

TCFD Index

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Describe the board's oversight of climate-related risks and opportunities:
Pursuant to Section 91 (2) and (3) of Germany's Stock Corporation Act (AktG), the management board of a stock corporation is obliged to institute a monitoring system in order to allow developments jeopardising the company's continued existence to be identified at an early point in time. This is implemented at Porsche by means of the existing risk management system. The risk management system is used to identify and evaluate risks throughout the company as well as handle and monitor their management. These include "climate-related" risks, for example physical or transitory climate risks insofar as these lie above the relevance thresholds stipulated in terms of risk policy. The Executive Board of Porsche AG receives quarterly reports on the current risk exposure (primary individual risks and overall risk assessment) and, based on these, can in particular understand and assess the current degree of jeopardy for the company's continued existence due to climate-related risks. In addition, the effectiveness of the risk early-warning system is audited annually by external auditors.

Describe management's role in assessing and managing climate-related risks and opportunities:
Based on the existing risk management system specifications, which are founded on the well-known Three Lines Model, the first line (i.e. management of the operating units) is the first entity that evaluates, manages and monitors risks. Managing and monitoring each risk is the responsibility of the management of the organisational unit which is most suited to the task. These rules apply to all risks and therefore also to climate-related risks.

Describe the climate-related risks and opportunities Porsche has identified over the short, medium, and long term:
Regular revision of Porsche's risk map means it is constantly changing. While climate-related risks are currently identified first and foremost as the impacts of physical climate change (for example, extreme weather events) and of transitory changes in the regulations (for example, CO_2 fleet emission regulations), there is currently an undertaking to explicitly designate a physical and transitory climate risk the impacts of which can then be incorporated into the company's own risks depending on the result.

Describe the impact of climate-related risks and opportunities on Porsche's businesses, strategy, and financial planning:
Short-, medium- and long-term climate-related risks and opportunities are highly significant to Porsche's organisation. To counter these risks, Porsche incorporated the "Decarbonisation" area of action within the sustainability strategy into the corporate strategy and also into its financial planning. Other climate-related risks and opportunities are addressed under "Environmental management":

- Production decarbonisation
- Consumption of resources and recycling in production
- Environmental and energy key figures

Impacts of climate-related risks and opportunities on strategy, operating activities and financial planning:

- Strategy 2030
- Sustainability strategy
- Decarbonisation

Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario:
As part of its risk management, Porsche ensures that the physical and transitory impacts of climate change are recognised and are addressed accordingly. The scenario-based assessment of various climate-related risks is currently under review.

Describe Porsche's processes for identifying and assessing climate-related risks:
At Porsche, every department and every key Group company is directly linked to the risk management system. Every department therefore has the opportunity (and an obligation) to identify negative deviations from a target figure (= risks). This occurs via the risk management system processes (risk identification, risk assessment, risk management, risk monitoring).

Describe Porsche's processes for managing climate-related risks:
Climate-related risks are addressed by the relevant departments depending on the content, with risk management measures then being implemented.

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into Porsche's overall risk management:
By definition, all of the processes for identifying, assessing and managing climate-related risks are part of Porsche's risk management.

Disclose the metrics used by Porsche to assess climate-related risks and opportunities in line with its strategy and risk management process:
Porsche's risk strategy does not currently include any specific requirements regarding the management of climate-related risks. There is merely the requirement that the overall risk must not exceed a certain threshold (risk appetite), in order that the degree of jeopardy for the company's continued existence can be recognised early on.

Porsche does, however, measure material contributions in the area of climate-related opportunities and risks as part of its sustainability and environmental management:

- Environmental and energy key figures
- Decarbonisation

Describe the targets used by Porsche to manage climate-related risks and opportunities and performance against targets:
The management of sustainability targets also includes topics which are of relevance to climate-related risks and opportunities:

- Governance and transparency
- Decarbonisation

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