



MOBILITY OF THE FUTURE

SUSTAINABILITY REPORT 2021



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1. LETTER FROM THE MANAGEMENT BOARD

Dear Reader,

We look back on a challenging yet successful year, which was marked by the COVID-19 pandemic and its impact on our society as well as our company. We, as Porsche Bank, did our best to protect our employees in the best possible way and to manage this crisis as well as possible.

In addition, since the beginning of 2022, we have been looking with concern at the current situation in Ukraine, on the one hand because of the safety of our employees and, on the other hand, because of the global humanitarian consequences resulting from it. It is important to us that we support our colleagues and their family members in Ukraine as best we can and provide any assistance that is needed. We focused at an early stage on ensuring that our Ukrainian employees can work remotely, irrespective of their location. To this end, additional alternative workplaces were created both outside the conflict zone in western Ukraine and in neighbouring countries to ensure the safety of our employees. Together with Porsche Holding, we have launched a wide range of initiatives, such as a permanent Ukrainian-language support hotline and early payment of wages, to be able to respond to problems faced by our employees on an individual basis and to increase flexibility.

The challenges of climate change are also shaping our society and the Porsche Bank Group in equally. The topics of sustainability (environment, social and governance) have a high priority at Porsche Bank. Above all, we must face up to the ecological aspects and make our contribution to climate protection. We are doing our part to contribute to a positive development in terms of CO₂ neutrality and continue to strive to drive forward the transformation process to a sustainable company. In 2021, we took a major step together with Porsche Holding and involved all employees in the process of collecting ideas and assuming responsibility in sub-projects as part of our future-oriented sustainability management.

After all, we can only meet all these challenges together and with mutual support.

We are continuing to intensify our focus on e-mobility and car sharing. Demand for sustainable mobility solutions in the form of electric and hybrid vehicles is steadily reaching new heights, and as part of the Volkswagen Group we are pleased to be able to offer our customers innovative financing, insurance, and maintenance solutions in this context.

But we also want to make our internal processes and procedures as sustainable as possible. It is therefore more positive that efforts are currently being made at all levels within the Porsche Bank Group to drastically reduce CO₂ emissions and energy consumption, such as electricity, within the next decade. To this end, energy-saving potential is being identified and the further expansion of our own self-sufficient, sustainable power generation projects is being pushed. This will not only help conserve resources and reduce CO₂ emissions, but also secure supplies to our sites and counter inflationary developments on the energy market.

To continue to exploit potential for improvement in all spheres of sustainability, the Sustainability Strategy 2022 was revised again, the time horizon extended to 2030 and rolled out across the entire Porsche Bank Group. We have set ourselves ambitious and timely goals to live up to our social responsibility and contribute to sustainable development within the scope of our possibilities and our activities.

To inform and integrate all employees, all important sustainability topics are an essential part of our internal communication. With the #Project1Hour, we also gave employees the opportunity to address climate change and contribute ideas for climate protection measures.



We owe a lot to our employees in recent years. With their hard work, they have helped to ensure that we have been able to work at all times and provide our customers with the best possible quality of service.

Our success is based on the trust that our customers have placed in us for over 55 years. This trust gives rise to responsibility, which we always take seriously. Accordingly, we would like to focus, not only on regional expansion in the future, but also on making sustainable contributions to society and a future worth living.

We hereby cordially invite you to accompany us on this exciting journey!

Sincerely,

Johann Maurer
CEO
Porsche Bank AG

Alexander Nekolar
CFO
Porsche Bank AG





2. ABOUT THIS REPORT

This report provides a comprehensive overview of the Porsche Bank Group's sustainability efforts for the 2021 financial year. The reporting period is from 01.01.2021 to 31.12.2021 but will be extended in different areas to the first half of 2022, provided that further development is relevant.

The Porsche Bank Group includes all Porsche Bank companies (except for the Slovakian subsidiary, as it is a joint venture with Volkswagen Bank GmbH) as well as Porsche Insurance, all ARAC companies (Europcar licensees) and Volkswagen Versicherungsdienst (VVD).

The Porsche Bank Group is only mentioned as Porsche Bank in this report. If it is a specific company or country, this is explicitly mentioned.

As a subsidiary of Porsche Holding Salzburg GmbH, the Porsche Bank Group is part of the Porsche Holding Group. In this report, the Porsche Holding Group is only mentioned as Porsche Holding.

Basically, the data is broken down to the individual countries of Porsche Bank. For this reason, a monthly reporting line for vehicle data has been implemented in recent years. If the individual data quality has not yet reached the level required for reporting, it is only reported in aggregated form at group level. The data quality is continuously improved to ensure a good level already at the time of the next reporting cycle. In case of energy consumption, the breakdown between Porsche Bank Group offices and other Porsche Holding entities (such as importers), which are located together in one building, is not yet possible. Therefore, only energy consumption in Austria is reported in this report. In the future, the individual countries and the total consumption of Porsche Bank will also be reported.

Porsche Bank is committed to the Sustainable Development Goals (SDGs) of the United Nations. These form the framework for its sustainability strategy.

This report contains non-financial information on sustainable products, energy and environmental management as well as on social aspects, ESG risks and the corporate governance of Porsche Bank.

The Company makes use of the possibility pursuant to § 267a para. 7 UGB (NaDiVeG) and pursuant to Directive 2013/34/EU Art. 19a (3) or § 243b para. 7 UGB (EU taxonomy) to exempt itself from the preparation of a non-financial declaration, and refers to the summary separate non-financial report of Volkswagen AG and the annual report of Volkswagen AG for the financial year 2021, which can be accessed on the website www.volkswagenag.com within the statutory period. Explicit credit institution requirements of the EU taxonomy are met in this sustainability report of the Porsche Bank Group.



3. PORSCHE BANK AT A GLANCE

Porsche Bank is a fully owned subsidiary of Porsche Holding GmbH and, as a financial services provider, represents a pillar of Porsche Holding Salzburg's three-pillar strategy alongside the automotive, wholesale and retail sectors. Financial services are positioned within Porsche Holding Salzburg as an independent, profit-oriented business segment.

- Promoting sales of the products and services of Porsche Holding and Volkswagen AG and generating an appropriate return on capital employed are equally important goals of Porsche Bank.
- Porsche Bank Group is, as a highly profitable core area of Porsche Holding, an integral part of the "Automotive and Mobility" value chain.

Porsche Bank Group generally follows and/or accompanies the automotive wholesale trade of Porsche Holding Salzburg geographically. Starting from Austria, its core market has expanded to large parts of East and South-eastern Europe as well as South America.

In addition to the subsidiaries in the individual countries that handle financing activities, Porsche Bank AG in Austria also holds the shares in the subsidiary ARAC GmbH, which is responsible for car rental. The subsidiaries Porsche Versicherungs AG and VVD GmbH are responsible for insurance matters. All these companies are part of the Porsche Bank Group.

a. Vision

Under the vision "boundless mobility for our customers at the cutting edge", with our business strategy we provide answers to the challenges of today and tomorrow. Regardless of whether private customers or businesses, one vehicle or an entire fleet – the mobility of our customers is the focus of our actions! Our goal is to develop and expand our financing products innovatively and in a customer-oriented manner, including with respect to sustainability and climate change, to offer our customers the best and simplest possibilities for boundless mobility.

b. Mission

The core business of the Porsche Bank Group and the key success factor for the profitability of the Bank is vehicle financing, insurance and service in Austria and the other countries.

The bank, insurance and rent-a-car functions are carried out in the following positions:

- strategic sales financing and sales support for wholesalers
- efficient financial services partner for the retail trade
- partners in the development of new markets for wholesale and retail trade
- coverage of short-term rentals for our customers.

c. Strategic Business Development

Based on the wishes and lifestyles of customers, future products and services are developed to meet the mobility needs of customers. Promoting sales of the products and services of Porsche Holding and Volkswagen AG while taking sustainability aspects into account is a key objective of Porsche Bank.

Porsche Bank focuses on its core business and the topic of mobility. Sustainability and climate change have become even more prominent, which is why a growing product portfolio in the e-mobility sector is being established in all VW group brands. This also results in a mandate for Porsche Bank to develop innovative customer-oriented financing products to increase the attractiveness of e-vehicles and thus achieve progressive market penetration. Porsche Holding will be part of the solution regarding climate and environmental protection. In addition, direct sales, via online platforms such as the Porsche Bank Shop and Lease.Me as well as online services, will be successively expanded as a growing pillar of the sales concept. At the same time, the strategy envisages a move away from the ownership model common today towards car sharing and multimodal mobility.

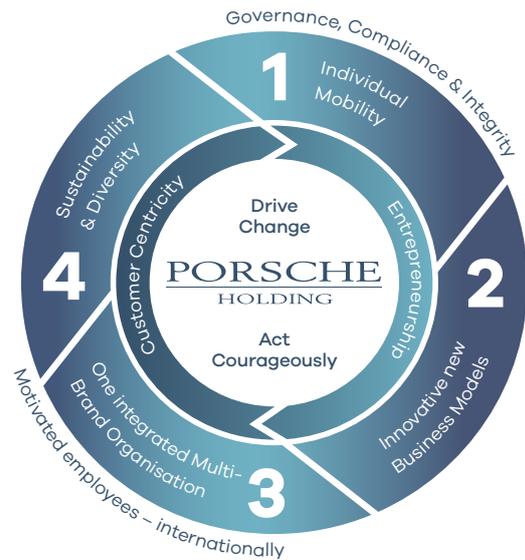


At the end of 2020, a further mobility product, autoabo, was placed on the market. The aim here is to cover the rapidly growing trend of mobility subscriptions. Further technical developments, such as "connected car", telematics, driver assistance systems through to autonomous driving, will also be integrated into Porsche Bank's business areas. The cooperation with the sister company "MOON" also provides for a successive expansion of synergies in terms of financing e-mobility infrastructure solutions such as charging stations, battery storage and photovoltaic systems.

The strategy was defined based on the Porsche Holding strategy "TOGETHER 2025+". This Porsche Holding strategy was revised and further developed under the title "evolve 2030".

d. Porsche Holding Strategy: evolve 2030

As part of the further development of Porsche Holding's strategy "evolve 2030 – Shaping Our Future", the vision was set as "shaping mobility for a better future". A "better future" is understood to mean a greener, CO₂-neutral and socially fairer future. Porsche Holding, as part of the Volkswagen Group, is one of the largest companies in Austria and significant sizes are also consistently achieved in the markets in which Porsche Holding operates. Porsche Holding sees itself as part of society and wants to take responsibility for sustainability. Projects have been defined as concrete implementation steps and have already been started. To this end, the "Energy and Environment" department was realigned in 2022 and renamed "NEU – Nachhaltigkeit, Energie, Umwelt (eng. Sustainability, Energy and Environment)". Both the sustainability strategy anchored there, and the further development of the Porsche Holding HR strategy, thus directly address the "evolve 2030" focus area "Sustainability and Diversity". Porsche Holding is confident that it will achieve its vision by 2030.



e. Porsche Holding Sustainability

As part of the Paris Climate Agreement, the Volkswagen Group has set itself ambitious goals for reducing its CO₂ footprint and aims to be CO₂-neutral worldwide by 2050. Porsche Holding is also focusing on this goal. To this end, a sustainability strategy has been developed, which will be rolled out in all Porsche Holding companies and countries from 2022. Sustainability can only exploit its full potential if it is understood holistically and is an integral part of the company's principles. That is why sustainability is centrally anchored in Porsche Holding's "evolve 2030" strategy.

In the first step, the core of the new strategy is formed by five focus fields from the areas of environment and climate protection. These are: Zero Emission Mobility, Green Finance, Circular Economy, Green Building and Green Retail. In 2023, further focus fields from the areas of "social" and "governance" will be added in line with the ESG criteria.



PORSCHE HOLDING **SUSTAINABILITY** STRATEGY



ZERO EMISSION MOBILITY

- E-mobility / BEV share (customer and own fleet)
- Charging stations and PV-systems for customers
- Mobility as a Service
- Business trips and employee commuting



GREEN FINANCE

- Green customer products
- Drive e-mobility with loan, leasing, insurance products
- Green financing, investments
- Green finance funding



CIRCULAR ECONOMY

- Materials purchasing and services
- Sustainable suppliers
- Supply chain
- Logistics processes
- After-use / 2nd life, recyclables
- HV Batteries



GREEN BUILDING

- CO₂ savings
- Energy efficiency
- Certified buildings
- Renewable Energy
- PV systems internal



GREEN RETAIL

- Disposal of vehicles
- Waste management in Workshops
- Water consumption
- Recyclables management
- Promotes other focus field topics at the dealer sites!

Service of **PORSCHE IMMOBILIEN GMBH**

Key figures and goals have been defined for each focus field. Two of the main overarching environmental strategic objectives for 2030 are:

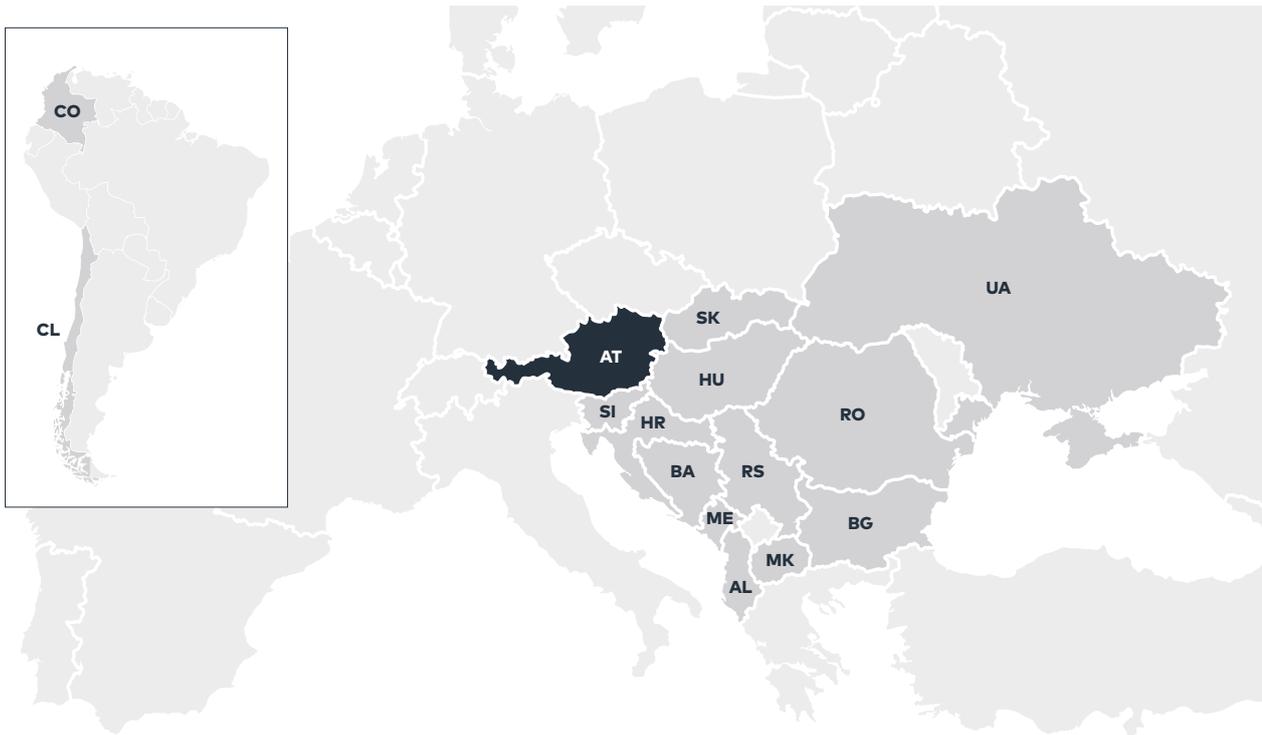
- reduction of CO₂ emissions by 30%
- increase in the share of electric vehicles sold in Europe to 60%, in China to 50% and proportionally in all other countries.



f. Headquarters and Countries

Porsche Bank AG is headquartered in Salzburg. In addition to its core market of Austria, Porsche Bank is represented in a total of 15 countries in Central and Eastern Europe as well as in South America.

