been complied with when preparing the consolidated financial statements.

The accounting policies were generally the same as those applied in the prior year.

The only changes required resulted from amended standards.

The consolidated financial statements are prepared in euros. Unless stated otherwise, all figures are stated in millions of euros (€ million).

All amounts are rounded in line with common business practice; this can lead to minor differences in total amounts. Figures of €0.00 are presented as "€– million"; figures between €0.00 and €500,000.00 are rounded in line with common business practice and presented as "€0 million".

The income statement has been prepared using the function of expense method, as is common international practice.

Preparation of the consolidated financial statements in accordance with the above standards requires assumptions to be made regarding some items that affect the amounts reported in the consolidated statement of financial position or consolidated income statement as well as the disclosure of contingent assets and liabilities. The consolidated financial statements give a true and fair view of the results of operations, financial position and net assets and the cash flows as of December 31, 2024.

The consolidated financial statements were issued for publication by the Executive Board on February 24, 2025. The period subsequent to the reporting date in which adjusting events can be recognized ends on that date.

SIGNIFICANT EVENTS

V4Smart GmbH & Co. KG and VARTA AG

In order to secure future supplies, Porsche AG and VARTA AG signed an investment agreement on October 9, 2024 relating to V4Smart GmbH & Co. KG (formerly: V4Drive Battery GmbH), a wholly owned subsidiary of VARTA AG. The agreement provides for an investment by Porsche AG in the development and production of large-format lithium-ion round cells and will give Porsche AG a majority shareholding in V4Smart GmbH & Co. KG upon completion of the transaction. Completion of the majority takeover is contingent on various factors, including antitrust approvals in various countries and the successful restructuring of VARTA AG in accordance with the German Act on the Stabilization and Restructuring Framework for Businesses (StaRUG). Against this background, Porsche AG is also participating with other investors in the planned financial restructuring of VARTA AG as part of the StaRUG proceedings. An investor agreement to this effect was concluded on October 3, 2024.

These two investments are expected to be completed at the beginning of March 2025. There was no impact on the Porsche AG Group's results of operations, financial position and net assets in the past fiscal year.

IMPACT OF CLIMATE CHANGE

Against the background of climate change and the associated tightening of emissions regulations, the transformation of the automotive industry is moving toward electromobility and further digitalization.

When preparing the consolidated financial statements, the Executive Board took into account the potential impact of climate change and future regulatory requirements, in particular the associated transformation toward electromobility. Potential effects, in particular on non-current assets, provisions for emission charges and future cash flows were included, where possible, in the significant accounting judgments and estimates being incorporated into the consolidated financial statements. The impact of the transformation of the business toward electromobility is taken into account in the multi-year operational planning and thus in the calculation of future cash flows when determining the recoverable amount in an impairment test of goodwill and of intangible assets with an indefinite useful life. This applies in particular for the planning of future vehicle models and investments in development costs as well as production facilities. Furthermore, the Porsche AG Group regularly assesses whether these developments give rise to the need for ad hoc impairment tests or for adjustments to the useful lives of other non-current non-financial assets. With reference to increasingly stringent emissions regulations, it is ensured that the various international regulations are taken into account and any obligations are recognized appropriately. This did not result in any material effects on the consolidated financial statements. The increase in development costs in the areas of electromobility and digitalization have, however, led to a corresponding increase in internally generated intangible assets.

For a detailed presentation of how sustainability has been taken into account in the group strategy, please refer to the section → Strategic direction of the Porsche AG Group as well as the section → Strategy, business model and value chain in the combined management report with non-financial statement.

BASIS OF CONSOLIDATION

In addition to Porsche AG, the consolidated financial statements include all significant German and foreign subsidiaries, including structured entities, that are controlled directly or indirectly by Porsche AG. The main purpose of the structured entities is to facilitate asset-backed securities transactions for the purpose of refinancing the financial services business and to invest financial resources in special securities funds.

Subsidiaries whose business is dormant or insignificant, both individually or in the aggregate, for the presentation of a true and fair view of the results of operations, financial position and net assets as well as the cash flows of the Porsche AG Group are not consolidated. They are carried in the consolidated financial statements at cost less any impairments and reversals of impairments required to be recognized.

Significant companies where Porsche AG is able, directly or indirectly, to significantly influence financial and operating policy decisions (associates), or where Porsche AG has joint control, directly or indirectly, together with another party (joint ventures), are accounted for at equity. Insignificant associates and joint ventures are generally recognized at their respective acquisition cost, taking into account any impairment losses and reversals of impairments.

The composition of the Porsche AG Group is shown in the table below:

	2024	2023
Parent company and consolidated subsidiaries including special security funds		
Germany	28	27
Abroad	82	90
Subsidiaries carried at cost		
Germany	12	13
Abroad	47	42
Associates, joint ventures and other equity investments		
Germany	37	33
Abroad	57	49
	263	**254**

The list of all the shareholdings, which forms part of the annual financial statements of Porsche AG, is presented in the → 50. LIST OF SHAREHOLDINGS.

The following fully consolidated affiliated German companies with the legal form of a corporation and partnership met the requirements of section 264 (3) and section 264b HGB, respectively, and have as far as possible exercised the option not to publish annual financial statements:

- Porsche Consulting GmbH, Bietigheim-Bissingen
- Porsche Deutschland GmbH, Bietigheim-Bissingen
- Porsche Dienstleistungs GmbH, Stuttgart
- Porsche Digital GmbH, Stuttgart
- Porsche Engineering Group GmbH, Weissach
- Porsche Engineering Services GmbH, Bietigheim-Bissingen
- Porsche Erste Beteiligungsgesellschaft mbH, Stuttgart
- Porsche Financial Services GmbH, Bietigheim-Bissingen
- Porsche Immobilien GmbH & Co. KG, Stuttgart
- Porsche Leipzig GmbH, Leipzig
- Porsche Lifestyle GmbH & Co. KG, Ludwigsburg
- Porsche Logistik GmbH, Stuttgart
- Porsche Niederlassung Berlin GmbH, Berlin
- Porsche Niederlassung Berlin-Potsdam GmbH, Kleinmachnow
- Porsche Niederlassung Hamburg GmbH, Hamburg
- Porsche Niederlassung Stuttgart GmbH, Stuttgart
- Porsche Nordamerika Holding GmbH, Ludwigsburg
- Porsche Zentrum Hoppegarten GmbH, Stuttgart

Fully consolidated subsidiaries

The changes in the consolidated group during the fiscal year are presented in the table below:

Number	Germany	Abroad
Initially consolidated		
Previously carried at cost	1	2
Foundation	–	4
Others	–	–
	1	**6**
Deconsolidated		
Mergers	–	–
Liquidations	–	11
Others	–	3
	–	**14**

The first-time consolidation or deconsolidation of these subsidiaries did not have any material impact on the results of operations, financial position and net assets, either individually or in the aggregate. From the group's perspective, the non-consolidated structured companies are immaterial. In particular, there are no significant risks for the group.

Investments in associates

In the Porsche AG consolidated financial statements, the companies Bertrandt AG ("Bertrandt"), Ehningen, Rimac Group d.o.o. ("Rimac Group"), Sveta Nedelja, Bugatti Rimac d.o.o. ("Bugatti Rimac"), Sveta Nedelja, IONITY Holding GmbH & Co. KG ("IONITY"), Munich, as well as for the first time Group 14 Technologies ("Group 14"), Inc., Wilmington, Delaware, and HIF Global LLC ("HIF Global"), Houston, Texas, are accounted for using the equity method. From the group's perspective, the associates Bertrandt AG, Ehningen ("Bertrandt"), Rimac Group d.o.o., Sveta Nedelja ("Rimac Group"), and Bugatti Rimac d.o.o., Sveta Nedelja ("Bugatti Rimac"), are material for Porsche AG at the reporting date, as in the prior year.

BERTRANDT AG

Bertrandt is an engineering partner of companies in the automotive and aviation industry. Its portfolio of services ranges from developing individual components through complex modules to end-to-end solutions. Bertrandt's principal place of business is in Ehningen. Porsche AG holds around 29% and it has significant influence. Bertrandt is accounted for in Porsche AG's consolidated financial statements using the equity method.

As of December 31, 2024, the quoted price of the shares in Bertrandt amounted to €54 million (2023: €150 million).

In the fiscal year 2024, an impairment loss of €58 million (2023: reversal of impairment of €27 million) on the recoverable amount of €62 million (2023: €148 million) was recognized in other income and expenses from equity investments in the item other financial result. The recoverable amount is the value in use (2023: market value).

The calculation of the value in use for the purposes of the impairment test is based on a cost of capital before tax of 14.3% (2023: 14.3%).

RIMAC GROUP D.O.O.

The Porsche AG Group holds more than 20% of Rimac Group and continues to account for it using the equity method due to its significant influence. Rimac Group, headquartered in Sveta Nedelja, Croatia, develops and produces high-performance components for electric vehicles. Rimac Group also holds shares in Bugatti Rimac.

BUGATTI RIMAC D.O.O.

The Porsche AG Group holds 45% of the shares in Bugatti Rimac d.o.o. and exercises significant influence over the company. The investment in Bugatti Rimac d.o.o. is accounted for in Porsche AG's consolidated financial statements using the equity method. Bugatti Rimac is headquartered in Sveta Nedelja, Croatia. Bugatti Rimac develops, produces and sells Bugatti and Rimac sports cars.

IONITY HOLDING GMBH & CO. KG

IONITY develops and markets a network of fast-charging stations for electric vehicles in Europe. Porsche AG's interest amounts to around 15% and it has a significant influence on account of co-determination rights, which is why the company is classified as an associate and accounted for at equity.

GROUP 14 TECHNOLOGIES, INC.

Group 14 develops and produces a patented nanoporous silicon-carbon composite material SCC55®. Porsche AG holds around 3.4% in Group 14 Technologies, Inc. Due to supplier relationships and co-determination rights, the Porsche AG Group has significant influence and the investment is accounted for using the equity method.

HIF GLOBAL LLC

HIF Global develops and produces carbon-neutral methanol (eMethanol), gasoline (eBenzin) and sustainable aviation fuel (eSAF), collectively known as efuels, to accelerate decarbonization. Porsche AG's interest amounts to around 10.9% in the associate. Due to contractual arrangements and co-determination rights, it has significant influence and the investment is accounted for using the equity method.

Summarized financial information on material associates on a 100% basis

€ million	Bertrandt[1]	Rimac Group[2]	Bugatti Rimac[3]
2024			
Equity interest (in %)	29	21	45
Non-current assets	467	498	551
Current assets	502	323	399
Non-current liabilities	313	23	54
Current liabilities	232	188	752
Net assets	423	610	143
Sales revenue	1,186	132	182
Profit/loss from continuing operations after tax	–88	–140	–152
Profit/loss from discontinued operations after tax	–	–	–
Other comprehensive income	–2	–	–
Total comprehensive income	–89	–140	–152
Dividends received	4	–	–
2023			
Equity interest (in %)	29	21	45
Non-current assets	527	525	498
Current assets	534	353	423
Non-current liabilities	347	33	48
Current liabilities	189	92	578
Net assets	524	753	294
Sales revenue	1,157	86	336
Profit/loss from continuing operations after tax	8	–86	–17
Profit/loss from discontinued operations after tax	–	–	–
Other comprehensive income	1	–	–
Total comprehensive income	8	–86	–17
Dividends received	2	–	–

[1] Bertrandt AG has a deviating fiscal year. The disclosures for Bertrandt's statement of financial position therefore relate to the September 30, 2024 reporting date; the income statement disclosures for the fiscal year 2024 relate to the period from October 1, 2023 to September 30, 2024, and those for the fiscal year 2023 to the period from October 1, 2022 to September 30, 2023.
[2] Measurement using the equity method is based on the provisional consolidated results of Rimac Group d.o.o. as of December 31, 2024.
[3] Measurement using the equity method is based on the provisional consolidated results of Bugatti Rimac d.o.o. as of December 31, 2024. In the prior year, adjustments on the basis of newer insights gained were taken into account in the line item "changes in reserves".

Reconciliation of the financial information to the carrying amount of the investment

€ million	Bertrandt	Rimac Group	Bugatti Rimac
2024			
Net assets at Jan. 1	524	753	294
Profit/loss	–88	–140	–152
Other comprehensive income	–2	–	–
Changes in reserves	–	8	–
Dividends	–12	–	–
Net assets at Dec. 31	423	622	143
Attributable share of net assets	123	128	64
Consolidation/goodwill/others	–61	61	67
Carrying amount of equity-accounted investments	62	189	131
2023			
Net assets at Jan. 1	524	830	270
Profit/loss	8	–86	–17
Other comprehensive income	1	–	–
Changes in reserves	–	8	41
Dividends	–9	–	–
Net assets at Dec. 31	524	753	294
Attributable share of net assets	152	155	132
Consolidation/goodwill/others	–4	61	67
Carrying amount of equity-accounted investments	148	216	199

Summarized financial information on individually immaterial associates

€ million	2024	2023
Earnings after tax from continuing operations[1, 2, 3]	–22[1]	–54
Earnings after tax from discontinued operations	–	–
Other comprehensive income	–	–
Total comprehensive income	**–22[1]**	**–54**
Carrying amount of equity-accounted investments	246	87

[1] This does not include the earnings after tax from continuing operations from prior years of €-37 million from Group 14 and HIF Global, which are classified as immaterial companies accounted for using the equity method in accordance with IFRS 12.21 and which were accounted for using the equity method for the first time in the fiscal year 2024.
[2] The presentation for the current fiscal year in the summary financial information for Group 14 is based on the most recent available provisional results for the period January 1, 2024 – September 30, 2024 plus the subsequent measurement of hidden reserves and liabilities for the period January 1, 2024 – December 31, 2024 and the effects of capitalization measures. The pro rata result for the period April 1, 2022 – December 31, 2023 based on the audited annual financial statements for 2022 and 2023 and the provisional results for the period January 1, 2024 – September 30, 2024 plus the pro rata subsequent measurement of hidden reserves and liabilities for the period April 1, 2022 – December 31, 2024 as well as the effects of capitalization measures were included in the measurement using the equity method.
[3] The presentation for the current fiscal year in the summary financial information of HIF Global is based on the pro rata subsequent measurement of hidden reserves and liabilities for the period January 1, 2024 – December 31, 2024 plus the effects of capitalization measures. The pro rata result for the period April 1, 2022 – December 31, 2023 based on audited annual financial statements 2022 and 2023 plus the pro rata subsequent measurement of hidden reserves and liabilities for the period April 1, 2022 – December 31, 2024 as well as the effects of capitalization measures were included in the measurement using the equity method.

There are other financial obligations to associates of €209 million (2023: €206 million).

IFRS 5 – Assets held for sale

In accordance with the requirements of IFRS 5, two Russian distribution companies in the automotive segment, OOO Porsche Russia, Moscow, and OOO Porsche Center Moscow, Moscow, and a Russian company allocated to the financial services segment, OOO Porsche Financial Services Russia, Moscow, have been classified as a disposal group held for sale since September 2022. An impairment loss of €25 million was recognized for the disposal group in the fiscal year 2022 and a further impairment loss and offsetting currency translation effects were identified in the fiscal year 2023. There were no other material adjustments in the first nine months of 2024. In the fourth quarter of 2024, the Russian companies were deconsolidated. Deconsolidation resulted in a loss of €53.7 million, which was recognized in the other operating expenses; the amount includes in particular the classification of foreign exchange differences to the income statement.

EFFECTS OF NEW OR AMENDED IFRS

Porsche AG and its subsidiaries have applied all accounting pronouncements adopted by the EU and effective for periods beginning in the fiscal year 2024.

Amendments to IAS 1 clarifying the classification of liabilities as current or non-current have been mandatory since January 1, 2024. This affects in particular liabilities whose maturity date is linked to certain covenants. The decisive factor for classification is whether there is a contractual option on the reporting date to defer settlement for at least twelve months.

Amendments to IAS 7/IFRS 7 have also had to be implemented since January 1, 2024, resulting in additional disclosures in the notes on supply chain financing, in particular reverse factoring agreements. This is intended to make their effects on liabilities, cash flows and liquidity risks more transparent. In this first reporting year 2024, no disclosures or adjustments for prior years are required.

Amendments were also made to IFRS 16 that have likewise been applicable since January 1, 2024. These amendments essentially aim to ensure that variable lease payments under a sale and leaseback transaction that are not based on an index or interest rate are recognized as a lease liability.

The above amendments do not materially affect the Porsche AG Group's results of operations, financial position and net assets.

NEW AND AMENDED IFRSS NOT APPLIED

In its 2024 consolidated financial statements, Porsche AG did not apply the following accounting standards that have been adopted by the IASB as of December 31, 2024 but whose application was not yet mandatory for the fiscal year.

Standard/ Interpretation		Published by the IASB	Application mandatory[1]	Adopted by the EU	Expected impact
IFRS 9/ IFRS 7	Classification and Measurement of Financial Instruments	May 30, 2024	January 1, 2026	No	No material impact
IFRS 9/ IFRS 7	Contracts Referencing Nature-dependent Electricity	December 18, 2024	January 1, 2026	No	Impact currently being analyzed
IFRS 18	Presentation and Disclosure of Financial Information	April 9, 2024	January 1, 2027	No	Structure of the income statement; additional disclosures in the notes
IFRS 19	Subsidiaries without Public Accountability: Disclosures	May 9, 2024	January 1, 2027	No	No impact
IAS 21	Currency Translation with Lack of Exchangeability	August 15, 2023	January 1, 2025	No	No material impact
	Improvements to International Financial Reporting Standards - Volume 11[2]	July 28, 2024	January 1, 2026	No	No material impact

[1] Mandatory first-time application from the perspective of Porsche AG and its subsidiaries on the basis of the IFRS effective date, subject to adoption by the EU if the EU endorsement process has yet to be completed.
[2] Minor amendments to a range of IFRSs (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7).

CURRENCY TRANSLATION

The Porsche AG Group uses the rates of an external market data provider. All rates are based on the respective euro exchange rates. All non-euro exchange rate combinations are derived from these rates.

		Closing rate		Average rate	
	€1 =	Dec. 31, 2024	Dec. 31, 2023	2024	2023
Australia	AUD	1.6761	1.6292	1.6401	1.6286
Brazil	BRL	6.4314	5.3750	5.8262	5.4031
China	CNY	7.5986	7.8700	7.7861	7.6598
United Kingdom	GBP	0.8302	0.8691	0.8467	0.8700
Hong Kong	HKG	8.0843	8.6529	8.4425	8.4685
Japan	JPY	163.2300	156.7900	163.8226	151.9382
Canada	CAD	1.4972	1.4681	1.4819	1.4596
Republic of Korea	KRW	1,534.3200	1,440.7150	1,475.4360	1,413.5047
Russia	RUB	112.4384	99.9661	100.2263	92.2994
Switzerland	CHF	0.9421	0.9264	0.9526	0.9718
USA	USD	1.0410	1.1077	1.0820	1.0817

ACCOUNTING POLICIES

Measurement principles

With the exception of certain items such as financial instruments measured at fair value and provisions for pensions and similar obligations, the consolidated financial statements are prepared using the historical cost principle (cost model). The methods used to measure the individual items are presented in more detail below.

Intangible assets

Intangible assets not acquired in a business combination are initially recognized at cost in accordance with IAS 38 plus costs directly attributable to the acquisition. The cost of intangible assets acquired as part of a business combination is their fair value as of the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Purchased intangible assets with a finite useful life are amortized, generally on a straight-line basis, over their useful life, taking any impairments into account. Useful lives range from three to five years. Useful lives, residual values and methods of amortization are reviewed, and adjusted if appropriate, at least at the end of the reporting year. If adjustments are made, these are accounted for as changes in estimates.

Goodwill, intangible assets with indefinite useful lives and intangible assets that are not yet ready for use are not amortized. Each individual asset or cash-generating unit is tested at least once a year for impairment. If there is impairment, an impairment loss is recognized. Intangible assets with indefinite useful lives are reviewed once a year to determine whether the indefinite life assessment continues to be supportable. If this is no longer the case, the change in useful life from indefinite to finite is made on a prospective basis.

Development costs are recognized for products provided that expenditures can be clearly allocated and all other recognition criteria of IAS 38 are met. The capitalized development costs include all direct costs and production overheads directly attributable to the development process incurred after the point in time at which all recognition criteria are met. Capitalized development costs are amortized beginning at the start of use (e.g., start of production) using the straight-line method over the expected product life cycle, taking any impairments into account. Useful lives mainly range from three to nine years. Research and non-capitalizable development costs are expensed as incurred.

The amortization of intangible assets is allocated to the corresponding functional areas.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less depreciation and, if necessary, impairment losses. Investment subsidies received are generally deducted from cost. Special operational equipment is reported under other equipment, furniture and fixtures. Property, plant and equipment is depreciated pro rata temporis on a straight-line basis over the expected useful life.

Depreciation is largely based on the following useful lives:

	Years
Office and factory buildings	9 to 40
Technical equipment and machinery	7 to 20
Other equipment, furniture and fixtures	3 to 13

Residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date. The depreciation of property, plant and equipment is allocated to the corresponding functional areas.

Right-of-use assets/lease liabilities

The right-of-use assets for leases recognized in the statement of financial position are reported in those items that the assets underlying the lease would be reported in if they were owned by the Porsche AG Group. As of the reporting date, right-of-use assets are therefore recognized under non-current assets, mainly in the item “Property, plant and equipment”.

There are practical expedients for short-term leases and leases of low-value assets. The Porsche AG Group takes advantage of these and consequently does not recognize right-of-use assets or lease liabilities for such leases. The associated lease payments are recognized directly in profit or loss as an expense. Leases of low-value assets are those where the value of the leased asset does not exceed €5,000 when new. Furthermore, the accounting requirements of IFRS 16 are not applied to leases of intangible assets.

Many leases contain extension and termination options.

Leased assets

Vehicles leased out under operating leases are recognized at cost and depreciated on a straight-line basis to their calculated residual value over the term of the lease. Depending on the local circumstances and past experience from used vehicle sales, regularly updated internal and external data on the development of residual values are included in the residual value forecast. In doing so, assumptions must primarily be made about future vehicle supply and demand, as well as movements in vehicle prices. These assumptions are based on either qualified estimates or information published by external experts. Qualified estimates are based on external data, where available, and take into account additional information available internally, such as past experience and recent sales information.

Capitalization of borrowing costs

Borrowing costs for qualifying assets are capitalized as part of the cost of the asset. A qualifying asset is an asset that necessarily takes at least a year to get ready for its intended use.

Equity-accounted investments

The cost of shares in associates is generally accounted for using the equity method. When reviewing the recoverability of the net investment, the recoverable amount is determined using the principles described for indefinite-lived intangible assets.

Impairment testing

At the end of each reporting period, the group assesses whether there is any indication of impairment. An impairment test is performed at least once a year for goodwill, capitalized costs for intangible assets (in particular, where development costs are recognized for products under development) and intangible assets with an indefinite useful life. For intangible assets with finite useful lives, property, plant and equipment as well as leased assets an impairment test is performed only when there is an indication that the asset may be impaired.

The recoverable amount is determined in the course of impairment testing and is generally determined separately for each asset. If it is not possible to determine the recoverable amount for an individual asset because it does not generate cash inflows that are largely independent of the cash inflows from other assets, it is determined on the basis of a group of assets that constitutes a cash-generating unit.

To determine whether goodwill has to be impaired, the corresponding automotive or financial services segment is generally used as cash-generating unit. For intangible assets as well as for property, plant and equipment, the automotive segment forms the cash-generating unit and is the basis for the impairment test. If the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, an impairment loss is recognized to account for the difference.

The recoverable amount of an asset or a cash-generating unit is the higher of fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction between knowledgeable, willing parties, less the costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset or cash-generating unit, excluding finance costs and income tax expense. Value in use is determined using the discounted cash flow method or capitalized earnings method on the basis of the estimated future cash flows expected to arise from the continuing use of the asset.

To determine whether goodwill, intangible assets as well as property, plant and equipment are impaired, the group uses the value in use.

Value in use is determined based on a multi-year operational plan prepared by management including material assumptions about growth and the volume of unit sales. The planning period generally extends over five years. Measures decided on after the reporting date to strengthen the earnings power in the short and medium term, in particular the expansion of the product portfolio, have not been taken into account in the impairment test as of December 31, 2024 due to the reporting date principle. The Porsche AG Group's planning is based on the assumption that global economic output in 2025 will grow overall, albeit at a somewhat slower pace than 2024. Falling inflation in major economic regions and the resulting easing of monetary policy are expected to have a positive impact on private demand. Risks will continue to arise from increasing fragmentation of the global economy and protectionist tendencies as well as turbulence in the financial markets. These will continue to negatively impact the growth prospects. Negative effects are also expected from ongoing geopolitical tensions and conflicts as well as uncertainties related to the political direction of the USA. It is assumed that both the advanced economies and emerging markets will record weaker momentum on average than in the reporting year.
The volume planning of the Porsche AG Group reflects the aforementioned regional differences and takes into account the effects of currently known regional conflicts. The Chinese and US markets in particular are expected to be challenging due to protectionist tendencies as well as increased competition in China. The planning also assumes that the transformation toward electromobility will be slower than the prior year. Positive price effects will be complemented by a globally well-balanced and value-oriented sales structure. The negative impact on earnings expected from 2025 onwards due to continuously rising material costs as well as emissions and fuel consumption regulations will be offset by efficiency programs. The "Road to 20" strategic program is designed to intensify existing activities with a focus on optimizing the cost structure in the long term.

The recoverable amount is determined based on current planning as well as reasonable assumptions about macroeconomic trends (currency, interest rate and commodity price trends) as well as historical developments. An anticipated growth rate of 1.0% is used as a basis for determining the cash flows after the end of the planning period. The growth rate is based on the circumstances specific to the industry and takes into account the specific price and cost situation.

In the case of assets that are not yet available for use, impairment testing is carried out upon initial recognition and subsequently once per year on the basis of the current business plan. Assets already in use are only tested for impairment if there is a triggering event. Value in use is determined for the impairment testing using a market-oriented discount rate for similar risks. The determination of the cost of capital rates is based on a rate of interest for risk-free investments. Furthermore, in addition to a market risk premium, specific peer group information is taken into account on beta factors, leverage ratio and borrowing rate. The composition of the peer groups used to determine beta factors is reviewed on an ongoing basis and modified when necessary. This results in a weighted average cost of capital before tax of 10.8% (2023: 10.7%).

Any impairment of leased assets from vehicle leasing contracts, determined by impairment testing in accordance with IAS 36, is reflected in impairment losses and adjusted rates of depreciation. Depending on the local circumstances and past experience from used vehicle sales, regularly updated internal and external data on the development of residual values are included in the residual value forecast. In doing so, assumptions must primarily be made about future vehicle supply and demand, as well as movements in vehicle prices. These assumptions are based on either qualified estimates or information published by external experts. Qualified estimates are based on external data, where available, and take into account additional information available internally, such as past experience and recent sales information.

An impairment loss is allocated to the corresponding functional area and is recognized in the income statement in the item "amortization of intangible assets and depreciation of property, plant and equipment and leased assets" if the recoverable amount of the asset is lower than its carrying amount.

A review of whether the reasons for a previously recognized impairment loss still exist is carried out on an annual basis. If the reasons for impairment losses recognized in prior years no longer exist, they are reversed through profit or loss (with the exception of goodwill). The amount reversed cannot result in a carrying amount that exceeds the amount that would have been determined as the carrying amount, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years.

Based on the impairment test carried out in 2024, the recoverable amounts exceed the net assets of the group's cash-generating units. Sensitivity analyses were carried out in order to be able to test recoverability in the event of changes to key assumptions. Recoverability is given even if assumptions vary.

Inventories

Inventories primarily include raw materials, consumables and supplies, work in progress and finished goods which are carried at the lower of cost or net realizable value. Borrowing costs are not capitalized. Inventories of a similar nature are generally measured using the weighted average cost method.

Long-term construction contracts

For contracts under which performance is satisfied over time, revenue is recognized in accordance with the stage of completion. The stage of completion is determined as the proportion that contract costs incurred by the end of the reporting period bear to the estimated total contract costs (cost-to-cost method). Contract costs incurred are often the best way to measure the stage of completion of the performance obligation. If the outcome of a performance obligation satisfied over time is not yet sufficiently certain, but the company expects to at least have its costs refunded by the customer, revenue is recognized only to the extent of contract costs incurred (zero profit method). As long-term construction contracts regularly involve contingent receivables due from the customer until they are completed or the customer pays, corresponding contract assets are recognized. As soon as the company's performance is complete, a trade receivable is recognized. Any negative balance is reported under other payables. The principle of measuring assets at the lower of carrying amount and net realizable value is observed.

Financial instruments

Regular way purchases or sales of financial instruments are accounted for at the settlement date, i.e., the date on which the asset is delivered.

The Porsche AG Group allocates financial assets and liabilities to the "at amortized cost" and "at fair value" classes.

Financial assets and liabilities measured at amortized cost

Financial assets measured at amortized cost using the effective interest method are

- receivables from the financial services business,
- trade receivables,
- other receivables and financial assets,
- time deposits, and
- cash and cash equivalents.

The financial liabilities measured at amortized cost using the effective interest method arise from

- trade payables,
- other financial liabilities,
- liabilities to banks,
- bonds, commercial papers and notes,
- loans.

For reasons of materiality, discounting or unwinding of discounts is not applied to current receivables and liabilities (due within one year).

Financial assets and liabilities measured at fair value

Financial assets that are equity instruments are measured at fair value. For the most part, the Porsche AG Group exercises the option to recognize subsequent fair value changes through other comprehensive income. The only exceptions are interests in companies that are not material to the consolidated financial statements and in those that do not conduct business operations. For such interests, reasonable fair values that are free from major fluctuations cannot be reliably determined without undue cost or effort. Such interests are therefore measured at amortized cost.

Within the Porsche AG Group, the category "Financial assets at fair value through profit or loss" mainly comprises

- hedging relationships not within hedge accounting and
- investment fund units.

Financial liabilities at fair value through profit or loss relate to derivatives not within hedge accounting.

Fair value generally corresponds to the market or quoted prices (level 1). If no active market exists, the fair value is determined where possible using observable inputs other than quoted prices (level 2). If no observable inputs are available, fair value is determined using valuation techniques, such as by discounting the future cash flows at the market interest rate, or by using recognized option pricing models and—as far as possible—is verified by confirmations from the banks that handle the transactions (level 3).

For current receivables and payables, amortized cost generally corresponds to the principal or repayment amount.

The Porsche AG Group does not exercise the fair value option for financial assets and liabilities.

Shares in subsidiaries, associates and joint ventures that are neither consolidated nor accounted for using the equity method for reasons of materiality do not fall within the scope of IFRS 9 and IFRS 7.

Derivatives and hedge accounting

Porsche AG Group companies use derivatives to hedge future cash flows (hedged items). Appropriate derivatives such as swaps, forward transactions and options are used as hedging instruments.

When hedging future cash flows, the hedging instrument is measured at fair value. The designated effective portion of the hedging instrument is recognized in OCI I and the non-designated effective portion of the hedging instruments is recognized in OCI II. They are only recognized in profit or loss or in the inventories when the hedged item is recognized in profit and loss. The ineffective portion of a cash flow hedge is immediately recognized in profit or loss.

Derivatives used by the Porsche AG Group for financial management purposes to hedge against interest rate, currency, commodity price, share and bond risks, but that do not meet the strict hedge accounting criteria of IFRS 9, are classified as financial assets and liabilities at fair value through profit or loss (also referred to below as derivatives not within hedge accounting). This also applies to share options. As a general rule, external hedging instruments of intragroup hedged items that are subsequently eliminated in the consolidated financial statements are also assigned to this category. Assets and liabilities measured at fair value through profit or loss consist of derivatives or components of derivatives that are not within hedge accounting. These relate, for example, to non-designated forward exchange transactions and interest rate hedges.

Impairment of financial instruments

Financial assets are exposed to default risk, which is taken into account by recognizing loss allowances or, if losses have already been incurred, by recognizing impairment losses. Default risk on loans and receivables in the financial services segment is accounted for by recognizing specific loss allowances and general loss allowances.

In particular, in accordance with group-wide standards, a loss allowance is recognized on these financial assets in the amount of the expected loss. The actual specific loss allowances for the losses incurred are then charged to this loss allowance. A potential impairment is assumed not only for delayed payments of more than 90 days, the institution of enforcement measures, the threat of insolvency or overindebtedness, application for or the opening of insolvency proceedings or the failure of financial reorganization measures, but also for receivables that are not past due.

Insignificant receivables and significant individual receivables for which there is no indication of impairment are grouped together into homogeneous portfolios on the basis of comparable credit risk characteristics and allocated by risk class. Average historical default probabilities are used in combination with forward-looking parameters for the respective portfolio are used to calculate the amount of the impairment loss.

Credit risks must be considered for all financial assets measured at amortized cost, as well as for contract assets in accordance with IFRS 15 and lease receivables within the scope of IFRS 16. The rules on impairment also apply to risks from irrevocable credit commitments and to the measurement of financial guarantees.

As a matter of principle, a simplified process, which takes historical default rates into account, and specific loss allowances are used to account for impairment losses on receivables outside the financial services segment.

Deferred taxes

Deferred tax assets are measured taking into account estimates regarding the future availability of taxable income. This includes the amount and nature of this taxable income, the periods in which it is expected as well as available tax planning measures. The measurement of deferred tax assets for tax loss carryforwards is generally based on future taxable income over a planning horizon of five fiscal years. A previously unrecognized deferred tax asset is reassessed on an annual basis and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Loss allowances are recognized on deferred tax assets when it is unlikely that sufficient future taxable income will be available within a reasonable period of time against which the deductible temporary differences, tax loss carryforwards and tax credits can be offset.

The tax consequences of profit distributions are taken into consideration as soon as the profit distributions are planned.

Current taxes

Current income taxes are measured as income tax assets and liabilities for current and prior periods at the amount expected to be refunded by or paid to the taxation authorities. Therefore, current taxes recognized in the fiscal year also include adjustments for uncertain tax payments or refunds for periods that have not yet been finally assessed, excluding interest and penalties on back taxes. Provisions are recognized for potential obligations in respect of such tax assessments that have not yet been finally reviewed by the tax authorities. Any such identified tax risk is measured on the basis of the most likely value to be recognized to reflect the risk, should it materialize.

Share-based payment

Share-based payment comprises performance share plans, i.e., payment plans that are settled in cash and accounted for in accordance with IFRS 2.

Other provisions

Provisions not resulting in an outflow of resources within one year are recognized at their settlement value discounted to the reporting date. The discount factor is based on market interest rates. In the eurozone, an average interest rate of 2.61% (2023: 2.87%) was used. The settlement amount also includes the expected cost increases.

Other liabilities (not included within the scope of a specific IFRS)

Other non-current liabilities not included within the scope of a specific IFRS are carried at amortized cost in the statement of financial position. Differences between their historical cost and their repayment amount are accounted for using the effective interest method.

Other current liabilities not included within the scope of a specific IFRS are recognized at their repayment or settlement value.

Revenue and expenses

Revenue, interest and commission income from financial services and other operating income are recognized only when the relevant services have been rendered or the customer has obtained control of the goods or services. Revenue is reported net of discounts, customer bonuses and rebates.

Sales allowances and other variable consideration are measured on the basis of experience and by taking account of current circumstances. Vehicles are normally sold to dealers on payment terms. A trade receivable is recognized for the period between vehicle delivery and receipt of payment. Financing components included therein are only accrued if the period between the transfer of the goods and the payment of consideration is longer than one year and the amount to be accrued is material.

Revenue from receivables from financial services is recognized using the effective interest method. Income from operating leases is recorded on a straight-line basis over the term of the agreement.

Revenue from long-term construction contracts is recognized in accordance with the percentage of completion method.

If services are sold to the customer together with the vehicle and the customer pays for them in advance, the group recognizes a corresponding contract liability until the services have been rendered. Examples of services that customers pay for in advance include servicing, maintenance and certain guarantee contracts, as well as mobile online services.

Sales revenue from extended warranties or maintenance agreements is recognized when services are rendered. In the case of advance payments, deferred income is recognized proportionately by reference to the costs expected to be incurred, based on experience.

For extended warranties granted to customers for a specific model, a provision is generally recognized in the same way as for statutory warranties. If the warranty is optional for the customer or contains an additional service component, the related revenue is deferred and recognized over the warranty term.

Income from assets for which a group entity has a buy-back obligation is not recognized until the assets have finally left the group. If a fixed repurchase price was agreed when the contract was concluded, the difference between the selling and repurchase price is recognized as income ratably over the term of the contract. Until the end of the contract term, the assets are reported in inventories in case of current contract end dates and in leased assets in the case of non-current contract end dates.

Sales revenue is generally measured at the price determined in the contract. If variable consideration (e.g., volume-based bonuses) has been agreed in a contract, the large number of contracts means that revenue is generally estimated using the expected value method. The most probable amount method may also be used in exceptional cases. Once the expected sales revenue has been estimated, an additional check is performed to determine whether there are uncertainties that make it necessary to reduce the revenue initially recognized in order to effectively rule out the risk of subsequently adjusting that revenue downwards.
Provisions for reimbursements mainly result from dealer bonuses. In the case of multiple-element arrangements, the transaction price is allocated to the various performance obligations under the contract on the basis of the relative stand-alone selling prices. For reasons of materiality, the Porsche AG Group generally recognizes non-vehicle-related services at their stand-alone selling price.

Revenue is generally recorded separately for each business transaction. If two or more transactions are linked in such a way that the commercial effect cannot be understood without reference to the series of transactions as a whole, the criteria for revenue recognition are applied to these transactions as a whole. If, for example, loan or lease agreements in the financial services segment are entered into at below market interest rates to promote sales of new vehicles, revenue is reduced by the incentive arising from the agreement.

In the case of financial instruments measured at amortized cost, interest income and expenses are determined using the effective interest rate.

Production-related expenses are recognized upon delivery or utilization of the service, while all other expenses are recognized as an expense as incurred. The same applies for development costs not eligible for recognition as part of the cost of an asset.

Provisions for warranty claims are recognized upon sale of the related products.

Cost of sales include the costs incurred to generate the sales revenue and the cost of goods purchased for resale. This item also includes the cost of additions to warranty provisions. Research and development costs not eligible for capitalization and amortization of development costs are likewise carried under cost of sales. Interest and commission expenses incurred in connection with the financial services business are also reported in cost of sales.

Government grants

Government grants for assets are deducted when determining the carrying amount of the asset and recognized in profit or loss over the life of the depreciable asset by way of a reduced depreciation charge. Government grants that compensate group companies for expenses incurred are generally recognized in profit or loss in the period and allocated to those items in which the expenses to be compensated were incurred.

