

Declaration on modern slavery and human trafficking

1. Preamble

The purpose of this declaration is to outline all the actions the entire PIERER Mobility Group has taken and will take in the future to prevent modern slavery and human trafficking within the PIERER Mobility Group and the supply chain.

The PIERER Mobility AG is Europe's leading manufacturer of powered two-wheelers, offering a premium brand range for global markets - including high-performance motorbikes, top-class bicycles, high-performance components, e-mobility innovations and high-performance sports cars. In the first half year 2023, the PIERER Mobility Group employed more than 6,300 people, of which around 5,100 were employed in Austria.

By implementing local procurement strategies for the production sites in Munderfing and Mattighofen, we try to boost our own region and create environmentally friendly supply chains by having shorter transport distances. Furthermore, due to the high legal standards in Austria regarding workers' rights, the risk of modern slavery and human trafficking in Austria is low. Nevertheless, the PIERER Mobility Group is heavily dependent on suppliers abroad; around 80% of the components for series production are sourced from suppliers in Europe, 18% from Asia and around 2% from North America.

Given this level of dependence on other countries, the increasing pace of globalization and ever more complex value and supply chains, we are aware of the global responsibility to defend human rights. For us, global compliance with sustainability standards in the areas of human rights, labor and health protection, environmental protection and tackling corruption is a prerequisite for doing business successfully with our business partners, suppliers, customers and advisors. Only by working with our series suppliers and other business partners it is possible to ensure compliance with sustainability standards and therefore contribute to the implementation of the Sustainable Development Goals (SDGs) of the United Nations.

2. Declaration on respect for human rights

People who work directly or indirectly for the PIERER Mobility Group are entitled to have their human rights within the meaning of the UN Universal Declaration of Human Rights observed, and to be treated with fairness and respect. The PIERER Mobility Group expects its board members, managers and employees to respect human rights and to protect them in their everyday activities. As human rights risks may exist in principle as a result of the cooperation with partners along the value chain, we similarly require our business partners, suppliers, customers and advisors to respect the human rights in the Code of Conduct.

The PIERER Mobility Group regards it as particularly important for all employees to be treated with fairness and respect. The aim is to create a working environment characterized by mutual trust in which each individual is treated with dignity and respect, and in which people from diverse cultures and with different personal backgrounds are respected and employees feel comfortable. As an international

Group, we value the diversity that is reflected in the origin, culture, language, and ideas of our employees. We therefore do not accept any discriminatory behavior towards employees, business partners, suppliers, customers and advisors, nor do we tolerate any form of sexual harassment.

Board members, managers and employees are able to contact the competent office for general compliance issues at any time if they have questions regarding observance of human rights, and to report indications of possible human rights violations within the company at compliance@pierermobility.com or to the anonymous whistleblower system (see point 3.1. of the Diversity and Anti-Discrimination Policy of the PIERER Mobility Group). Such indications will be investigated in any case, and measures are taken to resolve potential issues, if required.

3. Internal measures

3.1. Code of Conduct

In 2023, the PIERER Mobility Group revised its Code of Conduct, which defines the Group's ethical principles and values, expected behavior and responsibilities of individuals as well as minimum common standards. New contractual relationships of the PIERER Mobility Group in the supplier sector and when concluding import contracts will be subjected to the Code of Conduct. In the coming years, the conclusion of significant investment contracts (investment amount exceeding EUR 300,000.00) will be gradually subjected to the principles and values of the Code of Conduct.

The Code of Conduct is permanently online available to all employees on the intranet and to third parties on the company website. The Code of Conduct is prominently featured on the Group's intranet on an annual basis and distributed to new employees as part of their welcome package. Further, the PIERER Mobility Group offers tailored trainings to promote awareness of compliance matters. Evidently, Compliance trainings are extended to managers and staff in sensitive areas such as Human Resources, Purchasing, Sales, Research and Development, Marketing, and Quality Management as well as executive board members, supervisory board members, and general managers..