These include Hungary, Slovenia, Slovakia, Croatia, Romania, Serbia, Bosnia and Herzegovina, Montenegro, North Macedonia, Albania, Bulgaria, Ukraine, Colombia and Chile. Increasing internationalization and geographical expansion have contributed to the company's success in recent decades.



■ Bank AG, financing, insurance, other mobility solutions (RaC, sharing)

■ Financing, insurance, other mobility solutions (RaC, sharing)

I. Ukraine

The current situation in Ukraine particularly affects Porsche Bank as it has local subsidiaries. The military conflict with Russia, especially at the beginning of 2022, has brought many areas of daily life and the economy to a standstill.

Since the end of 2021, the situation has been carefully evaluated in risk management, as an escalation of the conflict was already apparent here, which is why various scenarios including a complete invasion by Russia were outlined. Current developments were regularly reported in a specially set up crisis unit and appropriate measures were taken dynamically.

Due to the conflict that has existed since 2014, Porsche Bank began at an early stage to accelerate risks in the sense of emergency management and a reduction in the loan portfolio in eastern Ukraine. As a result, business processes have been maintained at present, and despite the prevailing military conflict in the East, about 80% of customers are currently meeting their payment obligations and some customers are taking advantage of moratorium offers, even though the country's economic output in terms of gross domestic product will decline by at least 35–45% in the course of 2022 and the unemployment rate is now 35%.



As a precautionary measure, Porsche Bank has currently suspended new business and is not processing any financing applications due to the conflict situation. This is due, among other things, to the high devaluation of the local currency of at least 30% by the end of the year as well as very difficult conditions for international foreign currency transfers.

However, the insurance and maintenance business for existing customers will continue and will also be utilized.

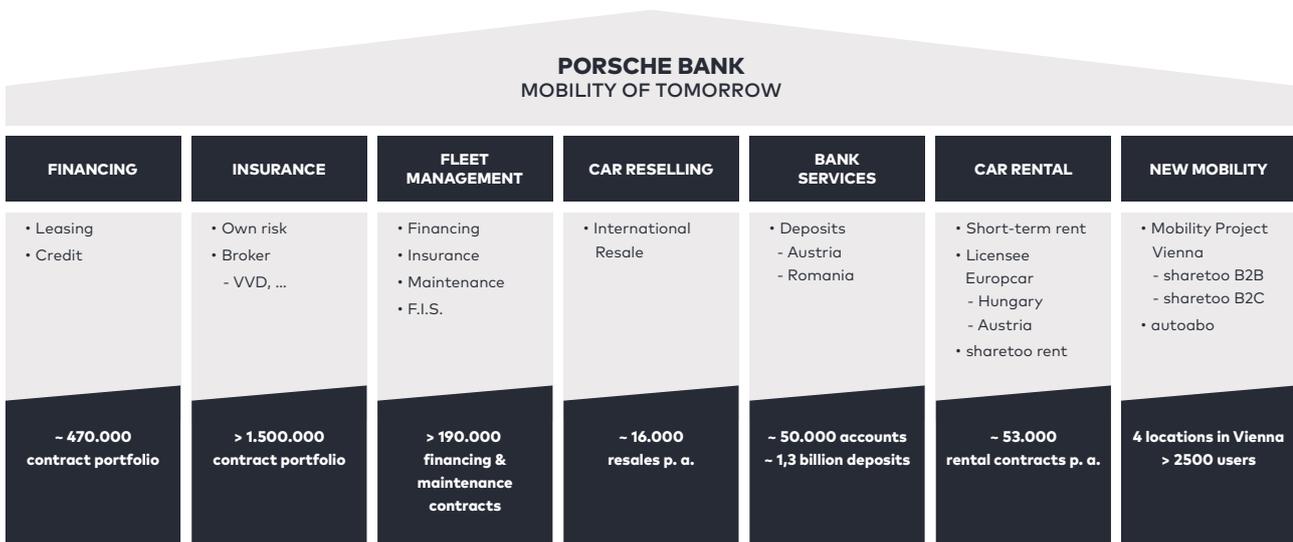
The safety of employees is a top priority for Porsche Bank. To ensure this, the utmost was done within the shortest possible time. Above all, location-independent working gives employees the opportunity to pursue their work from a protected location. To this end, additional safe workplaces were made available in neighbouring countries as well as in Lviv, which is further away from the conflict zone, at an additionally rented emergency location. In addition, salaries

were also paid ahead of schedule to give employees financial flexibility. Together with Porsche Holding, a wide variety of initiatives were launched to help the employees on site. A 24/7 hotline and a buddy program for Ukrainian employees were also set up, in which Ukrainian employees already living in Austria agreed to work together to find solutions to individual problems.

Furthermore, as part of a survey of housing options, together with employees in Austria, apartments were provided for over 170 employees and their families. Transfers from neighbouring countries to Austria were also organized. All these measures ensured that all affected employees could work and live in safety.

g. Products

Porsche Bank is active in the following business areas:



(Quantities as of 31.12.2021)



4. SUSTAINABILITY MANAGEMENT

Sustainability means ensuring long-term viable and intact ecological, social and economic systems at global, regional and local levels. Porsche Bank also assumes responsibility for achieving this. For this purpose, a sustainability management system was set up and key figures and goals were defined.

Sustainability is an essential part of Porsche Bank's strategy. Accordingly, the company's management is committed to the professional implementation of the sustainability strategy throughout the Group.

Based on the sustainability strategies of the Volkswagen Group and Porsche Holding, Porsche Bank has developed its own sustainability strategy.

a. Sustainability Strategy

Porsche Bank assumes responsibility for a future worth living in and is continuously working to make its positive contribution in the areas of:

- sustainable products
- energy and environmental management
- employees
- corporate governance.

Porsche Bank wants to act as an enabler by means of versatile mobility solutions to contribute to a sustainable transformation process in the economy. Accordingly, Porsche Bank has developed innovative products in recent years and thus opened sustainable business areas.

Porsche Bank will do as much as possible to bring electromobility closer to its customers in the markets by means of attractive financing and leasing offers.

An internal cooperation with the "MOON" brand combines financing offers with battery, photovoltaic or charging solutions. Electromobility is a focus in product development, but also in the field of fleet management consulting.

Business processes and energy management will be optimized accordingly to significantly reduce emis-

sions and make them CO₂-neutral by 2050. Digitalization – for example in the Porsche Bank customer portal and through the Porsche Bank Shop as a direct sales channel – enables a significant reduction in postal delivery and annual paper consumption.

In addition, as part of the Together4Integrity campaign (T4I), which was launched by the parent company Volkswagen, new behavioural directives were defined along the corporate values.

Porsche Bank is thus making its contribution to achieving the goals of Porsche Holding and Volkswagen AG.

b. Sustainability Organization

Porsche Bank relies on a consistent sustainability organization that extends from the Board of Management to the individual divisions of the entire Group. With the main responsibility of the Board of Directors and a sustainability officer who acts as a contact person for information seekers and the operational implementation of sustainability topics, Porsche Bank is sending a clear signal about sustainability development.

In view of the materiality and the transformation process across all business units, both Porsche Bank management board members are involved.

The management board of Porsche Bank AG in Austria is regularly informed about significant developments in the area of sustainability (CO₂ emissions of the vehicle portfolio, project status, etc.).

The Porsche Bank Group generally pursues a decentralized management approach. The local managing directors are responsible for the topics in their companies, including local sustainability management.

To ensure seamless communication and cooperation in this regard, contact persons and responsibilities are named in each country subsidiary. The respective coordination of the sustainability agenda is handled by the local risk management departments with the involvement of the respective stakeholders. The



main coordinating responsibility for the sustainability agendas is located in the risk management department of Porsche Bank in Austria.

Various projects related to sustainability are also organized and implemented on a decentralized basis in the foreign companies and business units of Porsche Bank and the status is reported to the central sustainability management at regular intervals.

Central communication takes place via existing monthly meetings, which are used to set new standards as well as to check their degree of maturity and carry out any necessary data collection.

There is also regular coordination and cooperation with the sustainability of Porsche Holding.

Porsche Immobilien GmbH handles the energy and environmental management of the buildings and offices for the entire Porsche Holding. Among other things, the consumption data is collected, processed and optimized to reduce internal energy consumption and the resulting CO₂ emissions.

Employee-related topics, such as employment, corporate culture and values, as well as diversity, are mainly dealt with in the "Human Resources Organization & Transformation" division of Porsche Holding.

Porsche Bank has its own training department for the training and further education of employees.

c. SDGs

In 2015, the United Nations adopted the "2030 Agenda for Sustainable Development", which was also signed by Austria. This agenda contains 17 sustainable development goals, the Sustainable Development Goals (SDGs). The SDGs are addressed to governments, businesses and civil society worldwide.





Porsche Bank bears responsibility for a future worth living in and is committed to the Sustainability Goals of the United Nations.

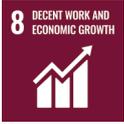
A major impact of Porsche Bank on the SDGs consists of seven development goals:



d. Key Topics

KPIs and contributions were defined on the most important topics.

Based on the SDGs, Porsche Bank defined its key sustainability topics in an internal workshop.

SDGs	Key Topics	KPIs & Goals	Contributions
	<p>Education & Training Employees are offered the best possible training and further education opportunities.</p>	<ul style="list-style-type: none"> • Trainee • Training & further education hours 	<ul style="list-style-type: none"> • Internal training formats, external expert trainings • Targeted support of employees • Established Trainee & Apprentice Program
	<p>Sustainable & renewable energy Together with the "MOON" brand, Porsche Bank strives to develop sustainable and regenerative energy concepts for both its premises and its customers.</p>	<ul style="list-style-type: none"> • Energy consumption: -25% by 2025 	<ul style="list-style-type: none"> • Cooperation MOON: Photo-voltaics, Storage & Charging Solutions • Expansion of photovoltaic systems • Conversion to green electricity
	<p>Employee motivation Employee motivation is an integral factor for business success and is accordingly held high and measured regularly.</p>	<ul style="list-style-type: none"> • Fluctuation • Maternity leave • Education and training 	<ul style="list-style-type: none"> • Mood barometer: 5% higher average value compared to the Group • Company kindergarten • Certification as a family-friendly company • Support of women • Strong cooperation with the works council & protecting employee interests • Maintaining a high & sustainable equity ratio



Social & ecological innovation potential

The industry-wide innovation potential is used to develop ground-breaking sustainability-promoting products and to set new standards.

- Share of financed electric vehicles: > 50% by 2030
- Porsche Bank Shop – Digital application process
- Mobile Working – Desk Sharing
- Access to financing opportunities for start-ups and innovative SMEs to support innovation performance
- Support of industry and commerce in the transformation process to sustainable mobility solutions



Innovative services to reduce traffic volumes & fine dust pollution

Innovative services are offered in urban and municipal areas to reduce traffic volumes and particulate matter pollution.

- Share of financed electric vehicles: > 50% by 2030
- sharetoo: promoting car sharing through the use of e-vehicle pool
- autoabo: Mobility on Demand
- Cooperation MOON: Photovoltaics, Storage & Charging Solutions
- Smart Driver App: insurance rate for low consumption & safe driving behaviour



Promoting customers to act sustainably, conserving resources & recycling

The financing of sustainable products such as electric and hybrid vehicles are part of the core business. Attractive mobility offers encourage customers to act sustainably as well. Continuous resource conservation in internal processes as well as corresponding recycling models are also a concern of Porsche Bank.

- Share of financed electric vehicles: > 50% by 2030
- Green Asset Ratio: > 30% by 2030
- Energy consumption: -25% by 2025
- Total CO₂ emissions from company cars in Austria
- e2go: attractive e-mobility complete packages
- Waste separation & disposal: effective recycling model & acceptance of hazardous waste
- Continuous reduction of food waste & sourcing of ingredients from the region in company canteens
- Advising companies on sustainable mobility & energy solutions in cooperation with MOON
- Integration of sustainability aspects in the rating process of major customers
- Reduction of water, electricity & gas



Climate protection

Porsche Bank is actively pursuing an active contribution to the fight against climate change through attractive financing offers for electric vehicles through information campaigns as well as by supporting CO₂-compensation projects.

- CO₂-neutral by 2050
- Share of financed e-vehicles: > 50% by 2030
- Ø CO₂ emissions for vehicles: -50% by 2030
- Energy consumption: -25% by 2025 Scope 1 & 2
- CO₂ emissions of the financed vehicles
- CO₂ emissions from company cars in Austria
- E-mobility: promoting attractive all-inclusive packages (financing, insurance, service)
- Expansion of photovoltaic systems
- Conversion to green electricity
- Certification "Austrian Ecolabel" for sustainable financial products
- Increase of sustainable fund shares in total investment coverage fund Porsche Insurance
- Promoting companies' resilience regarding Climate Impact



Further sustainability issues based on the SDGs, on which Porsche Bank also has an influence:

SDGs	Topics
	<p>Health of employees</p> <p>The employees are the human capital, and it contributes to a balanced work-life balance, healthy nutrition and health.</p>
	<p>Equal opportunity</p> <p>All employees are welcome and supported across national borders, regardless of religious, ethnic or cultural background. The Porsche Bank Group operates gender-independently and offers all employees and applicants equal opportunities.</p>
	<p>Nature Conservation & Biodiversity</p> <p>The protection of local nature and the promotion of biodiversity is a matter of concern to Porsche Bank as a traditional Austrian company, which is why corresponding initiatives and projects are promoted.</p>
	<p>Social responsibility</p> <p>Porsche Bank assumes its social responsibility by supporting aid organisations, charitable projects through sponsorships and active volunteering through partnerships.</p>
	<p>Compliance & Corruption</p> <p>In the area of compliance and corruption prevention, the high level of integrity and best practices is to be further expanded.</p>

e. Sustainability Indicators and Goals

Porsche Bank has identified key non-financial goals that, on the one hand, attach great importance to the sustainable development of the company, but on the other hand are also within the active spectrum of activities, so that active contributions can be made in this context through product innovations, setting standards and corporate values, targeted promotion of social aspects and sustainable projects.

The Volkswagen Group has set itself the goal of being CO₂-neutral by 2050. Since Porsche Bank is part of the VW Group, Porsche Bank also has this goal to achieve.

Porsche Bank has also set itself the goal of being CO₂-neutral at the Porschehof in Salzburg as early as 2022. This is primarily achieved by reducing energy consumption and by offsetting unavoidable CO₂ emissions.

In the area of the environment in particular, Porsche Bank has set itself correspondingly ambitious targets up to 2025. By implementing the focus fields of Porsche Holding and the targets set there until 2030, the Porsche Bank targets were revised, and the main targets were further developed until 2030. Furthermore, an employee target was added.