Significant accounting judgments and estimates

The preparation of consolidated financial statements requires certain assumptions and estimates that have an effect on the recognition, measurement and presentation of the assets, liabilities, income and expenses as well as on the disclosures on contingent assets and liabilities of the reporting period. These assumptions, judgments and estimates reflect all the information currently available. The assumptions and estimates relate to the following principal matters:

The estimation and determination of uniform group useful lives and depreciation methods for fixed assets subject to wear and tear (carrying amount of franchises, industrial rights and other intangible assets on December 31, 2024: €863 million (2023: €960 million); carrying amount of capitalized development costs for products in use as of December 31, 2024: €4,992 million (2023: €3,025 million), carrying amount of property, plant and equipment subject to wear and tear excluding factory and office buildings on December 31, 2024: €3,970 million (2023: €3,132 million)) are based on past experience and are reviewed regularly. A change in estimates results in an adjustment to the residual useful life and, if appropriate, an impairment loss. The lease term is determined in accordance with IFRS 16 based on the non-cancellable period of the lease and an assessment of whether existing options to extend or terminate the lease will be exercised. The determination of the lease term and the discount rates used affects the amounts to be recognized for the right-of-use assets (carrying amount of right-of-use assets on December 31, 2024: €1,063 million (2023: €982 million) and the lease liabilities (carrying amount of lease liabilities on December 31, 2024: €1,142 million (2023: €1,047 million)).

Determining the timing for the capitalization of development costs (carrying amount of the capitalized development costs as of December 31, 2024: €8,050 million (2023: €7,575 million)) requires assumptions and estimates of probabilities, particularly with respect to the technical feasibility of the development work and the availability of adequate technical, financial and other resources such that the development can be completed and the development work can be used or sold. In addition, the underlying cost components to be capitalized are also subject to judgment.

Testing the non-financial assets for impairment (particularly capitalized development costs) as well as investments accounted for at equity or at cost and the measurement of shares not traded in an active market and options on such shares (carrying amount of equity-accounted investments and other investments as of December 31, 2024: €1,519 million (2023: €1,465 million)) requires assumptions with respect to the future cash flows during the planning period and, possibly beyond it, as well as about the discount rate to be applied. The estimates required to be made for the purpose of deriving the cash flows mainly relate to future market shares, growth in the respective markets and the profitability of the products. When determining cash flows for conducting impairment tests on companies or equity investments with new technology operations, it is of particular importance to assess whether these new technologies are technically feasible and have the potential for industrial use.

In connection with the impairment testing of intangible assets (carrying amount of intangible assets as of December 31, 2024: €8,941 million (2023: €8,554 million)), property, plant and equipment (carrying amount of property, plant and equipment as of December 31, 2024: €10,048 million (2023: €9,394 million)) and leased assets (carrying amount of leased assets as of December 31, 2024: €5,393 million (2023: €4,190 million)) judgments are made, in particular, with regard to the determination of indicators that property, plant and equipment and leased assets are impaired. The assessment of the cash-generating unit subject to the impairment test requires judgment. The recoverability of the leased assets of the Porsche AG Group depends in particular on the estimate of the residual value of the leased vehicles after the end of the lease term as this constitutes a significant portion of the expected cash inflows (please refer to the section on impairments of leased assets in note → 15. LEASED ASSETS).

For more information on impairment testing and on the measurement parameters used please refer to the explanations on impairment testing above.

In the absence of observable market values, the determination of the fair value of assets and liabilities acquired in a business combination is based on recognized valuation techniques such as the license price analogy method or the residual value method.

The designation of hedging instruments for hedge accounting requires in particular assumptions and estimates with respect to the underlying probabilities that revenue will be generated in the future from hedged currencies and with respect to the interest rates and the course of financing. The carrying amounts concerned are presented in the statement of changes in equity.

Testing financial assets for impairment requires estimates concerning the amount and probability of occurrence of future events. As far as possible, the estimates are arrived at on the basis of current market data as well as rating grades and scoring information based on experience. Further details on calculating loss allowances can be found in note → 36. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS.

The accounting treatment and measurement of provisions (carrying amount of provisions as of December 31, 2024: €9,091 million (2023: €8,698 million)) is also based on estimates of the amount and probability of occurrence of future events as well as estimates of the discount rate. Experience or external appraisals are also drawn upon where possible. The measurement of provisions for pensions (carrying amount of provisions for pensions and similar obligations on December 31, 2024: €4,074 million (2023: €4,315 million)) is additionally dependent on the estimated development of the plan assets. The assumptions underlying the calculation of provisions for pensions and similar obligations are presented in note → 26. PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS. Actuarial gains and losses from changes in measurement parameters are recorded directly in equity and have no effect on the result presented in the income statement. Changes in estimates relating to the amount of other provisions (carrying amount of other provisions as of December 31, 2024: €4,823 million (2023: €4,256 million)) are always recognized in profit or loss. Provisions are regularly adjusted to take account of new information. Due to the use of expected values, it is often the case that unused provisions are reversed or that subsequent additions are made to provisions. Similarly to the expenses for recognizing new provisions, income from the reversal of provisions is largely allocated to the respective functions. Warranty claims from sales transactions are calculated on the basis of losses to date, estimated future losses and the policy on ex gratia arrangements. Individual technical risks identified are recorded separately. This requires assumptions to be made about the nature and extent of future cases relating to guarantee, warranty and goodwill payments. For the provisions recognized, assumptions were made in particular in relation to working hours, material costs and hourly wage rates depending on the series, model year and country concerned. These assumptions are based on qualified estimates. The estimates rely on external data, taking into account additional information available internally such as experience relating to the parameters mentioned.

For an overview of other provisions and provisions from sales, see note → 27. NON-CURRENT AND CURRENT OTHER PROVISIONS and for litigation see also note → 40. LITIGATION.

Porsche AG and its subsidiaries have operations worldwide and are audited by local tax authorities on an ongoing basis. Changes in tax legislation and court rulings and their interpretation by tax authorities in the respective countries may result in tax payments that differ from the estimates made in the financial statements.

Tax provisions were recognized for potential future payments of tax arrears. Other provisions were recognized for ancillary tax payments arising in this connection. These income tax items included in the statement of financial position whose amount is uncertain are based on the best estimate of the expected tax payment.

Tax provisions are measured on the basis of the most likely value at which the risk will materialize. If there are multiple tax risks, the Porsche AG Group decides based on the merits of the individual case whether to account for them individually or in groups, depending on which type of presentation is appropriate for assessing the extent to which the tax risk will materialize. Impairment tests were performed when determining the deferred tax assets.

Transfer prices for intragroup business relationships are subject to tax law requirements in Germany and many other countries. The provisions are based on the arm's length principle, which requires that business conditions agreed between related parties must be the same as those that would have been agreed between third parties. To ensure that this requirement is met and the associated transfer pricing risks are minimized, the Porsche Group tax guidelines and the Volkswagen AG Group transfer pricing guideline apply to transfer pricing in the Porsche AG Group. Where possible and appropriate, advance pricing arrangements (APAs) are also used to provide additional legal certainty with regard to cross-border transfer pricing.

If actual developments differ from the assumptions made for recognizing the provisions, the figures actually recorded may differ compared to the estimates expected originally.

Determining deferred tax assets (carrying amount of deferred tax assets as of December 31, 2024: €698 million (2023: €627 million)) requires assumptions to be made concerning future taxable profit and the timing of the realization of the deferred tax assets. Income tax items included in the statement of financial position whose amount is uncertain are based on the best estimate of the expected tax payment.

The recognition of government grants is based on an assessment of whether there is reasonable assurance that the group companies will fulfill the conditions attached to the grant and that the grant will in fact be awarded. This estimate is based on the nature of the legal entitlement and past experience.

The assumptions and estimates are based on premises that are derived from the current information available. The anticipated future business development was assessed by reference to the circumstances prevailing at the time of preparing the consolidated financial statements and the realistically assumed future development of the global and industry-specific environment. Since the future development of business is subject to uncertainty that cannot be fully controlled by the Porsche AG Group, the assumptions and estimates continue to be subject to a high level of uncertainty. This applies in particular to short- and medium-term forecast cash flows, the discount rates used and forecast residual values.

Factors that may cause variances from the assumptions and estimates include new information about the buying behavior in the sales markets and in response to this changes in planning, dependency on suppliers, in particular exclusive suppliers, developments in exchange rates, interest rates and the prices of commodities as well as environmental or other legal provisions. Where the development of these circumstances differs from the assumptions and lies outside the control of management, the actual figures may differ from those originally expected. In such cases, the underlying assumptions and, if necessary, the carrying amounts of the assets and liabilities concerned, are adjusted accordingly.

In 2024, the global economy continued to recover but at a somewhat slower pace than the prior year. This trend was seen in both the advanced economies and the emerging markets. The Porsche AG Group's planning is based on the assumption that global economic output in 2025 will grow overall, albeit at a somewhat slower pace than 2024. Falling inflation in major economic regions and the resulting easing of monetary policy are expected to have a positive impact on private demand. Risks will continue to arise from increasing fragmentation of the global economy and protectionist tendencies as well as turbulence in the financial markets. These will continue to negatively impact the growth prospects. Negative effects are also expected from ongoing geopolitical tensions and conflicts as well as uncertainties related to the political direction of the USA. It is assumed that both the advanced economies and emerging markets will record weaker momentum on average than in the reporting year.

Significant accounting judgments and estimates were based in particular on assumptions relating to the development of the general economic environment, the automotive markets and the legal environment. These as well as further assumptions are explained in detail in the report on expected developments, which forms part of the combined management report.

SEGMENT REPORTING

The segments are based on the internal management and reporting within the Porsche AG Group. This takes into account the group objectives and policies set by the Executive Board of Porsche AG. Segment reporting is made up of the two reportable segments automotive and financial services.

The activities of the automotive segment cover the development, manufacturing and sale of vehicles as well as related services.

The activity of the financial services segment comprises customer and dealer financing, the leasing business as well as mobility services and other finance-related services.

The purchase price allocation from acquired companies is directly allocated to the corresponding segments.

In the Porsche AG Group, the segment result is determined on the basis of the operating profit after tax.

Reconciliation includes consolidation between the segments.

Investments in intangible assets and property, plant and equipment are reported net of investments in right-of-use assets from leases.

The business relationships between the companies of the segments of the Porsche AG Group are generally based on arm's length prices.

Reporting segments 2024

€ million	Automotive	Financial services	Total segments	Reconciliation	Porsche AG Group
Sales revenue from external customers	36,085	3,780	**39,864**	219	**40,083**
Intersegment sales revenue	354	130	**484**	–484	**–**
Total sales revenue	36,438	3,910	**40,349**	–265	**40,083**
Cost of sales	–26,489	–3,565	**–30,054**	298	**–29,756**
Segment profit (operating profit)	5,286	278	**5,564**	73	**5,637**
Depreciation and amortization	2,982	915	**3,897**	–39	**3,858**
Impairment losses	3	207	**210**	–	**210**
Reversal of impairment losses	0	158	**158**	–	**158**
Investments in intangible assets and property, plant and equipment	3,702	46	**3,748**	8	**3,756**

Reporting segments 2023

€ million	Automotive	Financial services	Total segments	Reconciliation	Porsche AG Group
Sales revenue from external customers	37,213	3,316	**40,530**	–	**40,530**
Intersegment sales revenue	136	128	**264**	–264	**–**
Total sales revenue	37,349	3,444	**40,793**	–264	**40,530**
Cost of sales[1]	–26,091	–3,093	**–29,184**	261	**–28,924**
Segment profit (operating profit)	6,938	302	**7,241**	44	**7,284**
Depreciation and amortization	2,654	883	**3,537**	–34	**3,504**
Impairment losses	2	160	**162**	–	**162**
Reversal of impairment losses	–	137	**137**	–	**137**
Investments in intangible assets and property, plant and equipment	4,045	33	**4,078**	19	**4,097**

[1] Cost of sales is presented separately as of fiscal year 2024. The prior-year figures have been adjusted to reflect this change.

Reconciliation

€ million	2024	2023
Segment sales revenue	40,349	40,793
Consolidation	–265	–264
Group sales revenue	40,083	40,530
Segment cost of sales	–30,054	–29,184
Consolidation	298	261
Cost of sales[1]	–29,756	–28,924
Segment profit (operating profit)	5,564	7,241
Consolidation	73	44
Operating profit	5,637	7,284
Financial result	–409	91
Consolidated profit before tax	5,227	7,375

[1] Cost of sales is presented separately as of fiscal year 2024. The prior-year figures have been adjusted to reflect this change.

By region 2024

€ million	Germany	Europe without Germany	North America[1]	China[2]	Overseas and Emerging Markets[3]	Hedges sales revenue	Porsche AG Group
Sales revenue from external customers	5,200	9,550	12,927	6,305	6,105	–4	**40,083**
Intangible assets, property, plant and equipment and leased assets	18,095	384	5,634	142	128	–	**24,381**

[1] excl. Mexico
[2] incl. Hong Kong
[3] The name of the sales region rest of world was changed to Overseas and Emerging Markets in the reporting year 2024. This is a name change only and has no impact on the geographical boundaries or the operating activities in this region.

By region 2023

€ million	Germany	Europe without Germany	North America[1]	China[2]	Overseas and Emerging Markets[3]	Hedges sales revenue	Porsche AG Group
Sales revenue from external customers	4,877	8,779	11,969	9,547	5,781	–424	**40,530**
Intangible assets, property, plant and equipment and leased assets	17,115	339	4,398	135	151	–	**22,138**

[4] excl. Mexico
[5] incl. Hong Kong
[6] The name of the sales region rest of world was changed to Overseas and Emerging Markets in the reporting year 2024. This is a name change only and has no impact on the geographical boundaries or the operating activities in this region.

Sales revenue is allocated to the regions in accordance with the destination principle.

The allocation of interregional intragroup transactions regarding the segment assets is presented uniformly according to economic ownership.

NOTES TO THE INCOME STATEMENT

1. SALES REVENUE

Structure of the group's sales revenue 2024

€ million	Automotive	Financial services	Total segments	Reconciliation	Porsche AG Group
Vehicles	30,088	–	**30,088**	–82	**30,006**
Genuine parts	1,995	–	**1,995**	0	**1,995**
Used vehicles and third-party products	1,423	1,763	**3,186**	–101	**3,084**
Rental and leasing business	1	1,573	**1,574**	–60	**1,514**
Interest and similar income from financial services business	2	554	**556**	–7	**550**
Hedges sales revenue	–4	–	**–4**	–	**–4**
Other revenue	2,933	20	**2,953**	–16	**2,937**
	36,438	**3,910**	**40,349**	**–265**	**40,083**

Structure of the group's sales revenue 2023

€ million	Automotive	Financial services	Total segments	Reconciliation	Porsche AG Group
Vehicles	31,733	–	**31,733**	–87	**31,646**
Genuine parts	1,950	–	**1,950**	0	**1,949**
Used vehicles and third-party products	1,415	1,577	**2,992**	–90	**2,903**
Rental and leasing business	1	1,401	**1,401**	–57	**1,345**
Interest and similar income from financial services business	0	450	**450**	–11	**439**
Hedges sales revenue	–424	–	**–424**	–	**–424**
Other revenue	2,674	16	**2,690**	–19	**2,671**
	37,349	**3,444**	**40,793**	**–264**	**40,530**

Other revenue mainly contains income from mobile services, consulting, development services and workshop services. In addition, other revenue contains insurance premiums from warranty insurance for used vehicles of €146 million (2023: €121 million).

Of the sales revenue recognized in the reporting period, an amount of €904 million (2023: €733 million) was included in contract liabilities as of January 1, 2024. The performance obligations that were not yet fulfilled as of the reporting date relate primarily to extended warranties and service contracts as well as mobile online services and vehicle deliveries, most of which are expected to be fulfilled or for which sales revenue is expected to be recognized by December 31, 2025.

The vast majority of the sales revenue expected from orders as of the reporting date relate to vehicle sales. The resulting sales revenue will be recognized in the short term. The services included in these vehicle sales that do not lead to sales revenue until subsequent years make up only an insignificant portion of expected sales revenue. Use is therefore made of the practical expedient pursuant to IFRS 15, according to which a quantified order backlog as of the reporting date is not disclosed on account of the short-term nature and lack of informative value.

2. COST OF SALES

Cost of sales amounted to €29,756 million (2023: €28,924 million and mainly comprises production materials, personnel expenses, non-staff overheads and depreciation and amortization.

Cost of sales also contains interest expenses attributable to the financial services business amounting to €308 million (2023: €147 million), impairment losses on leased assets amounting to €207 million (2023: €160 million) and expenses for indemnification payments from warranty insurance for used vehicles amounting to €116 million (2023: €107 million).

Profit-related government grants in the fiscal year amounted to €6 million (2023: €9 million) and were generally allocated to the corresponding function.

3. DISTRIBUTION EXPENSES

Distribution expenses of €3,099 million (2023: €2,869 million) include non-staff overheads and personnel expenses, depreciation and amortization charged in the distribution function as well as shipping, advertising and sales promotion costs incurred.

4. ADMINISTRATIVE EXPENSES

Administrative expenses of €1,859 million (2023: €1,787 million) mainly contain non-staff overheads and personnel expenses as well as depreciation and amortization charged in the administrative function.

5. OTHER OPERATING INCOME

Other operating income breaks down as follows:

€ million	2024	2023
Income from reversal of valuation allowances on receivables and other assets	29	30
Income from reversal of provisions and accruals	73	111
Income from derivatives within hedge accounting	98	157
Income from derivatives not within hedge accounting financial services segment	3	7
Income from other hedges	81	231
Income from foreign exchange gains	233	216
Income from cost allocations	239	280
Gains on asset disposals and the reversal of impairment losses	253	139
Other rental income	61	60
Miscellaneous other operating income	306	265
	1,375	**1,496**

Income from foreign exchange gains mainly comprises exchange rate gains between the date of origin and the date of payment of foreign exchange receivables as well as foreign exchange gains from measurement as of the reporting date. Resulting foreign exchange losses are included in other operating expenses.

Income from other hedges mainly includes gains from marking to market and realizing derivative financial instruments used for currency hedging in the automotive segment that are not designated in a hedging relationship. Foreign exchange losses are included in other operating expenses.

Miscellaneous other operating income mainly consists of other recourse income.

6. OTHER OPERATING EXPENSES

€ million	2024	2023
Valuation allowances on trade receivables	12	11
Valuation allowances on other receivables and other assets	95	54
Expenses from derivatives within hedge accounting	155	94
Expenses from derivatives not within hedge accounting financial services segment	7	15
Expenses from other hedges	81	148
Foreign exchange losses	226	373
Losses on disposal of non-current assets	128	38
Financial share of company pension scheme	–	70
Miscellaneous other operating expenses	403	359
	1,107	**1,162**

Foreign exchange losses mainly contain exchange rate losses between the date of origin and the date of payment of foreign exchange receivables. The resulting foreign exchange gains are included in other operating income.

Expenses from other hedges mainly include losses from marking to market and realizing derivative financial instruments used for currency hedging in the automotive segment that are not designated in a hedging relationship. Foreign exchange gains are reported in other operating income.

Miscellaneous other operating expenses consist principally of expenses for litigation costs and legal risks.

7. SHARE OF PROFIT OR LOSS OF EQUITY-ACCOUNTED INVESTMENTS

€ million	2024	2023
Share of profits of equity-accounted investments	**11**	**14**
of which from joint ventures	–	–
of which from associates	11	14
Share of losses of equity-accounted investments	**166**	**23**
of which from joint ventures	–	–
of which from associates	166	23
	–155	**–9**

8. INTEREST RESULT

€ million	2024	2023
Interest income	**278**	**264**
Other interest and similar income	278	264
Interest expense	**–223**	**–184**
Other interest and similar expenses	–14	–17
Interest expenses included in lease payments	–38	–34
Interest result from discounting other non-current liabilities	–35	–2
Net interest on the net defined benefit liability	–136	–130
Interest result	**55**	**80**

9. OTHER FINANCIAL RESULT

€ million	2024	2023
Cost of loss absorption	–135	–
Other income from equity investments	5	37
Other expenses from equity investments	–185	–47
Income and expenses from securities and loans	76	83
Realized income of loan receivables and payables in foreign currency	4	78
Realized expenses of loan receivables and payables in foreign currency	–14	–32
Gains and losses from remeasurement and impairment of financial instruments	–154	–61
Gains and losses from fair value changes of hedging instruments/derivatives not within in hedge accounting	95	–39
Other financial result	**–309**	**19**

Expenses from loss absorption mainly relate to Cellforce Group GmbH and result from the domination and profit and loss transfer agreement concluded in the fiscal year 2024.

Other expenses from equity investments include the impairment of the shares in Cellforce Group GmbH of €71 million (2023: €0 million) and the impairment loss on the investment in Bertrandt AG accounted for using the equity method of €58 million. In the prior year, the item included the reversal of an impairment loss on the investment in Bertrandt AG accounted for using the equity method of €27 million.

10. INCOME TAX

Income tax includes the tax expense and income determined for Porsche AG including the tax allocations of the tax group subsidiaries of Porsche AG as well as the tax expense and income of the consolidated subsidiaries as well as deferred taxes.

Composition of tax expense and income

€ million	2024	2023
Current tax expense, Germany	1,189	1,612
Current tax expense, other countries	281	375
Current income tax expense	**1,470**	**1,987**
of which prior-period income (–)/expense (+)	–41	–17
Deferred tax income (–)/expense (+), Germany	158	283
Deferred tax income (–)/expense (+), other countries	5	–51
Deferred tax income (–)/expense (+)	**163**	**231**
Income tax income/expense	**1,632**	**2,218**

The tax expense was reduced by €5 million (2023: €2 million) as a result of the utilization of previously unrecognized tax losses and tax credits and previously unrecognized temporary differences from prior periods. Of this, €1 million (2023: €2 million) is attributable to current taxes and €4 million (2023: €0 million) to deferred taxes.

The decrease in taxes in other countries is primarily due to the lower operating result. The share of earnings in countries with lower tax rates decreased in comparison to countries with higher tax rates, particularly Germany. This resulted in a disproportionately low decrease in tax expense.

Tax income relating to other periods largely related to Japan, Germany and, as in the prior year, the USA.

Reconciliation of estimated to recognized income tax

€ million	2024	2023
Profit before tax	5,227	7,375
Group tax rate in %	30.2	30.2
Expected income tax expense	**1,579**	**2,227**
Effects of different tax rates	–70	–90
Effects of loss carryforwards and tax credits	–3	7
Tax-exempt income and non-deductible business expenses	158	89
Taxes relating to other periods	–31	–10
Effect of tax rate changes	–1	–5
Reported income tax expense	**1,632**	**2,218**
Effective tax rate in %	31.2	30.1

The statutory corporate income tax rate for the 2024 assessment period in Germany is 15% (2023: 15%). Including trade tax and the solidarity surcharge, the nominal tax rate is 30.2% (2023: 30.2%). A tax rate of 30.2% (2023: 30.2%) was applied to measure the deferred taxes in the German consolidated tax group. This group tax rate is therefore used for the reconciliation.

The respective local tax rates for foreign entities range between 9% and 34% (2023: between 0% and 34%). These predominantly lower local tax rates, together with the lower German tax rate on income from securities, resulted in a different tax burden compared to the group tax rate. Tax rate changes led to tax income in the reporting period of €1 million (2023: €5 million).

Tax-free income amounts to €21 million (2023: €11 million) and non-deductible expenses increased to €179 million (2023: €100 million). This increase in tax-free income and non-deductible expenses is mainly due to loss allowances on investments and profit/loss from investments accounted for using the equity method. The increase in tax-free income and non-deductible expenses totaling €69 million is mainly due to impairments on equity investments and profit shares from investments accounted for using the equity method.

The tax loss carryforwards as well as the lapse of previously unused tax loss carryforwards developed as follows:

	Previously unused tax loss carryforwards		Thereof unusable tax loss carryforwards	
€ million	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Non-expiring tax loss carryforwards	50	45	19	43
Expiry within 10 years	18	17	13	17
Expiry over 10 years	87	39	43	34
Total	**155**	**101**	**75**	**94**

The tax loss carryforwards mainly stem from Luxembourg (€81 million) (2023: €33 million), Germany (€43 million) (2023: €38 million) and the USA (€14 million) (2023: €14 million).Of these total tax loss carryforwards, total deferred taxes of €17 million (2023: €2 million) were recognized for tax loss carryforwards and tax credits.

Deferred taxes by statement of financial position item

The following recognized deferred tax assets and liabilities were attributable to recognition and measurement differences in the individual items of the statement of financial position and to tax loss carryforwards:

	Deferred tax assets		Deferred tax liabilities	
€ million	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Intangible assets, property, plant and equipment and leased assets	8	10	3,707	3,394
Other equity investments	11	15	2	1
Inventories	36	30	34	31
Receivables and other assets (including financial services)	31	26	211	385
Securities	0	0	–	0
Unused tax loss carryforwards and tax credits	17	2	–	–
Provisions for pensions and similar obligations	516	642	15	19
Liabilities and other provisions	1,698	1,512	4	67
Gross value	**2,316**	**2,237**	**3,973**	**3,896**
Offsetting	–1,976	–1,990	–1,976	–1,990
Consolidation	359	380	117	104
Amount recognized in the consolidated statement of financial position	**698**	**627**	**2,114**	**2,010**

Reversals of impairments were not recognized on deferred tax assets for temporary differences (2023: €1 million).

As of the reporting date, deferred taxes totaling €164 million (2023: €305 million as a decrease in equity) were recognized in the statement of financial position as an increase in equity; these are allocable to income and expenses recorded in other comprehensive income.

Deferred tax assets of €20 million (2023: €3 million) were recognized without matching deferred tax liabilities. The companies concerned can expect future tax benefits following losses in the current fiscal year or the prior year.

In accordance with IAS 12.39, deferred tax liabilities were not recognized for temporary differences on undistributed profits at subsidiaries of Porsche AG in the amount of €285 million (2023: €242 million) because control is given.

Global minimum taxation

The model rules published by the OECD on global minimum taxation (Pillar 2) were enacted or largely enacted in certain countries in which the Porsche AG Group operates. In Germany, the legislation came into force for the Porsche AG Group for the fiscal year beginning on January 1, 2024. The Porsche AG Group falls within the scope of the enacted or largely enacted legislation and has assessed the expected tax burden of the Porsche AG Group with regard to global minimum taxation.

The assessment of the potential risk arising from minimum taxation is based on the most recent country-by-country report and financial statements of Porsche AG Group's affiliates. In almost all countries in which the Porsche AG Group operates, the effective tax rates of Pillar 2 are over 15%. The United Arab Emirates and Ireland are the only countries where the temporary safe harbor exemption does not apply and the effective Pillar 2 tax rate is under 15%. The Porsche AG Group's expenses related to the introduction of global minimum taxation (Pillar 2) totaled €2 million in the fiscal year. The Porsche AG Group has applied the exception to the recognition and disclosure of deferred taxes in connection with Pillar 2 income taxes.

11. PROFIT/LOSS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

The profit/loss attributable to non-controlling interests amounts to €3 million (2023: €0 million) and relates to 25% of the shares in Porsche Singapore Pte. Ltd., Singapore, 49% of the shares in Manthey Racing GmbH, Meuspath, and 25% of the shares in Porsche Norge AS, Oslo.

12. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the share of the result of Porsche AG's shareholders by the weighted average number of ordinary and preferred shares outstanding during the fiscal year. Since there were no transactions in the years 2024 and 2023 that had a dilutive effect on the number of shares, diluted earnings per share correspond to the basic earnings per share.

Pursuant to article 28 (4) of the Articles of Association of Porsche AG, the preferred shareholders are entitled to an additional dividend of €0.01 per preferred share above the dividend allocable to the ordinary share:

		2024	2023
Weighted average number of:			
Ordinary shares – basic/diluted	Shares	455,500,000	455,500,000
Preferred shares – basic/diluted	Shares	455,500,000	455,500,000
Earnings after tax	€ million	3,595	5,157
Non-controlling interests	€ million	3	0
Earnings attributable to Porsche AG shareholders	€ million	3,592	5,157
thereof basic/diluted earnings attributable to ordinary shares	€ million	1,794	2,576
thereof basic/diluted earnings attributable to preferred shares	€ million	1,799	2,581
Earnings per ordinary share – basic/diluted	€	3.94	5.66
Earnings per preferred share – basic/diluted	€	3.95	5.67

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

13. INTANGIBLE ASSETS

The PAG Group's total research and development costs in the reporting period developed as follows:

€ million	2024	2023	%
Total research and development costs	2,515	2,834	–11.2
thereof capitalized development costs	1,583	2,081	–24.0
Amortization of capitalized development costs	1,101	960	14.7
Research and development costs recognized in the income statement	**2,033**	**1,712**	**18.8**

The carrying amount of goodwill in the Porsche AG Group as of December 31, 2024 amounts to €28 million (2023: €19 million).

Development of intangible assets from January 1 to December 31, 2024

€ million	Other intangible assets	Capitalized development costs for products currently in use	Capitalized development costs for products under development	Goodwill	Total
Cost					
Balance at Jan. 1, 2024	**2,911**	**8,477**	**4,551**	**19**	**15,959**
Foreign exchange differences	0	0	–	–1	**0**
Changes in consolidated group	3	1	–	0	**5**
Additions	432	371	1,211	10	**2,025**
Transfers	20	2,700	–2,700	–	**20**
Disposals	66	5	3	–	**74**
Balance at Dec. 31, 2024	**3,301**	**11,546**	**3,058**	**29**	**17,934**
Amortization and impairment					
Balance at Jan. 1, 2024	**1,952**	**5,452**	**0**	**1**	**7,405**
Foreign exchange differences	0	0	–	–	**1**
Changes in consolidated group	2	1	–	–	**3**
Additions to cumulative amortization	485	1,101	–	–	**1,586**
Additions to cumulative impairment losses	3	–	–	–	**3**
Transfers	0	–	–	–	**0**
Disposals	3	1	–	–	**4**
Balance at Dec. 31, 2024	**2,438**	**6,553**	**0**	**1**	**8,993**
Carrying amount at Dec. 31, 2024	**863**	**4,992**	**3,058**	**28**	**8,941**

Development of intangible assets from January 1 to December 31, 2023

€ million	Other intangible assets	Capitalized development costs for products currently in use	Capitalized development costs for products under development	Goodwill	Total
Cost					
Balance at Jan. 1, 2023	**2,556**	**7,040**	**4,150**	**20**	**13,766**
Foreign exchange differences	–1	0	–	–1	**–2**
Changes in consolidated group	0	–	–	–	**0**
Additions	373	341	1,740	–	**2,454**
Transfers	5	1,338	–1,338	–	**5**
Disposals	21	241	2	–	**264**
Balance at Dec. 31, 2023	**2,911**	**8,477**	**4,551**	**19**	**15,959**
Amortization and impairment					
Balance at Jan. 1, 2023	**1,560**	**4,732**	**–**	**1**	**6,293**
Foreign exchange differences	–1	0	–	–	**–1**
Changes in consolidated group	0	–	–	–	**0**
Additions to cumulative amortization	396	959	–	–	**1,355**
Additions to cumulative impairment losses	1	0	0	–	**1**
Transfers	–2	–	–	–	**–2**
Disposals	2	239	–	–	**240**
Balance at Dec. 31, 2023	**1,952**	**5,452**	**0**	**1**	**7,405**
Carrying amount at Dec. 31, 2023	**960**	**3,025**	**4,550**	**19**	**8,554**

Other intangible assets mainly comprise other acquired intangible assets, advance payments on intangible assets, franchises, industrial and similar rights as well as licenses in such rights and assets. Some of the additions include non-cash items.

To determine whether goodwill and intangible assets are impaired, the group uses the value in use. For more information on the general approach and key assumptions, please refer to the details in note → **Accounting policies** on impairment testing.

14. PROPERTY, PLANT AND EQUIPMENT

Development of property, plant and equipment from January 1 to December 31, 2024

€ million	Land, land rights and buildings, incl. buildings on third-party land	Technical equipment and machinery	Other equipment, furniture and fixtures	Advance payments and assets under construction	Total
Cost					
Balance at Jan. 1, 2024	**6,803**	**3,186**	**9,951**	**1,381**	**21,322**
Foreign exchange differences	38	1	4	1	**43**
Changes in consolidated group	28	2	17	1	**47**
Additions	263	220	981	678	**2,142**
Transfers	133	285	498	–936	**–20**
Disposals	–123	–56	–500	–14	**–693**
Balance at Dec. 31, 2024	**7,142**	**3,637**	**10,951**	**1,111**	**22,841**
Depreciation and impairment					
Balance at Jan. 1, 2024	**–1,922**	**–2,008**	**–7,998**	**–**	**–11,927**
Foreign exchange differences	–13	0	–4	–	**–17**
Changes in consolidated group	–10	0	–9	–	**–19**
Additions	–301	–262	–850	–	**–1,413**
Additions to cumulative impairment losses	–	0	0	–	**0**
Transfers	–1	1	0	–	**0**
Disposals	73	50	461	–	**584**
Balance at Dec. 31, 2024	**–2,175**	**–2,219**	**–8,398**	**–**	**–12,792**
Carrying amount at Dec. 31, 2024	**4,967**	**1,417**	**2,553**	**1,111**	**10,048**

Development of property, plant and equipment from January 1 to December 31, 2023

€ million	Land, land rights and buildings, incl. buildings on third-party land	Technical equipment and machinery	Other equipment, furniture and fixtures	Advance payments and assets under construction	Total
Cost					
Balance at Jan. 1, 2023	**6,544**	**2,903**	**9,039**	**1,230**	**19,717**
Foreign exchange differences	–39	–1	–6	–1	**–47**
Changes in consolidated group	0	–	0	–	**0**
Additions	243	193	802	558	**1,796**
Transfers	125	121	332	–401	**178**
Disposals	70	30	217	5	**322**
Balance at Dec. 31, 2023	**6,803**	**3,186**	**9,951**	**1,381**	**21,322**
Depreciation and impairment					
Balance at Jan. 1, 2023	**1,696**	**1,782**	**7,315**	**–**	**10,793**
Foreign exchange differences	–13	0	–3	–	**–17**
Changes in consolidated group	0	–	0	–	**0**
Additions	286	248	780	–	**1,315**
Additions to cumulative impairment losses	–	0	–	–	**0**
Transfers	1	1	112	–	**113**
Disposals	49	23	205	–	**277**
Balance at Dec. 31, 2023	**1,922**	**2,008**	**7,998**	**–**	**11,927**
Carrying amount at Dec. 31, 2023	**4,881**	**1,179**	**1,953**	**1,381**	**9,394**

Government grants of €49 million (2023: €25 million) were deducted from the cost of property, plant and equipment.

15. LEASED ASSETS

Development of leased assets from January 1 to December 31, 2024

€ million	Leased assets
Cost	
Balance at Jan. 1, 2024	**6,121**
Foreign exchange differences	343
Changes in consolidated group	0
Additions	4,019
Transfers	14
Disposals	3,104
Balance at Dec. 31, 2024	**7,392**
Depreciation and impairment	
Balance at Jan. 1, 2024	**1,931**
Foreign exchange differences	97
Changes in consolidated group	0
Additions	860
Additions to cumulative impairment losses	207
Disposals	937
Reversal of impairment losses	158
Balance at Dec. 31, 2024	**2,000**
Carrying amount at Dec. 31, 2024	**5,393**

Development of leased assets from January 1 to December 31, 2023

€ million	Leased assets
Cost	
Balance at Jan. 1, 2023	**5,781**
Foreign exchange differences	–194
Changes in consolidated group	0
Additions	2,900
Transfers	2
Disposals	2,367
Balance at Dec. 31, 2023	**6,121**
Depreciation and impairment	
Balance at Jan. 1, 2023	**1,926**
Foreign exchange differences	–63
Changes in consolidated group	0
Additions	833
Additions to cumulative impairment losses	160
Disposals	789
Reversal of impairment losses	137
Balance at Dec. 31, 2023	**1,931**
Carrying amount at Dec. 31, 2023	**4,190**

Leased assets contain assets leased to customers under the terms of operating leases. Any impairment of leased assets from these vehicle leasing contracts is recognized as an impairment loss (2024: €207 million (2023: €160 million). Depending on the local circumstances and past experience from used vehicle sales, regularly updated internal and external data on the development of residual values are included in the residual value forecast.

Group entities in the financial services segment act as lessor, primarily leasing their own products.

16. EQUITY-ACCOUNTED INVESTMENTS AND OTHER EQUITY INVESTMENTS

Development of equity-accounted investments and other equity investments from January 1 to December 31, 2024

€ million	Equity-accounted investments	Other equity investments	Total
Cost			
Balance at Jan. 1, 2024	**817**	**866**	**1,683**
Foreign exchange differences	–	3	**3**
Changes in consolidated group	176	–187	**–11**
Additions	12	379	**391**
Disposals	–	33	**33**
Changes recognized directly in equity	4	11	**15**
Changes recognized in profit or loss	–155	–5	**–160**
Dividends	–4	–	**–4**
Balance at Dec. 31, 2024	**850**	**1,034**	**1,884**
Impairment losses			
Balance at Jan. 1, 2024	**165**	**52**	**217**
Additions	58	120	**178**
Disposals	–	30	**30**
Reversal of impairment losses	–	–	**–**
Balance at Dec. 31, 2023	**–223**	**–142**	**–365**
Carrying amount at Dec. 31, 2024	**627**	**892**	**1,519**

Development of equity-accounted investments and other equity investments from January 1 to December 31, 2023

€ million	Equity-accounted investments	Other equity investments	Total
Cost			
Balance at Jan. 1, 2023	**815**	**662**	**1,477**
Foreign exchange differences	–	–2	**–2**
Changes in consolidated group	–	–4	**–4**
Additions	13	232	**245**
Disposals	–	7	**7**
Changes recognized directly in equity	0	–3	**–2**
Changes recognized in profit or loss	–9	–13	**–22**
Dividends	–2	–	**–2**
Balance at Dec. 31, 2023	**817**	**866**	**1,683**
Impairment losses			
Balance at Jan. 1, 2023	**192**	**26**	**218**
Additions	–	31	**31**
Disposals	–	–	**–**
Reversal of impairment losses	27	5	**31**
Balance at Dec. 31, 2023	**165**	**52**	**217**
Carrying amount at Dec. 31, 2023	**651**	**814**	**1,465**

The equity-accounted investments include associates amounting to €627 million (2023: €651 million).