3.2. Whistleblower system

Every employee may report any rule violations, for example human rights violations or a suspected violation, to the competent office for compliance issues by e-mail, phone, post or in a face-to-face conversation. In December 2021, the PIERER Mobility Group has implemented an anonymous whistleblower system, allowing employees to report rule violations anonymously. To protect the anonymity of the whistleblower and the confidentiality of future reports as best as possible, a system of an external, independent provider was implemented for this purpose. The whistleblower system is currently available 24/7 to all employees of the European-based subsidiaries of the PIERER Mobility Group in English as well as in the respective national language of the whistleblower and complies with the requirements of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons reporting infringements of Union law ("EU Whistleblower Directive").

The anonymous whistleblower system warrants the highest possible protection for whistleblowers and those affected. When dealing with and investigating suspicious cases, the principle of objective

clarification as well as strict confidentiality and secrecy applies. If a suspicious case is confirmed, the PIERER Mobility Group will take appropriate measures depending on the severity and relevance of the rule violation. The exchange of information and messages with the legal department takes place via a secure mailbox maintaining the anonymity and protection of the whistleblower. All reports are treated as strictly confidential. All information is examined and, if a suspicious case is confirmed, appropriate measures are taken to remedy and eliminate possible grievances. Whistleblowers do not need to fear any sanctions from the PIERER Mobility Group from a report of a suspicious case which is submitted to the best of their knowledge and belief, and absolutely no discrimination against whistleblowers will be tolerated.

In addition to information about the classic reporting channels, the link to the whistleblower system, explanations on how it works, on the principles of confidentiality and protection of the anonymity of the whistleblower as well as protection against retaliation are permanently available to employees on the intranet site of the legal department and are also posted on the "notice boards" at the production sites in Mattighofen and Munderfing. While undertaking the e-learning training "Compliance and Code of Conduct", participants are guided through different channels available for reporting compliance violations.

4. Measures in the supply chain

4.1. Sustainability Assessment

In order to enhance the sustainability of the supply chain, a due diligence framework including pertinent measures, has been devised to proactively identify, among other factors, potential human rights risks and their associated impacts. In 2022, the ESG platform SupplierAssurance was introduced, offering a self-report questionnaire (SAQ)¹ to assess the sustainability of suppliers. Based on the information provided, it is possible to identify and avoid risks at an early stage and - if necessary - initiate adequate measures. After checking the data against the minimum requirements of the PIERER Mobility Group and corresponding evaluation, recommendations for action will be defined, which offers the option of continuous improvement. The minimum requirements are based on PIERER Mobility Group's own standards, in particular the Code of Conduct. Guidelines pertaining on working conditions and human rights, occupational health and safety, and ethical business practices are established to outline the actionstakten by suppliers in these areas. In instances where the stipulated criteria are not met, a "red status" designation is assigned, and specific corrective measures are jointly agreed. To address these matters systematically, special training sessions are offered to employees of the purchase department on an annual basis.

4.2. Demands placed on contractual partners regarding sustainability

The revised Code of Conduct is integrated into all new contracts. Every prospective contractual partner seeking to engage in business with the PIERER Mobility Group is now required to acknowledge and

¹ 1 Reference is made to the documents "Sustainability Assessment" and "Guidelines for the Supplier/Assurance Platform" which are available online: See Downloadcenter / Processes& Methods under <https://ktmgroup.com/einkauf/>

adhere to the ethical principles and values, expected behavior and responsibilities of individuals as well as minimum common standards defined in the Code of Conduct.

To uphold the respect for human rights, the PIERER Mobility Group follows these measures:

- 4.2.1. **Prevention:** The Code of Conduct is integrated into all new contracts, making the adherence to human rights an inherent contractual obligation for partners.
- 4.2.2. **Investigation:** Upon receiving reports of alleged human rights violations or breaches of the Code of Conduct through tips, media coverage, or other means, the PIERER Mobility Group promptly initiates investigations.
- 4.2.3. **Response:** Upon internal verification of human rights violations or other breaches of the Code of Conduct, the PIERER Mobility Group takes appropriate actions. The primary objective is to rectify and prevent violations while actively enhancing the sustainability practices of business partners, suppliers, customers and advisors. In severe cases or instances of non-compliance, the PIERER Mobility Group retains the right to terminate existing business relationships and suspend future project assignments.