Porsche Bank Sustainability KPIs	Base	Status 2021	Goals 2025	Goals 2030
Share of Women in Management Positions	-	34.2%	-	> 40%
Ø CO ₂ emissions – New Contracts (g CO ₂ /km)	2019: 145.5	-18.5% (118.6)	-25% (109.2)	-50% (72.8)
Share of Electric Vehicles (BEV) – New Contracts	-	5.4%	> 10%	> 50%
CO ₂ emissions AT – Scope 1 & 2 (tons)	2020: 49.2	-5,98% (46.2)	-	-30% (34.4)
Green Asset Ratio	-	5.1%	-	> 30%
CO ₂ emissions company cars (g CO ₂ /km)	-	-	< 50	-
Energy consumption per m ²	2018	-	-25%	-
Electricity consumption	2014	-	-25%	-
District heating consumption	2014	-	-25%	-
Water consumption	2018	-	-25%	-
Paper consumption	2018	-	-25%	-
Group-wide green electricity	-	-	100%	-
Electricity consumption of photovoltaic systems – AT	-	-	-25%	-

The calculations of the vehicle key figures are based on the quantities.

Since Porsche Bank's financed portfolio encompasses an average contract term of three to four years, the changes to the portfolio are delayed by a certain amount of time. Therefore, it is difficult to compare the goals of Porsche Bank with the goals of Porsche Holding and Volkswagen.

With these goals, Porsche Bank also wants to contribute to the EU goals of being climate-neutral by 2050 and only allowing emission-free passenger cars and light commercial vehicles from 2035 onwards. Austria has also set itself a climate neutrality goal, and it wants to be climate-neutral by 2040.



f. Measures

To improve sustainability at Porsche Bank and to achieve the quantitative and qualitative goals, measures are regularly defined that are implemented at Porsche Bank.

The following table shows a selection of measures launched in 2020 and 2021 to better integrate the topic of sustainability within the company.

Measures	Status Q2 2022
Development of a sustainability strategy	Completed
Roll-out of the sustainability strategy in the Porsche Bank Group	Completed
Preparation of the voluntary EU taxonomy (Green Asset Ratio)	Completed
Revision of sustainability KPIs & goals	Completed
Implementation of a group-wide sustainability workshop in the Porsche Bank Group	New
Establishment of an automated vehicle data reporting system	Completed
Improvement of vehicle data reporting	In progress
#Project1Hour - VW Group-wide climate protection workshop	Completed
Monitoring of the CO ₂ -emission values of the entire financed vehicle portfolio (Scope 3) according to PCAF	In progress
Creation of CO ₂ reporting of the company vehicles	In progress
Integration of vehicle reporting into the Country Risk Report and Advisory Board	New
Development of financing products to increase the share of electric vehicles	New
Financing of photovoltaic systems in cooperation with MOON	In progress
Certification "Austrian Ecolabel" for sustainable financial products	In progress
Creation of a heatmap analysis about ESG risks	Completed
Identification of risky exposures portfolio based on customer structure and integration of soft facts into the credit rating process	Completed
Integration of sustainability aspects into existing risk models	Completed
Full integration of sustainability aspects into capital investment	In progress
Conversion to 100% green electricity in the Porsche Bank Group	In progress
CO ₂ neutrality at the Porsche Bank Salzburg location	New



Measures	Status Q2 2022
Improve onboarding	Completed
Mobile Working / Home Office Agreement and Shared Desk Model in Austria and in Countries	Completed
Revision of the Porsche Bank homepage regarding sustainability	New

g. Donations and Sponsoring

Porsche Bank is particularly committed to social sponsoring, both in Austria and throughout the Group, and in this context supports selected institutions that are committed to helping children and people with disabilities. The following is a selection of all current projects and cooperation's of Porsche Bank.

Lebenshilfe Salzburg, Austria, was founded in 1967 and accompanies people with intellectual disabilities in a self-determined and fulfilled life in our society.

As a company committed to social equality and inclusion, Porsche Bank and VW have provided Lebenshilfe Salzburg, Austria, with a VW Caddy. With this, important errands and transports can now be done.

Pro Mente Salzburg, Austria, has been caring for psychologically, socially and emotionally stressed people in all phases of life for over 45 years. Porsche Bank is supporting Pro Mente with a financial contribution in 2021.

Sport is the best way for people with disabilities to improve health and mobility, to increase independence and quality of life and to promote integration into society. Porsche Bank is therefore supporting the Austrian Disabled Sports Association with a financial contribution.

The "Kinder-Krebs-Sozialhilfe-Mission Hoffnung" supports children with cancer and their families throughout Austria. In 2021, the "Children's Cancer Social Welfare Mission Hope" was also financially supported by Porsche Bank.

Special Olympics is the largest international sports movement for people with intellectual disabilities. Porsche Bank has also helped here in 2021 with a financial contribution.

The Child Protection Centre Salzburg, Austria, is a private initiative and institution of free child and youth welfare founded in 1987 and run as a non-profit association. The declared goal is to safeguard, preserve or restore the best interests of the child. This association has been financially supported since its foundation in 1987 and thus contributed significantly to the establishment and development.

In Bulgaria, the organization "Food, not bombs" is supported in the care of the city gardens (e.g. when planting tomatoes) in order to prepare food for people with disabilities.

Furthermore, there is an X-Mas Charity in Bulgaria every year, where employees can submit donations, which are doubled by the company. These donations go to various projects such as homes for the elderly or children, disadvantaged people, and animal shelters.

The Humanitarian Action of the Serbian Finance Group has provided a Volkswagen T6 van for children without parental care.

Slovenia has been working for a long time with the Centre for Education, Rehabilitation, Inclusion and Counselling for the Blind and Visually Impaired, which uses a donated minibus. In addition, contributions (e.g. for spa stays) were made for children and adolescents with cerebral palsy.



In Ukraine, employees for the "Unload your wardrobe" campaign collected over 240 kg of clothing, which were donated to the charities "Emmaus Gold" and "Suziriia" after sorting. These funds were used to support boarding schools and orphanages and to help people suffering from the current situation in eastern Ukraine.

Various projects are supported in Romania. This includes the support of the association Asociația Luca și Mario to promote the therapy of two boys diagnosed with spastic tetraparesis. The annual Christmas tradition in support of the Foundation of the Marie Curie Hospital (Speranța pentru Copiii României Foundation) was continued. In the project "100 educational scholarships for 100 children with cancer from the MagiCamp", ten children were supported directly by Porsche Bank with an educational scholarship for one year. There is a strategic partnership with the foundation "Fundatia Inovatiei Sociale Regina Maria", which is committed to health care for people without income and health insurance and for people with low incomes. Furthermore, there was a sponsorship for the renovation of the maternity hospital Polizu. In addition, the Inocenti Foundation, Asociația Familia SMA, Asociația pentru Promovarea Performanței în Educație, Bookland, Alfa grup and SOS Satele Copiilor were also supported.

Together with Porsche Holding, there are several initiatives to support the people of Ukraine during this difficult time. In addition to donations in kind, an amount of a total of 75,000 euros was handed over to the humanitarian organization "Nachbar in Not" with the support of the employees.



5. SUSTAINABLE PRODUCTS

a. e2go

With the e2go package for private and business customers, customers were offered an attractive overall offer of financing, insurance and maintenance for all purely electric Group vehicles. All components contained therein were especially for e-mobility requirements. The rental leasing variant resulted in manageable monthly fixed costs, which made it easier to plan and calculate.

The e2go package, which was only offered for rental leasing, expired in 2021. The range of products for the financing, insurance and service products of electric vehicles has been expanded and is now possible for all leasing product variants.

b. E-Vehicle Financing

In Bulgaria, there are special leasing conditions and conditions to strengthen the share of electric vehicles. Also, in Croatia there is a leasing offer "My eWay", which was created especially for electric vehicles.

c. Insurance for E-Vehicles

In addition to occupant accident, motor vehicle legal protection, unemployment and warranty extension insurance, Porsche Insurance offers its customers motor vehicle comprehensive insurance as its main product. This has been specially for the needs of e-vehicle customers and offers optimal coverage for electromobility. Thus, customers are provided with a worry-free product for their e-mobility experience. Porsche Versicherung's portfolio comprises a 5.2% share of electric and hybrid vehicles at the end of 2021. The trend is strongly rising.

d. Porsche Bank New Mobility

With New Mobility, Porsche Bank is targeting the actual mobility needs through car sharing, short-term rentals, flexible vehicle exchange and digitalization. New mobility thus also has an indirect impact on sustainability.

In addition to Austria, this offer is also being rolled out in many other countries, such as Slovenia.

I. Mobility Project Vienna

In Vienna, Austria, a new mobility project was launched in 2021. The aim of the mobility project is to create a digital platform that links different mobility offers such as car sharing, rental and subscription within a common vehicle fleet. Customers can easily book the desired vehicle from minutes to several months via app. This ensures better utilization of the vehicles and a pronounced high customer benefit.

II. sharetoo – Use instead of own

With the innovative e-car sharing concept sharetoo, Porsche Bank has established a new brand that offers a flexible mobility solution for companies, cities, municipalities, property developers, car dealers and private individuals. The offer combines sustainable mobility with state-of-the-art technology and offers customers everything from a single source: vehicles, car-sharing software and hardware, 24/7 customer service and, if necessary, operational operation as well as other services such as the billing of car-sharing trips.

Sharetoo is considered one of the largest e-car sharing providers in Austria and is experiencing steady growth. Customers can use the Austria-wide sharetoo offer with just one registration. In total, several hundred thousand kilometres are covered annually purely electrically with sharetoo. In 2021, for example, more than 500,000 kilometres were driven purely electrically in Austria. More than 3,000 car-sharing customers and strong B2B partners such as municipalities, cities, companies, energy suppliers and business parks rely on sharetoo mobility solutions.

An internal e-car sharing service for employees of Porsche Bank and all Porsche Holding Group companies in Salzburg has been very well received in recent years and continues to be a success. With the offered, all-electric vehicles, such as a VW ID.3, several hundred thousand kilometres were covered annually.



Depending on the customer group, sharetoo offers various advantages and benefits. For communities, especially in rural catchment areas, Porsche Bank's mobility solution can be a valuable addition to existing public transport and at the same time promote the expansion of infrastructure, improve the individual ecological footprint, and strengthen the community spirit.

Corporate car sharing is also a mobility dimension that promises high growth potential. Because the advantages are obvious: Instead of operating an expensive fleet individually for employees, an appropriate carpool can be operated, which is used to a higher capacity. The fact that mobility is available on demand and that vehicles are used efficiently also strengthens the sustainable corporate image. The digital, efficient and cost-optimized management of pool vehicles also contributes to modern and efficient fleet management. In addition, log-books can be managed completely electronically and traced by means of digital reporting. Combined professional and private usage models are also easy to implement.

For housing developers and urban development areas, sharetoo mobility solutions can also be offered as a relief for private transport and to save parking spaces. Residents can thus rely on e-car sharing in their residential complexes to contribute to a reduced local CO₂ and particulate matter volume. Also, in Bulgaria there is the sharetoo offer with meanwhile 18 sharetoo cars. These are to be expanded to 30 by the end of 2022.

In 2017, sharetoo was implemented in Serbia and now consists of a fleet of 110 automobiles. However, the offer is currently only accessible to existing customers and employees and thus not to the public.

The implementation of the "sharetoo" project was also launched in Romania. The reach of the car rental service will thus be expanded, and dealers will be offered support in providing mobility for their customers.

sharetoo was also launched in Hungary. Currently, there is a VW ID.3 that is available for the sharetoo offering.

III. autoabo

"Use instead of owning" - the mobility of the future should be flexible, sustainable and needs-based - is the motto. Autoabo offers the perfect gap between short-term vehicle use, car sharing and a longer-term car purchase, such as leasing or car purchase. A vehicle is only used in the autoabo for as long as it makes sense. Autoabo is therefore also well-suited as a bridging solution or as a mobile alternative in exceptional situations. With the possibility of changing the vehicle monthly, it can be adapted to the respective life situation. The hurdle to the use of new types of drive, such as electric and hybrid cars, is also lower than with a conventional car purchase, as no long-term commitment is made and no acquisition costs are incurred, but instead an all-inclusive package is offered.

e. Smart Driver App

Porsche Insurance has also created an innovative product with the Smart Driver Plus tariff that rewards safe, sustainable and anticipatory driving. To this end, customers can use the Smart Driver App to measure and actively improve their driving behaviour in terms of acceleration, braking and cornering behaviour as well as speed and thus save up to 20% of the monthly comprehensive premiums. This creates an incentive system for sustainable driving behaviour for customers, as fuel consumption and emission values are also positively influenced by anticipatory driving. By the end of 2021, the proportion of comprehensive policyholders who have co-opted for the Smart Driver component will be 36.4%.

f. MOON Cooperation

Porsche Holding founded the "MOON" brand in 2019 to promote future and innovation topics across all brands. As an enabler for e-mobility, MOON offers its customers sustainable, intelligent and data-driven complete energy solutions. The offer



ranges from the wall box including home storage to photovoltaic systems and public fast charging stations.

In the MOON Cities in Salzburg and Vienna, not only will there be comprehensive information about e-mobility, but the latest e-models from the Volkswagen Group brands will also be presented. With a temporary pop-up store in Ljubljana (Slovenia) and other MOON Cities in Bratislava (Slovakia), Bucharest (Romania) and Zagreb (Croatia), MOON also made e-mobility an international experience.

In the 2021 financial year, the still young brand continued its internationalization strategy. This year, the decision was made to set up its own sales unit in Germany. At the beginning of 2022, MOON Power Deutschland GmbH was launched on the market at the AUDI Used Car Centre site in Eching near Munich. This means that MOON Power is now already active in 17 countries of Porsche Holding.

There is a close internal cooperation with Porsche Bank regarding the financing of wall boxes as a supplement to electric vehicles and photovoltaic systems. The spectrum is constantly being expanded, which is why attractive solutions are currently also being offered in the field of fleet management for government and corporate customers to be able to offer intelligent charging and photovoltaic infrastructures with storage solutions in addition to e-vehicles for the company fleet.

In cooperation with MOON, Porsche Bank financed photovoltaic systems and charging solutions for two corporate customers as well as a MOON Power Charger for a company.

g. Porsche Bank Shop

With the Porsche Bank Shop, Porsche Bank is setting new standards in digital mobility procurement. The megatrends of connectivity, mobility, neo-ecology, change process to a resource-efficient, sustainable economy and security are brought together in one shop. Central access to Porsche Bank's mobility products creates a sustainable advantage

in the world of car procurement. The simple handling and orientation create a processing that takes place completely online. The elimination of additional routes not only saves time, but above all unnecessarily generated CO₂ emissions. Security when purchasing is ensured by the video identification and the e-signature. The integration of the digital application process (DAS) ensures efficient processing that is also economical in terms of resources.

h. Sustainable Investment of Porsche Insurance

As a matter of principle, Porsche Insurance only invests in investments which risks can be adequately identified, measured, monitored, controlled and reported and adequately considered when assessing the overall solvency requirement. When investing, the safety, quality, liquidity and profitability of the entire portfolio and availability must be ensured. The investment spectrum therefore focuses on deposits with Porsche Bank AG, Porsche Corporate Finance GmbH, German government bonds, several mixed funds and a bond fund.

Porsche Versicherung attaches great importance to sustainability, especially in the case of mixed funds. Investments were made in funds that consider environmental, social and ethical criteria. Porsche Versicherung is currently invested in IQAM Balanced Aktiv, IQAM ShortTerm EUR, IQAM Balanced Protect 95 and IQAM SRI Spartrust M. In 2020, all funds have passed the Telos ESG check with the "Gold" seal of approval and thus meet very high requirements in the field of ESG. The IQAM SRI Spartrust M has already been awarded the Austrian Ecolabel for Sustainable Financial Products and the European SRI Transparency Logo.