Accounting for Group 14 and HIF Global using the equity method for the first time due to materiality resulted in a change in the consolidated group and consequently in an addition to equity-accounted investments and a disposal of other financial assets. Further explanations on equity-accounted investments can be found in sections "Basis of consolidation" and "Investments in associates."

Other investments primarily comprise shares in affiliated companies measured at cost of €327 million (2023: €391 million), shares in associates measured at cost of €77 million (2023: €193 million) and other equity investments measured at fair value of €449 million (2023: €193 million).

17. INVENTORIES

€ million	Dec. 31, 2024	Dec. 31, 2023
Raw materials, consumables and supplies	467	400
Work in progress	327	325
Finished goods and merchandise	4,638	4,839
Current rental and leasing assets	42	49
Advance payments made	656	333
Hedges on inventories	1	1
	6,130	**5,947**

Of the total inventories reported as of the reporting date of €6,130 million (2023: €5,947 million), an amount of €68 million (2023: €54 million) is recognized at net realizable value. Inventories of €24,116 million (2023 (adjusted): €24,841 million) were expensed at the time revenue was recognized. The write-downs recognized in profit or loss in the reporting period amounted to €27 million (2023: €21 million) and resulted from the remeasurement of used vehicles. Reversals of impairment of €3 million (2023: €2 million) were recognized in profit or loss in the reporting period, also resulting primarily from the remeasurement of used vehicles. Of the total amount of inventories, leased vehicles returned amounting to €31 million (2023: €24 million) are pledged as security under asset-backed securities transactions.

18. TRADE RECEIVABLES

€ million	Dec. 31, 2024	Dec. 31, 2023
Trade receivables from		
third parties	844	1,008
related parties	496	440
	1,340	**1,449**

The maximum default risk corresponds to the carrying amounts of the net receivables. The fair values of the trade receivables essentially correspond to the carrying amounts due to the remaining terms. All trade receivables are due in less than one year.

19. NON-CURRENT AND CURRENT FINANCIAL SERVICES RECEIVABLES

As of the end of the reporting period, financial services receivables break down as follows:

	Carrying amount			Fair value	Carrying amount			Fair value
€ million	Current	Non-current	Dec. 31, 2024	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023	Dec. 31, 2023
Receivables from financing business								
Customer financing	1,022	3,374	**4,396**	4,520	895	3,039	**3,934**	4,057
Dealer financing	43	139	**182**	207	49	107	**156**	169
	1,065	**3,513**	**4,577**	**4,727**	**944**	**3,146**	**4,089**	**4,226**
Receivables from operating leases	5	–	**5**	5	5	–	**5**	5
Receivables from finance leases	738	1,566	**2,303**	2,457	720	1,531	**2,251**	2,349
	1,808	**5,078**	**6,886**	**7,188**	**1,669**	**4,676**	**6,345**	**6,580**

20. NON-CURRENT AND CURRENT OTHER FINANCIAL ASSETS

	Carrying amount			Carrying amount		
€ million	Current	Non-current	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023
Positive fair value of derivative financial instruments	434	392	**825**	631	813	**1,445**
Miscellaneous financial assets	802	1,105	**1,907**	1,379	609	**1,988**
	1,236	**1,496**	**2,732**	**2,010**	**1,422**	**3,432**

Miscellaneous financial assets include restricted cash in the amount of €503 million (2023: €331 million). This relates to collected customer payments for receivables sold under asset-backed securities programs, which have to be passed on to the contracting partners in a timely manner, as well as collateral in connection with vehicle financing.

No significant valuation allowances were recognized for miscellaneous financial assets. The maximum default risk corresponds to the net carrying amounts of miscellaneous financial assets.

The positive fair values of derivative financial instruments relate to the following items:

€ million	Dec. 31, 2024	Dec. 31, 2023
Transactions for hedging:		
foreign currency and interest rate risk from future cash flows (cash flow hedges)	736	1,215
Hedging transactions (interest and currency)	**736**	**1,215**
Assets related to derivatives not included in hedging relationships	89	230
	825	**1,445**

Further details on derivative financial instruments as a whole are provided in note → 36. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS.

21. NON-CURRENT AND CURRENT OTHER RECEIVABLES

As of the end of the reporting period, other receivables break down as follows:

	Carrying amount			Carrying amount		
€ million	Current	Non-current	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023
Other recoverable income taxes	570	0	**570**	603	0	**603**
Miscellaneous receivables	541	66	**607**	457	78	**534**
Conditional receivables from long-term construction contracts	25	–	**25**	19	–	**19**
	1,136	**66**	**1,202**	**1,079**	**78**	**1,157**

Miscellaneous receivables include prepaid expenses of €215 million (2023: €204 million). These are primarily attributable to rent and marketing expenses, as well as prepaid maintenance costs for hardware and software.

The current other receivables are mainly non-interest-bearing.

Other receivables include contingent receivables under long-term construction contracts recognized in application of the percentage of completion method. They correspond to the contract assets from contracts with customers, and developed as follows:

€ million	2024	2023
Contingent construction contract receivables at Jan. 1	**19**	**20**
Additions and disposals	6	0
Change in valuation allowances	0	0
Contingent construction contract receivables at Dec. 31	**25**	**19**

The contingent receivables from long-term construction contracts break down as follows:

€ million	2024	2023
Contract costs including outcome of the long-term construction contracts	87	99
thereof services billed to customers	–43	–33
Future receivables from long-term construction contracts	44	66
Advance payments received	–18	–47
	25	**19**

Revenue from long-term construction contracts totals €251 million (2023: €298 million). Contracts and parts of contracts billed to customers are presented within trade receivables. No material write-downs were recognized for these.

22. TAX ASSETS

	Carrying amount			Carrying amount		
€ million	Current	Non-current	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023
Deferred tax assets	–	698	**698**	–	627	**627**
Tax receivables	289	–	**289**	235	–	**235**
Total	**289**	**698**	**987**	**235**	**627**	**862**

Of the deferred tax assets, an amount of €641 million (2023: €602 million) relates to recognition and measurement differences between IFRSs and the tax base that will reverse within a year.

23. SECURITIES AND TIME DEPOSITS

The securities serve to safeguard liquidity. They are short-term fixed-income securities and shares. The securities are measured at fair value. Securities amounting to €0 million (2023: €0 million) have been furnished as collateral for financial liabilities and contingent liabilities. The recipient of collateral has no original right of disposal or pledge with respect to the furnished collateral.

24. CASH AND CASH EQUIVALENTS

€ million	Dec. 31, 2024	Dec. 31, 2023
Bank balances	3,066	1,647
Checks, cash-in-hand, bills and call deposits	3,318	4,173
	6,384	**5,820**

Bank balances are held at various banks in different currencies and, among other things, include time deposits with a term of less than three months. Call deposits comprise balances with affiliated companies (cash pool), which include overnight or short-term deposits that are only subject to an immaterial risk of fluctuations in value.

25. EQUITY

The composition and development of equity and of non-controlling interests is presented in the statement of changes in equity. Capital transactions presented as of December 31, 2023 involving a change in ownership interest relate to the acquisition of the non-controlling interests in Porsche Taiwan Motors Ltd., Taipei.

Subscribed capital

The subscribed capital of Porsche AG is composed of no-par value bearer shares. Porsche AG's share capital amounts to €911 million and is divided into 455,500,000 no-par value ordinary shares and 455,500,000 no-par value preferred shares. Each share grants a notional share of €1.00 in share capital. Compared to the ordinary shares, the preferred shares carry the right to an additional dividend that is €0.01 higher than the ordinary shares, but are non-voting.

Of Porsche AG's ordinary shares, 75% is held by Porsche Holding Stuttgart GmbH less one ordinary share and 25% by Porsche Automobil Holding SE, Stuttgart ("Porsche SE"), plus one ordinary share. Of the preferred shares, 75.8% is indirectly held by Volkswagen AG via Porsche Holding Stuttgart GmbH and 24.2% is in free float.

Capital reserves

The capital reserves contain contributions from premiums and other capital contributions and in the reporting period amount to €3,822 million (2023: €3,822 million).

Retained earnings

Retained earnings include the reserve for accumulated profits and the reserve for remeasurements from pension plans.

The reserve for accumulated profits includes the profits earned in the reporting year and those earned by consolidated subsidiaries in prior years and not yet distributed as well as transactions recognized within equity.

Changes in pension provisions recognized directly in equity are posted to the reserve for remeasurements from pension plans.

Dividends and proposed dividend

In accordance with section 58 (2) AktG, the dividend payment by Porsche AG is based on the net retained profits reported in the annual financial statements of Porsche AG prepared in accordance with the German Commercial Code.

It will be proposed to the Annual General Meeting of Porsche AG that, of the net retained profit of €2,100 million (2023: €3,420 million), a total dividend of €2,100 million be distributed, i.e., €2.30 per ordinary share and €2.31 per preferred share. Shareholders are not entitled to a dividend payment until a resolution has been taken by the Annual General Meeting.

In the fiscal year 2024, Porsche AG's Annual General Meeting on June 7, 2024 passed a resolution on the appropriation of the net retained profit for the fiscal year 2023, resulting in a distribution of €2.30 per ordinary share and €2.31 per preferred share. This brought the total amount distributed to €2,100 million.

Other reserves

The other reserves are the reserves for currency translation, for cash flow hedges (OCI I), for deferred hedging costs (OCI II), for equity and debt instruments and for equity-accounted investments.

The currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. In addition, exchange differences from the translation of capital have been reported in this reserve to allow the uniform recording of foreign currency effects within equity.

The cash flow hedge reserve (OCI I) is only used to record the designated effective portions of changes in the value of hedging instruments. By contrast, the non-designated portions of changes in the value of hedging instruments are accounted for through the reserve for deferred hedging costs (OCI II).

The reserve for equity-accounted investments is used to record the proportionate changes in equity-accounted investments recognized in other comprehensive income.

Non-controlling interests

Non-controlling interests in equity relate to 25% of the shares in Porsche Singapore Pte. Ltd., Singapore, 49% of the shares in Manthey Racing GmbH, Meuspath, and 25% of the shares in Porsche Norge AS, Oslo.

26. PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

Provisions for pensions and similar obligations are recognized for benefits in the form of retirement, invalidity and dependents' benefits payable under pension plans. The benefits of the group vary according to legal, tax, and economic circumstances of the country concerned, and usually depend on the length of service and remuneration of the employees.

Porsche AG Group companies provide both defined contribution plans and defined benefit plans. In the case of defined contribution plans, the company makes contributions to state or private pension schemes based on legal or contractual requirements, or on a voluntary basis. Once the contributions have been paid, there are no further obligations for the group. Current contributions are recognized as expenses of the period concerned. In the reporting period, expenses for state and private defined contribution plans within the Porsche AG Group amounted to €302 million (2023: €280 million). Of that amount, contributions to the compulsory state pension system in Germany amounted to €277 million (2023: €262 million).

In the case of defined benefit plans, a distinction is made between pensions funded by provisions and pensions funded by plan assets. Pension provisions for defined benefit plans are primarily measured in accordance with IAS 19 by independent actuaries using the internationally accepted projected unit credit method. The future obligations are measured on the basis of the ratable benefit entitlements earned as of the reporting date. The measurement takes into account, among other things, actuarial assumptions for the discount rates, payroll and pension trends as well as longevity, which are calculated for each group company depending on economic conditions. Remeasurements result from deviations of the actual development compared to the assumptions made in the prior year, from changes in assumptions as well as income or expenses from plan assets, excluding amounts included in net interest income or expenses. These are recognized directly in equity in the period in which they were incurred taking into account deferred taxes.

The following amounts were recognized in the statement of financial position for defined benefit plans:

€ million	Dec. 31, 2024	Dec. 31, 2023
Present value of funded benefit obligations	3,964	150
Fair value of plan assets	–407	–142
Funded status (net)	3,557	8
Present value of unfunded benefit obligations	511	4,306
Net liability recognized in the statement of financial position	**4,068**	**4,314**
thereof pension provisions	4,074	4,315
thereof other assets	6	1

Significant pension arrangements at the Porsche AG Group

The Porsche AG Group offers its employees benefits from a pension scheme for the time after their active working life. A substantial part of the benefit obligations within the group are pension plans for employees in Germany that are classified as defined benefit plans within the meaning of IAS 19 and that are generally covered by collective agreements. To reduce the risks associated with these pension plans, in particular longevity, salary increases and inflation, new domestic defined benefit plans have been introduced at the Porsche AG Group since 2022, whose benefits are funded by external plan assets. The risks mentioned above were reduced in these pension plans. The proportion of the total defined benefit obligation attributable to pension obligations funded by plan assets is expected to rise in the future. The significant pension plans in Germany are described in the following.

GERMAN PENSION PLANS FUNDED SOLELY BY RECOGNIZED PROVISIONS

The employer-funded pension plans are largely contribution-based plans with guarantees. In the case of defined contribution plans, an annual service cost dependent on income and status is converted into a lifelong pension entitlement based on annuity conversion factors (guaranteed components). The annuity conversion factors contain a guaranteed yield. At retirement, the pension components earned each year are added.

The employee-funded pension plans are largely contribution-based plans with guarantees. The annual service cost (according to individual deferred compensation agreements) is converted to capital components by multiplying them with age factors. A guaranteed yield is integrated in the age factors. At retirement, the pension components earned each year are paid out—depending on the respective pension plan—as a lump sum, in multiple installments or as a lifelong pension (by converting the capital for pension benefits into an annuity).

The present value of the guaranteed obligation increases as interest rates fall and is thus exposed to interest rate risks.

If the respective pension system provides for lifelong pension payments, the companies bear the longevity risk. This is accounted for by using the most recent mortality tables - the "Heubeck 2018 G" mortality tables - to determine the annuity conversion factors and the present value of the guaranteed obligation; these tables already reflect a future increase in life expectancy.

To reduce the inflation risk inherent in adjusting current pension payments by the inflation rate, a pension adjustment that is not linked to inflation was introduced for pension obligations where this is legally permitted.

GERMAN PENSION PLANS FUNDED BY EXTERNAL PLAN ASSETS
In the fiscal year 2024, the Porsche AG Group partially funded its domestic employer- and employee-funded pension plans, which had previously been financed exclusively by provisions recognized in the statement of financial position, for the first time with external plan assets of €250 million.

The employer-funded pension plans, some of which are externally funded by plan assets, are largely defined contribution plans with guarantees. In the case of defined contribution plans, an annual service cost dependent on income and status is converted into a lifelong pension entitlement based on annuity conversion factors (guaranteed components). The annuity conversion factors contain a guaranteed yield. At retirement, the pension components earned each year are added.

The employee-funded pension plans, some of which are externally funded by plan assets, are largely defined contribution plans with guarantees. The annual service cost (according to individual deferred compensation agreements) is converted to capital components by multiplying them with age factors. A guaranteed yield is integrated in the age factors. At retirement, the pension components earned each year are paid out—depending on the respective pension plan—as a lump sum, in multiple installments or as a lifelong pension (by converting the capital for pension benefits into an annuity).

For both the employer-funded and the employee-funded pension plans, the external plan assets are administered in trust by Porsche Trust e.V. and invested in the capital markets. The performance of the capital investment has no influence on the pension expenses of the plan participants.

The pension plans entirely funded by external plan assets are defined contribution, capital-market-oriented plans. In this case, the contributions dependent on income and status plus a capital market yield form the pension capital, which is generally paid out in a lump sum. The pension capital amounts to at least 80% of contributions made. For the pension plans, contributions are made on an ongoing basis to a separate pool of assets that is administered in trust by Porsche Trust e.V. and invested in the capital markets.

Since the trust assets meet the IAS 19 criteria for classification as plan assets, they are offset against the obligation. The offsetting was performed separately for the fully funded employer-funded and employee-funded domestic pension plans and the pension plans funded entirely via external plan assets.

The amount of the plan assets is exposed to general market risk. The investment strategy and its implementation are therefore continuously monitored by the governing bodies of Porsche Trust e.V., which include representatives of both the employer and employees. For example, investment policies are stipulated in the trustors' investment guidelines with the aim of limiting market risk and its impact on plan assets. In addition, asset-liability management studies are conducted if required so as to ensure that the capital investment is in line with the obligations that need to be covered. Depending on the pension plan being funded in each case, the trust assets are currently invested primarily in investment funds, which are included in the breakdown of plan assets as equity, bond, real estate and other funds. The investment focus is on money market funds, which are disclosed as "other funds."

The present value of the obligation is the present value of the guaranteed obligation after deducting the plan assets. If the plan assets fall below the present value of the guaranteed obligation, a provision must be recognized in that amount. The present value of the guaranteed obligation increases as interest rates fall and is thus exposed to interest rate risks.

In the case of lifelong pension payments, the Porsche AG Group bears the longevity risk. This is accounted for by using the most recent mortality tables - the "Heubeck 2018 G" mortality tables - to determine the annuity conversion factors and the present value of the guaranteed obligation; these tables already reflect a future increase in life expectancy.

To reduce the inflation risk inherent in adjusting current pension payments by the inflation rate, a pension adjustment that is not linked to inflation was introduced for pension obligations where this is legally permitted.

Measurement of the provisions for pensions of the Porsche AG Group

The calculation of pension provisions was based on the following significant actuarial assumptions:

	Germany		Abroad	
%	2024	2023	2024	2023
Discount rate at December 31	3.40	3.20	4.22	4.15
Payroll trend	3.80	4.60	2.42	2.44
Pension trend	2.00	2.20	1.59	1.65

These disclosures are averages that were weighted using the present values of the defined benefit obligations. With regard to life expectancy, the latest mortality tables are used in all countries. The discount rates are generally determined based on the return on high-quality corporate bonds whose terms and currency match the respective obligations. The iBoxx AA Corporate Bond index was used as a basis for the obligations pertaining to the group's entities in Germany. Comparable indices are used for foreign pension obligations.

The payroll trends cover expected wage and salary increases, which also include increases attributable to career development.

The pension trends correspond to either the contractually agreed guaranteed adjustments or are based on the rules applicable locally in each country for pension adjustments.

MAGAZINE

TO OUR SHAREHOLDERS

CORPORATE GOVERNANCE

COMBINED MANAGEMENT REPORT

NON-FINANCIAL STATEMENT
(part of the Combined Management Report)

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated income statement

Consolidated statement of comprehensive income

Consolidated statement of financial position

Consolidated statement of changes in equity

Consolidated statement of cash flows

› Notes to the consolidated financial statements

FURTHER INFORMATION

The following table shows changes in the net defined benefit pension liability recognized in the statement of financial position:

€ million	2024	2023
Net liability recognized in the statement of financial position at January 1	**4,314**	**3,667**
Current service cost	177	167
Net interest expense	136	130
Actuarial gains (–)/losses (+) arising from changes in demographic assumptions	–2	1
Actuarial gains (–)/losses (+) arising from changes in financial assumptions	–292	377
Actuarial gains (–)/losses (+) arising from experience adjustments	11	18
Income/expenses from plan assets not included in interest income	2	–1
Employer contributions to plan assets	–275	–27
Employee contributions to plan assets	1	1
Pension payments from company assets	–69	–63
Past service cost (including plan curtailments)	0	–1
Gains (–) / losses (+) from plan settlements	0	–
Other changes	–1	–6
Foreign exchange differences from foreign plans	0	–1
Employee contributions and deferred compensation	66	50
Net liability recognized in the statement of financial position at December 31	**4,068**	**4,314**

The development of the present value of the defined benefit pension obligations is attributable to the following factors:

€ million	2024	2023
Present value of obligations at January 1	**4,456**	**3,781**
Current service cost	177	167
Interest expense	143	136
Actuarial gains(–)/losses (+) arising from changes in demographic assumptions	–2	1
Actuarial gains(–)/losses (+) arising from changes in financial assumptions	–292	377
Actuarial gains(–)/losses (+) arising from experience adjustments	11	18
Employee contributions to plan assets	2	2
Pension payments from company assets	–69	–63
Pension payments from plan assets	–4	–5
Past service cost (including plan curtailments)	0	–1
Gains (–) or losses (+) arising from plan settlements	0	–
Other changes	–19	–6
Foreign exchange differences from foreign plans	5	0
Employee contributions and deferred compensation	66	50
Present value of obligations at December 31	**4,475**	**4,456**

The actuarial gains from changes in financial assumptions primarily result from the change in the discount rate in Germany.

Changes in the relevant actuarial assumptions would have had the following effects on the defined benefit obligation:

		Dec. 31, 2024		Dec. 31, 2023	
Present value of defined benefit obligation if		€ million	change in percent	€ million	change in percent
Discount trend	is 0.5 percentage points higher	4,032	–9.89	3,998	–10.28
	is 0.5 percentage points lower	4,995	11.63	4,997	12.15
Pension trend	is 0.5 percentage points higher	4,696	4.95	4,687	5.19
	is 0.5 percentage points lower	4,275	–4.47	4,248	–4.68
Payroll trend	is 0.5 percentage points higher	4,505	0.68	4,494	0.85
	is 0.5 percentage points lower	4,450	–0.55	4,426	–0.68
Longevity	increases by one year	4,573	2.20	4,560	2.33

Each of the sensitivity analyses presented considers the change in one assumption at a time, leaving the other assumptions unchanged versus the original calculation, i.e., possible correlation effects between the individual assumptions are not taken into account.

To analyze the sensitivity of the present value of the defined benefit obligation to a change in the assumed longevity, the mortality rates assumed in the comparative calculation have been reduced to the extent that doing so increases life expectancy by approximately one year.

The weighted average duration (the Macaulay duration) of the defined benefit obligation based on the present values of the obligation is 22 years (2023: 23 years).

The present value of the defined benefit obligation is attributable as follows to the members of the plan:

€ million	2024	2023
Active members with pension entitlements	3,377	3,377
Members with vested entitlements who have left the company	250	247
Pensioners	847	832
	4,475	**4,456**

A maturity profile of payments under defined benefit obligations is presented in the following based on an allocation of the present value of the obligation to the maturity of the underlying payments:

€ million	2024	2023
Payments due within the next fiscal year	96	82
Payments due between two and five years	422	379
Payments due in more than five years	3,957	3,995
	4,475	**4,456**

The table below shows the development of plan assets:

€ million	2024	2023
Fair value of plan assets at January 1	**142**	**113**
Interest income on plan assets determined using the discount rate	6	6
Income/expenses from plan assets not included in interest income	–2	1
Employer contributions to plan assets	275	27
Employee contributions to plan assets	1	1
Pension payments from plan assets	–4	–5
Other changes	–17	0
Foreign exchange differences from foreign plans	5	0
Fair value of plan assets at December 31	**407**	**142**

The investment of plan assets to cover future pension obligations resulted in income of €4 million (2023: €6 million).

In the next fiscal year, employer contributions to plan assets are expected to amount to €25 million (2023: €22 million for the fiscal year 2024).

Plan assets are invested in the following asset categories:

	Dec. 31, 2024			Dec. 31, 2023		
€ million	Quoted prices in active markets	No quoted prices in active markets	Total	Quoted prices in active markets	No quoted prices in active markets	Total
Cash and cash equivalents	2	–	**2**	8	–	**8**
Equity instruments	–	–	**–**	19	–	**19**
Debt instruments	6	–	**6**	5	–	**5**
Equity funds	23	–	**23**	35	–	**35**
Pension funds	45	–	**45**	34	–	**34**
Real estate funds	4	–	**4**	4	–	**4**
Other funds	325	–	**325**	38	–	**38**
Other	1	0	**1**	1	0	**1**
Fair value of plan assets	**407**	**0**	**407**	**142**	**0**	**142**

The following amounts were recognized in the income statement:

€ million	2024	2023
Current service cost	177	167
Net interest on the net defined benefit liability	136	130
Past service cost (including plan curtailments)	0	–1
Gains (–) or losses (+) arising from plan settlements	0	–
Net income (–) and expenses (+) recognized in profit or loss	**314**	**297**

The figures above are generally included in the personnel costs of the functional areas in the income statement; net interest on the net defined benefit liability is recognized in interest expenses.

27. NON-CURRENT AND CURRENT OTHER PROVISIONS

€ million	Obligations arising from sales	Employee expenses	Litigation and legal risks	Miscellaneous provisions	Total
Balance at Jan. 1, 2024	**2,020**	**1,010**	**49**	**1,176**	**4,256**
Foreign exchange differences	19	2	0	1	**22**
Changes in consolidated group	2	4	0	2	**8**
Utilization	1,246	726	12	357	**2,342**
Additions/New provisions	1,567	604	10	836	**3,016**
Unwinding of discount/effect of change in discount rate	10	5	–	–	**15**
Reversals	23	19	5	104	**152**
Balance at Dec. 31, 2024	**2,349**	**879**	**41**	**1,554**	**4,823**
of which current	1,265	629	41	1,503	**3,438**
of which non-current	1,084	250	–	51	**1,385**
Balance at Jan. 1, 2023	**1,725**	**893**	**79**	**1,213**	**3,909**
Foreign exchange differences	–16	–2	–1	–4	**–24**
Changes in consolidated group	–	–	–	1	**1**
Utilization	1,011	613	21	585	**2,229**
Additions/New provisions	1,356	732	15	695	**2,799**
Transfers	41	–	–	–41	**–**
Unwinding of discount/effect of change in discount rate	–17	17	–	–3	**–3**
Reversals	58	16	23	100	**197**
Balance at Dec. 31, 2023	**2,020**	**1,010**	**49**	**1,176**	**4,256**
of which current	1,066	746	49	1,146	**3,007**
of which non-current	954	264	–	31	**1,249**

Provisions for obligations arising from sales primarily concern warranty obligations and bonuses. The warranty obligations in the Porsche AG Group mainly arise from product warranties granted for the vehicles it produces. The provisions include both estimated expenses from legal and contractual guarantee claims as well as estimated expenses for constructive warranties. The provisions are recognized taking account of the past or estimated future claims pattern per series, model year and country. Individual technical risks identified are recorded separately. The timing of the utilization of the warranty provisions depends on the occurrence of the guarantee/warranty claim and can extend over the entire legal and constructive warranty period. Provisions for expected repair measures have been recognized for the vehicles affected by the diesel issue, as described in note → **40. LITIGATION**, and a corresponding receivable due from Audi AG has been recognized under other financial assets. Estimated expenses for constructive warranties were taken into consideration for further customer and dealer measures relating to these vehicles. The provisions for bonuses are intended to cover the cost of subsequent reductions in revenue already realized.

Provisions for personnel expenses are recognized principally for employee and management bonuses, long-service awards, time credits, top-up amounts for phased retirement schemes, severance payments and similar obligations.

Provisions for legal and litigation risks primarily relate to the legal risks described in note → **40. LITIGATION**.

Miscellaneous provisions include provisions amounting to €211 million (2023: €170 million) relating to the insurance business.

In addition, miscellaneous provisions contain a wide range of identifiable risks, price risks and uncertain obligations, such as those stemming from product liability, measured according to the probability of their occurrence. Depending on the jurisdiction concerned, this item also includes loss allowances for any instances of non-compliance with statutory emissions limits. These were measured by, among other things, taking into account the respective sales volume and the legally defined fee or the cost of acquiring emission rights from other manufacturers. Synergies with other brands of the Volkswagen Group were utilized where possible by creating emission pools. Also included as of the reporting date are supplier receivables.

69% of the other provisions is expected to result in cash outflows within one year, 24% in between one and five years and 7% thereafter.

28. NON-CURRENT AND CURRENT FINANCIAL LIABILITIES

Financial liabilities break down as follows:

	Carrying amount			Carrying amount		
€ million	Current	Non-current	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023
ABS refinancing	3,538	4,973	**8,511**	3,104	4,316	**7,420**
Debenture bonds	176	781	**957**	304	957	**1,260**
Liabilities to banks	339	386	**725**	299	329	**629**
Lease liabilities	122	1,019	**1,142**	113	934	**1,047**
Other financial liabilities	77	–	**77**	61	–	**61**
	4,253	**7,160**	**11,413**	**3,880**	**6,537**	**10,417**

ABS refinancing of €8,511 million (2023: €7,420 million) relates to transactions in connection with refinancing the portfolio of lease and financing agreements. These are explained in more detail in note → **36. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**. The commercial papers and notes in the form of debenture bonds were placed in different tranches with fixed and variable interest and have been partially repaid. The principal amounts of the debenture bonds totaled €957 million (2023: €1,261 million).

Liabilities to banks are used for refinancing in the financial services business and, to a small extent, for current financing. Depending on the currency, maturity and contractual terms and conditions, the nominal interest rate varies between 0.4% and 4.04% (2023: 0.24% and 4.43%).

29. TRADE PAYABLES

€ million	Dec. 31, 2024	Dec. 31, 2023
Trade payables	3,378	3,490
	3,378	**3,490**

The fair values of the trade payables essentially correspond to the carrying amounts due to the remaining terms.

All trade payables are due in less than one year.

30. NON-CURRENT AND CURRENT OTHER FINANCIAL LIABILITIES

As of the end of the reporting period, other financial liabilities break down as follows:

	Carrying amount			Carrying amount		
€ million	Current	Non-current	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023
Negative fair values of derivative financial instruments	567	407	**975**	368	299	**667**
Interest payable	11	–	**11**	16	–	**16**
Miscellaneous financial liabilities	575	70	**645**	848	64	**912**
	1,153	**477**	**1,630**	**1,231**	**364**	**1,595**

The item derivative financial instruments marked to market mainly comprises forward exchange transactions, currency options and interest rate swaps.

The negative fair values of derivative financial instruments relate to the following items:

€ million	Dec. 31, 2024	Dec. 31, 2023
Transactions for hedging:		
foreign currency and interest rate risk from future cash flows (cash flow hedges)	926	565
Hedging transactions (interest and currency)	**926**	**565**
Liabilities related to derivatives not included in hedging relationships	49	103
	975	**667**

Further details on derivative financial instruments as a whole are provided in note → **36. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS.**

31. NON-CURRENT AND CURRENT OTHER LIABILITIES

As of the end of the reporting period, other liabilities break down as follows:

	Carrying amount			Carrying amount		
€ million	Current	Non-current	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023
Advance payments received on account of orders	942	631	**1,573**	904	562	**1,466**
Liabilities relating to						
other taxes	361	3	**364**	407	4	**411**
social security	9	–	**9**	8	–	**8**
wages and salaries	229	93	**321**	223	2	**225**
Miscellaneous liabilities	353	192	**545**	253	169	**422**
	1,894	**919**	**2,813**	**1,795**	**737**	**2,532**

Liabilities from payroll accounting include deferred performance from liabilities from phased retirement. In the fiscal year 2024, the plan assets of €140 million previously used to secure phased retirement obligations were replaced by an external bank guarantee of equal value. This resulted in cash of this amount being returned to the group.

Miscellaneous liabilities include deferred income consisting of special rent payments of €427 million (2023: €336 million) and other deferred income of €95 million (2023: €78 million).

Liabilities from advance payments received under contracts with customers match the contractual liabilities from contracts with customers and are part of advance payments received on account of orders. These developed as follows:

€ million	2024	2023
Liabilities from advance payments received under contracts with customers at Jan. 1	**1,466**	**1,315**
Additions and disposals	81	183
Changes in consolidated group	0	–
Foreign exchange differences	25	–32
Liabilities from advance payments received under contracts with customers at Dec. 31	**1,573**	**1,466**

This also includes liabilities from long-term construction contracts:

€ million	Dec. 31, 2024	Dec. 31, 2023
Cost of conversion including outcome of the long-term construction contracts	13	143
thereof services billed to customers	–11	–141
Future receivables from long-term construction contracts	1	2
Advance payments received	–21	–22
	20	**21**

32. TAX LIABILITIES

€ million	Carrying amount			Carrying amount		
	Current	Non-current	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023
Deferred tax liabilities	–	2,114	**2,114**	–	2,010	**2,010**
Income tax provisions	195	–	**195**	128	–	**128**
Tax payables	33	–	**33**	31	–	**31**
Total	**227**	**2,114**	**2,341**	**159**	**2,010**	**2,169**

Of the deferred tax liabilities, an amount of €19 million (2023: €48 million) relates to recognition and measurement differences between IFRSs and the tax base that will reverse within a year.

OTHER NOTES

33. STATEMENT OF CASH FLOWS

The statement of cash flows presents cash inflows and outflows from operating, investing and financing activities, regardless of how they are classified in the statement of financial position.

The cash flow from operating activities is derived indirectly, starting from profit/loss before tax. The profit/loss before tax is adjusted to eliminate non-cash expenses and income (primarily depreciation, amortization and write-downs, the gain/loss from the disposal of assets and other non-cash items). Other non-cash expenses and income primarily comprise measurement effects of financial instruments as well as changes in the fair value of hedging instruments. Factoring in changes in working capital, which include changes in leased assets and changes in receivables from financial services, results in the cash flow from operating activities.

Investing activities include additions to property, plant and equipment, and changes in equity investments, as well as additions of capitalized development costs, changes in investments in securities and time deposits as well as loans.

Financing activities include outflows due to payments for profit transfers and dividend distributions and the repayment of bonds, as well as inflows from capital increases, the issuance of bonds and changes in other financial liabilities.

The changes in the items of the statement of financial position from which the statement of cash flows is derived are adjusted for non-cash effects. Changes in the items in the statement of financial position concerned can therefore not be reconciled directly with the figures in the published consolidated statement of financial position.

Cash flows from operating activities presented in the statement of cash flows include:

€ million	Dec. 31, 2024	Dec. 31, 2023
Interest paid	462	312
Interest received	676	592
Dividends received[1]	5	4

[1] Dividends from joint ventures and associates as well as other equity investments.

The interest paid and received also contains the interest income and interest expenses from the financial services segment reported in cost of sales or sales revenue.

€ million	Dec. 31, 2024	Dec. 31, 2023
Cash and cash equivalents as reported in the statement of financial position	6,384	5,820
Cash and cash equivalents classified as held for sale	–	6
Cash and cash equivalents as reported in the statement of cash flows	6,384	5,826

Time deposits with contractual maturities of more than three months are not classified as cash equivalents. The maximum default risk corresponds to the carrying amount of the cash and cash equivalents. The following table shows the classification of changes in financial liabilities into cash effective and non-cash transactions:

			Non - cash changes				
€ million	Balance at Jan. 1, 2024	Cash-effective changes	Foreign exchange differences	Changes in consolidated group	Classified as held for sale	Other changes	Balance at Dec. 31, 2024
ABS-refinancing	7,420	731	360	–	–	–	**8,511**
Non-listed debt securities	1,260	–303	–	–	–	–	**957**
Other total third-party borrowings	690	117	–36	0	–	31	**803**
Lease liabilities[1]	1,047	–123	14	20	–	184	**1,142**
Total third-party borrowings	**10,417**	**421**	**339**	**20**	**–**	**215**	**11,413**
Other financial assets and liabilities	0	0	0	–	–	–	**0**
Financial assets and liabilities in financing activities	**10,417**	**421**	**339**	**20**	**–**	**215**	**11,413**

[1] Other changes in lease liabilities largely contain non-cash additions of lease liabilities.

			Non - cash changes				
€ million	Balance at Jan. 1, 2023	Cash-effective changes	Foreign exchange differences	Changes in consolidated group	Classified as held for sale	Other changes	Balance at Dec. 31, 2023
ABS-refinancing	6,282	1,329	–190	–	–	0	**7,420**
Non-listed debt securities	1,488	–228	–	–	–	–	**1,260**
Other total third-party borrowings	664	206	–91	–	0	–89	**690**
Lease liabilities[1]	1,046	–113	–18	–	–	132	**1,047**
Total third-party borrowings	**9,480**	**1,194**	**–299**	**–**	**0**	**42**	**10,417**
Other financial assets and liabilities	–1	1	0	–	–	–	**0**
Financial assets and liabilities in financing activities	**9,480**	**1,194**	**–299**	**–**	**0**	**42**	**10,417**

[1] Other changes in lease liabilities largely contain non-cash additions of lease liabilities.

34. IAS 23 (BORROWING COSTS)

Capitalized borrowing costs amounted to €93 million (2023: €113 million) in the fiscal year and related to capitalized development costs. At the Porsche AG Group, an average borrowing rate of 2.8% (2023: 3.4%) was used as the basis for capitalization.

35. IFRS 16 (LEASES)

35.1 Lessee accounting

The Porsche AG Group primarily acts as lessee with respect to leases of office premises, real estate and other production resources. The leases are negotiated individually and include a wide range of contractual terms. Right-of-use assets under leases are included in the following items in the statement of financial position:

Presentation of and changes in right-of-use assets from January 1 to December 31, 2024

€ million	Right of use on land, land rights and buildings incl. buildings on third party land	Right of use on technical equipment and machinery	Right of use on other equipment, operational and office equipment	Total
Cost				
Balance at Jan. 1, 2024	**1,323**	**14**	**58**	**1,394**
Foreign exchange differences	18	–	0	**18**
Changes in consolidated group	25	1	4	**30**
Additions	182	6	16	**204**
Disposals	72	0	13	**86**
Balance at Dec. 31, 2024	**1,475**	**21**	**65**	**1,561**
Depreciation and impairment				
Balance at Jan. 1, 2024	**377**	**4**	**31**	**412**
Foreign exchange differences	5	–	0	**5**
Changes in consolidated group	10	0	2	**12**
Additions to cumulative depreciation	127	2	12	**141**
Disposals	60	0	12	**73**
Balance at Dec. 31, 2024	**459**	**6**	**33**	**497**
Carrying amount at Dec. 31, 2024	**1,017**	**15**	**32**	**1,063**

Presentation of and changes in right-of-use assets from January 1 to December 31, 2023

€ million	Right of use on land, land rights and buildings incl. buildings on third party land	Right of use on technical equipment and machinery	Right of use on other equipment, operational and office equipment	Total
Cost				
Balance at Jan. 1, 2023	**1,264**	**15**	**61**	**1,340**
Foreign exchange differences	–23	–	0	**–23**
Additions	145	–	9	**154**
Disposals	64	1	11	**76**
Balance at Dec. 31, 2023	**1,323**	**14**	**58**	**1,394**
Depreciation and impairment				
Balance at Jan. 1, 2023	**310**	**4**	**30**	**344**
Foreign exchange differences	–8	–	0	**–8**
Additions to cumulative depreciation	117	1	12	**131**
Disposals	43	1	11	**55**
Balance at Dec. 31, 2023	**377**	**4**	**31**	**412**
Carrying amount at Dec. 31, 2023	**946**	**10**	**27**	**982**

Income of €5 million (2023: €5 million) was generated in the fiscal year from subleasing right-of-use assets.

The measurement of right-of-use assets and the associated lease liability is subject to best estimates with regard to the exercise of options to extend or terminate the lease. This estimate is updated if there are material changes in circumstances or in the agreement.

The tables below show how the lease liabilities are assigned in the statement of financial position and give an overview of their contractual maturities:

Assignment of lease liabilities to the respective statement of financial position items

€ million	Dec. 31, 2024	Dec. 31, 2023
Non-current financial liabilities	1,019	934
Current financial liabilities	122	113
Total lease liabilities	**1,142**	**1,047**

Maturity analysis of undiscounted lease liabilities

	Remaining contractual maturities			
€ million	under one year	within one to five years	over five years	Total
Lease liabilities at Dec. 31, 2024	162	499	936	**1,597**
Lease liabilities at Dec. 31, 2023	150	454	866	**1,470**

Interest expenses of €42 million (2023: €38 million) were incurred for lease liabilities in the fiscal year.

Right-of-use assets were not recognized for short-term leases and leases of low-value assets. Expenses totaling €39 million (2023: €38 million) were incurred for leases of low-value assets in the fiscal year. This figure does not include expenses for short-term leases, which totaled €105 million in the fiscal year (2023: €113 million). Variable lease expenses, which were not included in the measurement of lease liabilities, came to €5 million in the reporting year (2023: €2 million).

In the fiscal year, cash outflows of €307 million (2023: €304 million) were attributable to leases entered into as lessee.

The table below gives an overview of potential future cash outflows not taken into consideration in the measurement of the lease liabilities:

€ million	2024	2023
Future cash outflows to which the lessee is potentially exposed		
Variable lease payments	4	3
Extension options	343	277
Termination options	2	2
Obligations under leases not yet commenced	37	23
Total	**387**	**305**

35.2 Lessor accounting

The Porsche AG Group acts as lessor under both finance and operating leases. These relate primarily to vehicles.

The Porsche AG Group fully accounts for the default risk arising in respect of lease receivables by recognizing loss allowances in accordance with IFRS 9. As lessor, the Porsche AG Group counters risks from assets underlying the lease by, among other things, taking into account residual value guarantees received for parts of the lease portfolio as well as forward-looking residual value forecasts on the basis of internal and external information as part of residual value management. The residual value forecasts are reviewed regularly.

35.2.1 OPERATING LEASES

Assets leased under long-term operating leases, which are recognized separately in the statement of financial position as leased assets, amounted to €5,393 million as of the end of the fiscal year (2023: €4,190 million) and primarily include vehicles of €5,393 million (2023: €4,190 million). Further explanations on the value development of leased assets can be found in the section "Development of leased assets".

The following cash inflows are expected in the next few years from non-discounted expected lease payments outstanding under operating leases:

Figures as of December 31, 2024

€ million	2025	2026	2027	2028	2029	From 2030	Total
Lease payments	231	688	1,051	329	55	53	**2,407**

Figures as of December 31, 2023

€ million	2024	2025	2026	2027	2028	From 2029	Total
Lease payments	205	471	928	244	53	52	**1,954**

Breakdown of income from operating leases

€ million	2024	2023
Lease income	1,358	1,225
Income from variable lease payments	0	0
Total	**1,358**	**1,225**

35.2.2 FINANCE LEASES

Interest income from the net investment in the leases amounted to €142 million in the fiscal year (2023: €119 million).

The table below presents the reconciliation of outstanding lease payments from finance leases to net investment value:

€ million	Dec. 31, 2024	Dec. 31, 2023
Non-guaranteed residual value	289	279
Non-discounted lease payments	2,429	2,328
Unearned interest income	–273	–231
Loss allowance on lease receivables	–137	–120
Net investment	**2,308**	**2,256**

The following payments are expected in the next few years from non-discounted expected lease payments outstanding under finance leases:

Figures as of December 31, 2024

€ million	2025	2026	2027	2028	2029	From 2030	Total
Lease payments	917	691	608	206	3	4	**2,429**

Figures as of December 31, 2023

€ million	2024	2025	2026	2027	2028	From 2029	Total
Lease payments	865	663	535	231	31	5	**2,328**

36. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

36.1 Hedging guidelines and financial risk management principles

Due to the international activities in the automotive and financial services segments, financial risks arise that affect the results of operations, financial position and net assets of the Porsche AG Group. These risks are broken down into credit and default risks, liquidity risks and market risks. The risks are regularly monitored, reported and centrally managed using financial instruments. The primary objective of using financial instruments is to limit the financial risk exposure in order to safeguard the Porsche AG Group's ability to continue as a going concern and its earnings power.

The principles and responsibilities for managing and controlling the risks that could arise from financial instruments are defined by the Executive Board and monitored by the Supervisory Board. Internal guidelines exist within the Porsche AG Group that clearly define the risk management and control processes. These guidelines regulate, among other things, the use of financial instruments or derivatives and the requisite control procedures, such as a clear segregation of functions between trading and settlement. In addition, it is also stipulated that financial transactions should always be based around the needs of the underlying transaction. Consequently, financial transactions are not concluded for speculative purposes. The treasury department identifies, analyzes and monitors risks group-wide. The underlying guidelines and the supporting systems are checked regularly and brought into line with current market and product developments.

Derivative financial instruments and hedge accounting are mainly used to control currency, interest rate and commodity price risks. Currency risks from future sales revenue denominated in foreign currencies are hedged through the use of exchange rate hedging instruments for a period of up to five years. The main hedging instruments used are forward exchange transactions and currency options. The volume of exchange rate hedges is determined on the basis of the planned sales figures in the respective foreign currency, taking into account procurement volumes. The interest rate risk from variable-rate financing and the interest rate risk from refinancing the financial services business are largely hedged through the use of suitable derivatives such as interest rate swaps. Commodity price risks are hedged for a period of several years using hedging instruments in the form of averaging swaps. The counterparties for the exchange rate, interest rate and commodity price hedges are mainly large national and international financial institutions and Volkswagen AG. Cooperation is subject to uniform regulations and continuous monitoring.

The financial instruments entered into for hedging purposes can give rise to counterparty risks that may have a negative impact on the results of operations, financial position and net assets. Channeling excess liquidity into investments also exposes the group to counterparty risks. Partial or complete default by a counterparty would have a negative impact on the results of operations, financial position and net assets. In order to manage these risks, the Porsche AG Group has set out guidelines to ensure that transactions are concluded only in approved financial instruments, only with approved counterparties and only on the admissible scale.

See also the explanations in the results of operations, financial position and net assets of the combined management report in section → **Principles and goals of financial management**.

36.2 Credit and default risk

The credit and default risk arising from financial assets involves the risk of default by counterparties, and therefore comprises at a maximum the amount of recognized carrying amounts against the respective counterparty. Default risks in receivables are reduced by a strict receivables management system. Furthermore, the maximum credit and default risk is reduced by collateral held. Collateral is primarily held for financial assets in the "at amortized cost" category. Vehicles, collateral assignments, guarantees and cash are used as collateral. For level 3 financial assets with objective indications of impairment as of the reporting date, the collateral provided led to a reduction in risk by €12 million (2023: €8 million).

The counterparties to material cash and capital investments and to derivatives are national and international financial institutions, as well as Volkswagen International Belgium S.A. and Volkswagen AG. Credit and default risk is limited by a limit system that is primarily based on credit assessments of the counterparties. The maximum amounts for default risk are presented in section → 36.2.3 MAXIMUM CREDIT RISK.

The global allocation of business activities and the resulting diversification meant that there were no material risk concentrations at individual counterparties or counterparty groups in the fiscal year.

36.2.1 LOSS ALLOWANCE

The Porsche AG Group applies the expected credit loss model under IFRS 9 on a uniform basis for all financial assets, with the exception of financial assets measured at fair value through profit or loss, and for other risk exposures.

IFRS 9 differentiates between the general approach and the simplified approach. The expected credit loss model under IFRS 9 comprises both loss allowances for financial assets where there are no objective indications of impairment, as well as loss allowances for financial assets that are already impaired.

Under the general approach, financial assets are allocated to one of three stages plus an additional stage for financial assets that were already impaired when acquired (stage 4). Stage 1 comprises financial assets at initial recognition or for which there has not been any significant increase in probability of default. Expected credit losses for the next twelve months are calculated at this stage. Stage 2 comprises financial assets with a significant increase in probability of default, and stage 3 comprises financial assets for which there are objective indications of default. Lifetime expected credit losses are calculated in stage 2 to 4.

The Porsche AG Group applies the simplified approach to trade receivables. The same applies to receivables from operating or finance leases accounted for in accordance with IFRS 16. Under the simplified approach, expected credit losses are consistently determined over the entire life of the asset.

The tables below present a reconciliation of gross receivables and loss allowances for the different classes of financial assets.

Change in the gross carrying amounts of financial assets measured at amortized cost

€ million	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Carrying amount at Jan. 1, 2024	**11,620**	**284**	**14**	**1,487**	**13,405**
Foreign exchange differences	174	18	1	–1	**192**
Changes in consolidated group	11	–	–	7	**18**
Changes	835	–	–24	–121	**690**
Transfers to					
Stage 1	111	–99	–12	–	**–**
Stage 2	–644	644	–	–	**–**
Stage 3	–61	–	61	–	**–**
Carrying amount at Dec. 31, 2024	**12,046**	**848**	**40**	**1,371**	**14,305**

€ million	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Carrying amount at Jan. 1, 2023	**12,949**	**198**	**15**	**1,330**	**14,492**
Foreign exchange differences	–247	–9	0	–12	**–268**
Changes in consolidated group	3	–	–	0	**3**
Changes	–964	–	–26	168	**–822**
Transfers to					
Stage 1	194	–183	–11	–	**–**
Stage 2	–278	278	–	–	**–**
Stage 3	–36	–	36	–	**–**
Carrying amount at Dec. 31, 2023	**11,620**	**284**	**14**	**1,487**	**13,405**

Change in the loss allowance for financial assets measured at amortized cost

€ million	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Carrying amount at Jan. 1, 2024	**47**	**11**	**11**	**35**	**104**
Foreign exchange differences	2	1	1	0	**3**
Changes in consolidated group	0	–	–	0	**0**
Newly extended/purchased financial assets (additions)	98	–	–	8	**106**
Other changes within a stage	0	–	0	–	**0**
Transfers to					
Stage 1	7	–4	–3	–	**–**
Stage 2	–43	43	–	–	**–**
Stage 3	–53	–	53	–	**–**
Financial instruments derecognized during the period (disposals)	–9	–	–2	–10	**–21**
Utilization	–	–	–25	–2	**–27**
Carrying amount at Dec. 31, 2024	**48**	**51**	**34**	**31**	**164**

€ million	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Carrying amount at Jan. 1, 2023	**50**	**11**	**14**	**36**	**111**
Foreign exchange differences	–1	0	0	0	**–2**
Changes in consolidated group	0	–	–	0	**0**
Disposal due to spin-off	–	–324	–	–	**–324**
Newly extended/purchased financial assets (additions)	44	–	–	10	**54**
Other changes within a stage	0	–	0	–	**0**
Transfers to					
Stage 1	9	–5	–3	–	**–**
Stage 2	–6	6	–	–	**–**
Stage 3	–28	–	28	–	**–**
Financial instruments derecognized during the period (disposals)	–21	–	–1	–9	**–31**
Utilization	–	–	–27	–1	**–28**
Carrying amount at Dec. 31, 2023	**47**	**11**	**11**	**35**	**104**

Change in the gross carrying amounts of lease receivables

	Simplified approach	
€ million	2024	2023
Carrying amount at Jan. 1	**2,396**	**2,313**
Foreign exchange differences	–24	–37
Changes in consolidated group	0	–
Changes	98	120
Carrying amount at Dec. 31	**2,471**	**2,396**

Change in the loss allowance for lease receivables

	Simplified approach	
€ million	2024	2023
Carrying amount at Jan. 1	**121**	**113**
Foreign exchange differences	0	0
Changes in consolidated group	0	–
Newly extended/purchased financial assets (additions)	39	23
Financial instruments derecognized during the period (disposals)	–10	–8
Utilization	–13	–8
Carrying amount at Dec. 31	**137**	**121**

The gross carrying amount of the financial guarantees and credit commitments totals €58 million (2023: €63 million). As of December 31, 2024, the loss allowance recognized for this amounts to €0 million (2023: €0 million).

36.2.2 MODIFICATIONS

There were no contractual modifications of financial assets during the reporting period that led to the derecognition of the asset.

36.2.3 MAXIMUM CREDIT RISK

The table below shows the maximum credit risk to which the Porsche AG Group is exposed, broken down into the classes to which the impairment model is applied:

Maximum credit risk by category

€ million	Dec. 31, 2024	Dec. 31, 2023
Financial assets measured at fair value	–	–
Financial assets measured at amortized cost	14,143	13,302
Financial guarantees and credit commitments	58	63
Not allocated to a measurement category	2,334	2,276
Total	**16,534**	**15,640**

The item “Not allocated to a measurement category” combines receivables from long-term construction contracts pursuant to IFRS 15 and lease receivables pursuant to IFRS 16, the maximum default risk of which corresponds to their carrying amounts and which are described in notes → 21. NON-CURRENT AND CURRENT OTHER RECEIVABLES and → 35. IFRS 16 (LEASES).

36.2.4 RATING GRADES

The Porsche AG Group performs a credit assessment of the borrower for every loan and lease agreement, using scoring systems in the retail business, and rating systems for major customers and receivables from dealer financing. Receivables rated as good are contained in risk class 1. Receivables from customers whose credit rating is not good but have not yet defaulted are contained in risk class 2. All defaulted receivables are contained in risk class 3.

The table below shows the gross carrying amounts of financial assets by rating grade:

Gross carrying amounts of financial assets by rating grade as of December 31, 2024

€ million	Stage 1	Stage 2	Stage 3	Simplified approach
Credit risk rating grade 1 (receivables with no credit risk – standard loans)	12,046	–	–	3,820
Credit risk rating grade 2 (receivables with credit risk – intensified loan management)	–	848	–	10
Credit risk rating grade 3 (cancelled receivables – non-performing loans)	–	–	40	12
Total	**12,046**	**848**	**40**	**3,842**

Gross carrying amounts of financial assets by rating grade as of December 31, 2023

€ million	Stage 1	Stage 2	Stage 3	Simplified approach
Credit risk rating grade 1 (receivables with no credit risk – standard loans)	11,620	–	–	3,867
Credit risk rating grade 2 (receivables with credit risk – intensified loan management)	–	284	–	10
Credit risk rating grade 3 (cancelled receivables – non-performing loans)	–	–	14	7
Total	**11,620**	**284**	**14**	**3,883**

The default risk for financial guarantees and credit commitments amounts to €58 million as of December 31, 2024 (2023: €63 million) and is allocated to rating grade 1 and stage 1.

36.3 Liquidity risk

The solvency and liquidity of the Porsche AG Group are ensured at all times by rolling liquidity planning, a liquidity reserve in the form of cash, confirmed credit lines and borrowing of loans. As of December 31, 2024, a syndicated line of credit of €2,500 million was available (€0 million drawn).

In certain countries (e.g., China), the Porsche AG Group can only use local cash funds for cross-border transactions in compliance with applicable exchange controls. There are no other material restrictions.

The following overview shows the contractual undiscounted cash outflows from financial instruments:

Maturity analysis of undiscounted cash outflows from financial instruments

€ million	Remaining contractual maturities up to one year	within one to five years	more than five years	2024	Remaining contractual maturities up to one year	within one to five years	more than five years	2023
Financial liabilities	4,617	6,879	942	**12,437**	4,325	6,238	1,075	**11,639**
Trade payables	3,378	–	–	**3,378**	3,490	–	–	**3,490**
Other financial liabilities	586	70	–	**656**	863	64	–	**928**
Derivatives	15,463	19,802	–	**35,265**	11,980	17,143	–	**29,122**
	24,044	**26,751**	**942**	**51,737**	**20,658**	**23,445**	**1,075**	**45,178**

The cash outflows for other financial liabilities include liabilities for tax allocations amounting to €2 million (2023: €4 million).

Derivatives comprise both cash outflows from derivatives with negative fair values and cash outflows from derivatives with positive fair values for which gross settlement has been agreed. The cash outflows also include derivatives entered into by means of offsetting transactions. The cash outflows from derivatives for which gross settlement has been agreed are partly offset by cash inflows that are not taken into consideration in this maturity analysis. If these cash inflows were taken into account, the cash outflows presented would be significantly lower. This particularly applies if hedges have been closed with offsetting transactions.

There are also financial guarantees and credit commitments in place that are presented in the table → Maximum credit risk by category in note → 36.2.3 MAXIMUM CREDIT RISK. The financial guarantees and credit commitments primarily relate to a syndicated loan agreement with a total credit commitment of €113 million. The total credit commitment is split into facilities A to C, with a term of up to five years. Under this loan agreement, Porsche AG acts as guarantor for maximum utilization of up to €38 million (facilities A and B) and €19 million (facility C), respectively.

The Porsche AG Group mainly generates liquidity through its business operations, external financing and the securitization of receivables. The funds are chiefly used to finance net working capital and capital expenditures and to cover the finance requirements of the leasing and sales financing business. Operational liquidity management uses cash pools in which material cash and cash equivalents in the Porsche AG Group are pooled on a daily basis. There is also a cash pool in place with Volkswagen International Belgium S.A. This enables liquidity surpluses and shortfalls to be controlled in line with requirements. The maturities of financial assets and financial liabilities as well as forecasts of cash flows from operating activities are included in short and medium-term liquidity management.

36.4 Market risk

36.4.1 HEDGING POLICY AND FINANCIAL DERIVATIVES

In the course of its general business activities, the Porsche AG Group is exposed to foreign currency, interest rate, share and bond risks as well as risks relating to commodity prices. It is company policy to exclude or limit these risks as far as possible by entering into hedging transactions.

Disclosures on gains and losses from cash flow hedges

Cash flow hedges are a hedge of the exposure to fluctuation in future cash flows. These cash flows can result from a recognized asset or liability, as well as a highly probable forecast transaction. The table below shows the gains and losses from cash flow hedges by risk type:

Disclosures on gains and losses from cash flow hedges

€ million	2024	2023
Hedging interest rate risk		
Gains or losses from changes in fair value of hedging instruments within hedge accounting		
Recognized in equity	–38	–112
Recognized in profit or loss	–5	–5
Reclassification from the cash flow hedge reserve to profit or loss		
Due to early discontinuation of the hedging relationships	–	–
Due to realization of the hedged item	4	4
Hedging currency risk		
Gains or losses from changes in fair value of hedging instruments within hedge accounting		
Recognized in equity	–589	882
Recognized in profit or loss	–	–
Reclassification from the cash flow hedge reserve to profit or loss		
Due to early discontinuation of the hedging relationships	–1	–61
Due to realization of the hedged item	39	248
Combined interest rate and currency risk hedging		
Gains or losses from changes in fair value of hedging instruments within hedge accounting		
Recognized in equity	–	0
Recognized in profit or loss	–	–
Reclassification from the cash flow hedge reserve to profit or loss		
Due to early discontinuation of the hedging relationships	–	–
Due to realization of the hedged item	–	–1
Hedging commodities price risk		
Gains or losses from changes in fair value of hedging instruments within hedge accounting		
Recognized in equity	4	5
Recognized in profit or loss	–	–
Reclassification from the cash flow hedge reserve to profit or loss		
Due to early discontinuation of the hedging relationships	–	–
Due to realization of the hedged item	2	1

The effects on equity shown in the table are net of deferred taxes.

The gains or losses on changes in the fair value of hedging instruments within hedge accounting correspond to the basis for determining hedge ineffectiveness. The ineffective portion of cash flow hedges is the income or expense from changes in the fair value of the hedging instrument that exceeds the changes in the fair value of the hedged item. This hedge ineffectiveness arises due to differences in parameters between the hedging instrument and the hedged item. The respective income or expenses are recognized in other operating income or expenses and in the financial result.

The Porsche AG Group uses two different methods to present market risk from non-derivative and derivative financial instruments in accordance with IFRS 7. For quantitative risk measurement, the financial services segment uses a value-at-risk (VaR) model to measure interest rate risk. By contrast, the market risk in the automotive segment is determined using a sensitivity analysis. The VaR calculation indicates the extent of the maximum potential loss on the overall portfolio within a time horizon of ten days at a confidence level of 99%. It is based on aggregating all of the cash flows from the non-derivative and derivative financial instruments in an interest rate gap analysis. The historical market data used to calculate VaR covers a period of 521 trading days. The sensitivity analysis calculates the effect on equity and/or profit or loss by modifying risk variables within the respective market risk.

Disclosures on hedging instruments used in hedge accounting

The Porsche AG Group enters into hedging instruments to hedge its exposure to variability in future cash flows. The table below shows the notional amounts, fair values, and inputs used to determine the ineffectiveness of the hedging instruments included in cash flow hedges:

Disclosures on hedging instruments used in cash flow hedges 2024

€ million	Notional amount	Other assets	Other liabilities	Fair value changes to determine hedge ineffectiveness
Hedging interest rate risk				
Interest rate swaps	5,347	2	31	–28
Hedging currency risk				
Currency forwards and cross-currency swaps	34,075	594	837	153
Currency options	5,558	113	47	68
Hedging commodities price risk				
Commodity forwards/swaps	447	27	11	15

Disclosures on hedging instruments used in cash flow hedges 2023

€ million	Notional amount	Other assets	Other liabilities	Fair value changes to determine hedge ineffectiveness
Hedging interest rate risk				
Interest rate swaps	5,857	26	21	6
Hedging currency risk				
Currency forwards and cross-currency swaps	32,043	969	484	1,215
Currency options	11,445	205	53	117
Hedging commodities price risk				
Commodity forwards/swaps	431	15	6	9

The change in fair value presented in the table to calculate ineffectiveness corresponds to the change in fair value of the designated components.

Disclosures on hedged items used in hedge accounting

In addition to disclosures on the hedging instruments, disclosures must also be made on the hedged items, broken down by risk category and type of designation in hedge accounting. The table below lists the hedged items designated in cash flow hedges:

Disclosures on hedged items used in cash flow hedges 2024

		Reserve for	
€ million	Changes in fair value to determine hedge ineffectiveness	Active cash flow hedges	Discontinued cash flow hedges
Hedging interest rate risk			
Designated components	–28	–25	–9
Non-designated components	–	–	–
Deferred taxes	–	7	2
Total hedging interest rate risk	–28	–18	–6
Hedging currency risk			
Designated components	219	199	0
Non-designated components	–	–440	0
Deferred taxes	–	73	0
Total hedging currency risk	219	–168	0
Hedging commodity price risk			
Designated components	16	17	–
Non-designated components	–	–	–
Deferred taxes	–	–5	–
Total hedging commodity price risk	16	12	–

Disclosures on hedged items used in cash flow hedges 2023

		Reserve for	
€ million	Changes in fair value to determine hedge ineffectiveness	Active cash flow hedges	Discontinued cash flow hedges
Hedging interest rate risk			
Designated components	6	15	–
Non-designated components	–	–	–
Deferred taxes	–	–5	–
Total hedging interest rate risk	6	11	–
Hedging currency risk			
Designated components	1,342	1,301	18
Non-designated components	–	–765	–5
Deferred taxes	–	–162	–4
Total hedging currency risk	1,342	374	9
Combined interest rate and currency risk hedging			
Designated components	–	0	–
Non-designated components	–	–	–
Deferred taxes	–	–	–
Total hedging combined interest rate and currency risk	–	0	–
Hedging commodity price risk			
Designated components	10	9	–
Non-designated components	–	–	–
Deferred taxes	–	–3	0
Total hedging commodity price risk	10	6	–

Changes in the reserve

The accounting treatment of cash flow hedges requires that the designated effective portions of hedges be recognized in OCI I. Any excess changes in the fair value of the designated components are recognized through profit or loss as hedge ineffectiveness. The table below shows the changes in the reserve:

Development of the cash flow hedge reserve (OCI I) 2024

€ million	Interest rate risk	Currency risk	Interest rate/ currency risk	Commodity price risk	Total
Balance at Jan. 1, 2024	**11**	**921**	**0**	**6**	**938**
Gains or losses from effective hedging relationships	–38	–445	0	4	**–480**
Reclassifications due to changes in whether the hedged item is expected to occur	–	–12	–	–	**–12**
Reclassifications due to realization of the hedged item	4	–325	–	2	**–319**
Balance at Dec. 31, 2024	**–24**	**139**	**–**	**12**	**127**

Development of the cash flow hedge reserve (OCI I) 2023

€ million	Interest rate risk	Currency risk	Interest rate/ currency risk	Commodity price risk	Total
Balance at Jan. 1, 2023	**118**	**119**	**1**	**–**	**238**
Gains or losses from effective hedging relationships	–112	1,008	0	5	**902**
Reclassifications due to changes in whether the hedged item is expected to occur	–	–102	–	–	**–102**
Reclassifications due to realization of the hedged item	4	–104	–1	1	**–100**
Balance at Dec. 31, 2023	**11**	**921**	**0**	**6**	**938**

In general, changes in the fair value of the non-designated components of a derivative must likewise be immediately recognized in profit or loss. An exception to this principle are fair value changes in the non-designated time values of options, to the extent they relate to the hedged item. In addition, the Porsche AG Group initially recognizes in OCI II changes in the fair value of the non-designated forward components of currency forwards and non-designated cross-currency basis spreads (CCBS) on currency hedges used in cash flow hedging. This means that the Porsche AG Group recognizes changes in the fair value of the non-designated components or parts thereof immediately through profit or loss in the case of hedge ineffectiveness.

The tables below show an overview of the changes in the reserve for hedging costs resulting from the non-designated portions of options and currency hedges.

Changes in the reserve for hedging costs–non-designated time value of options

	Currency risk	
€ million	2024	2023
Balance at Jan. 1	**–12**	**–70**
Gains and losses from non-designated time value of options		
Hedged item is recognized at a point in time	–28	21
Reclassifications due to changes in whether the hedged item is expected to occur		
Hedged item is recognized at a point in time	1	1
Reclassification due to realization of the hedged item		
Hedged item is recognized at a point in time	23	35
Balance at Dec. 31	**–16**	**–12**

Changes in the reserve for hedging costs–non-designated forward components and cross-currency basis spreads (CCBS)

	Currency risk	
€ million	2024	2023
Balance at Jan. 1	**–525**	**–735**
Gains and losses from non-designated forward components and CCBS		
Hedged item is recognized at a point in time	–116	–148
Reclassifications due to realization of the hedged item		
Hedged item is recognized at a point in time	341	317
Reclassification due to changes in whether the hedged item is expected to occur		
Hedged item is recognized at a point in time	10	40
Balance at Dec. 31	**–291**	**–525**

36.4.2 MARKET RISK IN THE AUTOMOTIVE SEGMENT

Interest rate risk

Interest rate risk in the automotive segment results from changes in market interest rates, primarily for medium- and long-term floating-rate receivables and liabilities. Floating-rate items are included in cash flow hedges and–depending on the market situation–some are hedged by means of interest rate swaps.

In the automotive segment, interest rate risk within the meaning of IFRS 7 is calculated using sensitivity analyses. The effect of risk-variable market interest rates on the financial result are presented net of tax.

If market interest rates had been 100 bps higher as of December 31, 2024, profit after tax would have been €9 million lower (2023: €31 million). If market interest rates had been 100 bps lower as of December 31, 2024, profit after tax would have been €7 million higher (2023: €25 million).

Currency risk

The currency risk in the automotive segment results in particular from transactions as part of operating activities that do not take place in the functional currency of the respective group company. Currency forwards and currency options are the main instruments used to reduce currency risks. The volume of exchange rate hedges is determined on the basis of the planned sales figures in the respective foreign currency, taking into account procurement volumes.

As part of currency risk management, hedges were entered into in the fiscal year 2024 in the following currencies in particular: Australian dollar (AUD), Brazilian real (BRL), British pound sterling (GBP), Canadian dollar (CAD), Chinese renminbi (CNY), Hong Kong dollar (HKD), Japanese yen (JPY), Mexican peso (MXN), Norwegian krone (NOK), Polish zloty (PLN), Singapore dollar (SGD), South Korean won (KRW), Swedish krona (SEK), Swiss franc (CHF), Taiwan dollar (TWD), and US dollar (USD).

All non-functional currencies in which the Porsche AG Group enters into financial instruments are included as relevant risk variables in the sensitivity analysis in accordance with IFRS 7.

If the functional currency euro had appreciated or depreciated by 10% against the other currencies, this would have resulted in the following effects on the hedging reserve in equity and profit after tax for the following currency pairs. It is not appropriate to add together the individual figures, since the results of the various functional currencies concerned are based on different scenarios.

The table below shows the sensitivities as of December 31, 2024 with respect to the key currencies held.

	Dec. 31, 2024		Dec. 31, 2023	
€ million	+10%	–10%	+10%	–10%
Exchange rate				
EUR/USD				
Hedging reserve	677	–680	787	–772
Profit/loss after tax	–31	31	–18	18
EUR/TWD				
Hedging reserve	72	–72	65	–65
Profit/loss after tax	–5	5	–8	8
EUR/MXN				
Hedging reserve	20	–20	23	–23
Profit/loss after tax	–0	0	–1	1
EUR/PLN				
Hedging reserve	76	–76	64	–64
Profit/loss after tax	–0	0	–0	0
EUR/GBP				
Hedging reserve	332	–332	185	–185
Profit/loss after tax	–19	19	–11	11
EUR/CNY				
Hedging reserve	747	–706	740	–630
Profit/loss after tax	–33	33	–77	77
EUR/CHF				
Hedging reserve	121	–125	121	–125
Profit/loss after tax	–3	3	–2	2
EUR/SEK				
Hedging reserve	57	–56	24	–23
Profit/loss after tax	–1	1	–0	0
EUR/HKD				
Hedging reserve	16	–16	17	–18
Profit/loss after tax	–1	1	–2	2
EUR/SGD				
Hedging reserve	8	–7	8	–8
Profit/loss after tax	–0	0	0	–0
EUR/KRW				
Hedging reserve	80	–79	130	–125
Profit/loss after tax	–13	13	–11	11
EUR/CAD				
Hedging reserve	73	–73	109	–110
Profit/loss after tax	–3	3	–3	3
EUR/JPY				
Hedging reserve	90	–88	93	–91
Profit/loss after tax	–18	18	–11	11
EUR/AUD				
Hedging reserve	44	–44	50	–50
Profit/loss after tax	–5	5	–9	9
EUR/BRL				
Hedging reserve	16	–16	41	–41
Profit/loss after tax	–5	5	–14	14
EUR/NOK				
Hedging reserve	7	–7	1	–1
Profit/loss after tax	–1	1	–0	0

Equity and bond price risks
The fully consolidated special funds in which the Porsche AG Group invests surplus liquidity are exposed in particular to equity and bond price risks that may arise from fluctuations in quoted market prices, stock exchange indices and market interest rates. The risks to which the special funds are exposed are generally countered by the Porsche AG Group by ensuring a broad diversification across a range of products, issuers and regional markets when making investment decisions, as stipulated in the investment policy. The risk management system in place is partially based on a minimum value threshold and, if the market situation is appropriate, exchange rate hedges are entered into.

IFRS 7 stipulates that the presentation of market risk must include disclosures on how hypothetical changes in risk variables impact the price of financial instruments. The risk variables include in particular quoted market prices or indices, as well as interest rate changes as a bond pricing parameter.

If share prices had been 10% higher as of December 31, 2024, profit after tax would have been €108 million (2023: €29 million) higher. If share prices had been 10% lower as of December 31, 2024, profit after tax would have been €132 million (2023: €36 million) lower.

Commodity price risk
Commodity risks for the Porsche AG Group arise, among other things, from the price development of commodities. Commodity price risks are partly hedged through the use of hedging instruments for a period of several years. The hedging instruments used are averaging swaps which are accounted for as cash flow hedges. The volume of hedges is determined on the basis of the planned commodity exposure in the respective procurement contracts. In 2024, price hedges were entered into for aluminum, copper, nickel, cobalt and lithium hydroxide.

Commodity price risk within the meaning of IFRS 7 is presented using sensitivity analyses.

If the commodity prices of the hedging instruments accounted for using hedge accounting as of December 31, 2024 had been 10% higher (lower), equity would have been €23 million (2023: €27 million) higher (lower).

36.4.3 MARKET RISK IN THE FINANCIAL SERVICES SEGMENT
Interest rate risk
Interest rate risk in the financial services segment mainly results from changes in market interest rates, primarily for medium- and long-term floating-rate liabilities and from non-maturity-matched refinancing. Interest rate hedges are used to limit these risks.

As of December 31, 2024, the VaR for interest rate risk amounted to €23 million (2023: €34 million).

36.5 Methods for monitoring hedge effectiveness
The Porsche AG Group mainly assesses the effectiveness of hedges on a prospective basis using the critical terms match method. Retrospective analysis of effectiveness uses effectiveness tests in the form of the dollar offset method. Under the dollar offset method, the changes in value of the hedged item expressed in monetary units are compared with the changes in value of the hedging instrument expressed in monetary units.

For this purpose, cumulative changes in the value of the designated components of the hedging instrument and the hedged item are compared. If there is no critical terms match, the same procedure is applied to the non-designated components.

The table below shows the remaining maturities profile of the notional amounts of hedging instruments recognized under the Porsche AG Group hedge accounting requirements, as well as derivatives not within hedge accounting:

Notional amount of derivative financial instruments

	Term of maturity			Total notional amount	Total notional amount
€ million	up to one year	within one to five years	more than five years	Dec. 31, 2024	Dec. 31, 2023
Notional amount of hedging instruments within hedge accounting					
Hedging interest rate risk					
Interest rate swap	896	4,451	–	5,347	5,857
Hedging currency risk					
Currency forwards/ Cross-currency swaps					
Currency forwards/ Cross-currency swaps in CNY	3,224	6,843	–	10,068	8,056
Currency forwards/ Cross-currency swaps in GBP	4,582	5,274	–	9,856	11,167
Currency forwards/ Cross-currency swaps in USD	1,686	3,373	–	5,059	2,761
Currency forwards/ Cross-currency swaps in other currencies	3,826	5,267	–	9,093	10,058
Currency options					
Currency options in CNY	1,974	–	–	1,974	6,639
Currency options in USD	480	768	–	1,249	2,437
Currency options in other currencies	508	1,827	–	2,335	2,369
Hedging commodity price risk					
Commodity forwards/swaps aluminum	155	–	–	155	234
Commodity forwards/swaps copper	64	118	–	182	145
Commodity forwards/swaps other	102	8	–	110	52
Notional amount of other derivatives					
Hedging interest rate risk					
Interest rate swap	53	410	–	463	882
Hedging currency risk					
Currency forwards/ Cross-currency swaps	3,114	154	–	3,268	5,100
Currency options	320	–	–	320	328

In addition to the other derivatives used to hedge currency and interest rate risks, as presented above, on the December 31, 2024 reporting date the Porsche AG Group held credit swaps with a notional amount of €0 million (2023: €52 million) and remaining maturities of between one and five years. The Porsche AG Group also held fixed income futures (€123 million; 2023: €403 million), equity futures (€418 million; 2023: €213 million), other swaps (€0 million; 2023: €123 million), currency futures (€213 million; (2023: €43 million), stock options (€1 million; 2023: €1 million), with a remaining maturity of less than one year, and other swaps (€0 million; 2023: €14 million), with a remaining maturity of more than five years.

With respect to the interest rate swaps and cross-currency interest rate swaps presented above, the Porsche AG Group achieved an average hedging interest rate of 3.6% (2023: 3.0%), weighted by total notional amount.

With respect to the currency forwards and currency options, the Porsche AG Group achieved a hedging exchange rate for the key currencies of 7.55 and 7.12, respectively (EUR/CNY; 2023: 7.41 and 7.24, respectively), 0.89 (EUR/GBP; 2023: 0.88) and 1.12 and 1.07, respectively (EUR/USD; 2023: 1.14 and 1.09, respectively), weighted by total notional amount.

To hedge commodity price risks, the average hedging rates were US$2,351.28/t (2023: US$2,332.15/t) for aluminum and US$8,417.31/t (2023: US$8,359.11/t) for copper.

The total notional amount includes both derivatives entered into by means of offsetting transactions, as well as the offsetting transactions themselves. The offsetting transactions partly offset effects resulting from the original hedge, meaning that the respective notional amount would be higher were the offsetting transaction not taken into account.

Another effect that increases the notional amount results from cylinder options, where both the put and call options are taken into consideration in the notional amount.

The hedged items in cash flow hedges are expected to be realized in accordance with the maturity buckets of the hedges presented in the table.

The market values of the derivatives are determined using market data on the reporting date and suitable valuation techniques. The calculation was based on, among other things, the following interest rate structure:

	Dec. 31, 2024					Dec. 31, 2023				
%	EUR	USD	GBP	CNY	JPY	EUR	USD	GBP	CNY	JPY
Interest rate for 6 months	2.38	4.24	4.56	1.58	0.39	3.68	5.16	5.14	2.38	0.02
Interest rate for 1 year	2.12	4.16	4.46	1.45	0.52	3.21	4.79	4.75	2.31	0.07
Interest rate for 5 years	2.06	4.01	4.05	1.42	0.80	2.18	3.56	3.38	2.57	0.45
Interest rate for 10 years	2.23	4.03	4.07	1.54	1.06	2.27	3.48	3.30	2.77	0.84

36.6 Other disclosures on financial instruments

The table below presents the carrying amounts of the financial instruments by measurement category:

36.6.1 CARRYING AMOUNTS OF FINANCIAL INSTRUMENTS BY MEASUREMENT CATEGORY OF IFRS 9

€ million	Dec. 31, 2024	Dec. 31, 2023
Financial assets measured at fair value through profit or loss	2,181	2,160
Financial assets measured at fair value through other comprehensive income (equity instruments)	388	132
Financial assets measured at amortized cost	14,143	13,302
of which classified as held for sale	–	6
Financial liabilities measured at fair value through profit or loss	49	103
Financial liabilities measured at amortized cost	14,305	13,788
of which classified as held for sale	–	1

The measurement category “financial assets measured at fair value through other comprehensive income (equity instruments)” contains equity investments in companies in which the Porsche AG Group holds between 0.03% and 14.90% of the shares. As these are long-term equity investments, they are irrevocably measured at fair value through other comprehensive income.

The fair values recognized as of December 31, 2024 relate to the shares in Applied Intuition, Inc., Mountain View, CA (€241 million), 1KOMMA5° GmbH, Hamburg (€52 million); 2023: €52 million), Nozomi Networks, Inc., San Francisco, CA (€8 million; 2023: €8 million), DSP Concepts, Inc., Santa Clara, CA (€6 million; 2023: €6 million), Tomorrow GmbH, Hamburg (€6 million), Zededa, Inc., San Jose, CA (€5 million; 2023: €3 million), Bumper International Ltd., London (€5 million; 2023: €5 million), Hangzhou Wanxiang Culture Technology Co., Ltd., Hangzhou (€5 million; 2023: €4 million) as well as other smaller equity investments (€61 million; 2023: €55 million).