At the end of 2021, Porsche Versicherung's total fund volume amounts to EUR 120,8 million, of which 56% has already been invested in sustainable funds.



6. FINANCED VEHICLES

Porsche Bank is aware that the vehicles financed represent a significant CO₂-emission factor in the overall balance sheet. This makes it even more important that Volkswagen has adopted a very progressive strategy for electrifying its product portfolio. Porsche Bank wants to increase the share of electric vehicles with special and attractive offers for private and business customers regarding financing, insurance, and service products.

To this end, Porsche Bank has set itself two goals for new contracts: on the one hand, the share of electric vehicles is to be increased and, on the other hand, average CO₂ emissions are to be reduced.

To track the proportion of electric vehicles and the average CO₂ emissions in new contracts and in the portfolio, monthly data reporting is available. The data reporting for the fuel types and CO₂ emissions of the financed vehicles was not standardized throughout the Group until 2020, so some data will only be available from this year. In Austria, the relevant data were already available in previous years.

a. EU taxonomy

The Porsche Bank Group is exempt from the EU Taxonomy Regulation by referring to the parent company Volkswagen. Explicit credit institution requirements, such as the Green Asset Ratio, are met voluntarily.

I. Green Asset Ratio

The Green Asset Ratio is based on present values and indicates the proportion of taxonomy-compliant assets. Porsche Bank's taxonomy-compliant assets include electric vehicles and hybrid vehicles < 50 g CO₂/km (WLTP). Porsche Bank has set itself the goal of increasing the green asset ratio to more than 30% by 2030 in 2022.

Green Asset Ratio	2021	Goal 2030
Porsche Bank Group	5.1%	> 30 %
Porsche Bank AG	5.0 %	> 30 %

b. Fuel Types and Share of E-Vehicles

The fuel types are grouped into five categories: Diesel, Petrol, Electric, Hybrid and Other.

Porsche Bank's goal of an e-vehicle share of more than 10% for new contracts by 2025 was revised in 2022 and set at a share of more than 50% by 2030.

Porsche Bank Sustainability KPIs	Status 2021	Goal 2025	Goal 2030
Share of Electric Vehicles (BEV) – New Contracts	5.4%	> 10%	> 50%

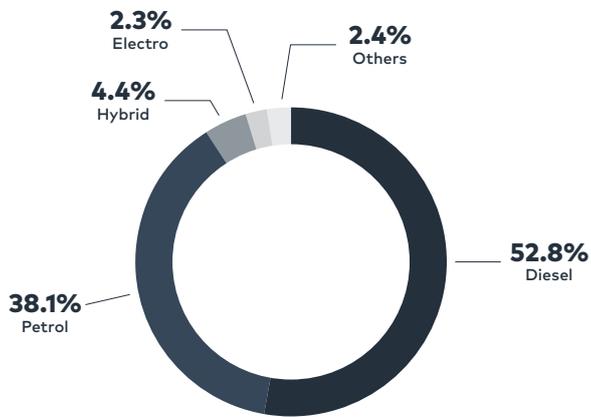


i. Porsche Bank Group

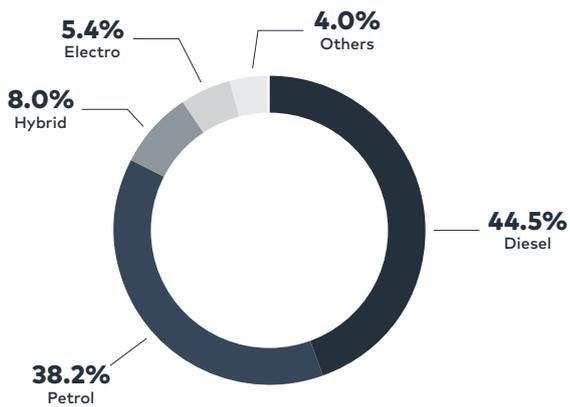
The share of combustion engines, diesel and petrol in Porsche Bank's portfolio is over 90%, the share of hybrids is 4.4% and the share of electric vehicles is 2.3% as of 31.12.2021.

In the new contracts from 2021, combustion engines are just under 83%, the share of hybrids is 8% and the share of electric vehicles is 5.4%.

Porsche Bank's vehicle portfolio by fuel type



Porsche Bank's new contracts by fuel type



The electric share of financed vehicles has increased annually. However, further measures still need to be taken to achieve the goal of at least 50% for new contracts by 2030.

E-vehicle share of the Porsche Bank

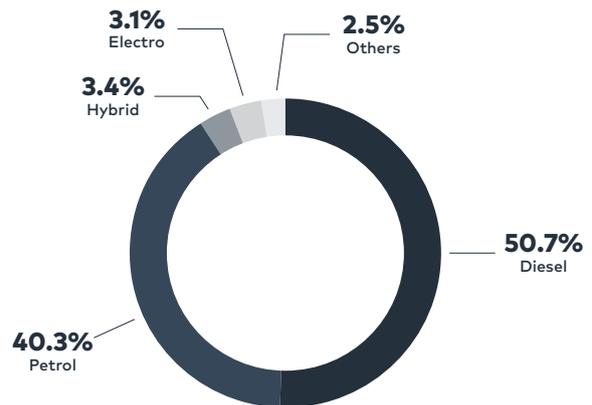


II. Porsche Bank AG, Austria

The share of combustion engines in Porsche Bank AG, Austria, in the portfolio is 91%, the share of hybrids is 3.4% and the share of electric vehicles is 3.1% as of 31.12.2021.

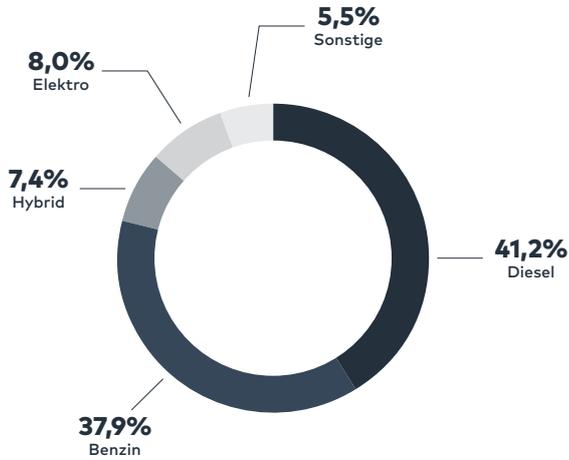
In the new contracts from 2021, combustion engines are at 79.1%, the share of hybrids at 7.4% and the share of electric vehicles at 8%.

Porsche Bank Austria's vehicle portfolio by fuel type





Porsche Bank Austria's new contracts by fuel type



The share of e-vehicles financed has increased annually. Especially from 2020 to 2021, there was a large increase in the number of electric vehicles for new contracts.

E-vehicle share of the Porsche Bank Austria



III. Porsche Bank Countries

The share of e-vehicles varies from country to country. Some countries have a good e-mobility infrastructure in terms of charging stations and government support programmes, but in some countries, this is only available to a limited extent. In principle, especially in countries that are not members of the EU, it can be observed that customers have very little use of e-mobility.

Portfolio

Fuel Share Portfolio	Combustor	Hybrid	Electric	Others
Albania	94.2%	5.0%	0.0%	0.8%
Austria	91.0%	3.4%	3.1%	2.5%
Bosnia and Herzegovina	99.8%	0.0%	0.1%	0.0%
Bulgaria	89.6%	8.7%	1.8%	0.0%
Chile	100.0%	0.0%	0.0%	0.0%
Colombia	98.2%	1.9%	0.0%	0.0%
Croatia	95.3%	1.4%	0.5%	2.7%
Hungary	93.3%	3.3%	2.4%	1.1%
Montenegro	97.5%	0.0%	0.1%	2.4%
North Macedonia	95.7%	3.4%	0.0%	0.9%



Fuel Share Portfolio	Combustor	Hybrid	Electric	Others
Romania	88.0%	4.0%	2.3%	5.7%
Serbia	96.7%	3.0%	0.0%	0.2%
Slovenia	96.3%	1.0%	1.4%	1.3%
Ukraine	98.4%	0.9%	0.6%	0.1%
Porsche Bank Group	90.9%	4.4%	2.3%	2.4%

New contracts

Fuel Type Share New Contracts	Diesel/Petrol	Hybrid	Electric	Others
Albania	87.5%	10.1%	0.0%	2.4%
Austria	79.1%	7.4%	8.0%	5.5%
Bosnia and Herzegovina	99.9%	0.0%	0.1%	0.0%
Bulgaria	86.6%	8.4%	4.9%	0.1%
Chile	100.0%	0.0%	0.0%	0.0%
Colombia	97.5%	2.5%	0.0%	0.0%
Croatia	93.7%	1.5%	1.3%	3.4%
Hungary	83.2%	9.3%	5.8%	1.8%
Montenegro	98.9%	0.0%	0.3%	0.8%
North Macedonia	97.5%	2.4%	0.1%	0.0%
Romania	81.3%	9.3%	3.6%	5.7%
Serbia	95.2%	4.7%	0.0%	0.1%
Slovenia	92.6%	2.4%	3.1%	1.8%
Ukraine	97.7%	0.5%	1.6%	0.2%
Porsche Bank Group	82.7%	8.0%	5.4%	4.0%



c. CO₂ emissions

The average CO₂ emissions are based on the WLTP data. Porsche Bank's goal of reducing average

CO₂ emissions from new contracts by 25% by 2025 (based on 2019) was revised in 2022 and adjusted by a reduction of 50% by 2030.

Porsche Bank Sustainability KPI	Base	Status 2021	Goal 2025	Goal 2030
Ø CO ₂ emissions – New Contracts (g CO ₂ /km)	2019: 145.5	-18.5% (118.6)	-25% (109.2)	-50% (72.8)

I. Porsche Bank Group

Average CO₂ emissions

Average CO₂ emissions continue to decrease annually, driven by environmentally friendly combustion vehicles with state-of-the-art exhaust technologies, but also by a growing proportion of hybrid and electric vehicles.

Ø CO₂-emissions of the vehicles financed by Porsche Bank (g CO₂/km WLTP)



Total CO₂ emissions of the portfolio

Based on the average CO₂ emissions, the number of vehicles financed and the assumption of an average of 15,000 kilometres driven in the private retail and SME segment (84% of the portfolio) and an average of 30,000 kilometres driven in the fleet customer segment (16%) per year, 1,008,588 tons of CO₂ emissions were generated in 2021. Compared to the previous year (1,010,222 tons), CO₂ emissions generated have thus decreased by 0.2%.

II. Porsche Bank AG, Austria

At Porsche Bank AG, Austria, average CO₂ emissions continue to decrease annually. In Austria CO₂ emissions are reduced more than in the Group.

Ø CO₂-emissions of the vehicles financed by Porsche Bank Austria (g CO₂/km WLTP)





III. Porsche Bank Countries

The average CO₂ emissions in the individual countries vary greatly.

Since the share of electric and hybrid vehicles is still very low in many countries CO₂ emissions are also at a higher level.

Portfolio

Ø CO ₂ emissions Portfolio (g CO ₂ /km WLTP)	2019	2020	2021
Albania	-	145.4	133.0
Austria	153.4	150.0	137.5
Bosnia and Herzegovina	-	122.2	119.7
Bulgaria	-	154.2	146.9
Chile	-	-	176.0
Colombia	-	162.6	163.0
Croatia	-	125.2	121.9
Hungary	-	134.6	121.0
Montenegro	-	132.0	134.7
North Macedonia	-	127.1	125.0
Romania	-	129.1	127.4
Serbia	-	127.5	126.0
Slovenia	-	131.6	129.0
Ukraine	-	157.9	158.5
Porsche Bank Group	-	145.1	134.3



New contracts

Ø CO₂ emissions New Contracts (g CO₂/km WLTP)	2019	2020	2021
Albania	150.8	131.3	121.6
Austria	154.1	138.2	114.6
Bosnia and Herzegovina	116.9	121.7	117.9
Bulgaria	146.3	148.4	136.2
Chile	-	-	176.0
Colombia	-	162.6	163.0
Croatia	118.8	115.5	119.2
Hungary	131.3	106.3	102.2
Montenegro	119.8	146.5	138.8
North Macedonia	121.2	119.3	124.4
Romania	122.4	126.0	119.6
Serbia	117.5	123.0	130.0
Slovenia	124.6	121.2	131.3
Ukraine	146.6	159.0	163.0
Porsche Bank Group	145.5	132.7	118.6



7. ENERGY AND ENVIRONMENTAL MANAGEMENT

Porsche Bank's energy and environmental management is co-supervised by Porsche Immobilien GmbH, which manages the properties of the parent company Porsche Holding GmbH. An internal energy report is prepared annually by Porsche Holding. Porsche Bank itself does not own any buildings, it only has rented offices.

Training courses on sustainability and the environment are planned for all employees in 2022. To this end, in 2021, as in 2022, VW launched the group-wide initiative #Project1Hour, timed to coincide with Earth Day. All VW Group employees, including Porsche Holding and Porsche Bank employees, took part in this initiative and spent an hour discussing climate protection to collect ideas for a more sustainable everyday working life and beyond. Measures were derived from some of the ideas (e.g. reducing lighting to save energy at the Porschehof in Salzburg or avoiding unnecessary food waste in the canteen), which have already been implemented. This initiative gives employees the opportunity to actively participate in climate protection at Porsche Bank at least once a year.

a. Group Environmental Policy

The Group guideline "Environment" developed for Porsche Holding in recent years includes the gradual establishment of energy and environmental management in all countries. The roll-out of the ECMS (Environmental Compliance Management System, ISO 14001 – Environmental Management System) started in 2021 with seven online workshops. Basic training courses on environmental management were held and structures were set up in the countries.

In addition, the following environmental goals were adopted in 2021 as part of the sustainability strategy for Porsche Holding:

Porsche Bank Sustainability KPIs	Goals 2030
CO ₂ emissions	-30%
Energy Consumption	-30%
Renewable Energy	+30%
Exit from Oil	until 2030
Exit from Fossil Energy in Real Estate	until 2040

With the help of E3m, a system for monitoring energy data, all energy data in Austria has been automatically compiled since 2015 and reported every 15 minutes. A central software was also implemented in all countries. Since May 2021, energy KPIs such as electricity consumption, heating energy con-

sumption and photovoltaic consumption or generation have been recorded as the first module in the monthly cycle. Standardized evaluations can be generated in the central software and created at will.



b. Energy Management

Every year there is an internal energy report on Porsche Holding. The report shows the savings achieved since 2014 as well as the site-specific developments in energy consumption from 2017 to 2021.

In addition, there is a photovoltaic report that shows the energy costs saved by the installed PV systems.

An energy management system according to ISO 50001 is currently being introduced in Austria.

The energy management of Porsche Immobilien was awarded the prestigious Energy Management Insight Award 2021.

With the ISO 50001 energy management system introduced in Austria in 2014, more than a quarter of the energy requirement has been saved over the past seven years. This also results in a significant reduction in CO₂ emissions and energy costs.

I. Energy Consumption in Austria

Porsche Holding, including Porsche Bank, has set itself the goal of reducing energy consumption by 30% until 2030 compared to 2020.

In principle, the buildings in the individual countries are shared with other subsidiaries of Porsche Holding, including Porsche Holding dealers in many cases. The energy consumption for the entire building is known, but at the time of reporting it was not yet possible to break down consumption between offices and dealerships/importer. As a result, only the energy consumption in Austria is reported. In the future, the energy consumption of all Porsche Bank locations will be reported.

The total energy consumption of Porsche Bank Austria consists of the following components:

Energy Consumption Austria by Energy Source (kWh)	2020	2021
Electricity	314,916	336,259
District Heating	536,480	495,196
Gas	66,105	66,105
Total	917,502	897,561

Energy Consumption Austria (kWh)	2020	2021
Consumption per m ²	153.4	150.1

As a result of the drop in district heating consumption, total energy consumption in Austria fell compared with the previous year.

Electricity consumption increased slightly, mainly due to the fact that in 2020, as a result of the COVID 19 pandemic, more work was done in home office.



c. Climate Protection in Austria

year: 2020) and being CO₂-neutral by 2050.

Porsche Bank has set itself the goal of reducing CO₂ emissions (Scope 1 and 2) by 30% by 2030 (base

Porsche Bank Sustainability KPIs	Base	Status 2021	Goal 2025	Goal 2030
CO ₂ emissions AT – Scope 1 & 2 (tons)	2020: 49.2	-5,98% (46.2)	-30% (34.4)	-100% (0)

In the first step, CO₂ emissions are avoided and reduced in the best possible way and only the unavoidable emissions are compensated.

As with energy consumption, only the CO₂ emissions from Austria are reported in this report. In the future, all Porsche Bank locations will be reported.

Porsche Bank Salzburg has already set itself the goal of being CO₂-neutral (Scope 1 and 2) for 2022.

In Austria (except for the offices of the VVD) green electricity is purchased. At the Vienna Liesing site part of the electricity consumption is generated by its own photovoltaic system. Compared to the previous year, CO₂ emissions per m² have decreased, which is mainly because energy consumption also decreased slightly in 2021.

CO ₂ emissions per m ² (kg CO ₂)	2020	2021
Consumption per m ²	8.2	7.7

CO₂ emissions refer to Scope 1 and Scope 2. Scope 1 covers all CO₂ emissions generated in the company for heat generation using the consumer good gas.

Scope 2 covers CO₂ emissions generated by energy suppliers, such as electricity and district heating.

CO ₂ emissions by Scope (kg CO ₂)	2020	2021
Scope 1	13,221	13,221
Scope 2	35,944	33,005
Total	49,165	46,226

The absolute CO₂ emissions of company cars are not considered here.



d. CO₂ emissions from Company Cars in Austria

In Austria, company car consumption is collected via Routex fuel cards.

Diesel consumption was 66,790.89 litres and gasoline consumption was 30,329.86 litres in 2021. This generated a total of 244.2 tons of CO₂.

CO ₂ emissions Company Cars (tons CO ₂)	2020	2021
Diesel	225.8	175.3
Petrol	40.6	68.9
Porsche Bank Austria	266.4	244.2

e. Environmental Projects

Porsche Bank supports numerous internal and group-wide projects to make a positive contribution to the environment. A selection of current projects is listed below.

In the company canteen at the Porschehof site in Salzburg, more and more ingredients are sourced from suppliers in the region. With the "Save a Meal - Take Away" initiative, employees are offered the opportunity to take the remainders of the lunch menu with them at a reasonable price and thus reduce food waste.

A project has been launched in Chile to help clean up biospheres on weekends. As part of the project, employees volunteer once a month to help clean up various habitats, such as beaches, forests and other places.

To achieve a positive climate impact, employees and their families in Bulgaria have been supporting the planting of trees since 2019.

In Ukraine, there was an eco-team-building event in October 2021, with 52 trees planted in the park, opposite the office.

An external sun protection system was installed for the entire office building in Hungary, which significantly improved the efficiency of the air conditioning system.



8. EMPLOYEES

Porsche Bank employees are the most valuable resource because they are the ones who ensure continued business success with their daily commitment and expertise. At the same time, they invest their valuable lifetime, which is why Porsche Bank as an employer wants to create an attractive and pleasant working environment in which all employees are guaranteed meaningful prospects and a balanced work-life balance.

As an increasingly internationally active company in a multilateral globalized society, it is important for Porsche Bank to be open and fair and thus to gradually reduce existing inequalities completely to prevent discrimination of any kind.

The employee topics, such as employment, corporate culture and values, as well as diversity, are mainly located in the "Human Resources Organization & Transformation" division of Porsche Holding.

a. Human Resources Strategy

To be prepared for the job market of the future, Human Resources is shaping cultural change. In the War for Talents, the ability to attract top talent is crucial.

Flexible working hours, mobile working, community, working in a team, mutual appreciation and respect as well as good leadership are decisive for the retention of employees in the company.

To ensure this, various fields of action have been defined within the framework of the current personnel strategy, which are further explained below:

Innovative working environments

With the expansion of modern forms of work such as agile working, responsibility for work organization will largely be transferred to the teams and the "office of the future" will function as a modern place for collaboration.

Hybrid working

Mobile working is part of the new world of work. Porsche Bank supports hybrid forms of work and

has adapted the office buildings in such a way that desk sharing is possible. There is a clean desk policy, height-adjustable desks and a room booking system.

HR Digitalization

By means of process automation and innovative system solutions, the entire human resources process from recruiting to payroll accounting is completely digitized and linked with each other.

Leadership & Culture

By means of dedicated, international, horizontal and vertical management programs as well as specialist career paths, job rotations and support in change management, the managers of tomorrow are trained on the one hand, but also the internal expertise is expanded, and the corporate culture is continuously modernized.

Employer of Choice

As an attractive employer, we actively communicate and use social media channels for this purpose. Porsche Holding is where future talents are at schools and universities.

Recruiting 4.0

Well-coordinated processes ensure a low "time to hire", a decisive competitive advantage. By means of an active sourcing approach, Porsche Holding takes a target-group-specific approach, draws interest, and enters dialogue with potential interested parties. The recruiting team is well trained and is sensitized to "biases (unconscious distortion of perception)" during recruitment.

Competencies of the future

Required competences and qualifications, which are worked out in a continuous evaluation process, are also dynamically incorporated into the Porsche Holding recruiting and training process to be able to react directly to market innovations and future requirements. This promotes new qualification profiles, job profiles, new skills and requalification.

In addition, Porsche Holding, as an attractive employer, wants to create friendly framework conditions with both spatial and temporal flexibility for



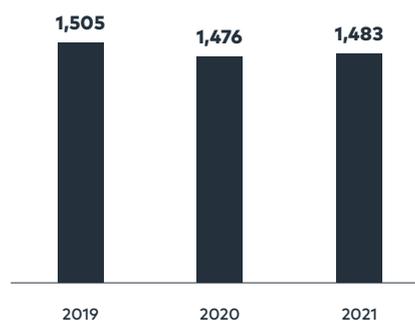
employees. A flexible flexitime frame and the possibility of mobile working form the basis for this.

"Diversity & Inclusion" has been pushed forward within the Volkswagen Group and at Porsche Holding for several years now. Nevertheless, work continues the diversity strategy and targeted measures. The core of diversity management is the promotion of women in management positions.

Porsche Holding cares particularly about further promoting the compatibility of family and career. It is an essential building block for a better gender balance in the company. At the Salzburg location, family-friendly working time models are being developed and a company kindergarten is being operated. A 3-week holiday programme supports parents in the holiday care of their children.

Newly recruited employees therefore had to be integrated into their areas of work particularly quickly, sustainably and appreciatively, despite adverse circumstances and a permanent change from home office and presence.

Number of employees at Porsche Bank



b. Employment

I. Employment Development – Number of Employees

The labour market in 2021 was heavily impacted by the COVID-19 pandemic. Filling vacancies has been quite difficult and lengthy.

The number of employees at Porsche Bank remains at the same level. Most of the employees work in Austria. There, the number of employees is declining, mainly because there have been restructurings at VVD and ARAC. In addition, there are also more and more budgeted vacancies that are still to be filled.

Number of Employees	2019	2020	2021
Albania	7	6	7
Austria	648	632	612
Bosnia and Herzegovina	21	23	23
Bulgaria	48	47	54
Chile	36	40	56
Colombia	35	34	38
Croatia	95	96	97
Hungary	186	179	178
Montenegro	8	9	9



Number of Employees	2019	2020	2021
North Macedonia	13	14	13
Romania	169	162	162
Serbia	72	68	70
Slovenia	97	99	101
Ukraine	70	67	63
Porsche Bank Group	1,505	1,476	1,483

*excluding temporary workers, compulsory and summer holiday interns

II. Apprentices

Apprenticeship training will continue to be a valuable tool for Porsche Bank in Austria in the development of qualified specialists. The apprentices who have been taken on, after completing their apprenticeship in the areas of sales, finance or IT, can specialise depending on their individual skills and interests and develop further within the company.

In 2021, there were 13 apprentices in Austria (2020: 11).

The Porsche Apprentice Diploma offers the ideal complement to in-company and school apprenticeship training. The focus is on supporting the development of the social skills of the trainee (ego-competence), dealing with colleagues, customers and superiors as well as working in teams (we-competence) and dealing with difficult situations and conflicts (everyday-competence). To obtain the diploma, apprentices must complete at least seven seminars. In 2021/22, a Porsche Bank apprentice completed the apprentice diploma.

The trainee program in Austria is coordinated centrally by Porsche Holding. They can complete various positions within the business units of Porsche Holding in Germany and abroad. This also includes the opportunity to gain experience at Porsche Bank. In 2021, nine trainees had the opportunity to get to know different areas at Porsche Bank.

Porsche Holding has independent trainees in Romania. Students are given the opportunity to gain experience. In 2021, there were three trainees.

III. New Hires

The number of new hires increased compared to the previous year. The job market has been heavily impacted by the COVID-19 pandemic in 2020 and filling vacancies is proving difficult and lengthy.



New Hires by Gender and Generation	2019	2020	2021	%*
Female	150	84	132	15.5%
Male	111	66	74	11.7%
< 30	110	79	100	32.2%
30-50	146	66	99	9.7%
> 50	5	5	7	4.7%

* The key figure is proportional to the number of employees per category.

Number of New Hires	2019	2020	2021	%*
Albania	4	1	1	14.3%
Austria	106	62	72	11.8%
Bosnia and Herzegovina	6	6	5	21.7%
Bulgaria	5	3	13	24.1%
Chile	10	8	21	37.5%
Colombia	14	5	9	23.7%
Croatia	8	6	13	13.4%
Hungary	23	17	18	10.1%
Montenegro	-	1	-	0.0%
North Macedonia	2	-	3	23.1%
Romania	44	19	22	13.6%
Serbia	8	4	3	4.3%
Slovenia	16	5	9	8.9%
Ukraine	15	13	17	27.0%
Porsche Bank Group	261	150	206	13.9%

* The key figure is proportional to the number of employees per category.



IV. Fluctuation

Retaining employees in the company is a key objective of Porsche Bank's HR strategy. For this reason, various measures are being taken to increase staff retention. In addition to at least annual employee appraisals for performance appraisal and horizon-

tal and vertical perspective assessment, this also includes the targeted promotion of job offers within Porsche Holding. In addition, the attractiveness of the existing employment relationship is also increased through a continuous increase in corporate benefits and an evaluation of market-appropriate compensation ranges.

Fluctuation by Gender and Generation	2019	2020	2021	%*
Female	102	98	107	12.5%
Male	84	77	68	10.8%
< 30	75	66	52	16.7%
30-50	108	98	112	10.9%
> 50	3	11	11	7.4%

* The key figure is proportional to the number of employees per category.

Number of Fluctuations	2019	2020	2021	%*
Albania	2	-	-	-
Austria	93	100	75	12.3%
Bosnia and Herzegovina	4	4	1	4.3%
Bulgaria	1	2	7	13.0%
Chile	4	2	7	12.5%
Colombia	6	6	5	13.2%
Croatia	7	6	9	9.3%
Hungary	27	16	18	10.1%
Montenegro	1	1	-	0.0%
North Macedonia	3	-	2	15.4%
Romania	25	15	22	13.6%
Serbia	4	2	3	4.3%



Number of Fluctuations	2019	2020	2021	%*
Slovenia	6	5	7	6.9%
Ukraine	3	16	19	30.2%
Porsche Bank Group	186	175	175	11.8%

* The key figure is proportional to the number of employees per category.

V. Full- and Part-Time Employment

Porsche Bank offers all its employees a flexible working time model, which means that working hours can be flexibly selected within core times using the "flexitime approach". Different part-time models also offer attractive and flexible working.

At Porsche Bank Austria, the part-time ratio was 23.5% in 2020 and rose to 24.3% in 2021. There is also a part-time worker in Serbia (1.4%) and Hungary (4.8%). In all other Porsche Bank countries, there are only full-time employees.

VI. Collective Agreement

In Austria, all employees are subject to a collective agreement. These are different collective agreements in the banking, commercial, commercial and insurance sectors.

c. Corporate Culture and Values

Corporate values describe the "spirit" or character of a company and are the values that are particularly upheld in the company. Therefore, these values are also recorded in writing to be visible to all employees and to create a common understanding of them.

The corporate culture of Porsche Bank is shaped by values that have distinguished the company so far and on which it will continue to build in the future.



Entrepreneurship & Responsibility

Entrepreneurship and responsibility are core values of our company. They stand for the fact that all our employees should think and act like entrepreneurs. Our divisions and companies have a pronounced autonomy. And we offer our employees freedom. This is the only way we can react quickly to changes and seize new opportunities. We have strong personalities with visions and passion who help shape the future of mobility.

Appreciation & Cooperation

In our company, an appreciative cooperation is promoted and demanded. Our cooperation is based on mutual trust. The achievements and achieved results



of everyone are seen and appreciated. We fight for our goals and remain fair. We say what we like, and we praise what deserves praise. And: We also say when something is not good. We openly address failures. Without shyness. So, our praise weighs twice. Because it's honest. Together we achieve a lot and celebrate successes together. Our cooperation with respect, trust and appreciation is an important success factor.

Down-to-earth & professionalism

Grip means that the wheels maintain contact with the road even if other forces – for example in a curve – take effect. For us, this means that we are focused on our business and not on status or hierarchy. We stand with both feet on the ground. We meet our customers and each other at eye level. We act shirt-sleeved and pragmatic. We are open and friendly. Our strength is doing. We think. We act. We implement. We solve problems because we want to achieve the best together. And when a mistake happens, we learn from it.

Integrity & Compliance

For us at Porsche Bank, it goes without saying that we comply with all laws and internal rules and act correctly in responsibility for the company, for business partners and as a member of society. This includes the steadfastness to adhere to the right principles. Conduct with integrity and compliance is not just a requirement we place on our company – we regard integrity and compliance as integral parts of our corporate culture.

I. VW Group Principles

The Volkswagen Group Principles set out the guiding principles that apply to the entire Volkswagen Group worldwide. They deal with topics that are important for the cooperation and success of the entire Group, both today and in the future.

**WE TAKE ON
RESPONSIBILITY FOR
THE ENVIRONMENT
AND SOCIETY.**

**WE ARE HONEST AND
SPEAK UP WHEN SOME-
THING IS WRONG.**

**WE BREAK
NEW GROUND.**

WE LIVE DIVERSITY.

**WE ARE PROUD OF
THE WORK WE DO.**

WE NOT ME.

**WE KEEP
OUR WORD.**



Porsche Bank is committed to these principles. In many respects, the corporate values of Porsche Bank and the Volkswagen Group Principles underline each other.

II. Human Rights

Compliance with the human rights of the United Nations (UN) is of great importance to Porsche Bank. Accordingly, Porsche Bank is also aware of its social responsibility, to ensure the well-being of people and the environment and ensures that the company contributes to sustainable development.