36.6.2 CLASSES OF FINANCIAL INSTRUMENTS

The Porsche AG Group allocates financial instruments to the following classes:

- financial instruments measured at fair value
- financial instruments measured at amortized cost
- derivative financial instruments included in hedge accounting
- not allocated to any measurement category
- credit commitments and financial guarantees (not recognized in the statement of financial position)

36.6.3 RECONCILIATION OF ITEMS IN THE STATEMENT OF FINANCIAL POSITION TO CLASSES OF FINANCIAL INSTRUMENTS

The table below presents a reconciliation of the line items in the statement of financial position to the relevant classes of financial instruments, broken down by the carrying amounts and fair values of the financial instruments.

Reconciliation of items in the statement of financial position to classes of financial instruments as of December 31, 2024

	Measured at fair value	Measured at amortized cost		Derivative financial instruments within hedge accounting	Not allocated to a measurement category	Statement of financial position item at Dec. 31, 2024
€ million	Carrying amount	Carrying amount	Fair value	Carrying amount	Carrying amount	
Non-current assets						
Equity-accounted investments	–	–	–	–	627	**627**
Other equity investments	449	–	–	–	443	**892**
Financial services receivables	–	3,513	3,662	–	1,566	**5,078**
Other financial assets[1]	84	1,039	1,036	373	–	**1,496**
Current assets						
Trade receivables	–	1,340	1,340	–	–	**1,340**
Financial services receivables	–	1,065	1,065	–	743	**1,808**
Other financial assets[2]	71	802	802	363	–	**1,236**
Marketable securities and time deposits	1,965	–	–	–	–	**1,965**
Cash and cash equivalents	–	6,384	6,384	–	–	**6,384**
Non-current liabilities						
Financial liabilities	–	6,141	6,095	–	1,019	**7,160**
Other financial liabilities[3]	21	70	70	386	–	**477**
Current liabilities						
Financial liabilities	–	4,130	4,130	–	122	**4,253**
Trade payables	–	3,378	3,378	–	–	**3,378**
Other financial liabilities[4]	28	586	586	540	–	**1,153**

1 Other assets that are not financial assets are not included (other receivables and deferred tax assets: €764 million).
2 Other assets that are not financial assets are not included (other receivables and income tax receivables: €1,425 million).
3 Other liabilities that are not financial liabilities are not included (other provisions, deferred tax liabilities and other liabilities: €4,418 million).
4 Other liabilities that are not financial liabilities are not included (income tax provisions, other provisions, other liabilities and income tax liabilities: €5,560 million).

Reconciliation of items in the statement of financial position to classes of financial instruments as of December 31, 2023

€ million	Measured at fair value – Carrying amount	Measured at amortized cost – Carrying amount	Measured at amortized cost – Fair value	Derivative financial instruments within hedge accounting – Carrying amount	Not allocated to a measurement category – Carrying amount	Statement of financial position item at Dec. 31, 2023
Non-current assets						
Equity-accounted investments	–	–	–	–	651	**651**
Other equity investments	193	–	–	–	621	**814**
Financial services receivables	–	3,146	3,282	–	1,531	**4,676**
Other financial assets[1]	82	549	545	791	–	**1,422**
Current assets						
Trade receivables	–	1,449	1,449	–	0	**1,449**
Financial services receivables	–	944	944	–	725	**1,669**
Other financial assets[2]	207	1,379	1,379	424	–	**2,010**
Marketable securities and time deposits	1,810	16	16	–	–	**1,826**
Cash and cash equivalents	–	5,820	5,820	–	–	**5,820**
Assets held for sale	–	6	6	–	–	**6**
Non-current liabilities						
Financial liabilities	–	5,602	5,545	–	934	**6,537**
Other financial liabilities[3]	15	64	64	284	–	**364**
Current liabilities						
Financial liabilities	–	3,768	3,768	–	113	**3,880**
Trade payables	–	3,490	3,490	–	–	**3,490**
Other financial liabilities[4]	88	864	864	280	–	**1,231**
Liabilities associated with assets held for sale	–	1	1	–	–	1

1 Other assets that are not financial assets are not included (other receivables and deferred tax assets: €705 million).
2 Other assets that are not financial assets are not included (other receivables and income tax receivables: €1,314 million).
3 Other liabilities that are not financial liabilities are not included (other provisions, deferred tax liabilities and other liabilities: €3,996 million).
4 Other liabilities that are not financial liabilities are not included (income tax provisions, other provisions, other liabilities and income tax liabilities: €4,961 million).

The fair value of financial instruments measured at amortized cost, such as receivables and liabilities, is calculated by discounting the carrying amount using a market rate of interest for a similar risk and matching maturity. For reasons of materiality, the fair value of current statement of financial position items is generally deemed to be their carrying amount.

For the reconciliation to the carrying amounts in the statement of financial position, the "Not allocated to a measurement category" column in the table also includes items that are not financial instruments.

The key risk variables for the fair values of receivables are risk-adjusted interest rates.

"Financial instruments measured at fair value" also include shares in partnerships and corporations.

36.6.4 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Fair values are allocated to the levels of the fair value hierarchy based on the availability of observable market prices. Level 1 shows the fair values of financial instruments for which a quoted price is directly available in active markets. Within the Porsche AG Group, this includes marketable securities and other equity investments measured at fair value that are listed and traded on a public market. Fair values in level 2, for example of derivatives, are derived from market data using market valuation techniques. These market data include in particular currency exchange rates, yield curves and commodity prices which are observable on the relevant markets and can be obtained from pricing service providers. Level 3 fair values are calculated using valuation techniques with inputs that are not based on directly observable market data. In particular, the Porsche AG Group allocated options on equity instruments and long-term commodity futures to level 3. Equity instruments are primarily measured on the basis of the respective business plans and entity-specific discount rates.

The tables below provide an overview of the financial assets and liabilities measured at fair value by level:

Financial assets and liabilities measured at fair value by level:

€ million	Dec. 31, 2024	Level 1	Level 2	Level 3
Non-current assets				
Other equity investments	**449**	0	–	449
Other financial assets	**84**	–	19	66
Current assets				
Other financial assets	**71**	–	71	0
Marketable securities and time deposits	**1,965**	1,965	–	–
Non-current liabilities				
Other financial liabilities	**21**	–	1	20
Current liabilities				
Other financial liabilities	**28**	–	28	–

€ million	Dec. 31, 2023	Level 1	Level 2	Level 3
Non-current assets				
Other equity investments	**193**	0	–	193
Other financial assets	**82**	–	82	–
Current assets				
Other financial assets	**207**	–	207	–
Marketable securities and time deposits	**1,810**	1,810	–	–
Non-current liabilities				
Other financial liabilities	**15**	–	15	–
Current liabilities				
Other financial liabilities	**88**	–	88	–

The fair values of financial assets and liabilities measured at amortized cost are presented in the following overview. The fair value of receivables from financial services allocated to level 3 is determined using the current market interest rates valid on the reporting date instead of the internal interest rate. The material inputs used to calculate the fair value of receivables from financial services are forecasts and estimates of used vehicle residual values for the respective models. The receivables from financial services also include assets amounting to €2,308 million (2023: €2,256 million) that are measured in accordance with IFRS 16.

Fair values of financial assets and liabilities measured at amortized cost by level

€ million	Dec. 31, 2024	Level 1	Level 2	Level 3
Financial services receivables	**4,727**	–	–	4,727
Trade receivables	**1,340**	–	1,340	–
Other financial assets	**1,838**	951	867	21
Tax receivables	**–**	–	–	–
Marketable securities and time deposits	**–**	–	–	–
Cash and cash equivalents	**6,384**	6,384	–	–
Assets held for sale	**–**	–	–	–
Fair value of financial assets measured at amortized cost	**14,289**	**7,335**	**2,207**	**4,747**
Trade payables	**3,378**	–	3,378	–
Financial liabilities	**10,225**	94	10,014	117
Other financial liabilities	**656**	223	305	127
Tax payables	**–**	–	–	–
Liabilities associated with assets held for sale	**–**	–	–	–
Fair value of financial liabilities measured at amortized cost	**14,259**	**317**	**13,697**	**244**

€ million	Dec. 31, 2023	Level 1	Level 2	Level 3
Financial services receivables	**4,226**	–	–	4,226
Trade receivables	**1,449**	–	1,449	–
Other financial assets	**1,924**	1,134	788	2
Marketable securities and time deposits	**16**	–	16	–
Cash and cash equivalents	**5,820**	5,820	–	–
Assets held for sale	**6**	–	6	–
Fair value of financial assets measured at amortized cost	**13,440**	**6,954**	**2,258**	**4,227**
Trade payables	**3,490**	–	3,490	–
Financial liabilities	**9,313**	65	9,247	1
Other financial liabilities	**928**	89	700	138
Liabilities associated with assets held for sale	**1**	–	1	–
Fair value of financial liabilities measured at amortized cost	**13,731**	**154**	**13,438**	**139**

Derivative financial instruments included in hedge accounting by level

€ million	Dec. 31, 2024	Level 1	Level 2	Level 3
Non-current assets				
Other financial assets	**373**	–	368	5
Current assets				
Other financial assets	**363**	–	363	–
Non-current liabilities				
Other financial liabilities	**386**	–	386	–
Current liabilities				
Other financial liabilities	**540**	–	540	–

€ million	Dec. 31, 2023	Level 1	Level 2	Level 3
Non-current assets				
Other financial assets	**791**	–	791	–
Current assets				
Other financial assets	**424**	–	424	–
Non-current liabilities				
Other financial liabilities	**284**	–	284	–
Current liabilities				
Other financial liabilities	**280**	–	280	–

The table below summarizes the changes in items in the statement of financial position measured at fair value and allocated to level 3:

Changes in items in the statement of financial position measured at fair value based on level 3

€ million	Financial assets measured at fair value	Financial liabilities measured at fair value
Balance at Jan. 1, 2024	**193**	**–**
Foreign exchange differences	0	–
Additions (purchases)	319	14
Transfers from level 3 into level 1	–	–
Transfers from level 3 into level 2	–	–
Total comprehensive income	12	6
recognized in profit or loss	1	6
recognized in other comprehensive income	11	–
Settlements	–6	–
Disposals (sales)	–3	–
Changes in participation structure	–	–
Balance at Dec. 31, 2024	**515**	**20**
Total gains or losses recognized in profit or loss	**1**	**–6**
Net other operating expense/income	–	–
of which attributable to assets/liabilities held at the reporting date	–	–
Financial result	1	–6
of which attributable to assets/liabilities held at the reporting date	1	–6

€ million	Financial assets measured at fair value	Financial liabilities measured at fair value
Balance at Jan. 1, 2023	**263**	**–**
Additions (purchases)	49	–
Transfers from level 3 into level 1	–	–
Transfers from level 3 into level 2	–	–
Total comprehensive income	–11	–
recognized in profit loss	–9	–
recognized in other comprehensive income	–3	–
Settlements	–76	–
Disposals (sales)	–6	–
Changes in participation structure	–26	–
Balance at Dec. 31, 2023	**193**	**–**
Total gains or losses recognized in profit or loss	**–9**	**–**
Net other operating expense/income	–	–
of which attributable to assets/liabilities held at the reporting date	–	–
Financial result	–9	–
of which attributable to assets/liabilities held at the reporting date	–9	–

Changes in derivative financial instruments based on level 3

€ million	Financial assets measured at fair value
Balance at Jan. 1, 2024	–
Foreign exchange differences	–
Changes in consolidated Group	–
Total comprehensive income	5
recognized in profit or loss	–
recognized in other comprehensive income	5
Transfers non Hedge Accounting	–
Transfers into Level 2	–
Balance at Dec. 31, 2024	**5**

Transfers between the levels of the fair value hierarchy are reported as of the respective reporting dates. There were no transfers between the levels of the fair value hierarchy during the reporting period.

Commodity prices are the key risk variable for the fair value of commodity swaps. Sensitivity analyses are used to present the effect of changes in commodity prices on equity. If commodity prices for commodity swaps classified as Level 3 had been 10% higher (lower) as of December 31, 2024, equity would have been €4 million (2023: €0 million) higher (lower).

The key risk variable for equity instruments held by the company is the corresponding enterprise value. A sensitivity analysis is used to present the effects of a change in the risk variables on profit after tax. If the assumed enterprise values had been 10% higher as of December 31, 2024, profit after tax would have been €9 million (2023: €4 million) higher. If the assumed enterprise values had been 10% lower as of December 31, 2024, profit after tax would have been €9 million (2023: €4 million) lower. If the assumed enterprise values had been 10% higher as of December 31, 2024, equity would have been €27 million (2023: €9 million) higher. If the assumed enterprise values had been 10% lower as of December 31, 2024, equity would have been €27 million (2023: €9 million) lower.

36.6.5 OFFSETTING FINANCIAL ASSETS AND LIABILITIES

The following tables contain information about the effects of offsetting in the statement of financial position and the potential financial effects of offsetting in the case of instruments that are subject to a legally enforceable master netting arrangement or a similar agreement.

				Amounts that are not set off in the statement of financial position		
€ million	Gross amounts of recognized financial assets	Gross amounts of recognized financial liabilities set off in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	Financial instruments	Collateral received	Net amount at Dec. 31, 2024
Derivative financial instruments	825	–	825	–507	–	**318**
Financial services receivables	6,886	–	6,886	–	–	**6,886**
Trade receivables	1,340	–	1,340	–	–	**1,340**
Marketable securities and time deposits	1,965	–	1,965	–	–	**1,965**
Cash and cash equivalents	6,384	–	6,384	–	–	**6,384**
Other financial assets	2,356	–	2,356	–	–	**2,356**

				Amounts that are not set off in the statement of financial position		
€ million	Gross amounts of recognized financial assets	Gross amounts of recognized financial liabilities set off in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	Financial instruments	Collateral received	Net amount at Dec. 31, 2023
Derivative financial instruments	1,445	–	1,445	–497	–	**948**
Financial services receivables	6,345	–	6,345	–	–	**6,345**
Trade receivables	1,449	–	1,449	–	–	**1,449**
Marketable securities and time deposits	1,826	–	1,826	–	–	**1,826**
Cash and cash equivalents	5,820	–	5,820	–	–	**5,820**
Other financial assets	2,180	–	2,180	–	–	**2,180**

€ million	Gross amounts of recognized financial liabilities	Gross amounts of recognized financial assets set off in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position	Amounts that are not set off in the statement of financial position: Financial instruments	Amounts that are not set off in the statement of financial position: Collateral pledged	Net amount at Dec. 31, 2024
Derivative financial instruments	975	–	975	–507	–	**468**
Financial liabilities	11,413	–	11,413	–	–455	**10,958**
Trade payables	3,378	–	3,378	–	–	**3,378**
Other financial liabilities	656	–	656	–	–	**656**

€ million	Gross amounts of recognized financial liabilities	Gross amounts of recognized financial assets set off in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position	Amounts that are not set off in the statement of financial position: Financial instruments	Amounts that are not set off in the statement of financial position: Collateral pledged	Net amount at Dec. 31, 2023
Derivative financial instruments	667	–	667	–497	–	**170**
Financial liabilities	10,417	–	10,417	–	–	**10,417**
Trade payables	3,490	–	3,490	–	–	**3,490**
Other financial liabilities	928	–	928	–	–	**928**

Other financial assets contain other equity investments measured at fair value of €449 million (2023: €193 million).

The “Financial instruments” column presents amounts subject to a master netting arrangement but that are not offset because they do not meet the conditions for offsetting in the statement of financial position. The “Collateral received” and “Collateral pledged” columns present the amounts in relation to the total amount of assets and liabilities received or pledged as collateral in the form of cash or financial instruments that do not meet the conditions for offsetting in the statement of financial position.

36.6.6 ASSET-BACKED SECURITIES TRANSACTIONS

In the financial services segment, asset-backed securities transactions are largely used to refinance its portfolio of lease and financing agreements. This involves assigning the expected payments to structured finance companies and transferring the financed vehicles as collateral. A distinction is made here between revolving, non-public facilities with one or a syndicate of refinancing partners and amortizing, public asset-backed securities bonds that are broadly marketed to investors in the capital markets. In the event that asset-backed securities bond issues are not possible to the planned extent on account of unfavorable market conditions, Porsche Financial Services also uses asset-backed, amortizing private placements as the need arises by directly approaching selected major investors as an alternative refinancing instrument.

Transactions in asset-backed securities conducted to refinance the financial services business amounted to €8,511 million (2023: €7,420 million) and were reported in ABS refinancing. The corresponding carrying amount of the receivables from customer and dealer financing and the finance lease business was €4,869 million (2023: €4,622 million). Collateral totaling €10,505 million (2023: €9,197 million) was provided for transactions in asset-backed securities, of which €4,869 million (2023: €4,622 million) relates to collateral in the form of financial assets. The transactions in asset-backed securities did not result in the disposal of receivables from the financial services business since del credere and repayment risks were retained within the Porsche AG Group. The difference between the pledged receivables and the associated liabilities resulted from the share of vehicles financed within the Porsche AG Group.

A majority of the group’s asset-backed securities transactions may be repaid ahead of schedule (“clean up call”) if a contractually fixed minimum percentage of the original transaction volume is still outstanding. The pledged receivables may not be pledged further or otherwise serve as collateral. The claims of the bond holders are limited to the amount of the receivables pledged and the proceeds from these receivables are earmarked for repayment of the corresponding liability. As of December 31, 2024, the fair value of the receivables from the financing business that have been pledged but not disposed of amounted to €4,965 million (2023: €4,023 million). The fair value of the associated liabilities as of the reporting date amounted to €4,623 million (2023: €3,823 million).

36.6.7 NOTES TO THE INCOME STATEMENT PURSUANT TO IFRS 7

The following table shows the net gains or losses from financial assets and financial liabilities by measurement category, followed by a detailed explanation of the material items:

Net gains/losses from financial assets by IFRS 9 measurement category

€ million	2024	2023
Financial instruments measured at fair value through profit or loss	223	161
Financial assets measured at amortized cost	497	257
Financial assets measured at fair value through other comprehensive income (debt instruments)	0	–
Financial liabilities measured at amortized cost	–730	–304
	–10	**114**

The net gains or losses in the financial instruments measured at fair value through profit or loss category mainly result from the fair value measurement of derivatives, including interest and gains or losses on currency translation.

The net gains or losses in the financial assets and liabilities measured at amortized cost category mainly comprise interest income and expenses under the effective interest method pursuant to IFRS 9, currency translation effects, and the recognition of loss allowances. Interest also includes interest income and expenses from the lending business in the financial services segment.

The total interest income attributable to financial assets and liabilities measured at amortized cost, as calculated using the effective interest method, amounted to €703 million (2023: €539 million) and the total interest expenses amounted to €517 million (2023: €363 million).

The disposal of financial assets measured at amortized cost results in gains of €2 million (2023: €2 million) and losses of €17 million (2023: €35 million).

37. CAPITAL MANAGEMENT

The Porsche AG Group's capital management ensures that it is possible to realize the group's objectives and strategies in the interests of the shareholder, employees and other stakeholders. The primary objective of capital management at the Porsche AG Group is to ensure the financial flexibility necessary to realize its value-adding business and growth targets and to increase its enterprise value over the long term. The management's focus lies on increasing the return on invested capital in the automotive segment and on increasing the return on equity in the financial services segment. In general, the aim of the Porsche AG Group and its segments is to achieve as high a return as possible to the benefit of all stakeholders in the company.

In order to structure the use of resources as efficiently as possible in the automotive segment and to measure its success, return on investment (ROI) is applied as performance indicator. ROI is the average return on invested capital for a particular period based on the operating profit after tax. Invested capital is calculated as total operating assets (property, plant and equipment, intangible assets, inventories and receivables) less non-interest-bearing liabilities (trade payables and advance prepayments received). Average invested capital is calculated using total assets at the beginning and the end of the reporting year.

Given the particular features of the financial services segment, control focuses on the return on equity, a target indicator which is based on the equity invested. This indicator is calculated as the ratio of earnings before tax to average equity. Average equity is calculated from the balance at the beginning and at the end of the reporting year. In addition, the financial services segment aims to satisfy the capital requirements of the banking supervisory authorities, as well as to obtain the necessary equity to finance the growth planned for the next few fiscal years and to support external ratings by ensuring capital adequacy. The capital requirements of the banking supervisory authorities were complied with in the fiscal year 2024 and in the prior year.

The return on investment in the automotive segment and the return on equity in the financial services segment are presented in the tables below:

€ million	2024	2023
Automotive segment		
Operating profit after tax	3,700	4,857
Assets invested (average)	20,544	19,646
Return on investment (ROI) in %	**18.0**	**24.7**
Financial services segment		
Profit before tax	282	309
Average equity	1,413	1,576
Pre-tax return on equity in %	**19.9**	**19.6**

38. CONTINGENT LIABILITIES

€ million	Dec. 31, 2024	Dec. 31, 2023
Guarantees	1	25
Warranties	0	0
Other contingent liabilities	45	39
	46	**64**

In the case of liabilities from guarantees, the group is required to make specific payments if the debtors fail to meet their obligations.

Other contingent liabilities mainly comprise potential expenses arising from legal and product-related matters; in particular, several product-related class actions brought by customers are pending in the USA. The plaintiffs' claims are for a variety of different quality defects in Porsche AG vehicles. Porsche AG and its subsidiaries will continue to defend themselves against the claims. The contingent liabilities do not include amounts connected with the diesel issue described in note → 40. LITIGATION. Further official investigations/ proceedings are at a stage where the basis for claims has not yet been specified and/or the amounts cannot be determined with sufficient precision. To the extent that they meet the definition of a contingent liability, these official investigations/proceedings were generally not disclosed due to the lack of measurable data.

In accordance with IAS 37.92, no further disclosures are made in respect of estimates of the financial impact or disclosures relating to uncertainties surrounding the amount or timing of contingent liabilities, so as not to prejudice the outcome of the proceedings or the company's interests. Further information can be found in note → 40. LITIGATION.

39. OTHER FINANCIAL OBLIGATIONS

	Maturity			
€ million	Within one year	Within one to five years	More than five years	Total
Dec. 31, 2024				
Purchase commitments in respect of				
Property, plant and equipment	1,710	99	1	**1,809**
Intangible assets	526	69	1	**596**
Obligations from				
Loan commitments	–	156	–	**156**
Leasing and rental contracts	141	111	12	**263**
Miscellaneous other financial obligations	1,845	843	136	**2,824**
Total	**4,221**	**1,277**	**150**	**5,648**

€ million	Maturity Within one year	Within one to five years	More than five years	Total
Dec. 31, 2023				
Purchase commitments in respect of				
Property, plant and equipment	1,605	196	3	**1,803**
Intangible assets	665	85	1	**751**
Obligations from				
Loan commitments	–	–	–	**–**
Leasing and rental contracts	97	88	25	**211**
Miscellaneous other financial obligations	1,534	975	118	**2,627**
Total	**3,901**	**1,344**	**147**	**5,392**

40. LITIGATION

In the course of their operating activities, Porsche AG and the companies in which it holds direct or indirect interests are involved in a large number of legal disputes and official proceedings, both in Germany and abroad. Among others, these legal disputes and proceedings relate to or are connected with employees, authorities, services, dealers, investors, customers, products or other contractual partners. They may lead to payments such as fines as well as other obligations and consequences for the companies involved. In particular, substantial compensation or punitive damages may have to be paid and cost-intensive measures may be necessary. In this context, a specific assessment of the objectively likely consequences is often possible only to a very limited extent, if at all.

Various legal proceedings are pending worldwide, particularly in the USA, in which customers are asserting purported product-related claims, either individually or in class actions. These claims are as a rule based on alleged vehicle defects, including defects alleged in vehicle parts supplied to the Porsche AG Group. Compliance with legal or regulatory requirements (such as the GDPR) is another area in which risks may arise. This applies in particular to gray areas, where Porsche AG or the companies in which it holds direct or indirect interests may make interpretations that differ from those of the competent authorities.

In connection with their business activities, Porsche AG Group companies engage in constant dialog with regulatory agencies, including the Kraftfahrt-Bundesamt (KBA–German Federal Motor Transport Authority) as type approval and market surveillance authorities. It is not possible to predict with assurance how government regulators will assess certain issues of fact and law in a particular situation. For this reason, the possibility that certain vehicle characteristics and/or type approval aspects may in particular ultimately be deemed deficient or impermissible cannot be ruled out. This is also fundamentally a question of the regulatory agency's specific evaluation in a concrete situation.

Risks may also result from actions for infringement of intellectual property, including infringement of patents, brands, or other third-party rights, particularly in Germany and the USA. If the Porsche AG Group is alleged or determined to have violated third-party intellectual property rights, it may for instance have to pay damages, modify manufacturing processes, or redesign products, and may be barred from selling certain products; this may result in delivery and production restrictions or interruptions.

Legal risks may also arise due to the criminal actions of individuals, which even the best compliance management system can never fully rule out.

Where doing so was manageable and economically feasible, adequate insurance cover was taken out to cover these risks. Where necessary based on the information currently available, identified and correspondingly measurable risks have been reflected by recognizing provisions in amounts considered appropriate or disclosing contingent liabilities, as the case may be. Since some risks cannot be assessed, or only to a limited extent, it cannot be ruled out that significant losses or damage may arise in an amount not covered by the insurance or provisions.

Unless otherwise explicitly stated, the amounts disclosed for the litigation reported on here refer only to the respective claim of the other party. Other legal defense costs, such as any legal and consulting fees and litigation costs, are not as a rule reported in connection with the legal disputes presented here.

Diesel issue

On November 2, 2015, the United States Environmental Protection Agency (EPA) issued a notice of violation of the Clean Air Act to Volkswagen AG, AUDI AG, Volkswagen Group of America, Inc., Porsche AG and Porsche Cars North America, Inc.

The notice alleges that certain 3.0 liter V6 Volkswagen Group diesel engines are in contravention of the applicable emissions certification standards.

Porsche AG decided to voluntarily halt sales of the roughly 11,500 3.0 liter V6 US diesel engines affected by the notice of violation pending a decision and recertification by the US authorities.

On January 4, 2016, the US Department of Justice filed a complaint at the request of the EPA against the above companies, among others. In addition, class actions were filed by customers, dealers and investors and proceedings were initiated by further authorities and institutions (including the Department of Justice (civil and criminal), state attorney generals, the Federal Trade Commission and the Customs and Border Protection Agency) over the course of 2016. Porsche AG cooperated with all of the parties involved to clarify the matter.

On January 11, 2017, the US Department of Justice published the agreement with the Volkswagen Group, including Porsche AG. The agreement with Porsche AG is limited to civil penalties. Volkswagen AG has signed a hold harmless agreement for the fines. The Porsche AG Group will not be supervised by an external monitor. The organizational and process requirements have already been largely addressed in the Porsche remediation plan. On May 11, 2017, the agreement of January 2017 was confirmed by the courts. On April 13, 2017, the US Department of Justice concluded the third partial consent decree ("3PCD") in connection with the diesel issue. On July 21, 2017, a comparable agreement ("California PCD") was reached with the United States District Court for the Northern District of California. In this agreement, Porsche AG undertook to meet conditions from the areas of organization, processes, employees and sustainability and to provide evidence of meeting these conditions. These essentially corresponded with the remediation plan.

On October 23, 2017, the US authorities approved the software update submitted for review by the Volkswagen Group relating to emissions compliant repair (ECR) for around 38,000 US vehicles with 3.0 liter V6 TDI generation 2.1 and 2.2 engines. The recall of the approximately 11,500 US Cayenne V6 diesel vehicles began in November 2017. The requisite software update was successfully rolled out in the fiscal year 2018. The recall quota specified in the agreement with the US authorities was thus exceeded.

In September 2022, the 3PCD was lifted by the court. Porsche has thus met all required conditions. The California PCD was also lifted by the court in September 2022.

AUDI AG has held Porsche AG harmless from the costs of legal risks, litigation, product liability claims or other third-party claims relating to the 2013-2016 Porsche Cayennes affected in North America and the waiver of the defense of the statute of limitations was agreed until July 31, 2023 and subsequently extended until July 31, 2027. Consequently, from today's perspective, it is not expected that the Porsche AG Group will be subject to any significant outflow of resources in this regard.

No receivables were recognized for other costs incurred in connection with the diesel issue in North America, for which AUDI AG has signed a hold harmless agreement, as an outflow of resources is not virtually certain as of the reporting date. The waiver of the defense of the statute of limitations was agreed until July 31, 2023 and this was subsequently extended until July 31, 2027.

For the legal proceedings outside of the USA and Canada in connection with the diesel issue, Porsche AG expects - based on previous agreements and accounting practice - that the costs incurred in this connection for legal risks and litigation costs will be borne by AUDI AG and will pass the costs on to the latter. No extensive provisions will be recognized for future expected outflows of resources.

On January 21, 2019, the public prosecutor's office in Stuttgart instigated administrative fine proceedings pursuant to sections 30 and 130 of the German Act on Breaches of Administrative Regulations (OWiG). The administrative offense proceedings initiated against Porsche AG in connection with the diesel issue ended with the fine notice issued by the public prosecutor's office in Stuttgart on May 7, 2019. The fine notice is based on a negligent breach of supervisory duty in the organizational unit Prüffeld Entwicklung Gesamtfahrzeug/Qualität (Overall Vehicle Development/Quality–Testing Facility) or its respective successor organization. The fine notice imposes a total fine of €535 million, comprising a penalty payment of €4 million and the forfeiture of economic benefits amounting to €531 million. After a thorough review, Porsche AG did not appeal the penalty payment, rendering the fine notice legally binding. The fine has been paid in full, thus ending the administrative offense proceedings against Porsche AG. As a consequence, it is highly unlikely that any further penalties or forfeitures will be imposed on Porsche AG in Europe in connection with the uniform circumstances underlying the fine notice.

Furthermore, a number of administrative investigations and proceedings are pending around the world against Porsche AG and its subsidiaries as well as against its executive directors with regard to the diesel issue.

At the end of March 2021, the supervisory board of Volkswagen AG announced the completion of the investigation initiated in October 2015 into the causes of and those responsible for the diesel issue. In this context, the Volkswagen AG group has reached agreement with the relevant insurers under its directors and officers liability policies (D&O insurance) on payment of an aggregate sum of €270 million (coverage settlement). In addition, agreement was reached on damage payments by a former member of AUDI AG's board of management and the former member of Porsche AG's Executive Board, Mr. Wolfgang Hatz (liability settlement). As a result of this liability settlement as well as the coverage settlement, Porsche AG recognized other operating income of €30 million in the fiscal year 2021. On June 27, 2023, Mr. Wolfgang Hatz was sentenced to a suspended prison term by the Munich II Regional Court on a charge of fraud. The ruling is not yet legally binding. The liability settlement remains in effect.

In 2018, the public prosecutor's office in Stuttgart instigated a criminal investigation into the diesel issue against individual persons on suspicion of fraud and illegal advertising. Proceedings against an Executive Board member have since been discontinued without determining any misconduct pursuant to section 153a of the German Code of Criminal Procedure (StPO) against payment of a court-imposed sum. A penalty order was also issued against a Porsche AG employee. This only relates to the Cayenne-V8-TDI-EU6 and to a period as of 2016. The penalty order has since become legally binding, meaning that these proceedings have also come to an end. According to the information available, the other individual proceedings have also been discontinued pursuant to section 153 StPO/section 153a StPO. In connection with these proceedings being discontinued, Porsche AG made reimbursements of €2 million to the employees.

THERMAL WINDOWS

In July 2022, the European Court of Justice (ECJ) ruled in one specific case that a so-called thermal window (i.e., a built-in temperature-dependent control of exhaust gas recirculation) in the range of 15°C and 33°C outside temperature represents a defeat device. In this context, the ECJ has developed a new, unwritten criterion according to which a thermal window, even if it serves to prevent sudden and extraordinary engine damage, is inadmissible if it leads to the exhaust gas recirculation being only active to a limited extent for the "largest part of a year under the driving conditions which are actually prevailing in the European Union area".

In November 2022, an action plan for a software update for the Euro 5 3.0-liter-V6-diesel Generation 1 Cayenne with EY type approvals was submitted to the KBA in the course of ongoing talks with the authorities on the impact of this decision. On January 12, 2023, Porsche AG received a notification of a hearing on this vehicle from the KBA, in which the KBA now deems said thermal windows to be a prohibited defeat device. Porsche AG considers this provisional classification by the KBA to be without merit. It has duly delivered an opinion on the letter.

For the Cayenne and Panamera 3.0 l V6-TDI EU5 Generation 2 vehicles with EU type approvals, an action plan had already been approved by the KBA on September 11, 2020. A software update for these vehicles approved by the KBA had already been available since the beginning of 2020. On February 28, 2023, Porsche received a notification of a hearing from the KBA for these vehicles too, in which the KBA deems the aforementioned thermal windows to be a prohibited defeat device. Furthermore, the KBA demands that Porsche AG name all other vehicle concepts that include a comparable temperature-controlled exhaust gas recirculation system. Porsche duly delivered an opinion on the notification of a hearing from the KBA. In its opinion, Porsche AG explains why, according to Porsche's legal position, the aforementioned thermal windows are not a prohibited defeat device.

In a notice to Porsche AG dated December 20, 2023, the KBA determined that the original calibrations used to control exhaust gas recirculation in Cayenne and Panamera 3.0 l V6-TDI EU5 Generation 1 and 2 vehicles were prohibited defeat devices. The measures already underway (Generation 2) or agreed by Porsche AG during the hearing (Generation 1) were provisionally recognized as suitable by the KBA. Porsche AG filed an objection on January 18, 2024 with regard to the finding of non-conformity associated with this decision.

Neither provisions nor contingent liabilities have been recognized as there are currently no specific indications that this will result in any significant outflow of resources.

Other litigation

ANTITRUST INVESTIGATIONS: SCR SYSTEMS

In July 2021, the EU-Commission, as part of a settlement decision, imposed a fine of €502 million on the three brands of the Volkswagen Group concerned (Volkswagen AG, AUDI AG, Porsche AG). The subject matter of the European Commission's decision regarding the fine is the cooperation between German car manufacturers regarding the development of technology to purify emissions of diesel passenger cars fitted with SCR systems that were sold in the European Economic Area. The Volkswagen Group accepted the fine decision of the EU-Commission and did not appeal, thus rendering the decision legally binding. There was no recourse against Porsche AG by Volkswagen AG.

Following the EU-Commission's decision to impose a fine (July 2021), several class actions were filed in the United Kingdom at the end of 2021, among others against Porsche AG and several of its UK subsidiaries. Neither provisions nor contingent liabilities have been recognized as a realistic risk assessment of these proceedings is currently not possible.

In July 2024, the Brazilian antitrust authority CADE initiated proceedings against Porsche AG, among others, also based on the EU subject matter. Neither provisions nor contingent liabilities have been recognized as a realistic risk assessment of these proceedings is currently not possible.

VIOLATIONS OF COMPETITION LAW (KOREA, TÜRKIYE, CHINA)
The Korean antitrust authorities KFTC also analyzed potential breaches based on the EU subject matter. In April 2023, the KFTC issued its final decision together with the grounds for the decision. Porsche AG is not affected by the alleged antitrust violation and is therefore not covered by the fines decision.

The Turkish antitrust authorities, which investigated similar matters, issued their final decision in January 2022, finding that there had been alleged anti-competitive behavior, but that it did not have an impact on Türkiye, which is why no fines were imposed on the German car manufacturers. Legally binding grounds for the decision have not yet been given. Volkswagen AG, AUDI AG and Porsche AG have filed an appeal.

The Chinese antitrust authorities initiated proceedings against companies including Volkswagen AG, AUDI AG and Porsche AG due to similar matters and issued requests for information. Neither provisions nor contingent liabilities have been recognized. In the opinion of the Porsche AG Group, the current status of the investigations does not permit a final assessment of the risk.

RELIABILITY OF SPECIFIC HARDWARE AND SOFTWARE COMPONENTS ("FOCUS TOPICS")
With regard to vehicles for various markets worldwide, Porsche AG has identified potential regulatory issues. Potential issues relating to sport functionalities were found. These issues further relate to questions of the reliability of specific hardware and software components that were used in typing measurements. In individual cases, there may be deviations from the series status. The internal investigations into this matter at Porsche AG have largely been completed. Based on the results of the internal investigation, this is an historical matter. Current production is not affected. These issues are not related to the diesel issue. Porsche AG cooperated with the responsible authorities, including the public prosecutor's office in Stuttgart, which instigated a criminal investigation against twelve (former) employees at Porsche AG. Proceedings against all those accused were closed pursuant to section 153 StPO in April 2022. Administrative fine proceedings were not instigated against the company.

In June 2022, the US Department of Justice declared that it would not instigate an investigation for the focus topics ("declination").

To date, six different class actions relating to these issues have been filed in the USA. According to the statement of claims, software and/or hardware allegedly used in the affected vehicles resulted in actual exhaust emissions and/or fuel consumption being higher than legally permitted. In January 2021, a consolidated complaint was filed combining the six filed class actions into one lawsuit. The six lawsuits were originally directed against Porsche AG and its US importer subsidiary, Volkswagen AG as well as AUDI AG, although not every company is being sued in all of the cases at hand. In December 2021, a draft settlement of US$85 million (including a potential additional payment liability of US$5 million) was negotiated with the representatives of the plaintiffs. The agreement has since been finally approved following the final hearing by the US judge responsible on November 9, 2022. Payment was made in the fiscal year 2022 and the provision utilized in the same amount. An appeal was filed against the agreement in December 2022. However, based on the current assessment, it is unlikely that this will have a significant impact on the financial significance of the settlement overall. Based on the information available, the additional payment liability of US$5 million does not apply.

A class action in this regard is also pending in Canada. However, at around 10%, the number of vehicles potentially affected is considerably lower than in the USA. Talks are currently being held with representatives of the plaintiffs. A settlement – most likely in the single-digit million range – is expected for the second quarter of 2025.

The NHTSA (National Highway Traffic Safety Administration) and the EPA are expected to adjust the CO_2 Credits (Corporate Average Fuel Economy ("CAFE"/Greenhouse Gas ("GHG")) for some of Porsche AG's vehicles. The expected payments will come to US$7 million.

For the focus topics discussed, provisions were recognized covering the above mentioned risks.