Since human rights cannot be assigned to an individual department, but rather a cross-sectional matter across many areas, specifications and requirements are laid down in various documents in the Porsche Bank Group:

- Code of Conduct
- Social
- Group Policy 31
- Code of Conduct for Business Managers

Each employee is responsible for compliance with these documents in their daily work.

d. Diversity

For Porsche Bank, diversity is much more than just the promotion of women. It's about the right person in the right place at the right time in the right job – in every dimension, regardless of cultural background or other characteristics.

Fair processes and the promotion of diversity ensure an unbiased working environment. Porsche Bank is committed to the principles of equal opportunities and equal treatment within the meaning of the Code of Conduct. Characteristics such as "sincere", "uncomplicated", "unbiased", "at eye level", "respectful", "understanding" and "trust" are at the forefront.

A special diversity campaign for managers was introduced to sensitize them to the topic and to live

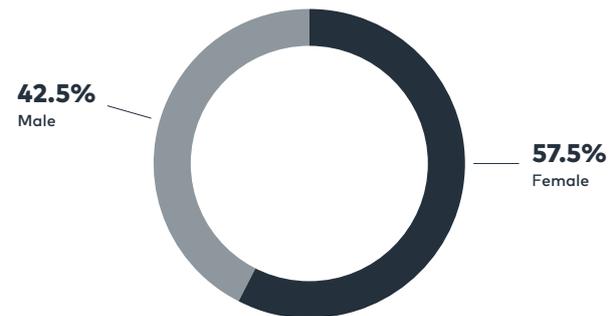
diversity in the company. Tolerance, openness and solidarity are an important part of this.

In addition, there is a diversity officer at Porsche Holding, who is committed to the topics of diversity and equal opportunities and acts as a contact person for stakeholders in Porsche Holding, including Porsche Bank.

I. Gender Ratio of Employees

In 2021, 853 female and 630 male employees worked at Porsche Bank. The share of female employees was therefore 57.5%. This is an increase of almost 1% compared to the previous year.

Gender ratio of Porsche Bank employees



In most countries, the share of female employees also predominates.



Share of Female Employees

Share of Female Employees	2019	2020	2021
Albania	57.1%	66.7%	71.4%
Austria	52.5%	52.3%	52.0%
Bosnia and Herzegovina	52.4%	52.2%	52.2%
Bulgaria	54.2%	51.1%	56.9%
Chile	50.0%	45.0%	53.6%
Colombia	65.7%	61.8%	60.5%
Croatia	65.3%	69.2%	65.6%
Hungary	52.2%	54.3%	57.9%
Montenegro	62.5%	55.6%	69.2%
North Macedonia	69.2%	71.4%	66.7%
Romania	65.7%	69.5%	70.9%
Serbia	55.6%	58.8%	60.0%
Slovenia	66.0%	65.2%	63.8%
Ukraine	50.0%	44.8%	55.6%
Porsche Bank Group	56.1%	56.4%	57.5%

II. Women in Management Positions

Gender-specific barriers that can have an impact on the application process or the allocation of management positions are gradually being reduced at Porsche Bank.

Management positions include managing directors, heads of division, department heads and team leaders.

In 2021, there were 65 female employees in management positions. This means that 34.2% of management positions are held by women.

This does not directly reflect the share of women employed at Porsche Bank.

Porsche Bank Sustainability KPIs	Status 2021	Goal 2030
Share of Women in Management Positions	34.2%	> 40%



Share of Women in Management Positions	2019	2020	2021
Austria	15.0%	13.6%	25.9%
Bulgaria	50.0%	40.0%	40.0%
Chile	20.0%	50.0%	33.3%
Colombia	14.3%	0.0%	20.0%
Croatia	50.0%	25.0%	30.0%
Finance Group Serbia	45.0%	47.4%	55.0%
Hungary	38.5%	36.4%	31.8%
Romania	54.5%	33.3%	52.4%
Slovenia	42.9%	20.0%	33.3%
Ukraine	40.0%	50.0%	40.0%
Porsche Bank Group	32.9%	27.8%	34.2%

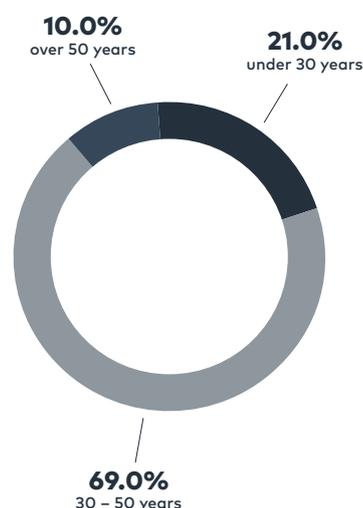
In 2021, the Members of the Executive Board of Porsche Bank AG and Porsche Versicherungs AG will each consist of two persons who are both male.

The Supervisory Board of Porsche Bank AG consists of a total of nine permanent Supervisory Board members, two of whom are women. This corresponds to a rate of 22.2%. The Supervisory Board of Porsche Versicherungs AG consists of a total of six people, but without the participation of women.

III. Generational Ratio of Employees

Regardless of age, applicants and existing employees at Porsche Bank have opportunities for further development. There are apprenticeship and trainee programs especially for career starters, but all other employees can also continue their education to keep up with the times.

Generation ratio of Porsche Bank employees



The core of the employees are the 30- to 50-year-olds. There hasn't been much change in recent years. However, the proportion of people under the age of 30 is falling minimally.



Share of Generations	2019	2020	2021
< 30	24.1%	21.3%	21.0%
30-50	67.0%	69.0%	69.0%
> 50	8.9%	9.7%	10.0%

Number of Employees by Generations	< 30	30-50	> 50
Albania	2	5	-
Austria	186	330	96
Bosnia and Herzegovina	1	19	3
Bulgaria	7	45	2
Chile	16	39	1
Colombia	10	27	1
Croatia	11	82	4
Hungary	30	128	20
Montenegro	-	9	-
North Macedonia	-	12	1
Romania	20	133	9
Serbia	6	59	5
Slovenia	17	77	7
Ukraine	5	58	-
Porsche Bank Group	311	1,023	149



IV. Nationalities at Headquarters

Porsche Bank is now represented by its leasing, financing and insurance companies in a total of 15 countries in Eastern Europe and South America.

Internationalization at the headquarters in Salzburg, Austria, also behaves accordingly. Employees from a total of 21 nations are currently employed.

Number of Employee Nationalities in Austria	2019	2020	2021
Albanian	1	1	-
Austrian	560	547	514
Bosnian	5	3	5
Bulgarian	1	1	1
Croatian	6	5	12
Czech	-	-	1
Finnish	1	-	-
French	-	1	2
German	45	47	45
Hungarian	1	1	1
Indian	1	1	1
Iraqi	1	1	1
Italian	3	2	3
Latvian	1	-	-
Mexican	1	1	1
Mongolian	1	-	-
North Macedonian	1	2	1
Peruvian	-	-	1
Polish	1	1	1
Romanian	6	4	4
Serbian	2	3	3



Number of Employee Nationalities in Austria	2019	2020	2021
Slovak	4	3	4
Slovenian	1	3	5
Syrian	2	1	2
Ukrainian	3	4	4

e. Education and Training

The well-founded training and continuous further education of employees is a core component of Porsche Bank's success.

In Austria, Porsche Bank's Training & Development department supports employees from day one to full integration into operational processes and during role as well as function changes. The offer ranges from an extensive onboarding program newly developed in 2021 to entry-level modules in products and processes, functional and role-appropriate specialist training modules for the core processes of private customers, SMEs and fleet business ("Daily Business Modules") to in-depth training on special topics and core system training for power users. The backstage events provide all interested employees with insights into other areas of expertise at Porsche Bank. Furthermore, employees from two years of company membership receive a comprehensive overview of the basics and divisions of the banking and insurance business in the "Bank Academy".

Porsche Bank pays particular attention to promoting personal development. In addition to Porsche Holding's offers on project management, negotiation and presentation techniques, communication- and strength-oriented personality trainings are organized with external training institutes.

The bank's own "training homepage" will be successively expanded as a 24/7 knowledge database.

With the help of a training plan, each manager can

determine the training courses to be completed for the respective employees, according to tasks, roles and timing, evaluate the level of training in the annual employee appraisals and agree on the completion of further training courses as required.

In the Serbian Finance Group, in cooperation with the IEDC Bled School of Management, a development program for managers is offered, which consists of three modules.

Furthermore, there is also the offer of language courses for the employees. In Chile and Ukraine, for example, English courses are offered or in Slovenia, where several language courses are offered.

I. Onboarding

The "Training & Development" department in Austria has developed a comprehensive onboarding process that starts as soon as the employment contract is signed and continues for up to six months after joining the company. This makes it easier for new Porsche Bank employees to get started at the company. Managers are supported by a management guideline, a training planning document and a discussion template for regular appreciative feedback discussions with a high level of information on the state of the new employee. The entire onboarding process, including the onboarding documents that can also be used electronically, is accessible to every manager at any time on the training homepage. The onboarding of new employees is particularly important given the context of the difficult and challenging labour market and the high willingness of younger employees to change.



II. Employee Development Programs Porsche Holding

Regarding dedicated horizontal and vertical development opportunities in the sense of a specialist or management career, Porsche Holding offers various standardized programs in order to be able to offer existing employees as well as (university) school graduates career opportunities with prospects. By means of a potential analysis, the HR department reviews and selects high potentials as well as unsolicited applications by employees for the respective career programs at least every 2 years.

Vertical leadership development programs relevant to Porsche Bank include:

Highline

The Highline Development Program is Porsche Holding's top management program. In cooperation with one of the world's leading academic partners for management development, HEC Paris, a round with around 30 participants takes place approximately every two years. The program is aimed at all those who have set themselves high goals and have the potential for management.

Basic Lead

The Basic Lead Development Program is a leadership development program for anyone who is already in or about to be in a leadership role.

New Leaders & Management Compact

Porsche Holding offers the New Leader Program for employees who take on their first management role, especially as team leaders. In this internal development program, the essential tasks and changes are conveyed in a compact form with the assumption of a management function.

International Trainee Program

The International Trainee Program is aimed at all Bachelor's and Master's graduates who want to advance vertically and have the potential and drive to start an (international) management career in the Porsche Holding and Porsche Bank Group.

In the areas of sales, finance, IT & digitalization as well as HR, the program offers the opportunity to get to know the various divisions, to build up a unique network, to gain experience abroad and to help shape the future of Porsche Holding through independent projects and topics.

Finance Academy

This program was developed for young talents in the financial sector and offers the right combination of specialist and personality modules to develop personally and professionally and to sharpen the holistic view of financial and business processes.

Management by Expertise

This program was developed for employees who take on professional management tasks without disciplinary personnel responsibility. The focus of the program is to strengthen the role as an expert, project manager or specialist supervisor and to provide useful tips and tools that are helpful in lateral leadership.

IT Talents

This development program is aimed at young talents in the IT sector and includes a combination of specialist and personality modules to develop personally and professionally. In cooperation with the University of Applied Sciences Upper Austria, participants from various business areas will gain insights into highly relevant IT topics both currently and in the future.

Other career programs, such as the MBA program "Mobility Management", are mainly aimed at employees in sales units of Porsche Holding.

III. Training and further education hours per employee/year

At around 21 hours, the training hours consumed per employee are higher than in the previous year. However, due to the COVID-19 pandemic, there are still fewer team workshops or other hours-long face-to-face events.



Training Hours per Employee	2019	2020	2021
Albania	9	9	17
Austria	25	13	17
Bosnia and Herzegovina	9	9	17
Bulgaria	20	32	36
Colombia	24	47	59
Croatia	4	10	10
Hungary	16	27	22
Montenegro	9	9	17
North Macedonia	9	9	17
Romania	26	16	37
Serbia	9	9	17
Slovenia	4	9	10
Ukraine	18	18	15
Porsche Bank Group	19	16	21

Chile is excluded from the training sessions, as there are no records yet. In the future, the training hours will also be recorded there.

f. Physical and Mental Health in Austria

Porsche Bank is perfectly cared for by Porsche Holding Healthcare. The offer ranges from occupational health examinations to massages and shiatsu at the Salzburg and Vienna locations, dedicated health days for the targeted promotion of health awareness to company vaccinations as well as company sports activities and numerous fitness courses. The health of employees is the most important asset.

In 2021, there were 3.73 average sick leave days per employee in Austria.

In addition, there are other benefits for employees in Austria:

- free hearing and vision tests
- supported low-cost lunch menu with healthy vegetarian/vegan alternatives
- fruit and organic products at purchase price.

Porsche Holding Salzburg complies with the highest safety standards to ensure a safe workplace for its employees. Our safety guidelines are based on the specifications of Volkswagen AG.

To avoid accidents and incidents with a negative impact on people and the environment, risk minimization measures are regularly implemented. After accidents at work, the causes are evaluated together with the specialists for occupational safety



and suitable measures are taken for prevention. At Porsche Bank Austria, there were no reportable occupational accidents in 2021 according to the ASVG.

In the wake of the COVID-19 pandemic, safety standards and appropriate testing procedures have been continuously developed in accordance with legal requirements to reduce the risk to employees in the workplace. In addition to shift models and the possibility of working from home, workplaces and the canteen were redesigned in such a way that minimum distances between employees could be maintained. In addition, other suitable protective measures, such as plexiglass walls at desks and meeting rooms as well as a mask requirement outside the workplace, were introduced to further minimize the risk of infection at the workplace.

An extensive range of tests has been set up: Employees have been provided with free rapid antigen tests for self-diagnose and the opportunity to carry out PCR tests for business trips has been created in the company. In cooperation with the Samaritan Association, test facilities for employees, customers and business partners have been set up at the headquarter Porschehof.

Furthermore, in coordination with the Federal Ministry of Social Affairs, Health, Care and Consumer Protection, employees and their relatives were able to be vaccinated with COVID-19 vaccines by our occupational physician and trained paramedics on company premises.

g. Employee Satisfaction and Work-Life Balance

I. Mood Barometer

The satisfaction and opinion of Porsche Bank employees is very important. To determine what moves the employees, the "Mood Barometer", the Porsche Holding-wide employee satisfaction survey, is carried out annually.

The goal is to determine a mood picture, to identify

optimization potential and to define measures to ultimately be even more successful together.

Porsche Bank has set itself the goal of achieving a five percent higher average value compared to the Group.

All employees can fill out the questionnaire voluntarily and anonymously when the survey starts.

The questionnaire comprises 24 questions and consists of the following five thematic blocks:

- we in our organizational unit
- our cooperation
- my work
- me at Porsche Holding
- integrity and cooperation within the Group.

Due to the ongoing COVID-19 pandemic, no mood barometer was carried out in 2021. A new mood barometer survey is planned for autumn 2022.

II. Innovative Working Environments

Flexible working hours, mobile working, community, working in a team, mutual appreciation and respect are components of the new innovative working world. Porsche Bank supports hybrid forms of work and has adapted the office buildings in such a way that desk sharing is possible.

Porsche Bank launched a pilot project in 2018 to establish a concept for mobile working. For this purpose, selected areas were able to work flexibly from home via VPN (Virtual Private Network). During the COVID-19 pandemic, this concept was combined with appropriate emergency strategies and became a set of regulatory instruments that should allow employees the greatest possible flexibility and compatibility of family and career.