CONFORMITY OF PRODUCTION MEASUREMENTS
Porsche AG has also investigated potential issues regarding conformity of production measurements. The internal investigation has been completed. These issues are not related to the diesel issue. Porsche AG is cooperating with the relevant authorities, including the KBA and the public prosecutor's office in Stuttgart. However, based on the information available, no administrative fine proceedings have been instigated against the company. Proceedings brought by the public prosecutor's office in Stuttgart against unknown were discontinued in August 2022 pursuant to section 170 (2) StPO. The only significant deviation determined from internal measurements of just over 4% compared to the manufacturer's figure for a model year of a Cayenne derivative with UNECE type approval according to UN R101 issued by the KBA was reported to the KBA. On March 20, 2023, the KBA submitted a notification of a hearing on this vehicle. According to this, the vehicle exceeds the values seen as relevant by the KBA and more measurements may be taken to verify the manufacturer's figure. Porsche AG has duly delivered an opinion on the notification and recommended that further action be coordinated with the local authorities depending on the relevance of the manufacturer's figure. This was approved by the KBA. Following clarification of the matter, Porsche proposed to the KBA at the beginning of March 2024 that the matter be closed without further action. The KBA has not yet responded to this. There are only 108 vehicles on the market from the relevant model year 2018.

Neither provisions nor contingent liabilities have been recognized as there are currently no specific indications that this will result in any significant outflow of resources.

ANTITRUST INVESTIGATIONS (RECYCLING OF END-OF-LIFE VEHICLES)
In March 2022, the European Commission and the Competition and Markets Authority (CMA), the English antitrust authorities, searched the premises of various automotive manufacturers and automotive industry organizations and/or served them with formal requests for information. Volkswagen AG has received a group-wide information request from the European Commission and the CMA. The investigation concerns European, Japanese, and Korean manufacturers as well as national organizations operating in these countries and the European organization European Automobile Manufacturers' Association (ACEA), which are suspected of having colluded from 2001/2002 to the initiation of proceedings not to pay for the services of recycling companies that dispose of end-of-life vehicles (ELVs). Also alleged is an agreement to refrain from competitive use of ELV issues, that is, not to publicize relevant recycling data for competitive purposes. The violation under investigation is alleged to have taken place in particular in working groups of the ACEA. A response was given to the European Commission's and the CMA's information requests. Neither provisions nor contingent liabilities have been recognized as an assessment of these proceedings is currently not possible.

In the same context, the Korean antitrust authorities (KFTC) conducted searches at Porsche Korea and issued requests for information, which have been answered. Neither provisions nor contingent liabilities have been recognized as it is also not currently possible to assess these proceedings.

KBA HEARING ON NOISE FUNCTIONS
In August 2022, Porsche AG received a notification of a hearing from the KBA, in which it criticizes the use of certain noise functions in the 991 II Carrera 4S and 981 Cayman S vehicles. The KBA invited Porsche AG to comment and also requested additional measurements.

On October 13, 2022, Porsche submitted its response with technical and legal arguments. Proceedings are currently ongoing. All of the KBA's queries to date have been duly answered. Should a notice be issued, the resulting costs for retrofits would depend heavily on the content. This would affect around 12,000 vehicles within the EU, of which around 5,200 in Germany.

Neither provisions nor contingent liabilities were recognized because the early stage of the proceedings makes a realistic assessment of the risk exposure impossible.

Further disclosure in respect of estimates

In accordance with IAS 37.92, no further disclosures are made in respect of estimates of the financial impact or disclosures relating to uncertainties surrounding the amount or timing of provisions and contingent liabilities in connection with material litigation, so as not to prejudice the outcome of the proceedings or the company's interests.

41. PERSONNEL EXPENSES

€ million	2024	2023
Wages and salaries	4,318	4,356
Social security contributions	613	567
Pension and other benefit costs	207	226
	5,138	**5,149**

42. AVERAGE NUMBER OF EMPLOYEES DURING THE YEAR

Average number of employees

	2024	2023
Direct area[1]	9,384	10,004
Indirect area	31,780	29,833
	41,164	**39,837**
Trainees	727	678
	41,891	**40,515**
Employees in the release phase of partial retirement	812	528
	42,703	**41,043**

[1] The direct area includes all employees directly involved in the vehicle manufacturing process.

43. REMUNERATION BASED ON PERFORMANCE SHARES (SHARE-BASED PAYMENT)

Following the IPO in 2022, the Supervisory Board of Porsche AG decided to adjust management remuneration from fiscal year 2023 onwards. As a result of this change, Porsche AG has three share-based remuneration models until the end of the respective terms: The performance share plan based on Volkswagen preferred shares, the performance share plan based on Porsche preferred shares and the IPO bonus.

In 2019, the group of persons eligible as performance share plan beneficiaries based on the Volkswagen preferred shares was expanded to include top managers. The first performance shares were granted to top managers at the beginning of 2019. At the end of 2019, the group of persons eligible as performance share plan beneficiaries based on the Volkswagen preferred shares was expanded to include all other members of management. At the beginning of 2020, the members of management were granted remuneration based on performance shares for the first time. In the course of introducing the performance share plan based on the Porsche preferred shares, no further Volkswagen performance shares will be granted. Grants have been made to members of the Executive Board and members of top management. The group of persons eligible as performance share plan beneficiaries based on the Porsche preferred shares includes all members of the Executive Board, top management and all other members of management.

The performance share plan based on the Volkswagen preferred shares for top management and the other beneficiaries works in essentially the same way as the performance share plan granted to members of the Executive Board. Upon introduction of the performance share plan based on the Volkswagen preferred shares, top managers were guaranteed a minimum bonus amount for the first three years based on the remuneration for 2018, while the Executive Board and all other beneficiaries received a guarantee for the first three years based on the remuneration for 2019. There is a supplementary agreement in place for the performance share plan based on Porsche preferred shares for top management, which entitles the company to make an advance payment of up to 100% of the target amount in the second year of the performance period of the respective tranche. At the end of the performance period of a tranche, the associated advance payment is offset against the calculated payout amount.

As part of the IPO, the Supervisory Board of Porsche AG also granted an IPO bonus for the members of the Executive Board in the form of a virtual share plan. The aim of this IPO bonus is to provide appropriate incentives for the commitment of the Executive Board members in preparing the IPO and, by its design, take into account the long-term success of the IPO.

Performance shares

The performance period of the performance share plan based on the Volkswagen preferred shares has a three-year term, while the performance period of the performance share plan based on the Porsche preferred shares has a four-year term. For the members of the Executive Board and the top management, upon awarding the long-term incentive (LTI) the annual target amount under the LTI is converted into performance shares on the basis of the initial reference price of Volkswagen or Porsche preferred shares and is granted to the respective beneficiary purely for calculation purposes.

The number of performance shares is granted on the basis of a three-year/four-year, forward-looking performance period in line with the degree of target achievement for the annual earnings per Volkswagen/Porsche preferred share. Settlement is effected in cash at the end of the performance period. The payment amount corresponds to the final number of determined performance shares multiplied by the respective closing reference price at the end of the term plus a dividend equivalent.

For all other beneficiaries, the amount paid out is determined by multiplying the target amount by the degree of target achievement for the annual earnings per Porsche preferred share and the ratio of the closing reference price at the end of the term plus a dividend equivalent and the initial reference price. Target achievement is based on a four-year performance period with one year of that period relating to future periods.

For all beneficiaries, the payment amount under the performance share plans is limited to 200% of the target amount.

Executive Board and top management

		Dec. 31, 2024	Dec. 31, 2023
Total expense of the reporting period	€ million	7	12
Carrying amount of the obligation	€ million	19	17
Intrinsic value of the obligation	€ million	21	12
Fair value on granting date	€ million	58	29
Advance payment on the respective tranche of performance shares based on Porsche preferred shares	€ million	13	–
Granted performance shares based on the Volkswagen preferred share	Shares	59,369	120,266
of which granted during the reporting period	Shares	–	–
Granted performance shares based on the Porsche preferred share	Shares	513,053	214,167
of which granted during the reporting period	Shares	298,904	214,167

Members of management

In the fiscal year, all other beneficiaries were granted a target amount, based on a target achievement of 100%, of €55 million (2023: €50 million). As of December 31, 2024, the total carrying amount of the obligation corresponding to the intrinsic value of the liabilities amounted to €37 million (2023: €56 million). In the reporting period, a total expense of €37 million (2023: €56 million) was recognized for this amount granted.

IPO bonus

The IPO bonus was granted in three tranches. Each third is paid out on the anniversary of the IPO of Porsche AG. The second sub-tranche was paid out during the current fiscal year. The payment amount of the IPO bonus is subject to a cap and a floor for each sub-tranche.

		Dec. 31, 2024	Dec. 31, 2023
Total expense of the reporting period	€ million	0	0
Carrying amount of the obligation	€ million	2	5
Intrinsic value of the obligation	€ million	2	5
Fair value at grant date	€ million	–	–
Granted performance shares	Shares	28,480	56,960
of which granted during the reporting period	Shares	–	–

44. RELATED PARTY DISCLOSURES IN ACCORDANCE WITH IAS 24

In accordance with IAS 24, related parties are natural persons and companies that can be influenced by Porsche AG, that can exert influence on Porsche AG or are under the influence of another related party of Porsche AG.

Since August 1, 2012, Volkswagen AG had held 100% of the shares in Porsche AG via Porsche Holding Stuttgart GmbH. On September 28, 2022, Volkswagen placed 25% of the preferred shares (including surplus allocation) of Porsche AG with investors. Since the following day, these preferred shares have been traded on the stock exchange. Since the end of the stabilization period on October 11, 2022, the free float of the preferred shares amounts to 24.2% of the preferred share capital of Porsche AG. The basis for the IPO was a comprehensive agreement on the conclusion of several contracts between Volkswagen and Porsche SE. In this context, both parties agreed, among other things, that Porsche SE acquire 25% of the ordinary shares plus one ordinary share of Porsche AG from Volkswagen. There are restrictions on the sale of these ordinary shares of Porsche AG by Porsche SE until 2027. The other shares in ordinary share capital of 75% less one ordinary share in Porsche AG continue to be held by Porsche Holding Stuttgart GmbH as of the reporting date.

As of the reporting date, Porsche AG remains a subsidiary of Porsche Holding Stuttgart GmbH. No domination and profit and loss transfer agreement was in place between Porsche AG and Porsche Holding Stuttgart GmbH in the reporting year. In connection with the IPO and the sale of ordinary shares in Porsche SE, Volkswagen AG and Porsche SE agreed on a significant participation of representatives of Porsche SE on the Supervisory Board of Porsche AG. Final decision-making rights of the shareholder representatives on the Supervisory Board determined by Volkswagen with regard to directing relevant activities within the meaning of IFRS 10 at Porsche AG continue to result in the control of Porsche AG by Volkswagen AG (de facto group).

As of the reporting date, Porsche SE held the majority of voting rights in Volkswagen AG. The creation of rights of appointment for the State of Lower Saxony was resolved at the extraordinary general meeting of Volkswagen AG on December 3, 2009. This means that Porsche SE, via the Annual General Meeting, cannot elect all shareholder representatives to Volkswagen AG's supervisory board for as long as the State of Lower Saxony holds at least 15% of the ordinary shares. The Porsche SE group (Porsche SE) is therefore classified as a related party as defined by IAS 24.

As part of the transfer of the operating business and, in turn, the transfer of Porsche Holding Stuttgart GmbH by Porsche SE to Volkswagen AG in the fiscal year 2012, Porsche SE entered into the following agreements with Volkswagen AG and entities of the Porsche Holding Stuttgart GmbH group in particular:

- Under the transfer agreement, Porsche SE in certain circumstances holds Porsche Holding Stuttgart GmbH, Porsche AG and their legal predecessors harmless from tax disadvantages that exceed the obligations from periods up to and including July 31, 2009 recognized at the level of these entities. In return, Volkswagen AG has undertaken to reimburse Porsche SE for any tax benefits of Porsche Holding Stuttgart GmbH, Porsche AG and their legal predecessors and subsidiaries relating to tax assessment periods up to July 31, 2009.
- Porsche SE under certain circumstances holds its subsidiaries transferred under the contribution agreement, Porsche Holding Stuttgart GmbH and Porsche AG and its subsidiaries, harmless from certain obligations toward Porsche SE pertaining to the period up to and including December 31, 2011 and that go beyond the obligations recognized for these entities for this period.
- It was also agreed to allocate any subsequent VAT receivables and/or VAT liabilities arising from transactions up to December 31, 2009 between Porsche SE and Porsche AG to the entity concerned.

- Various information, conduct and cooperation duties were agreed between Porsche SE and the Volkswagen Group.
- Volkswagen AG assumed responsibility for general financing for Porsche AG in the same way as it does for other subsidiaries of Volkswagen AG.

In connection with the IPO of Porsche AG, on September 5, 2022, Porsche AG and Volkswagen AG concluded an agreement regulating future relations, in particular the cooperation, coordination and collaboration regarding certain matters. The agreement regarding collaboration in tax matters between Porsche AG and Volkswagen AG of September 18, 2022, encompasses the following in particular:

- Volkswagen AG bears the tax risk of additional taxes, to the extent to which these are not already covered by corresponding risk provisioning.
- Volkswagen AG assumes all pre-IPO costs, which also include potential taxes from pre-IPO structuring.
- Statement of financial position items that resulted in higher income taxes at Volkswagen AG for assessment periods until the end of 2022, but can lead to tax benefits at Porsche AG through reversal effects in subsequent years from 2023 onwards, will be reimbursed to Volkswagen AG.
- Various information, conduct and cooperation duties were agreed between Porsche AG and Volkswagen AG.

Furthermore, Porsche AG entered into an industrial cooperation agreement with Volkswagen AG on September 5, 2022, which regulates the future design of the industrial and strategic cooperation between the Volkswagen Group and the Porsche AG Group. Under this agreement, Porsche AG and Volkswagen AG have agreed to further develop and detail out the existing cooperation between the contractual parties in the fields of purchase and procurement in a separate agreement. Therefore, and in accordance with the specifications of the Industrial Cooperation Agreement, Porsche AG and Volkswagen AG entered into a purchasing and procurement cooperation agreement. This agreement contains general principles for the continuation of the existing cooperation between the contractual parties, including rules on its general organization as well as specific provisions for certain essential areas of purchasing and procurement.

Pursuant to a consortium agreement, the Porsche and Piëch families have direct and indirect control, respectively, over Porsche SE. Therefore, relations with individuals and entities of the Porsche and Piëch families are subject to the disclosure requirements.

Pursuant to the announcement from January 2, 2025, the State of Lower Saxony and Hannoversche Beteiligungsgesellschaft Niedersachsen mbH, Hanover, hold 20.00% of the voting rights in Volkswagen AG on December 31, 2024. Furthermore, as mentioned above, the Annual General Meeting of Volkswagen AG resolved on December 3, 2009 that the State of Lower Saxony may appoint two members of the Supervisory Board (right of appointment).

The tables below show the amounts of the supplies and services transacted as well as outstanding receivables and liabilities between fully consolidated companies of the Porsche AG Group and related parties:

Related parties

	Supplies and services rendered		Supplies and services received	
€ million	2024	2023	2024	2023
Porsche und Piëch families	0	0	0	0
Porsche SE	3	3	0	0
State of Lower Saxony, its majority interests and joint ventures	–	0	–	–
Volkswagen AG - Group	4,789	4,889	6,970	6,685
Porsche Holding Stuttgart GmbH	0	3	–	–
Non-consolidated entities	110	175	229	256
Joint ventures and their majority interests	3	2	70	53
Associates and their majority interests	5	6	156	203
Pension plans	1	1	1	0
Members of the Executive Board and the Supervisory Board Porsche AG	2	1	–	–
Other related parties	–	–	–	–
Total	**4,913**	**5,079**	**7,427**	**7,197**

	Receivables		Liabilities	
€ million	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Porsche und Piëch families	0	0	0	0
Porsche SE	0	0	2	0
State of Lower Saxony, its majority interests and joint ventures	–	0	–	–
Volkswagen AG - Group	4,428	6,399	1,801	2,015
Porsche Holding Stuttgart GmbH	–	–	67	67
Non-consolidated entities	1,073	708	276	147
Joint ventures and their majority interests	66	60	7	6
Associates and their majority interests	153	137	90	115
Pension plans	–	–	0	0
Members of the Executive Board and the Supervisory Board Porsche AG	0	0	–	–
Other related parties	–	–	–	–
Total	**5,720**	**7,305**	**2,243**	**2,351**

All transactions with related parties are regularly carried out at arm's length conditions.

There were no material trade relationships with the Porsche and Piëch families and their affiliated companies in the reporting period or the prior period.

Receivables from the Volkswagen Group largely relate to cash pool receivables of €3,210 million (2023: €4,064 million), loans granted of €0 million (2023: €530 million), receivables from intragroup balances of €0 million (2023: €85 million) and trade receivables of €467 million (2023: €407 million).

The supplies and services rendered to the Volkswagen group contain amounts of €114 million (2023: €119 million) for service transfers in the area of research and development.

In addition, there were other obligations not recognized in the statement of financial position in 2024 to Volkswagen Group companies amounting to €391 million (2023: €365 million).

Receivables from non-consolidated subsidiaries primarily result from loans granted of €909 million (2023: €624 million), with €30 million (2023: €33 million) relating to Dastera Grundstücksverwaltungs-gesellschaft mbH & Co. Vermietungs KG, as well as trade receivables of €27 million (2023: €34 million). Receivables from associates mainly result from receivables from non-current finance leases of €27 million (2023: €24 million) as well as from loans granted €105 million (2023: €105 million).

In 2024, there were other obligations not recognized in the statement of financial position to non-consolidated subsidiaries amounting to €195 million (2023: €409 million), to associates of €210 million (2023: €227 million) and to joint ventures of €21 million (2023: €5 million).

The tables above do not contain the dividend payments received from joint ventures and associates of €4 million (2023: €2 million). Nor do the tables contain the dividends of €1,584 million (2023: €690 million) paid to Porsche Holding Stuttgart GmbH and the dividends of €262 million (2023: €114 million) paid to Porsche SE.

The maximum default risk for financial guarantees issued to joint ventures amounted to €57 million (2023: €62 million).

The disclosure requirements under IAS 24 also extend to persons who have the power to exercise significant influence over the entity, i.e., who have the power to participate in the financial and operating policies of the entity, but do not control it, including close family members. In the reporting period, this related to the members of the Executive Board of Porsche AG and its Supervisory Board as well as their close family members. Supplies and services rendered and receivables from members of management bodies and the Supervisory Board only included services from the vehicle, parts and design business, and other services. The employee representatives appointed to the Supervisory Board continue to be entitled to a normal salary in accordance with their employment contracts.

The benefits and compensation paid to the members of the Executive Board and of the Supervisory Board for their work as members of those bodies are presented below and are not included in the above list of supplies and services rendered or received or the list of the receivables and liabilities.

In addition, the following benefits and compensation granted to the members of the Executive Board and of the Supervisory Board of Porsche AG have been recognized as expenses for their work as members of those bodies at Porsche AG:

€ million	2024	2023
Short-term employee benefits	20	16
Benefits based on performance shares	2	4
Post-employment benefits	3	3
	25	**23**

There were balances outstanding at the end of the period including obligations for short-term and long-term benefits including post-employment benefits as well as for the fair values of the performance shares granted to the Executive Board members under the performance share plans based on the Volkswagen and Porsche preferred shares and virtual shares in connection with the IPO bonus of €63 million (2023: €62 million) → 43. REMUNERATION BASED ON PERFORMANCE SHARES (SHARE-BASED PAYMENT). The post-employment benefits concern the additions to pension provisions for service cost relating to active Executive Board members including the pension plans funded by Executive Board members. The chairman of the Executive Board of Porsche AG, who is also chairman of the board of management of Volkswagen AG, receives half of his remuneration from Porsche AG and half from Volkswagen AG.

In the fiscal year, the Porsche AG Group made capital contributions at related parties of €154 million (2023: €217 million).

45. TOTAL FEES OF THE GROUP AUDITOR

Porsche AG is required by German commercial law to disclose the total fees charged by the group auditor, "EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft", Stuttgart, for the fiscal year.

€ million	2024	2023
Financial statement audit services	4	5
Other assurance services	1	0
Tax advisory services	–	–
Other services	0	0
	5	**5**

The financial statement audit services related to the audit of the consolidated financial statements of Porsche AG and of annual financial statements of German group companies, to reviews of the interim consolidated financial statements of Porsche AG as well as of interim financial statements of German group companies during the year. Other assurance services mainly related to non-statutory audits as well as non-statutory assurance services for capital market transactions.

46. SUBSEQUENT EVENTS

There were no events of significance for the results of operations, financial position and net assets after the end of the fiscal year 2024.

47. NOTIFICATIONS OF CHANGES IN THE VOTING RIGHTS IN PORSCHE AG PURSUANT TO THE GERMAN SECURITIES TRADING ACT (WPHG)

47.1 Publication pursuant to section 40 (1) WpHG from December 18, 2024

1. Details of issuer
Dr. Ing. h.c. F. Porsche Aktiengesellschaft, Porscheplatz 1, 70435 Stuttgart, Deutschland

2. Reason for notification
Other reason:
Control relinquished

3. Details of party subject to the notification obligation	
Name:	City and country of registered office:
Ing. Hans-Peter Porsche	

4. Names of shareholder(s) holding directly 3% or more voting rights, if different from 3.

5. Date on which threshold was crossed or reached:
Dec. 18, 2024

6. Total positions				
	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1. + 7.b.2.)	Total of both % (7.a. + 7.b.)	Total number of voting rights of issuer
Resulting situation	0.00%	0.00%	0.00%	455,500,000
Previous notification	100.00%	0.00%	100.00%	

7. Notified details of the resulting situation a. Voting rights attached to shares (section 33, 34 WpHG)				
ISIN	absolute		%	
	Direct (section 33 WpHG)	Indirect (section 34 WpHG)	Direct (section 33 WpHG)	Indirect (section 34 WpHG)
DE000PAG9113	0	0	0.00%	100.00%
Total	0		0.00%	

b.1. Instruments according to section 38 (1) no. 1 WpHG				
Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights %
				0.00%
		Total		0.00%

b.2. Instruments according to section 38 (1) no. 2 WpHG					
Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights %
			Total		

8. Information in relation to the party subject to the notification obligation
Party subject to the notification obligation is not controlled nor does it control any other undertaking(s) that directly or indirectly hold(s) an interest in the (underlying) issuer (1.).

9. In case of proxy voting according to section 34 (3) WpHG Date of Annual General Meeting:		
% of voting rights attached to shares	% of voting rights through instruments	Total of both
%	%	%

48. GERMAN CORPORATE GOVERNANCE CODE

In December 2024, the Executive Board and the Supervisory Board of Porsche AG issued a declaration of conformity with the German Corporate Governance Code pursuant to section 161 AktG and made it permanently available to the shareholders of Porsche AG at ↗ https://investorrelations.porsche.com/en/corporate-governance/.

49. REMUNERATION OF THE EXECUTIVE BOARD AND SUPERVISORY BOARD

The total remuneration granted to this group of people amounts to €30 million (2023: €25 million).

Under the performance share plan, the active members of the Executive Board were not granted any new performance shares for the fiscal year 2024, as in the prior year. For the fiscal year 2024, a total of 138,057 performance shares were allocated based on the Porsche preferred share (2023: 85,266), the value of which came to €13 million (2023: €12 million) as of the date of allocation. As part of the IPO, the Supervisory Board of Porsche AG also granted an IPO bonus for the members of the Executive Board in the form of a virtual share plan → 43. REMUNERATION BASED ON PERFORMANCE SHARES (SHARE-BASED PAYMENT). In this context, the members of the Executive Board were not granted any new virtual shares in the fiscal year 2024, as in the prior year.

The total remuneration granted to the members of the Supervisory Board amounts to €3 million (2023: €3 million).

Pension claims and payments to former members of the executive board

The former members of the Executive Board and their surviving dependents were granted €2 million (2023: €2 million). For this group of people, there were provisions for pensions of €40 million (2023: €46 million).

The individual remuneration of members of the Executive Board and the Supervisory Board is explained in the remuneration report. This also contains an extensive assessment of the individual remuneration components.

50. LIST OF SHAREHOLDINGS

Name of company	Domicile	Country/territory	Currency	Exchange rate (€1 =) Dec. 31, 2024	Porsche AG's interest in capital % Direct	Indirect	Total	Equity in thousands, local currency	Profit/loss in thousands, local currency	Footnote	Year
I. PARENT COMPANY											
Dr. Ing. h.c. F. Porsche AG	Stuttgart										
II. SUBSIDIARIES											
A. Consolidated companies											
1. Germany											
Manthey Racing GmbH	Meuspath	Germany	EUR		51.00	-	51.00	12,345	2,270		2023
MHP Management- und IT-Beratung GmbH	Ludwigsburg	Germany	EUR		-	100.00	100.00	312,487	77,362		2023
Porsche Consulting GmbH	Bietigheim-Bissingen	Germany	EUR		100.00	-	100.00	700	-	[1]	2023
Porsche Deutschland GmbH	Bietigheim-Bissingen	Germany	EUR		100.00	-	100.00	18,120	-	[1]	2023
Porsche Dienstleistungs GmbH	Stuttgart	Germany	EUR		100.00	-	100.00	43	-	[1]	2023
Porsche Digital GmbH	Ludwigsburg	Germany	EUR		100.00	-	100.00	20,025	-	[1]	2023
Porsche Engineering Group GmbH	Weissach	Germany	EUR		100.00	-	100.00	4,000	-	[1]	2023
Porsche Engineering Services GmbH	Bietigheim-Bissingen	Germany	EUR		100.00	-	100.00	1,601	-	[1]	2023
Porsche Erste Beteiligungs-gesellschaft mbH	Stuttgart	Germany	EUR		100.00	-	100.00	534,920	-	[1]	2023
Porsche Financial Services GmbH	Bietigheim-Bissingen	Germany	EUR		100.00	-	100.00	26,608	-	[1]	2023
Porsche Financial Services GmbH & Co. KG	Bietigheim-Bissingen	Germany	EUR		-	100.00	100.00	184,474	14,502		2023
Porsche Financial Services Verwaltungs-gesellschaft mbH	Bietigheim-Bissingen	Germany	EUR		-	100.00	100.00	119	7		2023
Porsche Immobilien GmbH & Co. KG	Stuttgart	Germany	EUR		100.00	-	100.00	59,971	8,113		2023
Porsche Leipzig GmbH	Leipzig	Germany	EUR		100.00	-	100.00	2,500	-	[1]	2023
Porsche Lifestyle GmbH & Co. KG	Ludwigsburg	Germany	EUR		100.00	-	100.00	10,539	22,090		2023
Porsche Logistik GmbH	Stuttgart	Germany	EUR		100.00	-	100.00	1,000	-	[1]	2023
Porsche Nieder-lassung Berlin GmbH	Berlin	Germany	EUR		-	100.00	100.00	2,500	-	[1]	2023
Porsche Niederlassung Berlin-Potsdam GmbH	Klein-machnow	Germany	EUR		-	100.00	100.00	1,700	-	[1]	2023
Porsche Niederlassung Hamburg GmbH	Hamburg	Germany	EUR		-	100.00	100.00	2,000	-	[1]	2023
Porsche Niederlassung Stuttgart GmbH	Stuttgart	Germany	EUR		-	100.00	100.00	2,500	-	[1]	2023
Porsche Nordamerika Holding GmbH	Ludwigsburg	Germany	EUR		100.00	-	100.00	58,311	-	[1]	2023
Porsche Sales & Marketplace GmbH	Stuttgart	Germany	EUR		100.00	-	100.00	2,200	2	[1]	2023
Porsche Verwaltungs-gesellschaft mit beschränkter Haftung	Ludwigsburg	Germany	EUR		100.00	-	100.00	43	5		2023
Porsche Werkzeugbau GmbH	Schwarzen-berg	Germany	EUR		100.00	-	100.00	70,881	2,688		2023
Porsche Zentrum Hoppegarten GmbH	Stuttgart	Germany	EUR		-	100.00	100.00	2,556	-	[1]	2023
UI-356 fund	Frankfurt am Main	Germany	EUR		84.59	15.41	100.00	1,597,567	97,606	[2]	2023
UI-SP25 fund	Frankfurt am Main	Germany	EUR		100.00	-	100.00	412,175	17,974	[2]	2023
2. International											
Carrera Finance S.A.	Luxembourg	Luxembourg	EUR		-	-	-	31	-	[2]	2023
Carrera Italia SPV S.r.l.	Conegliano	Italy	EUR		-	-	-	10	-	[2]	2023
MHP Consulting Romania S.R.L.	Cluj-Napoca	Romania	RON	4.9744	-	100.00	100.00	31,044	10,390		2023
Nardò Technical Center S.r.l.	Santa Chiara di Nardò	Italy	EUR		-	100.00	100.00	16,751	3,127		2023
PCREST II Holdings Ltd.	Vancouver/BC	Canada	CAD	1.4972	-	100.00	100.00	990	-	[2]	2023
PCREST Ltd.	Mississauga/ON	Canada	CAD	1.4972	-	100.00	100.00	3	-	[3]	2023
PCTX LLC	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	506	-		2023
PJOLT-1 LLC	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	99,673	44,654	[2,4]	2023
Porsamadrid S.L.	Madrid	Spain	EUR		-	100.00	100.00	11,611	4,897		2023
Porsche (China) Motors Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	5,294,453	2,141,019		2023
Porsche (Shanghai) Commercial Services Co., Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	615,462	108,210		2023
Porsche Asia Pacific Pte. Ltd.	Singapore	Singapore	SGD	1.4189	100.00	-	100.00	101,454	21,647		2023
Porsche Auto Funding LLC	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	49,000	-	[2]	2023
Porsche Aviation Products, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	697	26		2023
Porsche Brasil Importadora de Veículos Ltda.	São Paulo	Brazil	BRL	6.4314	100.00	-	100.00	240,117	230,117		2023
Porsche Business Services, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	20,066	5,544		2023
Porsche Canadian Funding II L.P.	Mississauga/ON	Canada	CAD	1.4972	-	100.00	100.00	229,893	10,616	[2]	2023
Porsche Canadian Funding L.P.	Mississauga/ON	Canada	CAD	1.4972	-	100.00	100.00	106,913	6,170		2023
Porsche Canadian Investment ULC	Halifax/NS	Canada	CAD	1.4972	-	100.00	100.00	616	-61		2023
Porsche Cars Australia Pty. Ltd.	Collingwood	Australia	AUD	1.6761	100.00	-	100.00	197,715	21,996		2023
Porsche Cars Canada Ltd.	Toronto/ON	Canada	CAD	1.4972	-	100.00	100.00	246,472	31,795		2023
Porsche Cars Great Britain Ltd.	Reading	Great Britain	GBP	0.8302	-	100.00	100.00	197,817	33,446		2023

Name of company	Domicile	Country/ territory	Currency	Exchange rate (€1 =) Dec. 31, 2024	Porsche AG's interest in capital %			Equity in thousands, local currency	Profit/loss in thousands, local currency	Foot-note	Year
					Direct	Indirect	Total				
Porsche Cars North America, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	2,141,374	635,917		2023
Porsche Central and Eastern Europe s.r.o.	Prague	Czech Republic	CZK	25.1505	100.00	-	100.00	169,196	17,502		2023
Porsche Centre Beijing Central Ltd.	Beijing	China	CNY	7.5986	-	100.00	100.00	42,458	37,267		2023
Porsche Centre Beijing Goldenport Ltd.	Beijing	China	CNY	7.5986	-	100.00	100.00	24,445	22,945		2023
Porsche Centre North Toronto Ltd.	Toronto/ON	Canada	CAD	1.4972	-	100.00	100.00	26,430	5,093		2023
Porsche Centre Shanghai Pudong Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	85,173	54,448		2023
Porsche Centre Shanghai Waigaoqiao Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	92,214	22,982		2023
Porsche Consulting Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	69,296	15,423		2023
Porsche Consulting S.r.l.	Milan	Italy	EUR		-	100.00	100.00	22,372	3,621		2023
Porsche Consulting, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	5,205	489		2023
Porsche Design GmbH	Zell am See	Austria	EUR		-	100.00	100.00	4,393	1,741		2023
Porsche Design of America, Inc.	Ontario/CA	USA	USD	1.0410	-	100.00	100.00	2,832	159		2023
Porsche Distribution S.A.S.	Vélizy-Villacoublay	France	EUR		-	100.00	100.00	44,641	3,420		2023
Porsche Engineering Services s.r.o.	Prague	Czech Republic	CZK	25.1505	-	100.00	100.00	502,017	121,563		2023
Porsche Enterprises, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	246,660	1,016,969		2023
Porsche Financial Auto Securitization Trust 2023-1	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	17,379	-6,621	2, 4	2023
Porsche Financial Auto Securitization Trust 2023-2	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	19,114	-1,886	2, 4	2023
Porsche Financial Auto Securitization Trust 2024-1	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	-	-	2, 4, 5	2024
Porsche Financial Auto Securitization Trust 2025-1	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	-	-	2, 4, 5	2024
Porsche Financial Leasing Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	315,161	82		2023
Porsche Financial Services Australia Pty. Ltd.	Collingwood	Australia	AUD	1.6761	-	100.00	100.00	5,439	945		2023
Porsche Financial Services Canada G.P.	Mississauga/ON	Canada	CAD	1.4972	-	100.00	100.00	34,815	2,891	6	2023
Porsche Financial Services France S.A.S.	Asnières-sur-Seine	France	EUR		-	100.00	100.00	25,286	3,649		2023
Porsche Financial Services Great Britain Ltd.	Reading	United Kingdom	GBP	0.8302	-	100.00	100.00	36,054	9,268		2023
Porsche Financial Services Italia S.p.A.	Padua	Italy	EUR		-	100.00	100.00	101,020	10,796		2023
Porsche Financial Services Japan K.K.	Tokyo	Japan	JPY	163.2300	-	100.00	100.00	8,605,696	976,254		2023
Porsche Financial Services Korea Ltd.	Seoul	South Korea	KRW	1,534.3200	-	100.00	100.00	106,305,485	6,604,656		2023

Name of company	Domicile	Country/ territory	Currency	Exchange rate (€1 =) Dec. 31, 2024	Porsche AG's interest in capital %			Equity in thousands, local currency	Profit/loss in thousands, local currency	Foot-note	Year
					Direct	Indirect	Total				
Porsche Financial Services Schweiz AG	Rotkreuz	Switzerland	CHF	0.9421	-	100.00	100.00	22,001	3,332		2023
Porsche Financial Services, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	242,037	33,690	6	2023
Porsche France S.A.S.	Asnières-sur-Seine	France	EUR		-	100.00	100.00	149,810	10,446		2023
Porsche Funding L.P.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	257,844	489,752		2023
Porsche Hong Kong Ltd.	Hong Kong	Hong Kong	HKD	8.0843	100.00	-	100.00	2,297,711	532,180		2023
Porsche Ibérica S.A.	Madrid	Spain	EUR		99.99	-	99.99	128,115	13,140		2023
Porsche Innovative Lease Owner Trust 2016-A	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	44,848	-4,609	2	2023
Porsche Innovative Lease Owner Trust 2024-1	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	-	-	2, 4, 5	2024
Porsche Innovative Lease Owner Trust 2024-2	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	-	-	2, 4, 5	2024
Porsche International Financing DAC	Dublin	Ireland	EUR		100.00	-	100.00	189,105	4,408		2023
Porsche International Reinsurance DAC	Dublin	Ireland	EUR		-	100.00	100.00	271,015	33,734		2023
Porsche Investments Management S.A.	Luxembourg	Luxembourg	EUR		100.00	-	100.00	2,726,057	-41,556		2023
Porsche Italia S.p.A.	Padua	Italy	EUR		-	100.00	100.00	165,441	14,781		2023
Porsche Japan K.K.	Tokyo	Japan	JPY	163.2300	100.00	-	100.00	9,391,076	3,570,960		2023
Porsche Korea Ltd.	Seoul	South Korea	KRW	1,534.3200	100.00	-	100.00	72,823,155	43,081,379		2023
Porsche Latin America, Inc.	Miami/FL	USA	USD	1.0410	-	100.00	100.00	5,504	526		2023
Porsche Leasing Ltd.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	-980,391	-589,915	2	2023
Porsche Logistics Services LLC	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	5,003	161		2023
Porsche Middle East and Africa FZE	Dubai	United Arab Emirates	USD	1.0410	100.00	-	100.00	34,675	25,056		2023
Porsche Motorsport North America, Inc.	Santa Ana/CA	USA	USD	1.0410	-	100.00	100.00	18,075	2,928		2023
Porsche Norge AS	Oslo	Norway	NOK	11.7832	75.00	-	75.00	25,540	-40,460		2023
Porsche Retail Group Australia Pty. Ltd.	Collingwood	Australia	AUD	1.6761	-	100.00	100.00	76,145	14,452		2023
Porsche Retail Group Ltd.	Reading	United Kingdom	GBP	0.8302	-	100.00	100.00	88,341	16,622		2023
Porsche Retail Italia S.r.l.	Milan	Italy	EUR		-	100.00	100.00	29,103	7,611		2023
Porsche Sales & Marketplace Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	-1,887	-227		2023
Porsche Schweiz AG	Rotkreuz	Switzerland	CHF	0.9421	-	100.00	100.00	52,602	10,831		2023
Porsche Services Ibérica, S.L.	Madrid	Spain	EUR		-	100.00	100.00	2,061	274		2023
Porsche Singapore Pte. Ltd.	Singapore	Singapore	SGD	1.4189	-	75.00	75.00	2,239	13		2023
Porsche Taiwan Motors Ltd.	Taipei	Taiwan	TWD	34.1011	-	100.00	100.00	1,375,395	1,193,730		2023
Porsche Zentrum Zug, Risch AG	Rotkreuz	Switzerland	CHF	0.9421	-	100.00	100.00	17,964	5,496		2023
PPF Holding AG	Zug	Switzerland	CHF	0.9421	100.00	-	100.00	6,632	-31		2023
PREV LLC	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	79,378	3,952	2	2023

Name of company	Domicile	Country/ territory	Currency	Exchange rate (€1 =) Dec. 31, 2024	Porsche AG's interest in capital % Direct	Indirect	Total	Equity in thousands, local currency	Profit/loss in thousands, local currency	Foot-note	Year
Shanghai Jie Gang Enterprise Management Co., Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	23,642	-79		2023
B. Unconsolidated companies											
1. Germany											
Cellforce Group GmbH	Tübingen	Germany	EUR		-	100.00	100.00	-64,252	-79,956	1	2023
Cetitec GmbH	Pforzheim	Germany	EUR		100.00	-	100.00	5,838	1,701		2023
Dastera Grundstücks-verwaltungsgesell-schaft mbH & Co. Vermietungs KG	Mainz	Germany	EUR		94.00	-	94.00	-522	-74	2	2023
Datura Grundstücks-verwaltungsgesell-schaft mbH & Co. Vermietungs KG	Mainz	Germany	EUR		94.00	-	94.00	-172	15	2	2023
Initium GmbH	Berlin	Germany	EUR		-	100.00	100.00	125	-	1	2023
Manthey Servicezentrum GmbH	Meuspath	Germany	EUR		-	100.00	100.00	1,493	625		2023
OverTake GmbH	Cologne	Germany	EUR		100.00	-	100.00	707	-994		2023
Porsche eBike Performance GmbH	Ottobrunn	Germany	EUR		-	60.00	60.00	108,477	-31,436		2023
Porsche Sechste Beteiligungsgesellsch aft mbH	Stuttgart	Germany	EUR		100.00	-	100.00	27	0		2023
serva GmbH, in liquidation	Stuttgart	Germany	EUR		-	100.00	100.00	1,163	-24	7	2023
Smart Zero UG (haftungsbeschränkt), in liquidation	Berlin	Germany	EUR		-	100.00	100.00	-	-	7	2024
2. International											
AFN Ltd.	Reading	United Kingdom	GBP	0.8302	-	100.00	100.00	0	-	3	2023
Cetitec d.o.o.	Cakovec	Croatia	EUR		-	100.00	100.00	469	466		2023
Cetitec USA Inc., in liquidation	Dublin/OH	USA	USD	1.0410	-	100.00	100.00	177	-27	7	2023
Greyp ESOP d.d., jsc	Zagreb	Croatia	EUR		-	90.05	90.05	42	7	2	2023
MHP (Shanghai) Management Consultancy Co., Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	32,808	1,598		2023
MHP Americas, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	438	-1,347		2023
MHP Consulting UK Ltd.	Birmingham	United Kingdom	GBP	0.8302	-	100.00	100.00	-83	38		2023
MHP Management and IT Consulting Mexico, S. de R.L. de C.V.	Guadalajara	Mexico	MXN	21.5892	-	100.00	100.00	6,209	1,005		2023
OOO Porsche Center Moscow	Moscow	Russian Federation	RUB	112.4384	-	100.00	100.00	923,176	-82,121		2023
OOO Porsche Financial Services Russland	Moscow	Russian Federation	RUB	112.4384	-	100.00	100.00	292,344	4,072		2023
OOO Porsche Russland	Moscow	Russian Federation	RUB	112.4384	99.00	1.00	100.00	2,291,165	-690,375		2023
Porsche (Shanghai) Investment Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	-	-	5	2024
Porsche Arctic Center Oy	Hanhimaa	Finland	EUR		-	100.00	100.00	2,554	242	8	2024
Porsche Consulting Canada Ltd.	Toronto/ON	Canada	CAD	1.4972	-	100.00	100.00	2,860	452		2023
Porsche Consulting Ltda.	São Paulo	Brazil	BRL	6.4314	-	100.00	100.00	1,500	-1,185		2023
Porsche Consulting S.A.S.	Paris	France	EUR		-	100.00	100.00	1,000	1,451		2023
Porsche Design Asia Hong Kong Ltd.	Hong Kong	Hong Kong	HKD	8.0843	-	100.00	100.00	3,507	118		2023
Porsche Design Great Britain Ltd.	Reading	United Kingdom	GBP	0.8302	-	100.00	100.00	1	6,479		2023
Porsche Design Italia S.r.l.	Padua	Italy	EUR		-	100.00	100.00	272	-4		2023
Porsche Design Netherlands B.V.	Roermond	Netherlands	EUR		-	100.00	100.00	938	-53		2023
Porsche Design Sales (Shanghai) Co., Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	660	-143	3	2023
Porsche Design Studio North America, Inc.	Beverly Hills/CA	USA	USD	1.0410	-	100.00	100.00	48	-	3	2023
Porsche Design Timepieces AG	Solothurn	Switzerland	CHF	0.9421	-	100.00	100.00	5,717	1,103		2023
Porsche Digital China Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	33,394	10,506		2023
Porsche Digital Croatia d.o.o.	Zagreb	Croatia	EUR		-	50.00	50.00	3,418	2,222	9	2023
Porsche Digital España, S.L.	Barcelona	Spain	EUR		-	100.00	100.00	465	285		2023
Porsche Digital Israel Ltd.	Tel Aviv	Israel	ILS	3.7953	-	100.00	100.00	2,783	784		2023
Porsche Digital, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	22,578	-5,622		2023
Porsche Drive Canada, Ltd.	Toronto/ON	Canada	CAD	1.4972	-	100.00	100.00	777	-656		2023
Porsche Drive LLC	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	536	-5,001		2023
Porsche Drive S.r.l.	Trento	Italy	EUR		-	100.00	100.00	1,582	369		2023
Porsche eBike Performance d.o.o.	Sveta Nedelja	Croatia	EUR		-	68.17	68.17	1,716	-11,251		2023
Porsche Engineering (Shanghai) Co., Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	122,533	50,465		2023
Porsche Engineering Romania S.R.L.	Cluj-Napoca	Romania	RON	4.9744	-	100.00	100.00	19,312	5,887		2023
Porsche Engineering Services North America, Inc.	Carson/CA	USA	USD	1.0410	-	100.00	100.00	505	5	4	2023
Porsche Investments Management I S.à r.l.	Luxembourg	Luxembourg	EUR		-	100.00	100.00	1,981	-19	4	2023
Porsche Motorsport Asia-Pacific Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	17,773	3,659		2023
Porsche Polska Sp. z o.o.	Warsaw	Poland	PLN	4.2719	-	100.00	100.00	-	-	5	2024
Porsche Private Markets GP S.à r.l.	Luxembourg	Luxembourg	EUR		-	100.00	100.00	-	-	5	2024
Porsche Sales & Marketplace Canada, Ltd.	Toronto/ON	Canada	CAD	1.4972	-	100.00	100.00	1,690	632		2023
Porsche Services Korea LLC	Seoul	South Korea	KRW	1,534.3200	-	100.00	100.00	4,105,963	240,744		2023
Porsche Services Middle East & Africa FZE	Dubai	United Arab Emirates	USD	1.0410	-	100.00	100.00	1,356	473		2023
Porsche Services Singapore Pte. Ltd.	Singapore	Singapore	SGD	1.4189	-	100.00	100.00	-546	-150		2023
Porsche Smart Battery Shop s.r.o.	Dubnica nad Váhom	Slovakia	EUR		-	100.00	100.00	31,540	466		2023

Name of company	Domicile	Country/ territory	Currency	Exchange rate (€1 =) Dec. 31, 2024	Porsche AG's interest in capital % Direct	Indirect	Total	Equity in thousands, local currency	Profit/loss in thousands, local currency	Foot-note	Year
Porsche Werkzeugbau s.r.o.	Dubnica nad Váhom	Slovakia	EUR		-	100.00	100.00	19,118	1,362		2023
Ruso IT Solutions Pvt. Ltd.	Bangalore	India	INR	89.1080	-	100.00	100.00	-	-	10	2024
Shanghai Advanced Automobile Technical Centre Co., Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	17,257	3,821		2023
III. JOINT VENTURES											
A. Equity-accounted companies											
1. Germany											
2. International											
B. Companies accounted for at cost											
1. Germany											
Axel Springer Porsche GmbH & Co. KG	Berlin	Germany	EUR		-	50.00	50.00	25,468	-3,016		2023
Axel Springer Porsche Management GmbH	Berlin	Germany	EUR		-	50.00	50.00	31	19		2022
FlexFactory GmbH, in liquidation	Stuttgart	Germany	EUR		-	50.00	50.00	240	-1,255	7	2023
Intelligent Energy System Services GmbH	Ludwigsburg	Germany	EUR		-	50.00	50.00	3,364	1,136		2023
PDB-Partnership for Dummy Technology and Biomechanics GbR	Gaimersheim	Germany	EUR		20.00	-	20.00	-	-	11, 12	2023
Smart Press Shop GmbH & Co. KG	Halle	Germany	EUR		50.00	-	50.00	27,055	3,860		2023
Smart Press Shop Verwaltungs-GmbH	Stuttgart	Germany	EUR		50.00	-	50.00	39	3		2023
2. International											
Bugatti International Holding S.à r.l.	Luxembourg	Luxembourg	EUR		49.00	-	49.00	92,829	-86		2023
Material Science Center Qatar QSTP-LLC, in liquidation	Doha	Qatar	QAR	3.7948	25.00	-	25.00	-	-	3, 7	2024
IV. ASSOCIATES											
A. Equity-accounted associates											
1. Germany											
Bertrandt AG	Ehningen	Germany	EUR		28.97	-	28.97	364,702	14,935	8	2023
IONITY Holding GmbH & Co. KG	Munich	Germany	EUR		-	15.12	15.12	559,530	-36,516		2023
2. International											
Bugatti Rimac d.o.o.	Sveta Nedelja	Croatia	EUR		45.00	-	45.00	481,387	-18,776		2023
Group14 Technologies, Inc.	Wilmington/ DE	USA	USD	1.0410	-	3.36	3.36	596,490	-40,304	13	2023
HIF Global LLC	Houston/TX	USA	USD	1.0410	-	10.98	10.98	67,708	-69,602	13	2023
Rimac Group d.o.o.	Sveta Nedelja	Croatia	EUR		-	20.63	20.63	882,137	-10,043		2023

Name of company	Domicile	Country/ territory	Currency	Exchange rate (€1 =) Dec. 31, 2024	Porsche AG's interest in capital % Direct	Indirect	Total	Equity in thousands, local currency	Profit/loss in thousands, local currency	Foot-note	Year
B. Associates accounted for at cost											
1. Germany											
&Charge GmbH	Frankfurt am Main	Germany	EUR		-	21.65	21.65	-1,051	-1,151		2023
Customcells Holding GmbH	Itzehoe	Germany	EUR		-	11.33	11.33	-	-	14	2023
cylib GmbH	Aachen	Germany	EUR		-	5.48	5.48	-	-	10	2024
Fanzone Media GmbH	Berlin	Germany	EUR		-	4.99	4.99	-	-	14	2023
New Horizon GmbH	Berlin	Germany	EUR		-	16.64	16.64	-1,878	-4,852		2023
P2 eBike GmbH	Stuttgart	Germany	EUR		-	40.00	40.00	535	-158		2023
The Business Romantic Society Verwaltungs GmbH	Berlin	Germany	EUR		-	20.72	20.72	-2,245	-278		2023
VfB Stuttgart 1893 AG	Stuttgart	Germany	EUR		10.41	-	10.41	-	-	10	2024
2. International											
Autounify, Inc.	Wilmington/ DE	USA	USD	1.0410	-	33.33	33.33	-	-	10	2024
BrainPower Energy, Inc.	Wilmington/ DE	USA	USD	1.0410	-	33.33	33.33	-	-	10	2024
IonRoad, Inc.	Wilmington/ DE	USA	USD	1.0410	-	33.33	33.33	-	-	10	2024
Pull Data Inc.	Santa Monica/CA	USA	USD	1.0410	-	33.33	33.33	-	-	14	2023
Sensigo, Inc.	Wilmington/ DE	USA	USD	1.0410	-	33.33	33.33	-	-	4, 14	2023
Stellar Tele-communications S.A.S.	Meudon	France	EUR		-	20.00	20.00	-875	-434		2023
Vulog S.A.	Nice	France	EUR		-	6.62	6.62	-	-	10	2024
V. OTHER EQUITY INVESTMENTS											
1. Germany											
1KOMMA5° GmbH	Hamburg	Germany	EUR		-	6.24	6.24	248,151	-12,126		2023
aware THE PLATFORM GmbH, in liquidation	Berlin	Germany	EUR		-	5.00	5.00	-	-	7, 14	2023
Black Semiconductor GmbH	Aachen	Germany	EUR		-	7.12	7.12	-	-	10	2024
Denizen GmbH	Berlin	Germany	EUR		-	5.00	5.00	-	-	14	2023
e.ventures europe V GmbH & Co. KG	Hamburg	Germany	EUR		-	7.91	7.91	66,630	5,599	2	2023
e.ventures europe VI GmbH & Co. KG	Hamburg	Germany	EUR		-	3.33	3.33	107,134	-3,118	2	2023
Fiducia Mailing Services eG	Karlsruhe	Germany	EUR		0.07	-	0.07	-	-		2024
Headline Europe VII GmbH & Co. KG	Berlin	Germany	EUR		-	3.13	3.13	53,841	-8,369	2	2023
Heartfelt APX GmbH & Co. KG	Berlin	Germany	EUR		-	14.41	14.41	3,626	-948		2023
HWW - Höchst-leistungsrechner für Wissenschaft und Wirtschaft GmbH	Stuttgart	Germany	EUR		10.00	-	10.00	1,450	49		2023
Impact Labs GmbH	Hamburg	Germany	EUR		-	7.75	7.75	-1,266	-1,113		2023
My Inner Health Club GmbH, in liquidation	Berlin	Germany	EUR		-	5.00	5.00	-	-	7, 14	2023

Name of company	Domicile	Country/ territory	Currency	Exchange rate (€1 =) Dec. 31, 2024	Porsche AG's interest in capital % Direct	Indirect	Total	Equity in thousands, local currency	Profit/loss in thousands, local currency	Foot-note	Year
NitroBox GmbH	Hamburg	Germany	EUR		-	7.35	7.35	-	-	14	2023
onGRID Sports Technology GmbH	Berlin	Germany	EUR		-	8.09	8.09	-1,126	-986		2023
Retorio GmbH	Munich	Germany	EUR		-	7.99	7.99	4,433	-1,561		2023
RYDES GmbH	Berlin	Germany	EUR		-	11.57	11.57	3,457	1,310		2023
Sharpist GmbH	Berlin	Germany	EUR		-	3.70	3.70	-	-	14	2023
Tomorrow GmbH	Hamburg	Germany	EUR		-	3.14	3.14	-	-	10	2024
Triple AI GmbH	Berlin	Germany	EUR		-	5.69	5.69	900	-275		2023
WORKERBASE GmbH	Munich	Germany	EUR		-	5.41	5.41	7,957	-1,972		2023
2. International											
actnano Inc.	Dover/DE	USA	USD	1.0410	-	3.59	3.59	-	-	14	2023
AM Batteries LLC	Billerica/MA	USA	USD	1.0410	-	1.80	1.80	-	-	14	2023
Anagog Ltd.	Tel Aviv	Israel	ILS	3.7953	-	4.74	4.74	-	-	14	2023
Applied Intuition, Inc.	Mountain View/CA	USA	USD	1.0410	-	4.46	4.46	-	-	10	2024
Atomic Industries Inc.	Cleveland Heights/OH	USA	USD	1.0410	-	5.35	5.35	-	-	14	2023
Bcomp Ltd.	Fribourg	Switzerland	CHF	0.9421	-	3.50	3.50	11,033	-8,084		2023
Beijing Achievers Management Consulting Co., Ltd.	Beijing	China	CNY	7.5986	-	14.90	14.90	7,596	-3,308		2023
BQ Holding Ltd.	Weymouth	United Kingdom	GBP		-	0.30	0.30	-	-	14	2023
Bumper International Ltd.	London	United Kingdom	GBP	0.8302	-	4.60	4.60	22,520	-368		2023
CarPutty Inc.	Wilmington/DE	USA	USD	1.0410	-	10.08	10.08	-	-	14	2023
Chemix, Inc.	Sunnyvale/CA	USA	USD	1.0410	-	5.33	5.33	-	-	10	2024
Connect IQ Labs, Inc.	Redwood City/CA	USA	USD	1.0410	-	4.90	4.90	-	-	14	2023
Cresta Intelligence Inc.	Wilmington/DE	USA	USD	1.0410	-	0.79	0.79	-	-	14	2023
Dream Machine Innovations Inc.	Wilmington/DE	USA	USD	1.0410	-	5.52	5.52	1	-908		2023
DSP Concepts, Inc.	Dover/DE	USA	USD	1.0410	-	4.17	4.17	-	-	14	2023
e.ventures US V, L.P.	San Francisco/CA	USA	USD	1.0410	-	3.99	3.99	379,526	-52,463	2	2023
Eve One L.P.	Grand Cayman	Cayman Islands	USD	1.0410	-	4.64	4.64	465,017	-3,574	2	2023
Fontinalis Capital Partners III, L.P.	Detroit/MI	USA	USD	1.0410	-	9.64	9.64	78,774	-531	2	2023
Griiip Automotive Engineering Ltd.	Petach Tikva	Israel	ILS	3.7953	-	4.89	4.89	-	-	14	2023
Grove Ventures II L.P.	Grand Cayman	Cayman Islands	USD	1.0410	-	2.50	2.50	85,811	-5,889	2	2023
Grove Ventures III L.P.	Grand Cayman	Cayman Islands	USD	1.0410	-	1.63	1.63	35,182	-3,833	2	2023
Grove Ventures L.P.	Grand Cayman	Cayman Islands	USD	1.0410	-	9.09	9.09	188,606	-38,085	2	2023
Hangzhou Wanxiang Culture Technology Co., Ltd.	Hangzhou	China	CNY	7.5986	-	3.31	3.31	-	-	14	2023
Intamsys Technology Ltd.	Dongguan	China	CNY	7.5986	-	4.78	4.78	-	-	14	2023
KeySavvy, Inc.	Big Lake/MN	USA	USD	1.0410	-	7.44	7.44	-	-	10	2024
LAKA Ltd.	London	United Kingdom	GBP	0.8302	-	4.10	4.10	5,077	-5,256	13	2023
Magma Growth Equity I L.P.	Grand Cayman	Cayman Islands	USD	1.0410	-	11.33	11.33	47,680	-11,939	2	2023
Nozomi Networks, Inc.	San Francisco/CA	USA	USD	1.0410	-	0.73	0.73	-	-	14	2023
Playbook Technologies Inc.	Ridgewood/NJ	USA	USD	1.0410	-	6.04	6.04	245	-3,135		2023
RSE Markets, Inc.	Dover/DE	USA	USD	1.0410	-	4.61	4.61	-	-	14	2023
RunBuggy OMI, Inc.	Newark/DE	USA	USD	1.0410	-	2.05	2.05	-	-	14	2023
Semper Vivus Private Markets SCSp SICAV-RAIF	Luxembourg	Luxembourg	EUR		-	0.01	0.01	-	-	5	2024
Shanghai Powershare Tech Ltd.	Shanghai	China	CNY	7.5986	-	2.84	2.84	-	-	14	2023
StretchMe Sp. z o.o.	Krakow	Poland	PLN	4.2719	-	9.00	9.00	-	-	14	2023
Tactile Mobility Ltd.	Haifa	Israel	USD	1.0410	-	11.14	11.14	12,898	-6,786		2023
The Embassies of Good Living AG	Zurich	Switzerland	CHF	0.9421	-	7.15	7.15	-1,707	-835		2023
TriEye Ltd.	Tel Aviv	Israel	USD	1.0410	-	3.41	3.41	-	-	14	2023
Urgent.ly Inc.	Vienna/VA	USA	USD	1.0410	-	2.08	2.08	9,604	74,169	13	2023
Valence Security Inc.	Wilmington/DE	USA	USD	1.0410	-	3.67	3.67	-	-	14	2023
Via Transportation, Inc.	New York/NY	USA	USD	1.0410	-	0.03	0.03	-	-	14	2023
Wayray AG	Zurich	Switzerland	USD	1.0410	-	7.90	7.90	-	-	14	2023
Xuanlin (Shanghai) Information Technology Co., Ltd.	Shanghai	China	CNY	7.5986	-	6.00	6.00	-	-	14	2023
Zededa, Inc.	San Jose/CA	USA	USD	1.0410	-	2.13	2.13	-	-	14	2023
Zynq Inc.	San Francisco/CA	USA	USD	1.0410	-	5.00	5.00	-	-	14	2023

1 Profit and loss transfer agreement
2 Structured entity in accordance with IFRS 10 and IFRS 12
3 Currently not trading
4 Short fiscal year
5 Newly established/split off-company
6 Figures in accordance with IFRSs
7 In liquidation
8 Different fiscal year
9 Circumstance in accordance with §1 UmwG
10 Newly acquired company
11 Joint operation in accordance with IFRS 11
12 The parent company is shareholder with unlimited liability
13 Consolidated financial statement
14 No published financial statement

Stuttgart, 24. February 2025

Dr. Ing. h.c. F. Porsche Aktiengesellschaft
The Executive Board

Cayenne GTS (WLTP): Fuel consumption combined: 13.3 – 12.6 l/100 km; CO_2 emissions combined: 303 – 287 g/km; CO_2 class: G

FURTHER INFORMATION

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements prepared in accordance with German accepted accounting principles give a true and fair view of the results of operations, financial position and net assets of the Porsche AG Group, and the combined management report includes a fair review of the development and performance of the business and the position of the Porsche AG Group, together with a description of the material opportunities and risks associated with the expected development of the Porsche AG Group.

Stuttgart, February 24, 2025

Dr. Ing. h.c. F. Porsche Aktiengesellschaft
The Executive Board

INDEPENDENT AUDITOR'S REPORT

TO DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT

Report on the audit of the consolidated financial statements and of the combined management report

OPINIONS

We have audited the consolidated financial statements of Dr. Ing. h.c. F. Porsche Aktiengesellschaft, Stuttgart, and its subsidiaries (the "group"), which comprise the consolidated income statement and consolidated statement of comprehensive income for the fiscal year from January 1 to December 31, 2024, the consolidated statement of financial position as of December 31, 2024, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fiscal year from January 1 to December 31, 2024, and the notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of Dr. Ing. h.c. F. Porsche Aktiengesellschaft, which is combined with the management report of Dr. Ing. h.c. F. Porsche Aktiengesellschaft, for the fiscal year from January 1 to December 31, 2024. In accordance with the German legal requirements, we have not audited the content of the parts of the combined management report specified in the appendix to the auditor's report and the company information stated therein that is provided outside of the annual report and is referenced in the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) (IFRS Accounting Standards) and adopted by the EU, and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB ["Handelsgesetzbuch": German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as of December 31, 2024 and of its financial performance for the fiscal year from January 1 to December 31, 2024, and
- the accompanying combined management report as a whole provides an appropriate view of the group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. We do not express an opinion on the content of the parts of the combined management report listed in the appendix to the auditor's report.

Pursuant to section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

BASIS FOR THE OPINIONS

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with section 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and of the combined management report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with article 10 (2) f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

KEY AUDIT MATTERS IN THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the fiscal year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matters:

1. Recognition and recoverability of development costs

REASONS WHY THE MATTER WAS DETERMINED TO BE A KEY AUDIT MATTER

Significant criteria for the capitalization of development costs are the feasibility of development projects (including the possibility of technical realization, the intention to complete and the ability to use) as well as the expected future economic benefit. The complexity of research and development projects is mounting in view of the technological transformation of the Porsche AG Group and the resulting new development areas (including high investments in electromobility, software and autonomous driving). The assessment of project feasibility plays an increasingly significant role in this connection and is subject to a high degree of judgment.

As long as capitalized development costs are not amortized, they must be tested for impairment at least once every year at the level of the automotive segment defined as a cash-generating unit. The assumption of realizing future economic benefits and the result of testing the recoverability of capitalized development costs during the analyses and impairment tests performed are highly dependent on the executive directors' estimate of future cash flows and the discount rate used. The recoverable amount of the cash-generating unit is calculated on the basis of its value in use, applying discounted cash flow models.

The challenging market conditions in the important markets of the USA and China as well as more stringent emission and fuel consumption legislation lead to uncertainties that have to be factored into the estimation of future margins and long-term growth rates as well as market shares for electric vehicles. Uncertainties regarding a possible further delay in the implementation of electromobility and an increasing level of competition in China must also be taken into account. Executive directors' growth forecasts are subject to risk and may be revised given the changing environmental regulations and market conditions.

In addition, the executive directors have scope for judgment in determining the cash-generating unit for impairment testing and in determining the discount rate used.

In light of the foregoing, the materiality of the capitalized development costs in relation to total assets, the total amount of research and development costs and the judgment exercised in the valuation process, the capitalization of development costs and the impairment test were a key audit matter.

AUDITOR'S RESPONSE

As part of our audit we assessed the process for distinguishing between research and development costs, particularly with reference to capitalization criteria. In this connection, we carried out analytical audit procedures such as comparisons of project budgets and capitalization rates, inspected documentation on project feasibility and tested process-related controls in some areas. Besides this, we examined the capitalization criterion of the future economic benefit, also on the basis of the assumptions regarding cash inflows of the CGU to which the capitalized development services are allocated.

Moreover, we involved valuation specialists to assess among other things the methodology used to determine the relevant cash-generating unit and perform the impairment test in light of the provisions of IAS 36. We also checked the arithmetical accuracy of the valuation model used.

We analyzed the planning process established in the Porsche AG Group and tested the operating effectiveness of the controls implemented therein. As a starting point, we compared the Porsche AG Group's multi-year operational plan prepared by the executive directors with the forecast figures in the underlying impairment test. We also assessed the extent to which measures adopted after the reporting date and included in the Group planning were to be included in the determination of the value in use. We discussed the significant planning assumptions with the executive directors and compared these with the results and cash inflows realized in the past to assess the planning accuracy. For the plausibility testing of input data of the impairment tests, among other things we performed a comparison with general and industry-specific market expectations underlying the expected cash inflows.

With respect to the rollforward from the multi-year operational plan to the long-term forecast, we assessed the plausibility of the assumed growth rate by comparing them with observable data. To assess the discount rate and growth rate applied, we analyzed the inputs used to determine them on the basis of publicly available information and obtained an understanding of the methods used with regard to the relevant requirements of IAS 36.

We also assessed the sensitivity analyses performed by the executive directors in order to estimate any potential impairment risk associated with a reasonably possible change in one of the significant assumptions used in the valuation.

Our audit procedures did not lead to any reservations relating to the recognition and recoverability of capitalized development costs.

REFERENCE TO RELATED DISCLOSURES

With regard to the recognition and measurement policies applied for capitalized development costs, refer to the disclosure on intangible assets in the "Accounting policies" section of the notes to the consolidated financial statements. For the related disclosures on judgments by the executive directors and sources of estimation uncertainty as well as the disclosures on capitalized development costs, refer to the disclosures in the "Accounting policies" section on judgments and estimates by management and note 13, "Intangible assets" in the "Notes to the consolidated statement of financial position" section of the notes to the consolidated financial statements.

2. Completeness and measurement of provisions for warranty obligations

REASONS WHY THE MATTER WAS DETERMINED TO BE A KEY AUDIT MATTER

Obligations for warranty claims are calculated on the basis of estimated warranty costs and ex gratia arrangements. Where unusual individual technical risks are anticipated, an individual assessment is made whether and, if so, to what extent measures are required to remediate them and provisions need to be recognized.

The amount of provisions for warranty claims is material overall. Besides the general use of judgment in selecting the valuation methods and assessing the obligations, increasing estimation uncertainty stems from the growing proportion of hybrid and battery electric vehicles entering the market and a lack of experience of their susceptibility to faults. In light of the amount of the provisions and the judgment exercised during valuation, the completeness and measurement of provisions for warranty obligations was a key audit matter.

AUDITOR'S RESPONSE

With regard to the accounting for the provisions for warranty obligations, we examined the underlying processes for recording previous claims, calculating and valuing the estimated future warranty costs and recognizing the provisions, and tested controls in some areas.

In light of the uncertainty in relation to the estimated future warranty costs, we assessed the underlying valuation assumptions, especially the expected claim rate per vehicle and the cost thereof, using analyses of historical data. Where there was a lack of past experience, we obtained an understanding of the assumptions made by the executive directors and analyzed them using historical data for comparable items. Using the calculation bases derived from these historical data, we checked the estimated costs for expected claims per vehicle. To assess the completeness of the provisions, we also reconciled the number of vehicles used to recognize the provision with the invoiced sales volumes. We obtained an understanding of the method used for calculating the provisions, including the discounting, and reperformed the calculations.

For significant individual technical risks, we assessed the expected incidence of technical faults and the calculation of expected costs per claim/vehicle using documentation on previous claims, inspecting resolutions passed by technical committees and holding discussions with the departments responsible.

Our audit procedures did not lead to any reservations relating to the completeness and valuation of provisions for warranty obligations.

REFERENCE TO RELATED DISCLOSURES
With regard to the recognition and measurement policies applied in accounting for provisions for warranty obligations, refer to the disclosures in the "Accounting policies" section on judgments and estimates by management and note 27, "Non-current and current other provisions" in the "Notes to the consolidated statement of financial position" section of the notes to the consolidated financial statements.

OTHER INFORMATION

The Supervisory Board is responsible for the Report of the Supervisory Board in the 2024 Annual Report. The executive directors and the Supervisory Board are responsible for the declaration pursuant to section 161 of the German Stock Corporation Act (AktG) on the German Corporate Governance Code, which is part of the group corporate governance declaration, and for the remuneration report pursuant to section 162 AktG. In all other respects, the executive directors are responsible for the other information. The other information comprises the parts of the annual report specified in the appendix to the auditor's report.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

— is materially inconsistent with the consolidated financial statements, with the combined management report or our knowledge obtained in the audit, or
— otherwise appears to be materially misstated.

Responsibilities of the executive directors and the Supervisory Board for the consolidated financial statements and the combined management report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to section 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's responsibilities for the audit of the consolidated financial statements and of the combined management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
— Obtain an understanding of internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls systems of the group or these arrangements and measures (systems).
— Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
— Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to be able to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the group in compliance with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to section 315e (1) HGB.
- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group to express opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and review of the work performed for the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the assurance on the electronic rendering of the consolidated financial statements and the combined management report prepared for publication purposes in accordance with section 317 (3a) HGB

OPINION

We have performed assurance work in accordance with section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in PAG_KFB_IFRS_2024-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the file identified above and prepared for publication purposes complies in all material respects with the requirements of section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinions on the accompanying consolidated financial statements and the accompanying combined management report for the fiscal year from January 1 to December 31, 2024 contained in the "Report on the audit of the consolidated financial statements and of the combined management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

BASIS FOR THE OPINION

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file identified above in accordance with section 317 (3a) HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with section 317 (3a) HGB (IDW AsS 410) (06.2022). Our responsibility in accordance therewith is further described in the "Group auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE ESEF DOCUMENTS

The executive directors of the company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with section 328 (1) sentence 4 No. 1 HGB and for the tagging of the consolidated financial statements in accordance with section 328 (1) sentence 4 No. 2 HGB.

In addition, the executive directors of the company are responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

GROUP AUDITOR'S RESPONSIBILITIES FOR THE ASSURANCE WORK ON THE ESEF DOCUMENTS

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of section 328 (1) HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited combined management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of articles 4 and 6 of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

FURTHER INFORMATION PURSUANT TO ARTICLE 10 OF THE EU AUDIT REGULATION

We were elected as group auditor by the Annual General Meeting on June 7, 2024. We were engaged by the Supervisory Board on July 11, 2024. We have been the group auditor of Dr. Ing. h.c. F. Porsche Aktiengesellschaft without interruption since fiscal year 2020.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to article 11 of the EU Audit Regulation (long-form audit report).

In addition to the financial statement audit, we have provided to the group entities the following services that are not disclosed in the consolidated financial statements or in the combined management report:

- Non-statutory assurance services with regard to financial information

OTHER MATTER—USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the assured ESEF documents. The consolidated financial statements and the combined management report converted to the ESEF format—including the versions to be published in the Unternehmensregister [German Company Register]—are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Christian Baur.

APPENDIX TO THE AUDITOR'S REPORT:

1. Parts of the combined management report whose content is unaudited

We have not audited the content of the following parts of the combined management report:

- the group non-financial statement combined with the non-financial statement contained in the "Non-Financial Statement" section of the combined management report and
- the corporate governance declaration which is published on the website stated in the combined management report and is part of the combined management report

Furthermore, we have not audited the content of the following disclosures extraneous to management reports. Disclosures extraneous to management reports are such disclosures that are not required pursuant to Secs. 315, 315a HGB or Secs. 315b to 315d HGB:

- the disclosures extraneous to management reports contained in the "Report on Risks and Opportunities" chapter in the section entitled "Monitoring of the effectiveness of risk management, the internal control system and the compliance management system".

2. Further other information

"Other information" further comprises the following parts of the annual report, which were provided to us prior to us issuing this auditor's report:

- Magazine
- To our shareholders
- Corporate governance
- Responsibility statement
- Further information

but not the consolidated financial statements, not the management report disclosures whose content is audited and not our auditor's report thereon.

3. Company information outside of the annual report referenced in the notes to the consolidated financial statements and in the combined management report

The notes to the consolidated financial statements and combined management report contain other cross-references to the websites of the group. We have not audited the contents of information to which the cross-references refer."

Stuttgart, March 4, 2025

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Matischiok	**Baur**
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

INDEPENDENT AUDITOR'S REPORT

TO DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT

We have audited the attached remuneration report of Dr. Ing. h.c. F. Porsche Aktiengesellschaft, Stuttgart, prepared to comply with section 162 of the German Stock Corporation Act (AktG) for the fiscal year from January 1 to December 31, 2024 and the related disclosures.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD

The executive directors and the Supervisory Board of Dr. Ing. h. c. F. Porsche Aktiengesellschaft are responsible for the preparation of the remuneration report and the related disclosures in compliance with the requirements of section 162 AktG. In addition, the executive directors and the Supervisory Board are responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report and the related disclosures that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on this remuneration report and the related disclosures based on our audit. We conducted our audit in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report and the related disclosures are free from material misstatement, whether due to fraud or error.

An audit involves performing procedures to obtain audit evidence about the amounts in the remuneration report and the related disclosures. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the remuneration report and the related disclosures, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report and the related disclosures in order to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the accounting policies used and the reasonableness of accounting estimates made by the executive directors and the Supervisory Board, as well as evaluating the overall presentation of the remuneration report and the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the fiscal year from January 1, to December 31, 2024 and the related disclosures comply, in all material respects, with the financial reporting provisions of section 162 AktG.

OTHER MATTER – FORMAL AUDIT OF THE REMUNERATION REPORT

The audit of the content of the remuneration report described in this auditor's report comprises the formal audit of the remuneration report required by section 162 (3) AktG and the issue of a report on this audit. As we are issuing an unqualified opinion on the audit of the content of the remuneration report, this also includes the opinion that the disclosures pursuant to section 162 (1) and (2) AktG are made in the remuneration report in all material respects.

LIMITATION OF LIABILITY

The "General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" as issued by the IDW on 1 January 2024, which are attached to this report, are applicable to this engagement and also govern our responsibility and liability to third parties in the context of this engagement (↗ https://www.de.ey.com/general-engagement-terms).

Stuttgart, March 4, 2025

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Matischiok
Wirtschaftsprüfer
[German Public Auditor]

Baur
Wirtschaftsprüfer
[German Public Auditor]

INDEPENDENT AUDITOR'S REPORT

ASSURANCE REPORT OF THE INDEPENDENT GERMAN PUBLIC AUDITOR ON A LIMITED ASSURANCE ENGAGEMENT IN RELATION TO THE GROUP NON-FINANCIAL STATEMENT INCLUDED IN THE GROUP MANAGEMENT REPORT

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

ASSURANCE CONCLUSION

We have conducted a limited assurance engagement on the group non-financial statement, included in the section "Group non-financial statement" of the group management report, of Dr. Ing. h.c. F. Porsche AG, which is combined with the parent company's non-financial statement to fulfill sections 289b to 289e and sections 315b and 315c HGB together with the disclosures to fulfill the requirements of Article 8 of Regulation (EU) 2020/852 included in this group non-financial statement ("group non-financial reporting") for the fiscal year from January 1, 2024 to December 31, 2024.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying group non-financial reporting for the fiscal year from January 1 to December 31, 2024 is not prepared, in all material respects, in accordance with sections 289b to 289e and sections 315b and 315c HGB, the requirements of Article 8 of Regulation (EU) 2020/852 and the supplementary criteria presented by the executive directors of the company.

BASIS FOR THE ASSURANCE CONCLUSION

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the section "German public auditor's responsibilities for the assurance engagement on the group non-financial reporting."

We are independent of the company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

EMPHASIS OF MATTER—PRINCIPLES FOR THE PREPARATION OF THE GROUP NON-FINANCIAL REPORTING

Without modifying our assurance conclusion, we refer to the description in the group non-financial reporting of the principles applied in preparing the group non-financial reporting, according to which the company applied the European Sustainability Reporting Standards (ESRS) to the extent specified in the sections "ESRS 2 General disclosures" and "Annex of the non-financial statement" of the group non-financial reporting.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE NON-FINANCIAL REPORTING

The executive directors are responsible for the preparation of the group non-financial reporting in accordance with the applicable German legal and European requirements as well as with the supplementary criteria presented by the executive directors of the company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of group non-financial reporting in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e. fraudulent group non-financial reporting) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the group non-financial reporting, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the group non-financial reporting.

INHERENT LIMITATIONS IN PREPARING THE GROUP NON-FINANCIAL REPORTING

The applicable German legal and European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. Therefore, the executive directors have disclosed their interpretations of such wording and terms in the section "EU Taxonomy" of the group non-financial reporting. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the group non-financial reporting.

GERMAN PUBLIC AUDITOR'S RESPONSIBILITIES FOR THE ASSURANCE ENGAGEMENT ON THE GROUP NON-FINANCIAL REPORTING

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the group non-financial reporting has not been prepared, in all material respects, in accordance with the applicable German legal and European requirements and the supplementary criteria presented by the company's executive directors, and to issue an assurance report that includes our assurance conclusion on the group non-financial reporting.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- Obtain an understanding of the process used to prepare the group non-financial reporting, including the materiality assessment process carried out by the company to identify the disclosures to be reported in the group non-financial reporting.
- Identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the company's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the company's control, as both the company's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- Consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

SUMMARY OF THE PROCEDURES PERFORMED BY THE GERMAN PUBLIC AUDITOR

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we:

- Evaluated the suitability of the criteria as a whole presented by the executive directors in the group non-financial reporting.
- Inquired of the executive directors and relevant employees involved in the preparation of the group non-financial reporting about the preparation process, including the materiality assessment process carried out by the company to identify the disclosures to be reported in the group non-financial reporting, and about the internal controls relating to this process.
- Evaluated the reporting policies used by the executive directors to prepare the group non-financial reporting.
- Evaluated the reasonableness of the estimates and related information provided by the executive directors.
- Performed analytical procedures and made inquiries in relation to selected information in the group non-financial reporting.
- Considered the presentation of the information in the group non-financial reporting.
- Considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the group non-financial reporting.