Porsche Bank tries to support and protect its employees in Ukraine as best as possible. Porsche Bank employees in Ukraine were therefore given the opportunity to work independently of location during the current conflict. Furthermore, some necessary



jobs outside the conflict zone in western Ukraine, in neighbouring countries as well as Austria were provided at an early stage. This has ensured that employees have a safe place to work from the beginning of the conflict escalation.

III. Loyalty Building

The new onboarding process, in conjunction with the bank's own measures to increase employee satisfaction, ensures a high standard of care in the onboarding phase of a new employee and thus contributes significantly to employee satisfaction.

To increase employee satisfaction and as a contribution to long-term employment, the measures to strengthen the emotional connection with the company, which will be carried out as a pilot in 2021, will be made available to all employees of Porsche Bank from 2022. In this way, employees are offered insights into related Group divisions (visits to car dealers, parts distribution centre and MOON-City) and enabled to "experience" the Group products during a test drive afternoon with Porsche Bank company and pool vehicles. This provides them with information on the Group brands and experiences with e-mobility to promote awareness of the possibilities and enthusiasm for the company's appeal.

Dedicated information events, once in summer and once in winter, inform employees about the latest developments at Porsche Bank. In addition, there is always a subsequent get-together to strengthen networking and cross-departmental cooperation in the company.

An annual management workshop is organised for Porsche Bank executives in a top location in Austria. Selected external consultants moderate workshops on current topics of the New World of Work. In 2021, the "New Work Guidelines" for cooperation at Porsche Bank were developed together with the executives. In addition, the Executive Board informs about the current development of the company, representatives of the HR department report on the status and top topics of the personnel strategy. To connect managers with each other, to promote to-

getherness and to strengthen loyalty to the company, the event will be rounded off by an appealing supporting programme.

Furthermore, employees are also offered various benefits in cooperation with the works council:

- subsidies for massages, glasses, birth, wedding, round birthdays by works council
- company outings, Christmas parties, barbecues
- indoor sports room
- discounts at many shops and service providers
- and much more.

In Bulgaria, employees are also financially supported in purchasing a ticket for public transport.

The Multisport Card gives employees in Croatia daily access to more than 300 sports facilities across the country.

IV. Reconciliation of Family and Career

In addition to flexible working hours and the fixed element of the possibility of home office in the everyday working lives of Porsche Bank employees, childcare is also an important topic when it comes to reconciling family and career. To increase compatibility and to create a practical childcare facility for children at the workplace in addition to public services, Porsche Holding established a company kindergarten at the company headquarters in Salzburg in 2019. Currently, 10 children (out of a total of 63 children in care) are cared for there by Porsche Bank employees. In 2021, the capacities of the company kindergarten were also expanded to cover further care needs.

In addition, in the summer months during the holiday season, there is the offer of holiday care, the "Porsche Kids Club", to support parents in the care of school-age children.

V. Employee Interviews

Appreciative feedback and self-reflection are important components of collaboration and corporate



culture. In the period from January to March of each year, all employees and managers were able to reflect on the performance of the previous year in private in a personal employee appraisal (MAG) and to give each other feedback on the cooperation. These employee appraisals are mandatory every year.

The performance is evaluated based on the requirement profile with the four dimensions innovation, team, results and reflection. In addition to the performance evaluation, the achievement of the previous year's targets is evaluated and new professional and personal goals for the coming year are agreed. In addition to performance and goals, the third important component of the MAG is development planning. Development potentials are identified, the willingness to move is discussed and development measures are jointly defined.

Importantly, the MAG is of course not the only time of the year to give feedback. Throughout the year, the agreed goals and development measures should be continuously pursued and adjusted if necessary.

VI. Employer Awards

Porsche Holding, one of the largest companies in Austria, is also regularly named one of the top employers on the domestic market through various portals and institutions. For example, Porsche Holding was named a top employer in 2021 by the business magazine "trend.", which evaluates employers in co-

operation with the independent market research institute Statista and the employer platform Kununu, making it one of the 300 best companies in Austria.

A similar seal of approval was also awarded by "LEADING Employers", with which Porsche Holding was declared one of the top 1% of Domestic employers in Austria.

Further awards have been presented in the areas of internship offers and trainee programs.

Porsche Bank AG, a subsidiary of Porsche Holding, was rated a good score of 4.0 out of 5.0 on the Kununu employer rating platform.

h. Parental & Educational Leave in Austria

Porsche Bank Austria also stands by its employees and accompanies them in the best possible way when it comes to making use of parental and educational leave opportunities for men and women.

Porsche Bank Austria gives employees the opportunity to develop further during their educational leave and to learn new things.

It is also important to Porsche Bank Austria that fathers could spend time with their children and therefore also support parental leave for fathers.

	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Educational Leave	1	2	4	-	3	1
Parental Leave	17	4	20	6	15	2
Maternity Leave	15	-	20	-	24	-
Porsche Bank Austria	33	6	44	6	42	3

The return rate of employees to Porsche Bank Austria after maternity leave is high and amounted to 94% in 2021.



i. Work Council in Austria

I. Porsche Work Council

A functioning representation of interests for employees, which creates employee-friendly framework conditions, is indispensable in a modern company. Porsche Holding, including Porsche Bank Austria, can therefore look back on many years of close and productive cooperation with the Porsche Work Council. The Work Council has corresponding representations in all business areas of Porsche Holding. In Austria, the work council consists of 18 people, 8 of whom are women. The primary goal is to always ensure a balance between the economic interests of the company and the interests of the employees. The Supervisory Board of Porsche Bank AG also includes three permanently elected members of the Work Council in Austria and ensures the associated control function. The work council members act as competent contact persons in matters of labour law, health and family.

Regarding Porsche Bank Austria, all employees, except heads of department and managing directors, are currently represented in Austria by a work council.

II. VVD Work Council

The employees of Volkswagen Insurance Service (VVD) have their own work council. The special co-determination rights of the VVD work council are laid down in a jointly signed "Charter of Industrial Relations". This ensures that the company's activities have a positive impact on the economy, the environment and society. This requires a constant willingness from everyone to further develop and advance business models, services and processes.

The special focus is on achieving social goals, such as the promotion and equitable distribution of education and training, ensuring health and safety at work, reducing fluctuation, and promoting equality.

Until June 2022, the works council of VVD GmbH consisted of 5 people – 2 of whom were women. Due

to a restructuring of the business model, in the sense of bundling customer support with Porsche Bank, the number of employees has been reduced to half from July 2022 and subsequently also the number of works council members to 3 persons (of which 2 are still women).



9. CUSTOMERS

The bank owes a significant part of Porsche Bank's success and growth in recent decades to its customers, who have placed their trust in it. Therefore, their satisfaction and opinion on Porsche Bank products and services has a high priority. The aim is to continue to guarantee a high level of quality and to respond individually to customer needs.

a. Customer Satisfaction

To obtain a transparent and representative overview of customer satisfaction for the financing, insurance, service and maintenance offers, a customer satisfaction analysis is carried out at regular intervals by means of online interviews. The last survey was conducted from January to February 2020 for Austria, Bulgaria, Slovenia and Ukraine. A total of 11,360 customers were surveyed. The results of the customer satisfaction analysis were carefully checked and aggregated regarding qualitative feedback. Recurring constructive suggestions for improvement to increase service quality were passed on to the corresponding departments in aggregated form and incorporated into internal processes in a timely manner.

The next comprehensive customer satisfaction analysis is planned for 2023. For the insurance sector, there will be a survey as early as 2022.

b. Customer Inquiries and Complaint Handling

Porsche Bank responds to criticism and complaints with due attention and relevance. Incoming complaints will be answered as soon as possible, but at the latest within 5-10 working days. Each complaint is documented in accordance with the legal basis defined in § 39 lit. e BWG and resolved in the best possible way in the customer's interest.

Porsche Bank continuously invests in process efficiency and service quality in this area. For example, the homepage of Porsche Bank Austria 2022 has undergone a new revision in the "Contact" section and has been supplemented by a more dedicated and intuitive complaint management area, which fully meets all required information obligations for complaint resolution in accordance with the Guideline on Complaint Resolution for Securities Trading (ESMA) and Banking (EBA) (JC/2018/35).

I. Customer Calls and Tickets in Austria

Regarding the complaint rate, the development of customer complaints in Austria can be rated as consistently positive in terms of their number and slightly down year-on-year.

Complaint rate Austria	2019	2020	2021
Contract Level	0.15%	0.11%	0.09%
Customer Level	0.17%	0.12%	0.10%

Customer Calls & Tickets Austria	2019	2020	2021
Calls	165,502	192,330	192,721
Tickets	164,365	208,827	228,889



10. SUSTAINABILITY IN RISK MANAGEMENT

Sustainability risks, also known as ESG risks, are environmental, social or governance events or conditions whose occurrence can have a significant or potential negative impact on a company's net assets, financial position, results of operations and reputation.

In order to assess the sustainability risks that have a direct impact on the business strategy leading up to 2030, the business development and individual existing risk types, the implications were already initially evaluated in the course of the annual Operational Risk Control Self-Assessment, the general risk inventory as well as in the form of a risk heatmap created together with a consultant and defined important work packages for the fulfilment of reporting obligations as well as for effective risk management.

a. Specific Impacts

Due to the homogeneous product range around the financing of vehicles and associated services, the impacts regarding environmental sustainability aspects are mainly limited to the inherent risk types of credit risk, residual value risk and liquidity risk.

Credit risk

- Exposed Assets – Vehicle Portfolio
- Investment in new risky technologies – electric vehicles
- Disadvantageous development average CO₂ emissions
- Significant share of environmentally damaging industries client structure

The main implications are credit risk, as the acceptance of financing applications can be actively managed, via the rating process. As part of a portfolio analysis, the status quo regarding the customer structure of risky sectors (industry, logistics companies, unsustainable business models, etc.) and the vehicles to be financed (high emissions, old EU emission norms) will be evaluated. Based on this analysis, soft facts for assessment in the rating process are also to be derived.

Residual value risk

- Reselling of vehicles with outdated EU norms
- Determination of reselling value of electric vehicles
- Disadvantageous reselling value due to restrictions for vehicles in inner-cities

In the bank-specific residual value risk, there are also increased environmental sustainability risk aspects regarding the high regulatory dynamics of EU standards. This could lead to so-called "stranded assets", which result in high reselling losses at the end of the respective contract period due to the lack of consideration of regulatory requirements (driving bans, high CO₂-taxes, etc.) when determining the residual values. In addition, there are currently still uncertainties regarding the usability of electric vehicles due to a high level of innovation and the replacement of outdated standards and technologies. The general life cycle of an electric vehicle is also different from that of combustion models, as the service life of a battery is often limited to seven or eight years and the value of the used vehicle is significantly reduced due to the new purchase value of a battery pack.

Liquidity risk

- Stranded Assets, Change of covenants SPV
- Potential restrictions on high CO₂ emission vehicles
- Possible liquidity outflows due to catastrophes, demand for emergency subsidiary loans

The main effects on liquidity risk are that there could be corresponding restrictions or covenants in the "Special Purpose Vehicle" (SPV, securitisation) for vehicles that have high CO₂-emission values. The partner banks could also introduce an overall limit on CO₂ emissions for the vehicle portfolio collateralized in the SPV and a bonus or malus rule, which in turn could result in higher refinancing costs and liquidity bottlenecks.

Reputational risk

- Stigmatisation of Porsche Bank by consumers due to dubious commitments
- Obvious unsustainable business practices



b. Credit Policy (ESG Customer Rating)

The inclusion of sustainability risks in the granting of loans is an essential aspect for Porsche Bank.

For companies, physical environmental risks can affect the business models of Porsche Bank borrowers as well as indirect risks, such as changed regulatory premises regarding high CO₂-taxes and other restrictions, which can lead to financial difficulties. The "social" and "governance" dimensions can also have a negative impact on a company's net assets, financial position and results of operations.

To this end, a concept was developed that considers the assessment and consideration of the sustainability factor (ESG risks) in the lending process by making them different according to the respective customer categories. For example, medium-sized and large companies are evaluated based on soft facts as part of the internal rating tool.

If an increased risk is identified, a more in-depth qualitative analysis is carried out by Porsche Bank's operational credit risk management. For micro and small enterprises, monitoring is implemented that measures the commitment of the industries with increased environmental risk against the overall portfolio and defines measures that enable risk management. These are decisive steps in the lending process, which allows Porsche Bank to consistently consider the aspect of sustainability.

c. Risk Management Porsche Insurance AG

Derived from the considerations of the sustainability risks of Porsche Bank's risk management and the analysed effects on Porsche Versicherungs AG, Porsche Versicherung's independent risk management department is constantly developing the review of its ESG risks.

Based on a heatmap analysis, defined aspects of sustainability risks are regularly monitored. The development of the respective risk indicators compared to the past is qualitatively evaluated and

projected into the future. Key indicators for insurance include natural catastrophe risks, reinsurance risks (acquisition and default risk) and market risks (FX, investment risks). In addition, the development of the electric and hybrid portfolio and pricing are monitored. Porsche Versicherung sees another key aspect in reputational risk from sustainability aspects in relation to Porsche Versicherung, Porsche Bank and Porsche Holding in particular. A cornerstone of clean risk monitoring is the availability and completeness of the data, which is also qualitatively assessed and documented within the framework of this monitoring.

A further integration of sustainability risks into regular risk monitoring and reporting is being promoted.



11. CORPORATE GOVERNANCE

The success of Porsche Bank depends crucially on the fact that the board members, managers, and each individual employee behave honestly, with integrity and ethically correct. This also means that internally and externally truthful, comprehensive and timely reporting and communication is carried out. Social responsibility results in the self-evident observance and observance of the law. In all business decisions, it is mandatory to observe the legal system within which Porsche Bank acts. This is also reflected in the Group's "evolve 2030" strategy.

a. Guideline Portal

In the Porsche Bank guideline portal, employees can easily get an overview of the organization and working methods of Porsche Bank. The companies in Germany and abroad each have their own portal, above which all employees have access to the Porsche Bank Group Portal and the Group Policies of Porsche Holding. In the organizational area, the structure of the company is mapped by means of organizational charts and job descriptions. In the document area, the core processes and workflows are displayed. In order to always remain up to date, the documents are constantly maintained. For this purpose, the system informs the person responsible in good time before a document expires and becomes invalid. This ensures that each document is checked at regular intervals. In 2021, the policy portal was extensively revised. In the course of 2022, the new policy portal is to be introduced in all Porsche Bank subsidiaries.

b. Code of Conduct

In addition to laws, international conventions and internal regulations, Porsche Bank's corporate values, such as respect, trust and down-to-earthness, form the basis for all actions. These values have always been anchored in the success story of Porsche Bank and should continue to form the basis for all decisions in the future.

With the Code of Conduct, Porsche Bank, together with Porsche Holding and Volkswagen AG, regulates the Code of Conduct for all employees. The Code of Conduct serves as a binding guideline in everyday

professional life. This not only regulates the compliance principles within the company, but also expresses Porsche Bank's social responsibility.

The Code of Conduct is divided into three areas of responsibility:

Our responsibility as a member of society

- Human rights, equal opportunities & equal treatment
- Product Compliance & Safety
- Environmental protection
- Donations, Sponsoring & Charity
- Communication & Marketing
- Political advocacy

Our responsibility as business partners

- Conflicts
- Gifts, hospitality & invitations
- Prohibition of corruption
- Dealing with public officials & elected representatives
- Prohibition of money laundering & terrorist financing
- Accounting & Financial Reporting
- Taxes & Duties
- Fair & free competition
- Procurement
- Export control
- Prohibition of insider dealing

Our responsibility in the workplace

- Occupational Health & Safety
- Privacy
- Security & Protection of Information, Knowledge & Intellectual Property
- IT Security
- Handling of corporate assets

Information on the whistleblowing system can also be found in the Code of Conduct.