RESTRICTION OF USE

We draw attention to the fact that the assurance engagement was conducted for the company's purposes and that the assurance report is intended solely to inform the company about the result of the assurance engagement. As a result, it may not be suitable for another purpose than the aforementioned. Accordingly, the assurance report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

GENERAL ENGAGEMENT TERMS AND LIABILITY

The "General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" dated January 1, 2024, which are attached to this report, are applicable to this engagement and also govern our relations with third parties in the context of this engagement (ey-idw-aab-en-2024.pdf).

In addition, please refer to the liability provisions contained there in no. 9 and to the exclusion of liability towards third parties. We accept no responsibility, liability or other obligations towards third parties unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

We make express reference to the fact that we will not update the assurance report to reflect events or circumstances arising after it was issued, unless required to do so by law. It is the sole responsibility of anyone taking note of the summarized result of our work contained in this report to decide whether and in what way this result is useful or suitable for their purposes and to supplement, verify or update it by means of their own review procedures.

Stuttgart, March 4, 2025

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Baur	**Hinderer**
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

ABOUT THIS REPORT

REPORTING POLICY

Reporting structure

The two primary objectives of the Porsche AG Group's activities are to achieve economic success and to take responsibility for sustainable action, secure jobs and for society. Setting an example, trust and commitment are what set the Porsche AG Group apart. It is therefore important to the Porsche AG Group to make the public aware of business developments and its activities in connection with sustainability.

This Annual and Sustainability Report of the Porsche AG Group consists of the following parts:

Magazine (pages → **6–37**),
To our shareholders (pages → **39–71**),
Corporate governance (pages → **73–117**),
Combined management report (pages → **119–167**),
Non-financial statement (part of the combined management report) (pages → **169–345**),
Consolidated financial statements (pages → **347–473**),
Further information (pages → **475–512**)

Reporting standards

The consolidated financial statements of Porsche AG as of December 31, 2024 have been prepared in accordance with the applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the additional requirements pursuant to section 315e (1) of the German Commercial Code (HGB). The combined management report is based on the HGB and the German Accounting Standards (GAS), which elaborate on the HGB requirements.

The non-financial statement relates to the topics set out in section 289c HGB: environmental matters, employee-related matters, social matters, respect for human rights and combating corruption and bribery. In accordance with the German Act to Implement the CSR Directive (CSR-RUG), this report focuses on key topics that are needed to obtain an understanding of business developments and results, the position of the Porsche AG Group and the impact of the Porsche AG Group on non-financial aspects. In addition to this, Porsche AG complies in the non-financial statement with the reporting requirements of article 8 of the Taxonomy Regulation ((EU) 2020/852).

The Porsche AG Group has also prepared the sustainability-related disclosures in the non-financial statement in accordance with the future reporting requirements of the Corporate Sustainability Reporting Directive (CSRD) and the associated European Sustainability Reporting Standards (ESRS).

The Porsche AG Group has also prepared the Annual and Sustainability Report with reference to the current 2021 version of the GRI Sustainability Reporting Standards. The GRI content index can be found on pages → **492–497**.

Porsche AG also follows the recommendations for effective climate-related reporting of the Task Force on Climate-related Financial Disclosures (TCFD). The information on managing climate-related opportunities and risks has been published as part of a TCFD index on page → **498**.

In addition, the Sustainability Accounting Standard Board (SASB) has published the "Automobiles" industry standard, on the basis of which companies can publish industry-specific sustainability information relevant to investors. The SASB index can be found on pages → **499–501**.

FURTHER INFORMATION ON THE REPORT

Publication and scope of application

The Annual and Sustainability Report is published annually at Porsche AG's annual press conference. The reporting period was from January 1, 2024 to December 31, 2024.

The information in this report (except for pages → **6–37**) relate to the Porsche AG Group as a whole. If information only relates to individual subsidiaries, this is expressly stated. All information on the Porsche AG Group also applies to Porsche AG, unless stated otherwise. In addition to Porsche AG, the Porsche AG Group includes all significant domestic and foreign group companies that are directly or indirectly controlled by Porsche AG. Further information can be found under → **Consolidated group**.

External audit

In addition to careful data collection and recording via internal reporting and processing systems and detailed internal consolidation and review of the information and data contained in these systems, the consolidated financial statements and the combined management report were independently audited by EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft (EY). The remuneration report 2024 was prepared in accordance with the requirements of section 162 of the German Stock Corporation Act (AktG) and audited by EY. EY has subjected the contents of the non-financial report in accordance with sections 289b (3) and 315b (3) HGB to a voluntary limited assurance engagement in accordance with ISAE 3000 (Revised).

Further information is available in the Independent Auditor's Reports starting on pages → **477**, → **485** and → **487**.

Material topics in the context of the non-financial statement

In a materiality assessment carried out for 2024, Porsche AG has identified material topics that contribute to the issues defined in the CSR-RUG and that are classified under the ESG topics (Environment, Social and Governance). The multi-stage process was carried out in accordance with the principle of double materiality and the future requirements of the CSRD and ESRS. The materiality assessment is presented on pages → **176–183**.

Further sustainability information

In addition to this Annual and Sustainability Report, the Porsche AG Group is publishing additional information on sustainability for the reporting year 2024 in an ESG Addendum. This is publicly available in the Porsche Newsroom ↗ **https://newsroom.porsche.com/en/sustainability.html**. The Porsche Newsroom provides up-to-date information on sustainability at Porsche, regardless of the reporting period.

EDITORIAL COMMENTS

The key figures recorded in the report are rounded in accordance with common business practice to one decimal place.

Corrections to previously published content, for example due to a change in the method used to collect key figures and data, are indicated accordingly.

Inclusive language is a commitment to diversity and equal opportunities. This report therefore uses gender-neutral formulations. For the sake of legibility, any exceptions only use a single form of address, be it diverse or feminine. All formulations expressly apply to all genders and gender identities equally.

For the printed Annual and Sustainability Report, only the eco paper grades "GardaPat 11 Extra White, FSC®" and "Nautilus SuperWhite, FSC®" are used.

INFORMATION ON EMISSIONS AND CONSUMPTION DATA

All new vehicles offered by Porsche are type-approved according to WLTP. Official NEDC values derived from the WLTP values have no longer been available for new vehicles since January 1, 2023 and can therefore no longer be specified.

GRI CONTENT INDEX

GRI CONTENT INDEX ESSENTIALS SERVICE WITH REFERENCE OPTION 2025

For the Content Index – Essentials With Reference option Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting with reference to the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was performed on the German version of the report.

Statement of use	The Porsche AG Group has reported the information cited in this GRI content index for the period January 2024 to December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI standards/disclosures		Page(s)
GRI 2: General Disclosures 2021		
General Disclosures		
2-1	Organizational details	p. 120
The organization and its reporting practices		
2-2	Entities included in the organization's sustainability reporting	p. 491
2-3	Reporting period, frequency, and contact point	p. 491
2-4	Restatements of information	p. 491
2-5	External assurance	p. 477 – 484
Activities and workers		
2-6	Activities, value chain, and other business relationships	p. 171 – 175
2-7	Employees	p. 283 – 284
2-8	Workers who are not employees	p. 283
Governance		
2-9	Governance structure and composition	p. 187 – 191
2-10	Nomination and selection of the highest governance body	p. 187 – 188
2-11	Chair of the highest governance body	p. 85 – 90
2-12	Role of the highest governance body in overseeing the management of impacts	p. 179, 187 – 191
2-13	Delegation of responsibility for managing impacts	p. 187 – 191
2-14	Role of the highest governance body in sustainability reporting	p. 187 – 193
2-15	Conflicts of interest	p. 70
2-16	Communication of critical concerns	p. 320
2-17	Collective knowledge of the highest governance body	p. 81, 187 – 188
2-18	Evaluation of the performance of the highest governance body	p. 74 – 84
2-19	Remuneration policies	p. 91 – 117, 191 – 193
2-20	Process to determine remuneration	p. 91 – 117, 191 – 193
2-21	Annual total compensation ratio	p. 294

GRI standards/disclosures		Page(s)
Strategy, policies, and practices		
2-22	Statement on sustainable development strategy	p. 40
2-23	Policy commitments	p. 322 – 326
2-24	Embedding policy commitments	p. 328 – 330
2-25	Processes to remediate negative impacts	p. 211 – 212, 304 – 305, 315
2-26	Mechanisms for seeking advice and raising concerns	p. 271 – 272, 299, 312, 321 – 322
2-27	Compliance with laws and regulations	p. 320 – 322; ESG Addendum 2024 p. 9
2-28	Membership associations	p. 329
Stakeholder engagement		
2-29	Approach to stakeholder engagement	p. 184 – 187
2-30	Collective bargaining agreements	p. 271, 274, 284
Material Topics		
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	p. 176 – 183
3-2	List of material topics	p. 182 – 183
Indirect Economic Impacts		
GRI 3: Material Topics 2021		
3-3	Management of material topics	ESG Addendum 2024 p. 21
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	ESG Addendum 2024 p. 21
Procurement Practices		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 330 – 335
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	ESG Addendum 2024 p. 30
Anti-corruption		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 320 – 328
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	ESG Addendum 2024 p. 9
205-2	Communication and training about anti-corruption policies and procedures	p. 326 – 327
Materials		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 242 – 254
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	p. 251 – 252
301-3	Reclaimed products and their packaging materials	p. 251 – 254

GRI standards/disclosures		Page(s)
Energy		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 196 – 213
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	p. 214; ESG Addendum 2024 p. 17
302-2	Energy consumption outside of the organization	p. 214
302-3	Energy intensity	p. 214
302-5	Reductions in energy requirements of products and services	p. 214
Water and Effluents		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 229 – 233
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	p. 180, 229 – 230
303-2	Management of water discharge-related impacts	ESG Addendum 2024 p. 37 – 38
303-3	Water withdrawal	ESG Addendum 2024 p. 37
303-4	Water discharge	ESG Addendum 2024 p. 38
303-5	Water consumption	p. 233; ESG Addendum 2024 p. 37
Biodiversity		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 234 – 241
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	p. 235 – 237
304-3	Habitats protected or restored	p. 235 – 237
Emissions		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 196 – 213
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	p. 215 – 218
305-2	Energy indirect (Scope 2) GHG emissions	p. 215 – 218
305-3	Other indirect (Scope 3) GHG emissions	p. 215 – 218
305-4	GHG emissions intensity	p. 215 – 218
305-5	Reduction of GHG emissions	ESG Addendum 2024 p. 19
305-6	Emissions of ozone-depleting substances (ODS)	p. 215 – 218
305-7	Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	p. 226

GRI standards/disclosures		Page(s)
Waste		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 242 – 254
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	p. 253 – 254; ESG Addendum 2024 p. 35 – 36
306-2	Management of significant waste-related impacts	p. 246 – 251
306-3	Waste generated	p. 253 – 254; ESG Addendum 2024 p. 35 – 36
306-4	Waste diverted from disposal	ESG Addendum 2024 p. 36
306-5	Waste directed to disposal	ESG Addendum 2024 p. 36
Supplier environmental assessment		
GRI 3: Material Topics 2021		
3-3	Management of material topics	ESG Addendum 2024 p. 30
GRI 308: Supplier environmental assessment 2016		
308-1	New suppliers that were screened using environmental criteria	ESG Addendum 2024 p. 30
308-2	Negative environmental impacts in the supply chain and actions taken	ESG Addendum 2024 p. 30
Employment		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 270 – 282, 286 – 293
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	ESG Addendum 2024 p. 24 – 25
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 276
401-3	Parental leave	p. 278; ESG Addendum 2024 p. 13
Labor/management relations		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 271 – 273
GRI 402: Labor/management relations 2016		
402-1	Minimum notice periods regarding operational changes	p. 272

GRI standards/disclosures		Page(s)
Occupational health and safety		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 276 – 278, 278 – 282
GRI 403: Occupational health and safety 2018		
403-1	Occupational health and safety management system	p. 275 – 277, 285
403-2	Hazard identification, risk assessment, and incident investigation	p. 275 – 278, 285
403-3	Occupational health services	p. 275 – 278
403-4	Worker participation, consultation, and communication on occupational health and safety	p. 271
403-5	Worker training on occupational health and safety	p. 275, 277
403-6	Promotion of worker health	p. 275 – 277
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 285, 302 – 303
403-8	Workers covered by an occupational health and safety management system	p. 285
403-9	Work-related injuries	p. 285
Training and education		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 286 – 293
GRI 404: Training and education 2016		
404-1	Average hours of training per year per employee	p. 295
404-2	Programs for upgrading employee skills and transition assistance programs	p. 287, 291 – 293
404-3	Percentage of employees receiving regular performance and career development reviews	p. 295
Diversity and equal opportunity		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 286 – 293
GRI 405: Diversity and equal opportunity 2016		
405-1	Diversity of governance bodies and employees	p. 187 – 188, 284, 294
405-2	Ratio of basic salary and remuneration of women to men	p. 294
Non-discrimination		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 286 – 293
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	p. 296
Child labor		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 297 – 305
GRI 408: Child labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	p. 298, 303 – 304

GRI standards/disclosures		Page(s)
Forced or compulsory labor		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 297 – 305
GRI 409: Forced or compulsory labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	p. 298, 303 – 304
Local communities		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 307 – 311; ESG Addendum 2024 p. 22
GRI 413: Local communities 2016		
413-2	Operations with significant actual and potential negative impacts on local communities	p. 306; ESG Addendum 2024 p. 22
Supplier social assessment		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 330 – 335
GRI 414: Supplier social assessment 2016		
414-1	New suppliers that were screened using social criteria	p. 335; ESG Addendum 2024 p. 30
414-2	Negative social impacts in the supply chain and actions taken	p. 304 – 305; ESG Addendum 2024 p. 30
Public policy		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 328 – 330
GRI 415: Public policy 2016		
415-1	Political contributions	p. 330; ESG Addendum 2024 p. 28
Customer health and safety		
GRI 3: Material Topics 2021		
3-3	Management of material topics	p. 313 – 315
GRI 416: Customer health and safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	p. 312
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	p. 312
Customer privacy		
GRI 3: Material Topics 2021		
3-3	Management of material topics	ESG Addendum 2024 p. 11 – 13
GRI 418: Customer privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESG Addendum 2024 p. 11 – 13

TCFD INDEX

TCFD core elements	TCFD recommended disclosures	Page(s)
Governance		
Disclose the organization's governance around climate-related risks and opportunities.	A. Describe the board's oversight of climate-related risks and opportunities.	p. 187 – 188, p. 201 – 203
	B. Describe management's role in assessing and managing climate-related risks and opportunities.	p. 178 – 179
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	A. Describe the climate-related risks and opportunities the organization has identified.	p. 196 – 201
	B. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	p. 196 – 201
	C. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	p. 184, p. 196 – 201
Risk management		
Disclose how the organization identifies, assesses, and manages climate-related risks.	A. Describe the organization's processes for identifying and assessing climate-related risks.	p. 176 – 180, p. 196 – 201
	B. Describe the organization's processes for managing climate-related risks.	p. 184, p. 196 – 226
	C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	p. 178 – 179
Metrics and targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	A. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	p. 178 – 179, p. 214 – 218
	B. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	p. 215 – 216
	C. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	p. 212 – 213

SASB INDEX

Topic/Code/Requirement	Response
Activity metrics	
TR-AU-000.A Number of vehicles manufactured	302,750 Porsche vehicles were manufactured in 2024.
TR-AU-000.B Number of vehicles sold	310,718 Porsche vehicles were delivered in 2024.
Product safety	
TR-AU-250a.1 Percentage of vehicle models rated by NCAP programs with an overall five-star safety rating, by region	Porsche AG places great emphasis on the safety of its vehicles in the design and development stages. Porsche vehicles that have been inspected in line with the requirements of the European New Car Assessment Program have each received a five-star overall rating for safety.
TR-AU-250a.2 Number of safety-related defect complaints; percentage investigated	100% of safety-related defect complaints have been investigated.
TR-AU-250a.3 Number of vehicles recalled	There were 13 safety-related product recalls in 2024.
Labor practices	
TR-AU-310a.1 Percentage of active workforce covered under collective bargaining agreements	Collective bargaining agreements cover 83.7% of the total workforce in the Porsche AG Group's consolidated German group companies. Furthermore, 97.2% of the entire workforce of the German group companies of the Porsche AG Group is covered by employee representatives (a Works Council) who are appointed by employees (social dialog). Porsche AG is part of the UN Global Compact and is committed to its ten principles and to social responsibility. In doing so, Porsche AG supports key worker rights—from the abolition of forced and child labor to equal opportunities.
TR-AU-310a.2 Number of (1) work stoppages and (2) total days idle	In the 2024 reporting year, there were stoppages lasting a number of hours in connection with IG Metall demonstrations as part of the metal and electrical industry's 2024 round of collective bargaining.

Topic/Code/Requirement	Response
Fuel economy and use-phase emissions	
TR-AU-410a.1 Sales-weighted average passenger fleet fuel economy, by region	Porsche AG and selected subsidiaries are part of the emissions pools of the Volkswagen Group or are assessed separately in selected subsidiaries.[1]
TR-AU-410a.2 Number of (1) zero-emission vehicles sold, (2) hybrid vehicles sold, and (3) plug-in hybrid vehicles sold	See table below

		2024	
		Number	%
Worldwide	Zero-emission vehicles (ZEV)	39,396	12.68
	Hybrid vehicles[1]	0	0
	Plug-in hybrid vehicles (PHEV)	44,393	14.29
	Electrified vehicles (xEV)	**83,789**	**26.97**
	Internal combustion engines	**226,929**	**73.03**

[1] Porsche AG and selected subsidiaries merely produce battery electric vehicles and plug-in hybrid vehicles.

Topic/Code/Requirement	Response
TR-AU-410a.3 Discussion of strategy for managing fleet fuel economy and emissions risks and opportunities	The product portfolio of Porsche AG has the largest influence over its emissions. Consequently, the product portfolio of Porsche AG is set to be electrified systematically. During the transition phase, legal requirements and customer demand are to be served without compromise at all times. Therefore, the focus is on preserving the flexibility of the product portfolio in addition to battery electric vehicles. Of the new vehicles delivered to customers in the reporting year, 27% were either all-electric or plug-in hybrids. The vehicle portfolio of the Porsche AG Group aims to increase this percentage significantly. The continued rollout of electrification largely depends on customer demand, the development of electric mobility around the world, and regulatory incentive schemes. For the transition phase, the Porsche AG Group is positioning itself to be as flexible as possible with internal combustion engines, plug-in hybrids, and all-electric vehicles. The Porsche AG Group monitors the individual global markets carefully and continuously reviews its product strategy and offer structure for vehicles, including the types of drive it offers, on the basis of their development. Wherever possible, the goal of a 1.5-degree reduction pathway should continue to be pursued. As such, the Porsche AG Group endeavors to continuously reduce emissions along the value chain of its vehicles and make ever more efficient use of energy in its own business activities.

[1] Porsche China, Porsche Canada, Porsche Brazil, Porsche South Korea, Porsche Taiwan, and Porsche Japan.

Topic/Code/Requirement	Response
Materials sourcing	
TR-AU-440a.1 Description of the management of risks associated with the use of critical materials	Various audits and measures have been introduced in order to comply with due diligence obligations in the supply chain. With the S-rating, Porsche AG is able to examine a direct supplier's compliance with the Code of Conduct for Business Partners. If a direct supplier receives a negative score, it will no longer be considered for future contracts until it has addressed the identified shortcomings and meets the sustainability requirements. Porsche AG has published a statement on the observation and promotion of human rights. With regard to human rights in the supply chain, Porsche AG, in cooperation with the Volkswagen Group, uses a due diligence management system that systematically analyzes, prioritizes, and reduces risks to human rights in the supply chain. Porsche AG operates a multistage complaint management system that provides internal and external complainers with a confidential channel through which to report potential violations of human rights and breaches of environmental duties. Internal and external target groups can find information on the website of Porsche AG about the communication channels of our complaint management system. Incoming complaints are processed in a standardized process. In cooperation with a start-up, Porsche AG uses IT tools in combination with publicly available, supplier-related media data to detect when suppliers are failing to comply with these obligations. This standardized, IT-based process proactively screens for potential breaches of the Code of Conduct for Business Partners by suppliers and makes it possible to address them at regular intervals. Porsche AG aims for its supply chain to have a minimal impact on the environment. To accomplish this goal, all direct and manufacturing suppliers of Porsche AG with more than 100 employees at their production locations are obligated to have introduced an environmental management system certified under ISO 14001 or EMAS. Furthermore, almost all direct suppliers of production material for new all-electric vehicle projects have committed to switch their Porsche component production lines to certified electricity from renewable energy sources. With regard to the procurement of raw materials, direct suppliers are expected to follow the OECD Due Diligence Guidance for Responsible Supply Chains of Materials from Conflict-Affected and High-Risk Areas. Additional due diligence measures for mica mining have been implemented in high-risk countries; the processes on site are examined selectively by supply chain auditors on the basis of risk. Porsche AG is also an active member of the Responsible Mica Initiative. The findings and measures relating to high-risk raw materials are published in the Volkswagen Group Responsible Raw Materials Report. The report on the activities of Porsche AG in 2024 is being prepared and will be published as part of the report of the Volkswagen Group.
Material efficiency and recycling	
TR-AU-440b.1 Total amount of waste from manufacturing, percentage recycled	Porsche AG and selected subsidiaries had a waste recycling rate of 96.8% in 2024. The waste recycling rate encompasses thermal recycling.
TR-AU-440b.2 Weight of end of-life material recovered	As a strategy field, the circular economy plays an important role in product development at Porsche AG. Porsche AG and selected subsidiaries are striving to use raw materials responsibly and sparingly. Porsche AG has therefore set targets relating to the use of circular materials. These apply to selected, newly developed, purely battery electric vehicle projects. Additionally, aspects of the circular economy are increasingly being integrated into the preliminary development of vehicles. For example, projects are running in order to use more sustainable raw materials and recycled materials in a variety of vehicle components.
TR-AU-440b.3 Average recyclability of vehicles sold	The development process takes into account Directive 2000/53/EC on end-of-life vehicles, which requires at least 85% of the vehicle weight to be reusable and/or recyclable and at least 95% to be reusable and/or recyclable.

KEY FINANCIAL FIGURES

		2024	2023	2022
Most important key performance indicators				
Porsche AG Group				
Sales revenue	€ million	40,083	40,530	37,637
Return on sales	%	14.1	18.0	18.0
Automotive segment				
Automotive EBITDA margin	%	22.7	25.7	25.2
Automotive net cash flow margin	%	10.2	10.6	11.2
Automotive BEV share	%	12.7	12.8	11.3
Other financial performance indicators				
Porsche AG Group				
Operating profit	€ million	5,637	7,284	6,772
Profit before tax	€ million	5,227	7,375	7,081
Profit after tax	€ million	3,595	5,157	4,967
Earnings per ordinary share/preferred share	€	3.94/3.95	5.66/5.67	5.44/5.45
Automotive segment				
Automotive operating profit	€ million	5,286	6,938	6,425
Automotive return on sales	%	14.5	18.6	18.6
Automotive EBITDA[1]	€ million	8,271	9,594	8,726
Automotive net cash flow	€ million	3,735	3,973	3,866
Automotive cash flows from operating activities	€ million	7,750	8,256	7,855
Automotive net liquidity[2]	€ million	8,558	7,215	8,282
Automotive research and development costs[3]	€ million	2,528	2,834	2,651
Automotive capital expenditure[4]	€ million	2,119	1,964	1,642
Automotive return on investment[5]	%	18.0	24.7	25.0
Financial services segment				
Financial services operating profit	€ million	278	302	341
Financial services return on sales	%	7.1	8.8	10.3
Financial services return on equity before tax[6]	%	19.9	19.6	20.5
Other non-financial performance indicators				
Deliveries[7]	Vehicles	310,718	320,221	309,884
Production	Vehicles	302,750	336,280	321,321
Employees[8]	Number	42,615	42,140	39,162

1 Automotive operating profit plus depreciation/amortization and changes in value of property, plant and equipment, capitalized development costs and other intangible assets in the automotive segment.
2 Total of cash and cash equivalents, securities and time deposits, loans and time deposits net of third-party borrowings in the automotive segment.
3 Research costs, non-capitalizable development costs and investments in development costs that have to be capitalized in the automotive segment.
4 Cash additions to intangible assets (with no capitalized development costs or goodwill) and property, plant, and equipment (with no rights of use) in the automotive segment.
5 Operating profit after tax in relation to average invested capital, both relating to the automotive segment.
6 Profit before tax in relation to average equity tied up in the financial services segment.
7 Number of vehicles handed over to end customers.
8 Value as of the reporting date.

GLOSSARY

A

Automotive BEV share
The BEV share is defined as the proportion of battery electric vehicles (BEVs) in relation to the total number of deliveries—namely, the total number of new vehicles delivered to end customers.

Automotive EBITDA
Automotive operating profit plus depreciation and changes in the carrying amounts of property, plant, and equipment, capitalized development costs, and other intangible assets in the Automotive segment.

Automotive EBITDA margin
The Automotive EBITDA is defined as the operating profit of the Automotive segment (EBIT) plus depreciation and impairment losses/reversals of impairment losses on property, plant, and equipment, capitalized development costs, and other intangible assets in the Automotive segment. The definition of the EBITDA margin for the Automotive segment describes the ratio of the Automotive EBITDA to the sales revenue of the Automotive segment.

Automotive capital expenditure
Cash additions to intangible assets (with no capitalized development costs or goodwill) and property, plant, and equipment (with no rights of use) in the Automotive segment.

Automotive net cash flow margin
The definition of the automotive net cash flow margin describes the ratio of the cash flows from operating activities in the Automotive segment, less the cash flows from investing activities attributable to operating activities in the Automotive segment, to the sales revenue of the Automotive segment. The investing activities attributable to operating activities do not contain changes in investments in securities, loans, and time deposits in the Automotive segment.

Automotive net liquidity
The total cash and cash equivalents, securities, loans, and time deposits, less financial liabilities to third parties in the Automotive segment.

B

Basis of consolidation
The basis of consolidation denotes all the companies included in the consolidated financial statements.

BEV
Battery electric vehicle

C

Capitalization ratio
The capitalization ratio is defined as the ratio of capitalized development costs to total research and development costs in the Automotive division. It shows the proportion of primary research and development costs subject to capitalization.

Carbon footprint
The carbon footprint describes the influence of people or organizations on global climate change on the basis of the CO_2 emissions caused by their activities directly or indirectly. The carbon footprint of a product, for example, relates to its entire life cycle, from manufacture and use to disposal.

Clay model
A clay model is a physical model made of industrial plastilin that is used to visualize vehicles to scale. The brown color of the modeling material is reminiscent of clay.

CO_2 equivalent
Different greenhouse gases all have a different impact on the climate. To make it possible to compare these emissions, their climate impact (global warming potential or GWP) is converted into CO_2 equivalents (CO_2e). For example, methane is 28 times more harmful to the climate than CO_2, so it has a GWP of 28 CO_2e.

Code of Conduct
Behavioral rules that companies choose to adopt voluntarily. A Code of Conduct provides members of the company and business partners with guidance on how to conduct themselves. Its purpose is to encourage correct, responsible conduct at all times, avoid unwanted actions, and define how business activities align with ethics and the law.

CSRD (Corporate Sustainability Reporting Directive)
In the future, the European Corporate Sustainability Reporting Directive (CSRD) will govern the obligation to include sustainability reporting in the management report. Compared to the provisions of Section 289b ff. of the German Commercial Code (HGB), which are currently in force in Germany, it will greatly broaden the applicability and scope of sustainability reporting. Although the CSRD came into force on January 5, 2023, it has not yet been implemented into national law in Germany, so it did not apply in the reporting year. Once the CSRD has been duly implemented, the currently necessary nonfinancial report (regulated in Section 289b HGB) will be replaced by more extensive, farther-reaching sustainability reporting. This new terminology is also an indication that sustainability and financial reporting are to be of equal significance.

D

DAX
The DAX (the abbreviated form of Deutscher Aktienindex) is the most significant German stock market index. It measures the performance of the 40 largest companies on the German stock market and represents around 80 percent of the market capitalization of listed stock corporations in Germany.

Decarbonization Index (DKI)
As a key strategic indicator, the DKI helps selected companies of the Volkswagen Group reduce their carbon footprint by providing a transparent calculation. The DKI aims to map the average emissions per vehicle all along the value chain (manufacture, use, and recycling) in CO_2 equivalents as comprehensively as possible – from the raw material mine to recycling, for instance. Among other things, it is based on standardized life cycle assessments performed by Porsche AG in accordance with ISO 14040/44.

Deliveries to customers
"Deliveries to customers" is a metric that reflects the delivery of new vehicles to end customers. These deliveries can be by Group companies or free importers and dealers. This metric differs from sales within the Porsche AG Group, which are a relevant driver of sales revenue. Sales of new and Group-used Porsche-brand vehicles that have left the Automotive segment for the first time are designated as sales, unless a company in the Automotive segment is under a legal obligation to take them back.

Direct Air Capture (DAC)
A process whereby carbon dioxide (CO_2) is filtered out of the air directly. The CO_2 obtained in this way can be reused in industrial applications, such as to manufacture renewable synthetic fuels (eFuels) and products like plastics or graphite for batteries, or put into long-term storage in the ground. DAC is a highly promising future technology with the potential to make a significant contribution to the accomplishment of global climate targets and to the fight against climate change.

E

Eco Management and Audit Scheme (EMAS)
EMAS is a voluntary European initiative and a seal of quality in terms of environmental management. It supports companies and organizations that want to systematically improve their environmental performance beyond the minimum legal requirements and reduce their resource consumption. Participating organizations are required to publish an EMAS environmental statement that is certified by an independent, government-monitored auditor.

eFuels
eFuels are synthetic, potentially almost CO_2-neutral fuels that are produced using electrical energy generated from renewable CO_2 and hydrogen.

ESG (Environment, Social, and Governance)
ESG stands for Environment, Social, and Governance. These three key areas form the foundation of methods, criteria, and frameworks for companies to account for sustainability requirements.

ESRS (European Sustainability Reporting Standards)
Joint European sustainability reporting standards in line with the CSRD, which specify the content of reporting in more detail. In the reporting year, they consisted of two general standards and ten topic-specific standards.

EURO STOXX 50
A stock market index comprising 50 major listed companies in the eurozone.

G

Gender pay gap
The gender pay gap is the difference in the average remuneration paid to women and men. It can be due to a wide range of different factors.

German Corporate Governance Code
The German Corporate Governance Code presents essential statutory regulations for the management and supervision of German listed companies and contains, in the form of recommendations and suggestions, internationally and nationally acknowledged standards for good and responsible corporate governance.

GHG emissions
GHG emissions are greenhouse gas emissions. This refers to when gases are released into the atmosphere that exacerbate the greenhouse effect and, in turn, contribute to global warming. The most significant greenhouse gases include carbon dioxide (CO_2), methane (CH_4), laughing gas (N_2O), and fluorinated greenhouse gases (F-gases) like hydrofluorocarbons (HFCs).

Greenhouse Gas (GHG) Protocol
The GHG Protocol is a series of globally standardized instruments for systematically calculating, reporting, and reducing the greenhouse gas emissions of companies or value chains, for example. The calculation factors in emissions throughout the life cycle of the product or in the entire field of activity. The GHG Protocol sorts emissions into three categories: Scope 1 contains direct emissions, Scope 2 contains indirect emissions from purchased electricity, steam, and purchased heat and cooling, and Scope 3 contains the emissions caused by the company's upstream and downstream activities. The development of the GHG Protocol is coordinated by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

Gross liquidity
The total cash and cash equivalents, securities, loans, and time deposits.

I

ICE (Internal Combustion Engine)
A vehicle with a combustion engine that runs on fuel.

IPO (Initial Public Offering)
Describes the flotation—that is, an initial public offering made by a previously unlisted company (with an AG or SE structure) to sell shares in the issuing company.

IROs (Impacts, Risks, and Opportunities)
Sustainability matters are evaluated in the materiality assessment on the detailed level of impacts, risks, and opportunities. IROs can be summarized into sustainability topics.

L

Life cycle assessment (LCA)
An ISO-standardized method (ISO 14040 and ISO 14044) that encompasses individual vehicle components and determines the vehicle's approximate environmental impact over its life cycle, from raw material extraction through production, including inbound and outbound logistics, the use phase, including wear parts, to disassembly for recycling (disassembly and recycling: generic vehicle-segment-specific model for disassembly without a battery system and with no recycling credits; cut-off approach). Life cycle assessments examine various impact categories, one of which is global warming potential (GWP). As a large part of the production steps—such as raw material extraction and processing or the production of semifinished and finished products—are carried out by suppliers, selected direct suppliers are obligated to calculate data for the assessment.

Liquid organization
A liquid organization is a flexible, adaptable corporate structure that adapts to change dynamically by replacing rigid hierarchies with agile, self-organized structures. It promotes collaboration, continuous learning, and rapid decision-making in order to remain competitive in a changing market.

M

Materiality assessment
The Corporate Sustainability Reporting Directive requires companies to carry out a double materiality assessment. In this process, the financial materiality (impacts of sustainability matters, such as climate change, on the financial position of a company) and impact materiality (impacts of the company's business activities on the environment, society, and human rights) are both assessed. If a topic in one of the two dimensions is material, it must be included in the sustainability reporting.

MSCI World
Morgan Stanley Capital International World Index. A stock market index that tracks the performance of around 1,500 stocks worldwide.

P

Penetration rate
The percentage of leased or financed new vehicles in the deliveries to customers in markets in the Financial Services segment.

PHEV
Plug-in hybrid vehicles

Porsche AG
Dr. Ing. h.c. F. Porsche Aktiengesellschaft

Porsche AG Group
Dr. Ing. h.c. F. Porsche Aktiengesellschaft and its fully consolidated subsidiaries. Porsche AG is the parent company of the Porsche AG Group.

Porsche Code
The Porsche Code denotes Porsche's management mission statement and offers long-term guidance as well as a target vision for the employees and managers. It consists of eight dimensions that set out guidelines on how everyone is expected to interact with one another on a daily basis.

Porsche Experience Center (PEC)
Places where customers can experience the Porsche brand firsthand. The PECs provide driver training, the latest technology, and insights into tradition and innovation. Ever since the first center was opened at Silverstone in 2008, they have been global hubs for vehicle safety, technology, and driving fun.

Porsche whistleblower system
The Porsche whistleblower system is a mechanism for reporting possible breaches of the rules via internal and external channels. Reports can be submitted via a 24-hour hotline, an online reporting channel, ombudsmen, by email, by post, or in person, and are processed impartially and confidentially.

Premium Platform Electric (PPE)
Premium Platform Electric (PPE) is a modular platform for electric cars that was developed jointly by Porsche AG and AUDI AG. PPE allows for a wide range of rear- and all-wheel-drive models in a variety of different versions. The all-electric Macan is the first Porsche based on this.

Production 4.0
Porsche Production 4.0 is the latest stage in the development of an automotive factory, featuring increased automation of individual manufacturing stages and networked production and logistics by means of cloud solutions and artificial intelligence. It is centered on production planning, order management, shop floor management for individual manufacturing stages, logistics management, and vehicle delivery.

R

Recyclates
Materials that are obtained either by recycling a product used by end customers (postconsumer recycling) or by recycling production waste (preconsumer recycling). For example, recycled metal includes aluminum shavings that are collected, melted down, and turned into a new raw material. See also secondary raw materials.

Representative Concentration Pathway (RCP 8.5 scenario)
Representative concentration pathways are representative scenarios that describe the trajectory (i.e. pathway) of greenhouse gas concentrations in the atmosphere, land use, and land cover up to the year 2100. These scenarios outline a range of possibilities that are meant to help companies make decisions. RCP 8.5 is a worst-case scenario with high greenhouse gas emissions and limited attempts to reduce them. This scenario is an important way of determining what production sites have to be adapted to physical climate risks. The scenarios were developed by the Intergovernmental Panel on Climate Change (IPCC).

Return on equity
The ratio of profit before tax to the average tied-up equity.

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 noninterest-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.

right°
right° (also known as "right. based on science") provides science-based technology that illustrates how the business activities of companies impact the climate. The results are presented in degrees Celsius, which makes it clear whether a company is on the pathway to 1.5°C as set out by the Paris Agreement.

S

S&P Global Luxury Index
Standard & Poor's Global Luxury Index. An international stock index that tracks the performance of 80 stocks in the luxury segment.

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.

Science Based Targets Initiative (SBTi)
The Science Based Targets Initiative was born from an alliance of environmental and climate protection organizations with a view to providing businesses with a framework and sector-specific target paths and, in turn, the opportunity to align the science-based reduction of greenhouse gases with international climate targets (such as the Paris Agreement).

Secondary raw materials
Materials that are obtained from a recycling process. See Recyclates.

Supply Chain Due Diligence Act (LkSG)
The Supply Chain Due Diligence Act governs corporate responsibility for respecting human rights and environmental due diligence in global supply chains.

STOXX Europe 600 (SXXP)
A stock index that measures the performance of the 600 largest listed companies from 17 European countries.

STOXX Europe 600 Automobiles & Parts (SXAP)
Stoxx Europe 600 Automobiles & Parts. A European stock market index comprising manufacturers and suppliers in the automotive industry.

Sustainability specifications
Specifications describe the raw-material-specific sustainability requirements of the Porsche AG Group with regard to the services and deliveries of direct suppliers. The requirements relate to specific raw materials and apply to the procurement process for certain components.

Sustainability rating (S-rating)
As part of its process for awarding procurement contracts, Porsche AG has been using a sustainability rating known as the S-rating as an instrument to control its supply chain since 2019. The sustainability rating is carried out continuously and is a direct incentive for direct suppliers to improve their sustainability performance.

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 ten 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 ten principles and report on their progress at regular intervals.

W

WLTP
The Worldwide Harmonized Light Vehicles Test Procedure is a test procedure designed to calculate a vehicle's fuel consumption, range, and emissions as realistically as possible.

Z

Zero Emission Vehicles (ZEVs)
The term "Zero Emission Vehicle" refers to vehicles that do not release any airborne pollutants into their direct environment. For example, this includes battery electric vehicles (BEVs).

FINANCIAL CALENDAR 2025

March 12, 2025	Annual Media Conference and Analyst and Investor Conference 2025
April 29, 2025	Quarterly information January to March 2025
May 21, 2025	Annual General Meeting 2025
July 30, 2025	Half-Yearly Financial Report 2025
October 24, 2025	Quarterly information January to September 2025

911 Turbo 50 Years (WLTP): Fuel consumption combined: 12.5 – 12.3 l/100 km; CO_2 emissions combined: 283 – 278 g/km; CO_2 class G

LEGAL NOTICE

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