Failure to comply with the Code of Conduct can lead to considerable damage, not only for the company, but also for employees as well as for business partners and other stakeholders. Violations of the Code of Conduct will not be tolerated. Anyone who vio-



lates the Code of Conduct must expect appropriate consequences, which – depending on the severity of the violation – can range from labour law measures to civil claims for damages to criminal sanctions.

c. Integrity – Together4Integrity

Together4Integrity (T4I) aims to sharpen the understanding of integrity and its importance as the basis of entrepreneurial action in the Volkswagen Group among all employees and managers and to create a culture in which integrity is not only consistently possible but is also taken for granted. Associated with this are the demand for a constructive handling of errors, an increase in the transparency of decision-making reasons and the strengthening of the willingness to address undesirable developments and risks also with superiors. Integrity is a core element of professional behaviour: it's about doing the right thing in each situation.

In their function as role models, managers are one of the biggest influencing factors on the behaviour of employees. To further strengthen this role model function and further develop its competencies, the "Role Model Program" was introduced at Volkswagen AG level in 2019 to promote dialogue-oriented and distance-reducing cooperation. Managers should be enabled to ensure an open culture of discussion in their own team, in which risks or conflicting goals can be discussed without fear of sanctions and employees are encouraged to contribute their questions and ideas. In addition to their own actions, managers also have the task of promoting and demanding the right behaviour in their employees. 100% of all executives, including all department heads, heads of departments and managing directors, have participated in this program.

Particularly important are also the motivation and activation of the employees. Therefore, the integrity program ensures permanent visibility of the topic through continuous communication both in employee media and in personal exchange.

Through perception workshops to assess the status quo, the perception of integrity issues is queried an-

nually throughout the Group. In addition, all employees were sensitized within the framework of general training courses, lectures and e-learning. Essential content from the integrity campaign was also integrated into the Code of Conduct training concept.

In 2021, no cases of integrity violations were reported in Austria.

d. Protection of Customer Data

I. Data Protection

Porsche Bank takes the tasks and obligations relating to data protection very seriously. The implementation of the requirements of the General Data Protection Regulation (GDPR) and the Group guidelines have created the basis for action in compliance with data protection law at Porsche Bank. As a result, data protection officers were appointed, who report directly to the management. The operational implementation of data protection is ensured by data protection coordinators per department. Requests regarding the rights of data subjects are examined, answered accordingly and documented.

In the event of a personal data breach due to a data breach, the respective responsible data protection officer will be contacted immediately and, if necessary, a report will be made to the data protection authority and data subjects. The requirements of the GDPR are also implemented nationwide in the IT systems. With the help of processors, the conclusion of processor contracts ensures that the data processing is in accordance with the requirements of the General Data Protection Regulation and the protection of the rights of the data subjects. A list of all processing operations involving personal data shall be kept for documentation purposes and for the assessment of potential risks. Comprehensive risk management and an appropriate internal control system have been put in place to deal with risks. All employees are taught about their duties by means of training methods adapted to the respective target group and sensitized to the topic. Data subjects are informed transparently about the process of processing their data in accordance with the



statutory provisions.

To protect the data that is subject to banking secrecy according to § 38 of the Banking Act (BWG), all employees must sign a confidentiality obligation in which they declare that they will maintain banking secrecy. This confidentiality obligation applies indefinitely and extends to both lending and leasing and deposit business.

In addition to the employees, third parties or companies working for the bank, to which trustworthy data is handed over, must also observe banking secrecy. In 2021, there were no data protection complaints from data protection organisations, customers, or employees in Austria.

II. Information Security

The topic of information security plays an important role at Porsche Bank and it is highly important that employees are regularly sensitized to threats and correct behaviours in cyber and information security. The technical protection of customer and company data also has a high priority.

When joining the company, employees must complete basic training about information security to meet the high standards. In addition, the knowledge is deepened with mandatory annual training courses with changing topics.

Numerous technical and organizational measures serve to meet the requirements of supervisory authorities. This includes measures to ensure data availability as well as integrity measures and confidentiality measures.

Modern system architecture and contingency plans ensure that even during crises such as the COVID-19 pandemic, information security is ensured, and that service delivery can take place continuously.

The constant further development of security measures and internal controls ensures that Porsche Bank can also react appropriately to future threats and that business operations are sustainably protected. There were no reportable data security breaches

during the reporting period.

e. Compliance

The compliance strategy includes the focus areas of the Code of Conduct, competition and antitrust law, anti-corruption, money laundering prevention and fraud or embezzlement. The compliance risk assessment, the Internal Compliance Risk Assessment (ICRA) serve to identify and evaluate the current compliance risk situation.

In 2021, a compliance violation concerning employees was recorded in Austria, which led to a warning.

I. Prevention of Money Laundering and Financing of Terrorism

Like every credit and financial institution, Porsche Bank is confronted with money laundering and terrorist financing, but only within the scope of its vehicle finance and deposit business. In principle, the fight against money laundering has the task of preventing money laundering and terrorist financing at Porsche Bank. Based on the legally binding risk analysis, measures and guidelines are defined and the potential money laundering cases are identified accordingly and reported to the money laundering reporting office as part of a suspicious activity report. Furthermore, compliance with legal requirements is ensured by appropriate strategies, regulations, procedures and systems. Targeted weekly or monthly transaction monitoring ensures money laundering prevention.

II. Fraud and Corruption Prevention

The risk of fraud and corruption is scrutinized in detail and subjected to a risk assessment, from which appropriate countermeasures can be derived. In terms of content, the topic of fraud and corruption prevention is also considered in the context of the communication and training concept. Other measures include internal guidelines for dealing with gifts and invitations. These guidelines establish appropriate and reasonable handling of the acceptance and granting of benefits to prevent abuse and misconduct. To avoid conflicts of interest of the employees



and to ensure uniform behaviour in donations and sponsoring activities, corresponding requirements are also written down. Furthermore, under certain conditions, business partners are also subjected to an integrity check – the business partner due diligence – and a compliance self-disclosure is also used.

Porsche Bank has also established a Group-wide claims database as part of operational risk, in which all relevant claims are documented with risk reduction measures. It also documents all internal and external cases of fraud. Regarding external fraud, Porsche Bank is mainly exposed to vehicle embezzlement by financing customers. By means of effective receivables management and the commissioning of external debt collection companies, appropriate measures are taken throughout the Group to contain the resulting losses.

III. Fit & Proper Training for Managers

The Fit & Proper Guideline constitutes the written definition of the strategy for the selection and process for assessing the suitability of members of the Executive Board, members of the Supervisory Board and employees in key functions, and is in line with Porsche Bank's professional values and long-term interests. The aforementioned persons must undergo a comprehensive Fit & Proper Assessment before being appointed. Due to the many years of activity of the Supervisory Board members in the automotive and finance as well as banking sectors, the necessary skills and experience for the listed functions are present. In addition, annual training courses on current regulatory issues take place as part of the Porsche Bank Academy.

IV. Whistleblower System

With its principles and clearly regulated procedures, the whistleblower system averts damage to the company, the workforce and other stakeholders. Employees, business partners and their employees, customers and other third parties can provide information on possible rule violations at any time and in any language – even anonymously. For this purpose, the whistleblower system offers six different report-

ing channels, which also enable anonymous reporting. Regarding Porsche Bank, five indications of rule violations in 2021 were investigated. In the event of a hint, the investigation is not yet complete. There was no serious violation of the rules in the four completed reports. Whistleblowers are assured of protection against reprisals that they may experience because of their reporting and their efforts to investigate violations. The corresponding regulations are anchored in a globally valid group guideline. Strict confidentiality and secrecy apply throughout the investigation process. An investigation is only initiated after careful examination and with concrete indications of a rule violation. The presumption of innocence applies to those affected. They are heard at an early stage and, if necessary, rehabilitated if they have been wrongly suspected. Proven misconduct will be sanctioned. After sanctioned serious violations of the rules, root cause analyses are carried out and, if necessary, measures to be taken are determined to prevent similar incidents in the future.

V. Training

The proportion of employees who have a valid e-learning certification on the subject of "anti-corruption" is 98.8% at Porsche Bank. Deviations from the 100% fulfilment result from long-term sick leave, absences of apprentices due to vocational school, etc. The proportion of employees who have a valid e-learning certification on the subject of "Code of Conduct & Whistleblower System" is 74.5% in the reporting period. The reason for this low value is a revision and pause of the training in the last quarter of 2021. All employees completed the training again in 2022, which enabled them to achieve a completion rate of 99% again.

f. Business Continuity Management (BCM)

Extensive emergency and business continuity measures within Porsche Bank were introduced in 2015 and have already been conducted several times and continuously improved in terms of the annual life cycle.



The current life cycle is based on the internationally recognized ISO 22301 standard and BSI 100-4 and is currently divided into the following steps:

1. Location-based planning process for the identification of relevant shocks and threats, identification of critical business processes as well as internal and external dependencies as well as development of suitable rescue strategies including resource collection.
2. Awareness-raising measures in the form of face-to-face and online training to raise awareness of possible dangers, precautions, and behaviour in an emergency.
3. Emergency tests to practice processes as well as testing the effectiveness of established rescue strategies. All identified deficits are documented and promptly documented, tracked and remedied with measures.

To be able to react to serious business interruptions, at least one effective recovery strategy has been established at each location within Porsche Bank.

For example, a recovery site with a short setup time for an emergency team was established for Porsche Bank Austria at a reasonable distance from the primary production site.

In addition, precautions are in place throughout the group for critical employees to be able to work regardless of location via VPN connection. Since the COVID-19 pandemic, mobile work capacities have been expanded accordingly, so that all major business areas have the necessary resources to enable all employees to continue their activities from home.

Comprehensive emergency communication measures can be used to answer important concerns of external stakeholders and to maintain internal communication processes.

Since the institute has classified the threat scenario of the failure of the IT infrastructure as relevant, all

dependencies of the critical processes regarding essential IT systems were checked and requirements were defined regarding restart times and maximum data loss and then checked for congruence with the contractual agreements of the outsourcing partners or, if necessary, newly contractually defined.

During a validation of the risk analysis, which comprises a total of 50 individual threats, the probabilities of occurrence and impacts, also regarding climate and environmental events, were evaluated for the Salzburg location.

The fundamental immediate risk potential from climate and environmental events such as storms, hail, floods and landslides continue to be classified as having a low probability of occurrence in combination with serious impacts. In principle, location-independent work and digitalisation were further advanced during the pandemic as an extended rescue strategy, so that operational processes would only be minimally disrupted by an unavailability of the primary office facilities. The unavailability of IT services would also not be decisive as a risk scenario in this context due to robust redundancies at several supra-regional locations due to locally limited environmental events.

In the countries of Porsche Bank, the assessments at the respective locations are similar, although there have been incidents of flooding and earthquakes in the recent past. However, these had no direct impact on business operations.

From the current perspective, the agenda of business continuity management is partially merged with energy management to be able to maintain operations in the event of an imminent gas shortage due to the current tense political situation in connection with the Ukraine conflict by means of energy-saving measures, protection against blackout scenarios and a renewed home office strategy. As part of Porsche Holding's business continuity and crisis management, established emergency strategies could already be used before the outbreak of war in February. As a precautionary measure, various employees were repatriated and an emergency



location including a back-up data centre was set up in the west of Ukraine, in Lviv, to ensure safe operation. As already mentioned, all employees have also been able to work from home in Ukraine and in safe neighbouring countries.

In addition, a revision of the existing BCM framework is taking place, which, among other things, provides for a smooth transition from emergency operation to normal operational status in the sense of a recovery plan.

g. Outsourcing

The topic of outsourcing is an important and safety-relevant topic within Porsche Bank, which is why it places the highest degree of professionalism and quality in the selection of partners.

The respective departments set up an internal control system (ICS) process for each outsourcing contract. The provision of the service by the service provider is assessed and the risks associated with outsourcing are monitored. The "Legal & Compliance" department prepares an aggregated status overview of all outsourcing activities every six months. In the event of abnormalities in the context of the control routines that cast doubt on the proper execution of the outsourced activity, appropriate measures will be taken.

Operational risks regarding outsourcing are considered on an ongoing basis and the risk potentials are regularly assessed. At a higher level, general management risks with an outsourcing context are evaluated in a dedicated "Governance, Risk and Compliance" process and reported to the parent company Volkswagen AG.



12. OUTLOOK

The social and international challenges in the wake of the Ukraine conflict and the post-pandemic consequences of recent months will continue to accompany the company, but Porsche Bank. Porsche Bank is nevertheless confident about the future and will continue to focus on sustainable growth to meet its social responsibility.

It will continue to do its utmost to offer its Ukrainian employees secure jobs and maintain its presence on the Ukrainian market once the conflict has subsided.

The topic of sustainability will continue to be a focus in the future and the ongoing development of the sustainability strategy will be a key component of Porsche Bank's strategy. Porsche Bank's sustainability management will be successively improved and expanded in the coming years in cooperation with Porsche Holding and is on a planned good path.

A sustainability workshop will be held in the Porsche Bank Group before the end of 2022, focusing on the sustainability strategy, KPIs and targets, as well as measures to improve the individual sustainability topics and to transport the key messages across the board to all business units and to raise awareness among all employees via the existing sustainability organization.

In the coming years, Porsche Bank will continue to focus on increasing the share of e-vehicles in its portfolio with attractive financing and leasing offers. The current trend, which increasingly relies on e-vehicles, also plays a significant role in this. It is positive that the Volkswagen Group continues to give top priority to the electrification of its model portfolio and will be establishing electromobility in every vehicle category, from compact cars to luxury sports cars. For example, 70 pure e-models will be launched across all Group brands by 2030 and a total of around €35 billion will be invested in production sites geared to the Modular E-Drive System (MEB), new battery technologies, dedicated software solutions, autonomous driving and other infrastructure.

With the new innovative "New Mobility" project, Porsche Bank also intends to expand its range of

alternative mobility services. In line with the motto "Use instead of own", it will be possible in future to book vehicles for periods ranging from minutes to several months.

Another focus will continue to be on employee retention, to counteract the current difficult conditions on the labour market and the shortage of skilled workers. As an employer, Porsche Bank aims to create an attractive and pleasant working environment in which all employees are guaranteed meaningful perspectives and a good work-life balance. To this end, it is important to be open and fair and thus successively eliminate existing inequalities completely to prevent discrimination of any kind.

Energy efficiency projects are an important part of sustainability management. Not only to conserve resources and contribute to CO₂ reduction, but also to be able to efficiently counteract the impending gas shortage in the coming months and to secure the company's continued existence. This will require the cooperation of the entire Porsche Bank Group to master the possible upcoming challenges in the best possible way.

Porsche Bank is on the right track and is making a positive contribution to its key sustainability topics. This path will also be continued in the coming years.



13. DEFINITIONS

CO₂	CO ₂ equivalents – unit for measuring the climate impact of greenhouse gases
ESG	Environmental, Social, Governance
Fleet management	Companies with a fleet of more than 20 vehicles
KPI	Key Performance Indicators – Key figures used to determine the performance of activities in companies
Volume business	Private customers and small and medium-sized enterprises
New contracts	All vehicle contracts concluded in 2021
Portfolio	All vehicle contracts that are active in 2021
WLTP	Worldwide Harmonised Light-Duty Vehicles Test Procedure – a worldwide test procedure that determines the consumption of a vehicle



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